

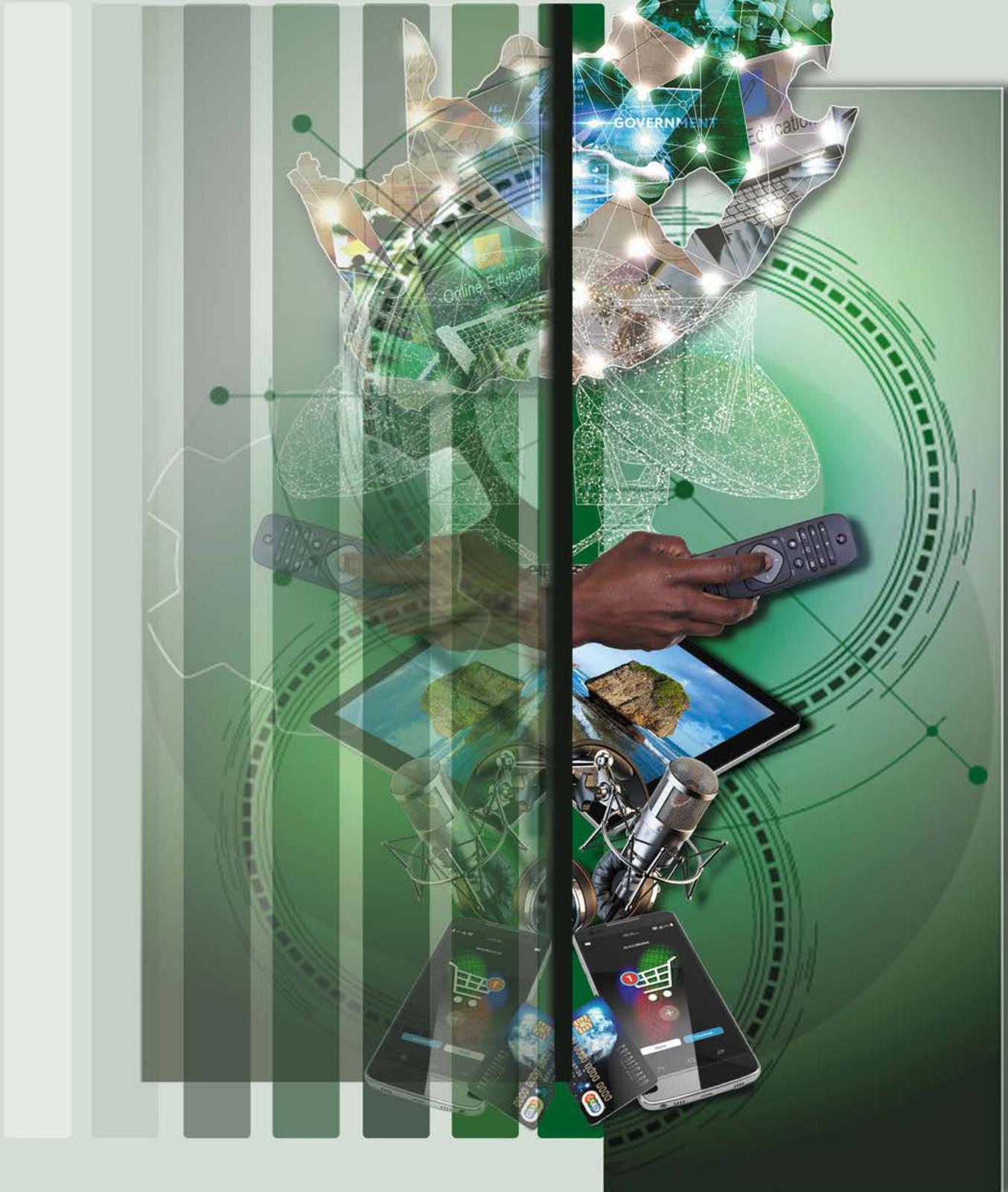


**communications &
digital technologies**

Department:
Communications & Digital Technologies
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT

2020 / 21



A leader in enabling a connected and digitally transformed South Africa



**communications
& digital technologies**

Department:
Communications & Digital Technologies
REPUBLIC OF SOUTH AFRICA

**Submission of the
Department of Communications and Digital Technologies 2020/21 Annual Report**

To the Minister of Communications and Digital Technologies, Ms Khumbudzo Ntshavheni.

I have the honour of submitting to you, in accordance with the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999),
the Annual Report of the Department of Communications and Digital Technologies
for the period 1 April 2020 to 31 March 2021.

A handwritten signature in black ink, appearing to be 'N. Jordan-Dyani', written over a horizontal line.

Ms Nonkqubela Jordan-Dyani
Acting Director-General
Date of submission: 08 September 2021

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PART A

GENERAL INFORMATION



1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

.ZADNA	.ZA Domain Name Authority
4IR	Fourth Industrial Revolution
5G	Fifth Generation
AGSA	Auditor General of South Africa
AI	Artificial Intelligent
APP	Annual Performance Plan
ATU APM	African Telecommunication Union Preparatory Meetings
BBI	Broadband Infracore
BDM	Broadcasting Digital Migration
BRICS	Brazil, Russia, India, China, South Africa
CISCO	Commercial and Industrial Security Corporation
COGTA	Cooperative Governance and Traditional Affairs
COVID-19	Coronavirus Disease of 2019
CSIR	Council for Scientific and Industrial Research
CSIRT	Computer Security Incident Response Teams
CTO	Commonwealth Telecommunication Organization
DBE	Department of Basic Education
DCDT	Department of Communications and Digital Technologies
DOC	Department of Communications
DPME	Department of Performance, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DSI	Department of Science and Innovation
DSBD	Department of Small Business Development
DTC	Digital Transformation Centre
DTH	Direct to Home Television
DTIC	Department of Trade, Industry and Competition
DTT	Digital Terrestrial Television
ECA	Electronics Communications Act
ESEID	Economic Sectors, Employment, and Infrastructure Development
EU	European Union
FOSAD	Forum for South African Director's-General
FPB	Film and Publication Board
GDYC	Gender, Disability, Youth and Children

ICASA	Independent Communications Authority of South Africa
ICT	Information and Communication Technologies
IDTVs	Integrated Digital Television
IECNS	Individual Electronic Communications Network Service
IMT	International Mobile Telecommunications
IT	Information Technology
ITA	Invitation to Apply
ITU	International Telecommunication Union
ITU PP	International Telecommunications Union Plenipotentiary
Ltd	Limited
MOA	Memorandum of Agreement
MP	Member of Parliament
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEMISA	National Electronic Media Institute of South Africa
NMOG	National Macro Organisation of Government
NRFP	National Radio Frequency Plan
OCSLA	Office of the Chief State Law Advisor
PABX	Private Automated Branch Exchange
PAPU	Pan African Postal Union
PC4IR	Presidential Commission on the 4 th Industrial Revolution
PMO	Project Management Office
PMS	Performance Management System
RSA	Republic of South Africa
SA	South Africa
SABC	South African Broadcasting Corporation
SAFTA	South Asian Free Trade Area
SALGA	South African Local Government Association
SAPO	South African Post Office
SEVA	SABC Education Virtual Academy
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SDM	Service Delivery Model
SEDA	Small Enterprise Development Agency
SEIAS	Socio-Economic Impact Assessment System

SIP	Strategic Implementation Plan
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SOC	State-Owned Companies
SOEs	State-Owned Entities
StatsSA	Statistics South Africa
TIA	Technology Innovation Agency
TOR	Terms of Reference
TV	Television
UPU	Universal Postal Union
USA	United State of America
USAASA	Universal Service and Access Agency of South Africa
USAF	Universal Service and Access Fund
WEF	World Economic Forum
WIPO	World Intellectual Property Organisation
WOAN	Wireless Open Access Network
WRC	World Radiocommunication Conference
WSP	Workplace Skills Plan
WTDC	World Telecommunications Development Conference
WTSA	World Telecommunication Standardisation Assembly

3. FOREWORD BY THE MINISTER



From the onset, I would like to acknowledge the work of my predecessors, Minister Stella Ndabeni-Abrahams and Deputy Minister Pinky Kekana for steering the Department through its work as a consolidated Department in the 2020/21 financial year. I am merely reporting on the results of their hard work. The 2020/21 financial year was the first year of the existence of the Department of Communications and Digital Technologies which came into existence on 01 April 2020 through the merger of the Departments of Telecommunications and Postal Services and that of Communications. I am therefore pleased to present the first ever Annual Report of the Department of Communications and Digital Technologies which is mandated to lead South Africa's transition to the digital economy that is inclusive and creates jobs. The 2020/21 financial year has been unprecedented with the advent of the COVID-19 pandemic. The pandemic brought to the fore the stark reality of the digital divide, as the world entered into a "new normal" driven by telecommunicating for both work, education and social interactions. The poor as well as people in townships and rural areas were negatively impacted by a lack of connectivity as work, schooling and general interactions became digital overnight. The affordability of data became a key concern, the same way prices of electricity and water are considered at household level.

This Annual Report is an account of the Department of Communications and Digital Technologies on its performance against the planned targets set for the 2020/21 financial year. During the year under review, the Department commenced with the implementation of its 2020-2025 Strategic Plan which identifies the following outcomes:

- Enabling digital transformation policies and strategies,
- Increased access to secure Digital Infrastructure,
- A transformed digital society,
- A High performing portfolio to enable achievement of their respective mandates.

Our key successes included the development and approval of the Digital Economy Masterplan that will be consulted with key stakeholder and key industries. We also focused on the establishment of the State Digital Infrastructure Company that will consolidate the state technology infrastructure and also coordinate with the ICT Sector on optimisation of key digital infrastructure (public and private). The Department also focused on the development of the draft Data and Cloud Policy, which was published on 01 April 2021 for public comments. The South African Post Office SOC Ltd Amendment Bill and the South African Broadcasting Corporation SOC Ltd Bill were also published for public consultation. We also developed the draft Strategic Implementation Plan (SIP) in order to ensure the implementation of the recommendations of the PC4IR Report.

With regard to the roll-out of broadband infrastructure, we monitored the provision of broadband services to 970 connected sites while simultaneously developing the feasibility study report related to the funding for Phase 2 broadband roll-out. Despite the challenges experienced in relation to the Broadcasting Digital Migration Programme, the Department was able to commence with the distribution and installation of decoders in the targeted Provinces of Free State, Northern Cape, North West and Limpopo. We will prioritise the implementation of the Broadcasting Digital Migration Programme with an aim to conclude the migration by the end of the 2021/22 financial year.

Our SOEs are crucial as they are the service delivery arms of the Department. In order to ensure a high performing portfolio, the Department provided stringent oversight through undertaking an analysis of quarterly performance reports of the State Owned Entities (SOEs). As a newly established Department with a new mandate, we focused on capacitating our staff and addressing skills gaps in line with the mandate of the Department through the development and implementation of a Workplace Skills Plan aligned to the DCDT mandate.

Given that the 2020/21 financial year was the first year that the staff of the former Departments of Telecommunications and Postal Services and Communications came together to deliver on a plan for the DCDT, I would like to thank all staff members for successfully managing this phase of transformation. I would like to take this opportunity to thank the Portfolio Committee for their oversight, guidance and direction. I also thank our SOEs for their dedication and hard work in pursuit of our objectives in striving towards meeting our commitments.

**HON. MINISTER KHUMBUDZO NTSHAVHENI
MINISTER OF COMMUNICATIONS & DIGITAL TECHNOLOGIES**

4. STATEMENT BY THE DEPUTY MINISTER



This Annual Report of the Department of Communications and Digital Technologies represents the first year of implementing the Department's 2020-2025 Strategic Plan. The Department of Communications and Digital Technologies only came into existence in the 2020/21 financial year, through the merger of the Department of Communications and the Department of Telecommunications and Postal Services. This Department plays a very important role in creating an enabling environment for the ICT sector and forge partnerships with the ICT Industry towards strengthening the ICT Sector and increasing contribution towards socio-economic growth and development through leveraging on the opportunities presented by the Fourth Industrial Revolution.

In the previous financial year, the Department established the Presidential Commission on the 4th Industrial Revolution (PC4IR), which was mandated to propose an overarching strategy for the Fourth Industrial Revolution (4IR) and as well as make recommendations regarding the institutional frameworks and roles of various sectors of society within the broader plan. Subsequent to the delivery of the PC4IR Report, during the period under review, the Department established a 4IR Project Management Office to

develop a Strategic Implementation Plan (SIP) focused on the implementation of the recommendations stemming from the PC4IR Report. The SIP was developed, and consultation was conducted in eight (8) Provinces and with 21 national departments. The finalization and Cabinet approval of the SIP will take place in the 2021/22 financial year. Drafting of the Monitoring and Evaluation Framework for the SIP has also commenced during the reporting period.

The COVID-19 pandemic had a great impact on the operations of the DCDT which required the Department to revise its 2020/21 Annual Performance Plan to reprioritise its budget and related programmes. The President announced a R500 billion fiscal support package that included spending towards COVID-19 priorities. National Treasury published the "Economic Measures for COVID-19", outlining an R500bn response, as well as identifying the funding sources for the package. Part of the funding sources for this package was a R130 billion baseline reprioritisation in the 2020/21 financial year. In response to the fiscal support package, the Department contributed R33 million from its 2020/21 Goods & Services budget allocation and a further R78.3 million from the budget allocated to the Broadcasting Digital Migration Programme. This resulted in a budget cut of R111 million in the 2020/21 financial year.

The lessons learned from COVID-19 clearly indicated that it is very crucial that as a sector, we need to work as a collective in order to achieve intended goals and deliver on our mandate. During the reporting period, the Department set up a COVID-19 Project Management Office together with the ICT Industry at large. The Project Management Office and its related Working Groups formed a pivotal coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services to ensure smooth operations of the communications industry as essential services during the disaster period.

To enable Digital Transformation Policies and Strategies, the Department has made considerable progress in developing and approving the Digital Economy Masterplan. Furthermore, a report on the coordination of the implementation of identified priority areas of the Digital Economy Masterplan was generated and approved. Going forward the Department will coordinate and monitor the implementation of the Digital Economy Masterplan. Furthermore, the establishment of the Sector Computer Security Incident Response Teams (CSIRTs), a legal entity called COMRIC has been established, which serves as the CSIRT for the mobile operator's sector. The Hub is exchanging information with COMRIC.

In this rapidly changing world, we can not only lead South Africa towards a digital future, but also contribute to the world's growth in communications and digital technologies. Understanding, developing, and executing integrated strategies that leverage technologies should be a priority for all organisations. Technologies that can improve business can also benefit society and should be used for both. The 4IR can also help government to deliver services and make a positive global impact, a necessity for many stakeholders.

I am truly privileged to be part of this Department which will create a legacy by creating and exploring opportunities of 4IR for all South Africans. An institution of high calibre that will produce new niches for our industry, ensuring sustainable, inclusive growth, and taking decisive steps to close the gaps in the digital divide through skills development, infrastructure, research, and development. I am, therefore, hopeful about what can be achieved through partnership with our industry and society.

MR PHILLY MAPULANE
DEPUTY MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES

5. REPORT OF THE ACCOUNTING OFFICER

Ms Nonkqubela Thathakahle Jordan-Dyani
Acting Director-General
Department of Communications and Digital
Technologies



Overview of the operations of the department:

The 2020/21 financial year was momentous in that it was not only the first year of implementing the Department's 2020-2025 Strategic Plan but was also the first year of existence of the Department of Communications and Digital Technologies. The Department of Communications and the Department of Telecommunications and Postal Services ceased to exist on 31 March 2020 and through their merger, the Department of Communications and Digital Technologies came into existence on 01 April 2020. This merger was a period of transformation and change management as for the first time both Departments jointly functioned towards delivering on our priorities, as identified in our 2020-2025 Strategic Plan and the 2020/21 targets of our Annual Performance Plan. Our planning was disrupted by the COVID-19 pandemic, however the Department and the sector responded to the challenges with agility by deploying ICT/ digital technologies during lockdown so to enable remote-working and functioning of the country. The Department's response was instrumental in developing regulations to assist our country to function safely under these circumstances.

In an effort to implement its 2020/21 legislative programme, the Department focused on the development of several pieces of legislation and strategies as part of contributing to Outcome 1: Enabling digital transformation policies and strategies. Key to this was the development and approval of the Digital Economy Masterplan aimed at digitally empowering South Africans to create and participate in tech-enabled opportunities that drive inclusiveness, employment, and economic transformation across the country. It is envisaged that the implementation of the Digital Economy Masterplan will increase the economic contribution of SMMEs by significantly increasing the opportunities available to them, which in turn will impact on the creation of new jobs. We further undertook to reconfigure the State-Owned Entities under our portfolio to be in line with our new mandate. We have commenced with the establishment of the State Digital Infrastructure Company as well as the reconfiguration of the State Information Technology Agency (SITA) into the State Digital Services Company. In this regard, we have developed draft Business Cases for both Companies which will inform the development of relevant Bills.

During the reporting period, the Department developed the draft Data and Cloud Policy, which seeks to create a conducive enabling environment for the data ecosystem to promote skills enablement and the establishment of a supportive regulatory environment. On 01 April, we published the Data and Cloud Policy for public comments. The Department also developed the draft South African Post Office SOC Ltd Amendment Bill and the draft South African Broadcasting Corporation SOC Ltd Bill which were submitted to Cabinet for public consultation approval. Following the Cabinet approval of the Report of the Presidential Commission on the Fourth Industrial Revolution (PC4IR), the 4IR Project Management Office within the Department, developed the draft Strategic Implementation Plan (SIP) to ensure that the recommendations of the PC4IR Report are implemented by relevant stakeholders.

With regards to Outcome 2: Increased access to secure Digital Infrastructure, the Department revised the National Radio Frequency Plan, in line with WRC-19 Outcomes, for subsequent publication by ICASA. The Department monitored the provision of broadband services to 970 connected sites while also conducting the feasibility study for Phase 2 funding, which resulted in the development of the feasibility study report that was submitted to the Development Bank of South Africa. The Department experienced challenges with regards to the Broadcasting Digital Migration Programme largely due to delays in the finalisation of the Service Level Agreement between USAASA and Sentech as well as delays in the finalisation of the voucher distribution system for implementation by USAASA. However, despite such challenges, the Department was able to commence with the distribution and installation of decoders in the targeted Provinces of Free State, Northern Cape, North West and Limpopo. In addition, the Department established a legal entity called COMRIC which serves as the Cybersecurity Incident Response Team for the mobile operator's sector, and we developed the draft Policy Direction on 5G Spectrum.

In its efforts to deliver Outcome 3: A transformed digital society, our key achievements include monitoring the implementation of the National e-Government Strategy and Roadmap, towards digitalization of government services, which entailed the implementation of the e-Services portal in collaboration with SITA. The Department also focused on the implementation of the Digital and Future Skills Strategy through the development of the Digital and Future Skills Implementation Programme and the establishment of the Digital Skills Forum. Furthermore, the implementation of training on Coursera online digital skills was facilitated through NEMISA.

With regards to Outcome 4: High performing portfolio to enable achievement of their respective mandates, the Department undertook analysis of quarterly performance reports of the State-Owned Entities (SOEs) as well as facilitated the tabling of the Annual Reports of its SOEs. In order to capacitate our staff and address skills gaps in line with the mandate of the Department, a Workplace Skills Plan aligned to DCDT mandate was developed and implemented. In

an effort to move towards a paperless organisation, the Department also developed a Digital Transformation Strategy focused on automating its business processes and systems.

In terms of performance against the 2020/21 Annual Performance Plan (APP), the Department committed to achieve 32 annual targets during the reporting period. The Department achieved 16 (50%) annual targets while spending 97% of its budget allocation. Payment of transfers to Entities represented 78.5% of the total budget allocation. The rest is attributed to spending on the business plans and monthly administrative commitments as well as advances paid to BBI (R 105 million).

Overview of the financial results of the Department:

Departmental receipts

Departmental receipts	2020/2021			2019/2020		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	75	95	(20)	166	108	58
Transfers received	-	-	-	-	360	(360)
Fines, penalties, and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	664 989	104 821	560 168	602 568	665 866	(63 298)
Sale of capital assets	15	639	(624)	19	484	(465)
Financial transactions in assets and liabilities	61	173	(112)	(1623)	(1 254)	369
Total	665 140	105 728	559 412	601 130	665 564	(63 696)

Included in the total revenue is interest received from SABC on the loan No.14 in terms of Section 30(1) of the Exchequer Act, (Act No 66 of 1975) at an interest rate of 6,5% p.a., payable on 31 January and 31 July. There was a significant drop in the dividend collection from Telkom during 2020/21 financial year. This is due to Telkom suspending its dividend policy for the next three years to use the funds to participate in the spectrum auction and the prioritisation of capital investments over dividend pay-outs. The sale of Capital is from the auction of assets that was held in March 2021.

Programme Expenditure

Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	260 262	215 901	44 361	320 202	273 049	47 153
ICT International Relations and Affairs	63 114	61 450	1 664	54 610	53 149	1 461
ICT Policy Development and Research	52 368	36 067	16 301	47 035	33 845	13 190
ICT Enterprise Development and Public Entity Oversight	1 789 931	1 783 968	5 963	5 368 062	5 350 571	17 491
ICT Infrastructure Development and Support	1 039 854	1 017 415	22 439	601 267	581 308	19 959

Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
ICT Information Society and Capacity Development	75 399	49 824	25 575	66 489	60 600	5 889
Total	3 280 928	3 164 625	116 303	6 457 665	6 352 521	105 143

The Department had a total adjusted appropriation of R3.281 billion for the 2020/21 financial year. The adjusted allocation for 2020/21 was decreased by R3.177 billion (49%) as compared to the previous financial year allocation of R6.458 billion. The major reduction of expenditure in the current financial year is due to the R3.2 billion financial bailout to the South African Broadcasting Corporation (SABC) to cater for the public broadcaster's long outstanding debts, investment in new and compelling content; and upgrading of dilapidated infrastructure. Of the total allocation, transfers and subsidies amount to R 2.574 billion (78.5%) of the budget. These transfers were mainly to departmental agencies and accounts. The allocation for goods & services amounted to R 372.9 million (11.3%) of the total budget. The allocation for compensation of employees amounted to R 302.2 million (9.2%), while R 31.8 million (1%) was allocated as payment for capital assets.

The spending for the 2020/21 financial year amounts to R 3.165 billion (97%) of the adjusted budget of R3.281 billion, resulting in under-spending of R 116.3 million (3%). The underspending was mainly due to payment for capital assets as a result of vehicles in the procurement process, and slow implementation of the PABX and Digitisation projects. Underspending under goods and services is mainly due to non-implementation of projects due to slowed down activities of the department as a result of the nationwide lockdown as announced by the President of the country to curb the spread of COVID-19. The underspending on compensation of employees was mainly as a result of critical vacancies not filled due to the merger and moratorium that was put in place until the new organisational structure is finalised. The salary adjustment was not implemented during 2020/21 financial year but was provided for.

The spending trends per programme are outlined below:

Programme 1: Administration

The programme had a final budget of R260.3 million and expenditure amounted to R 215.9 million (83%) in the current financial year, compared to R 273 million expenditure in the 2019/20 financial year.

Programme 2: ICT International Relations and Affairs

The programme had a final budget of R 63.1 million and expenditure amounted to R61.5 million (97%) in the current financial year, compared to R 53.1 million expenditure in the 2019/20 financial year.

Programme 3: ICT Policy Development and Research

The programme had a final budget of R 52.4 million and expenditure amounted to R 36.1 million (69%) in the current financial year, compared to R 33.8 million expenditure in the 2019/20 financial year.

Programme 4: ICT Enterprise Development and Public Entity Oversight

The programme had a final budget of R 1.790 billion and expenditure amounted to R 1.784 billion (99%) in the current financial year, compared to R 5.4 billion expenditure in the 2019/20 financial year. Major reduction of expenditure in the current financial year is due to the R3.2 billion financial bailout to the South African Broadcasting Corporation (SABC) to cater for the public broadcaster's long outstanding debts, investment in new and compelling content; and upgrading of dilapidated infrastructure.

Programme 5: ICT Infrastructure Development and Support

The programme had a final budget of R 1.040 billion and expenditure amounted to R 1.017 billion (98%) in the 2020/21 financial year as compared to expenditure of R 581.3 million in the 2019/20 financial year. The increase of expenditure in the current financial year is due to the transfer made to Universal Service and Access Fund for Broadcasting Digital Migration project.

Programme 6: ICT Information Society and Capacity Development

The programme had a final budget of R 75.4 million and expenditure amounted to R 49.8 million (66.1%) in the current financial year, compared to R 60.6 million expenditure in the 2019/20 financial year.

Virements/roll overs

Virements as reflected on the Appropriation Statement were applied in terms of section 43(1) of the Public Finance Management Act, 1999 (Act 1 of 1999) which stipulates that virements may not exceed 8% of amount appropriated under that main division. Funds amounting to R20.4 million from programmes 1, 3 and 4 were transferred respectively to Programme 2 and 6. Programme 2 was overspending under compensation of employees.

No roll-overs were approved by National Treasury to 2020/21 financial year.

Unauthorised, Irregular, fruitless and wasteful Expenditure

The Department did not incur any unauthorised expenditure during the period under review. The irregular expenditure under assessment, as disclosed in the notes, amount to R1.071 million was incurred by the Department during the year under review. The irregular expenditure under assessment, as disclosed in the notes, amount to R12.871 million. No

Fruitless and Wasteful expenditure was incurred during the financial year.

Strategic focus over the short to medium term period

Over the medium-term, the Department will continue implementing its mandate of "Leading South Africa's digital transformation to achieve digital inclusion that must result in economic growth through creating an enabling policy and regulatory environment". In so doing, the DCDT will concentrate on its identified outcomes for the medium-term which focuses on (1) Enabling Digital transformation policies and strategies, (2) Increased access to secure Digital Infrastructure, (3) a Transformed digital society and (4) a High performing Portfolio to enable achievement of their respective mandates, all of which will contribute to achieving the desired impact of "Digitally enabled citizens with secure and affordable universal access".

During the upcoming short to medium term, the Department will prioritise its relevant targets as committed to in the Medium-Term Strategic Framework (MTSF) which outlines specific outcomes and priorities focused at addressing the challenges of poverty, inequality, and unemployment. With regards to the Outcome of Enabling digital transformation policies and strategies, the Department will focus largely on creating a conducive policy environment through the development and review of relevant enabling policies, legislation and strategies including the development of the South African Post Office SOC Ltd Amendment Bill, the Data and Cloud Policy as well as the Audio and Audio-visual Content Services Policy. The Department will also focus on finalising the development of the Business Cases for the State Digital Services Company Bill and the State Digital Infrastructure Company Bill, followed by the development of relevant legislation in this regard.

With regards to the Outcome of Increased access to secure digital infrastructure, our main focus will be on accelerating the implementation of the roll out of SA Connect as well as finalising the implementation of the Broadcasting Digital Migration. Over the medium-term, the Department will prioritise the sourcing of funding for Phase 2 of Broadband rollout and facilitating subsidised digital television installations in all provinces to enable analogue transmission switch-off. Another key focus will be on preparations for the World Radio-communication Conference (WRC) taking place in 2023, through conducting preliminary technical and regulatory studies to inform South Africa's position for WRC-23.

In order to realise Outcome 3: a Transformed digital society, the Department will focus on the implementation of the National e-Government Strategy and Roadmap towards the digitalization of government services, as well as facilitating and monitoring the implementation of the Digital and Future Skills Programme.

Significant to the delivering on our mandate is to have in place a High performing Portfolio to enable achievement of their respective mandates. In this regard, the Department will prioritise the finalisation and implementation of the DCDT organisational structure which is aligned to its mandate and strategy. The Department also aims to move towards a paperless organisation through the implementation of our Digital Transformation Strategy. This will allow for seamless and efficient implementation of our policies, processes, and management decisions through the implementation of digital transformation priority interventions. In terms of our SOEs, the Department will ensure stringent and proactive oversight of their service delivery performance and compliance against plans and relevant prescripts as well as facilitate the development of Shareholder Compacts of Schedule 2 and 3B entities.

Over the short to medium term, the Department will continue to engage and respond to the changing technological environment, and to consider the opportunities and challenges they pose. In so doing, we will seek to build on the insights provided by the report of the Presidential Commission on the 4th Industrial Revolution through the finalisation, approval, and subsequent implementation of the Strategic Implementation Plan (SIP) as well as the implementation of the Digital Economy Masterplan. This sector remains key to the future reform and economic recovery plans of the country and therefore, the acceleration of digital transformation across the board will be the foundation of all our priorities over the short and medium term.

Public Private Partnerships

None

Discontinued key activities / activities to be discontinued

None

New or proposed key activities

None

Supply chain management

The Department did not have unsolicited bid proposals during the year under review. Irregular expenditure has been dealt with in line with the guidelines from National Treasury. The Supply Chain Management (SCM) policies, procedures and delegations have been put in place to ensure more stringent controls to prevent irregular expenditure. All the bid committees are in place, namely: Specification, Evaluation and Adjudication. There are capacity constraints in the Supply Chain Unit that are negatively impacting on addressing irregular expenditure from previous financial years.

Gifts and Donations received in kind from non-related parties

DONOR	REASONS FOR DONATION	AMOUNT DONATED R,000
DELOITTE	Sponsor to provide IOON developing a post COVID -19 strategy	427
DFA	Provide Fibre infrastructure for Covid-19 priority sites	163
TRANSNET	Offer to Connect Critical health sales	603
YAHCLICK	Support Covid 19 clinic connectivity	7 900
Total		9 093

Exemptions and deviations received from the National Treasury

There were no exemptions granted by National Treasury. A Deviations Register was maintained by the Department wherein approvals from National Treasury are recorded.

Events after the reporting date

None

Other

None

Acknowledgment/s or Appreciation

I would like to take this opportunity to sincerely thank the former Minister, the Hon. Ms Stella Ndabeni-Abrahams and the former Deputy Minister, the Hon. Ms Pinky Kekana for their strategic leadership and guidance, specifically through a financial year which not only saw both the Department of Communications and the Department of Telecommunications and Postal Services merging to form the new Department of Communications and Digital Technologies from 01 April 2020, but also a year that was severely impacted by the COVID19 pandemic.

I must also acknowledge and appreciate the Department's employees, the governance committees and the executive team for their dedication and commitment during the period under review. Their efforts ensured that the Department remained fully operational through the challenges brought about by the COVID-19 pandemic which were not in our control and required decisive leadership. I must also acknowledge the colleagues within the Department and the SOEs that we lost due to the pandemic and convey my condolences to their families and loved ones. Appreciation also goes out to the Parliamentary Oversight Committees as well as our State-Owned Entities (SOEs) for their support and contribution towards the achievement of the planned government outcomes.

I convey my gratitude to the COVID-19 Project Management Office that was set up together with Departmental Officials and the ICT Industry at large. The Project Management Office and its related Working Groups formed a pivotal coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services to ensure smooth operations of the communications industry as essential services during the disaster period. The Department, together with the ICT sector, played a critical role to ensure the continued functioning of our economy, by

putting in place special measures that helped many businesses and the education system to continue operating during the COVID-19 lockdown. SAPO also played an important role in the distribution of social grants to those in need.

I also acknowledge and appreciate the invaluable partnerships forged with the ICT Industry as we work together towards strengthening the ICT Sector and increasing our contribution towards socio-economic growth and development through leveraging on the opportunities presented by the Fourth Industrial Revolution.

Conclusion

During the reporting period, the Department did not perform as well as in the previous financial years. However, such performance must be considered in context of the challenges that the Department faced which were largely brought about by the disruptions caused by the COVID-19 pandemic. However, through the commitment of the political leadership and management, we ensured business continuity and forged ahead. Furthermore, the COVID-19 pandemic has accelerated the uptake and usage of digital technologies as we increasingly embark on remote working, demonstrating that our future is increasingly digital.

Going forward, as we focus on implementing the recommendations of the PC4IR through the Strategic Implementation Plan, we look forward to the full cooperation and partnership from not only the ICT sector but a multitude of sectors as well as other government Departments. I look forward to working closely with the newly appointed Minister, the Hon. Ms Khumbudzo Ntshavheni, and the Deputy Minister, the Hon. Mr Philly Mapulane going forward.



Ms Nonkqubela Jordan-Dyani
Acting Accounting Officer
Department of Communications and Digital Technologies
Date: 08 September 2021

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2021.

Yours faithfully



Ms Nonkqubela Jordan-Dyani
Acting Accounting Officer
Department of Communications and Digital Technologies
Date: 08 September 2021

7. STRATEGIC OVERVIEW

7.1 Vision

South Africa as a global leader in the development and use of information and communications technologies for socio-economic development.

7.2 Mission

Building a better life for all through an enabling and sustainable world class information technology environment.

7.3 Values

- Transparency;
- Respect;
- Accountability
- Fairness;
- Integrity;
- Excellence; and
- Innovation.

8. LEGISLATIVE AND OTHER MANDATES

Following the May 2019 National Elections, the President pronounced the establishment of the National Department of Communications and Digital Technologies. Accordingly, the Presidential Proclamations in Government Gazette dated 14 August 2019 (President Minute: 372) confirmed the transfer of administration, powers and functions entrusted by legislation to the Minister of Communication in terms of Section 97 of the Constitution.

Name of Act Purpose	Purpose
Sectech Act, 1996 (Act No.63 of 1996)	To provide for the transfer of all the shares of the South African Broadcasting Corporation in Sentech (Pty) Ltd. to the State; for the conversion of Sentech (Pty) Ltd. from a private to a public company - Sentech Ltd; for the control of Sentech Ltd; and for matters connected therewith.
Former States Posts and Telecommunications Act, 1996 (Act No. 5 of 1996)	To provide for the integration of the Departments of Posts and Telecommunications of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei with Telkom SA Limited and the South African Post Office Limited; the transfer of the postal and telecommunications enterprises by those departments, as well as certain land used by them for that purpose, to the said companies; and to provide for matters connected therewith.
Former States Broadcasting Reorganisation Act, 1996 (Act No. 91 of 1996)	To provide for the integration of the Departments of Posts and Telecommunications of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei with Telkom SA Limited and the South African Post Office Limited; the transfer of the postal and telecommunications enterprises by those departments, as well as certain land used by them for that purpose, to the said companies; and to provide for matters connected therewith.

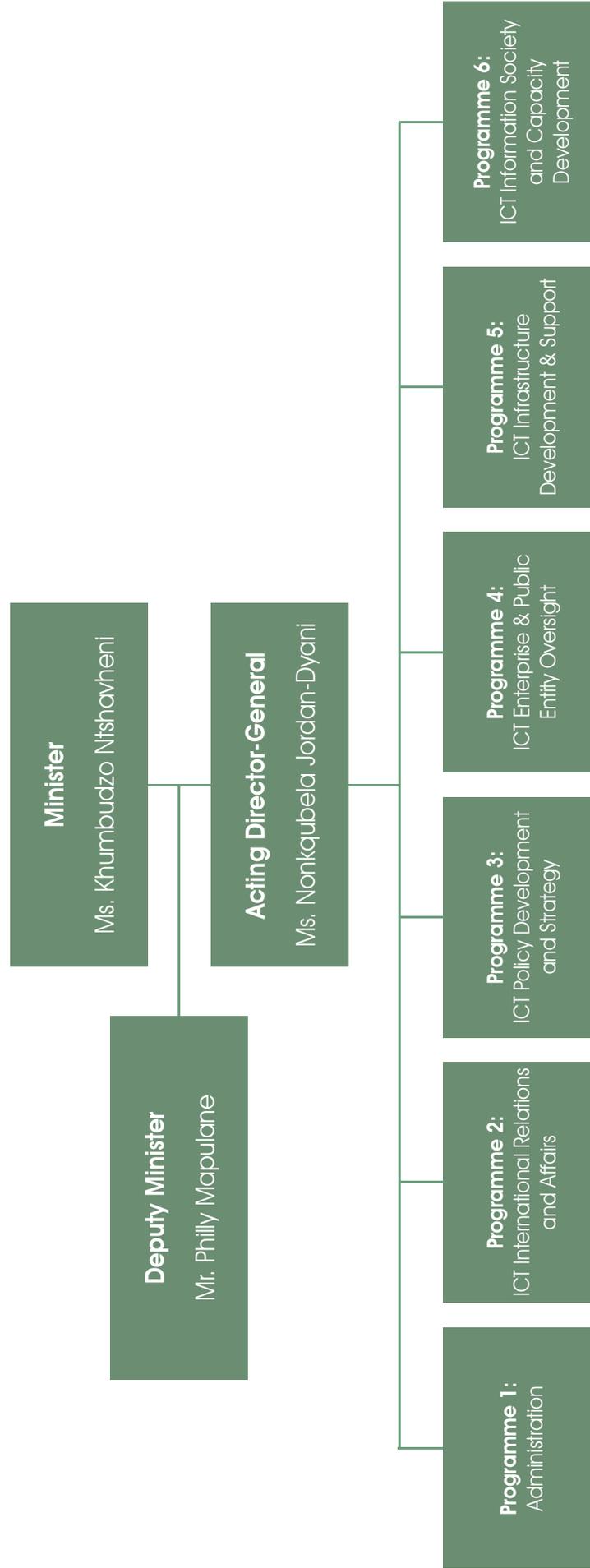
Name of Act Purpose	Purpose
Former States Broadcasting Reorganisation Act, 1996 (Act No. 91 of 1996)	To provide for the integration of the Departments of Posts and Telecommunications of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei with Telkom SA Limited and the South African Post Office Limited; the transfer of the postal and telecommunications enterprises by those departments, as well as certain land used by them for that purpose, to the said companies; and to provide for matters connected therewith.
Postal Service Act, 1998 (Act No. 124 of 1998)	To make new provision for the regulation of postal services; the operational functions of the postal company, including its universal service obligations structural matters relating to postal services, as well as the operation of the Postbank and National Savings Certificates; and to consolidate certain provisions relating to the postal company and amend or repeal others; and to provide for matters connected therewith.
Department of Communications Rationalisation Act, 1998 (Act No. 10 of 1998)	To provide for the rationalisation of the Department of Communications; and matters connected therewith.
Electronic Communications and Transactions Act, 2002 (Act No. 25 of 2002)	To provide for the facilitation and regulation of electronic communications and transactions; the development of a national e-strategy for the Republic; to promote universal access to electronic communications and transactions and the use of electronic transactions by Small, Medium and Micro-sized Enterprises (SMMEs); to provide for human resource development in electronic transactions; to prevent abuse of information systems; to encourage the use of e-Government services; and to provide for matters connected therewith.
Electronic Communications Act, 2005 (Act No. 36 of 2005)	To promote convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting services; to provide for the granting of new licenses and new social obligations; to provide for the control of the radio frequency spectrum; to provide for the continued existence of the Universal Service Agency and the Universal Service Fund; and to provide for matters incidental thereto.
Independent Communications Authority of South Africa, 2000 (Act No. 13 of 2000)	In so far as the Independent Communication Authority may make recommendations to the Minister on policy matters and amendments to the Electronic Communications Act, No 36 of 2005 and the Postal Services Act, No 124 of 1998, which accord with the objectives of these Acts to promote development in the electronic transactions, postal and electronic communications sectors. Furthermore, in so far as policy made, and policy directions issued, by the Minister in terms of the Postal Services Act, No 124 of 1998, the Electronic Communications Act, No 36 of 2005 and any other applicable law.
South African Post Bank Limited Act, 2010 (Act No. 9 of 2010)	To provide for the incorporation of the Postbank Division of the South African Post Office; to provide for the transfer of the enterprise of that Division to the Postbank company; to provide for the governance and functions of the Postbank company; and to provide for matters connected therewith.
South African Post Office SOC Ltd Act, 2011 (Act No. 22 of 2011)	To provide for the continued corporate existence of the South African Post Office and its subsidiaries; to provide for its governance and staff; and to provide for matters connected therewith.

Name of Act Purpose	Purpose
State Information Technology Agency Act, 1998 (Act No. 88 of 1998)	To provide for the establishment of a company that will provide information technology, information systems and related services to, or on behalf of, participating departments and in regard to these services, act as an agent of the South African Government; and to provide for matters connected therewith.
Broadband Infraco Act, No. 33 of 2007.	To provide for the main objectives and powers of Broadband Infraco (Proprietary) Limited; to provide for the borrowing powers of Broadband Infraco (Proprietary) Limited; to provide for servitudes and additional rights in favour of Broadband Infraco (Proprietary) Limited; to provide for the expropriation of land or any right in land by the Minister on behalf of Broadband Infraco (Proprietary) Limited; to provide for the conversion of Broadband Infraco (Proprietary) Limited; into a public company having a share capital incorporated in terms of the Companies Act, 1973; and to provide for matters connected therewith.

In executing its role, the Department is also guided by the following legislation, amongst others:

- The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996);
- The Public Service Act, 1994 (Act 103 of 1994) as amended; and
- The Public Finance Management Act, 1999 (Act 1 of 1999) as amended.

9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MINISTER

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
NEMISA	The National Electronic Media Institute of South Africa was established as a non-profit institute of education by the Department of Communications in terms of the Companies Act (1973).	Transfer of funds	Offers national certificates and short courses in the areas of television production, animation and radio production. The institute's programmes are structured to enhance the market readiness of students in a wide range of broadcasting disciplines. Deliver digital skills training interventions to enable South Africa's citizens to participate in the digital economy.
USAASA	The Universal Service and Access Agency of South was established in terms of section 80 of the Electronic Communications Act (ECA) No. 36 of 2005 as statutory body.	Transfer of funds	To promote universal service and access in under-served areas.
USAF	The Universal Service and Access Fund was established in terms of section 89 (1) of the Electronic Communications Act (2005).	Transfer of funds	To make payments for subsidies towards the provision of ICT services, as well as the construction or extension of electronic communications for needy person in under-served areas.
ZADNA	ZADNA is a statutory, not-for-profit entity established in terms of Chapter Ten of the Electronic Communications and Transactions (ECT) Act 25 of 2002.	Self-funded	To administer, manage and regulate the .ZA namespace.
SAPO	The South African Post Office is a government business enterprise that is required to provide postal and related services to the public. It derives its mandate from the South African Post Office SOC Ltd Act (2011) and the South African Postbank Limited Act (2010).	Transfer of funds	It has an exclusive mandate to conduct postal services and makes provision for the regulation of postal services and operational functions of the postal company, including universal service obligations and the financial services activities of Postbank.
SITA	The State Information Technology Agency is governed by the State Information Technology Agency Act (1998), as amended. The Agency is responsible for the provision of IT services to Government. The Act separates the Agency's services into mandatory services and non-mandatory.	Self-funded	Provisioning and procurement of ICT goods and services on behalf of Government departments and public entities.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
BBI	<p>Broadband Infraco's legislative mandate is set out in the Broadband Infraco Act no. 33 of 2007. The main objectives as set out in the Broadband Infraco Act are to expand the availability and affordability of access to electronic communications:</p> <p>Including but not limited to under-developed and under-serviced areas;</p> <p>In support of projects of national interests;</p> <p>In accordance with the Electronic Communications Act and commensurate with international best practice and pricing; and</p> <p>Through the provision of electronic communications network services and electronic communications services.</p>	Self-funded	<p>Ensures that the high-capacity connectivity and bandwidth requirements for specific projects of national interests are met. BBI is a Tier-1 Shareholder in the WACS under-sea cable that provides international internet broadband connectivity via the West Coast of Africa to Portugal and London. The company also plays a crucial role in providing connectivity to other companies in the neighbouring countries (SADC)</p>
SENTECH	<p>Sentech was licensed through the Telecommunications Amendment Act (2001) as a state-owned enterprise to provide common carrier broadcasting signal distribution services to licensed broadcasters in South Africa.</p>	Transfer of funds	<p>Provides signal distribution services in the broadcasting industry.</p>
SABC	<p>The mandate of the South African Broadcasting Corporation SOC Limited (SABC) as a public broadcaster is defined in terms of the following statutes:</p> <ul style="list-style-type: none"> ▪ The Constitution of the Republic of South Africa, No. 108 of 1996; ▪ The Broadcasting Act No. 4 of 1999, as amended; ▪ The Independent Communications Authority of South Africa Act No. 13 of 2002, as amended; ▪ The Electronic Communications Act No. 36 of 2005, as amended. 	Mixture of government funding and self-funding	<p>Providing public broadcasting and commercial services, whether by analogue or digital means, and providing radio and TV programmes of information, education and entertainment funded by advertising, subscription, sponsorship, licence fees or any other means of finance</p>

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
ICASA	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	Transfer of funds	Monitors licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.
FPB	The Film and Publications Board was established in terms of Films and Publications Act of 1996 to Regulate the creation, production, possession, and distribution of certain publications and certain films by means of classification, the imposition of age restrictions, and giving of consumer advice.	Transfer of funds	Ensures protection of children against premature exposure to adult experiences and harmful materials; provides consumer advice to enable adults to make informed viewing, reading, and gaming choices, for themselves and for children in their care; as well as criminalising child pornography.

PART B

PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 127 of the Report of the Auditor General, published as Part E: Financial Information.

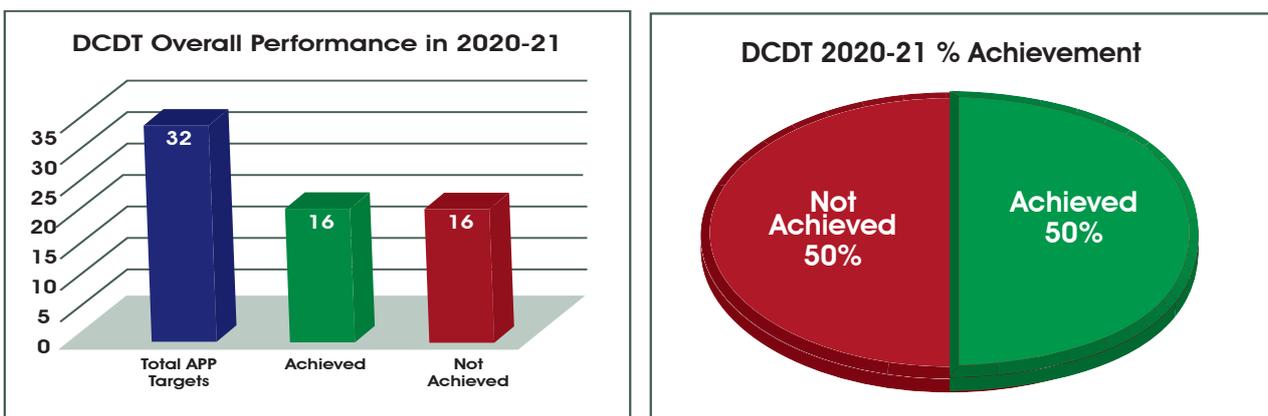
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

During the reporting period, the advent of the COVID-19 pandemic required the Department to revise its 2020/21 Annual Performance Plan which was tabled in July 2020. The 2020/21 Annual Report covers both the initial APP which was in effect in quarter one as well as the revised APP which was in effect from quarter 2 onwards. During quarter 1 of the 2020/21 financial year, government had to reprioritise its budget and related programmes in light of COVID-19. On 21 April 2020, the President announced a R500 billion fiscal support package that included spending towards COVID-19 priorities. On 30 April National Treasury published the "Economic Measures for COVID-19", outlining an R500bn response, as well as identifying the funding sources for the package. Part of the funding sources for this package was a R130 billion baseline reprioritisation in the 2020/21 financial year. In response to the fiscal support package, the Department contributed R33 million from its 2020/21 Goods & Services budget allocation and a further R78.3 million from the budget allocated to the Broadcasting Digital Migration Programme. This resulted in a budget cut of R111 million in the 2020/21 financial year.

Over and above the budget cut related to COVID-19, which impacted on planned targets, the revision of the 2020/21 Annual Performance Plan had to also take into consideration the fact that during quarter one of the 2020/21 financial year, several key senior staff members had to focus on COVID-19 related priorities through participation in the COVID-19 Project Management Office, which in essence meant that such staff members could not focus on the planned quarter 1 targets in the APP. This resulted in a backlog of certain Quarter 1 targets which created a knock-on effect on the outer quarters. Where possible, the Department was able to catch up on the delays however in certain instances, Annual Targets that were affected and had to be revised accordingly. Furthermore, given the fact that the APP was developed prior to COVID-19, the Department had to reconsider the mode of delivery of its planned targets and revise the APP accordingly, in line with the "new way of working or the new normal". This largely affected International relations targets which requires international travel as well as attendance to relevant international forums which were either postponed or cancelled. Additionally, given the refocus of Cabinet priorities, quarterly targets related to Cabinet approval had to be reconsidered accordingly in terms of its timing, while ensuring that the Annual targets are still achieved where possible.

In terms of the performance against its 2020/21 Annual Performance Plan, the Department planned to achieve 32 targets within the 2020/21 financial year. Of the 32 planned targets, the Department was able to achieve 16 targets which equates to 50% achievement, as depicted in the graphs below:



During the period under review the Department of Communications and Digital Technologies was able to deliver on 16 of its 32 predetermined targets. Such key achievements can be summarised as follows:

- Development, approval and implementation of identified priority areas of the Digital Economy Masterplan
- Revision of the National Radio Frequency Plan in line with WRC-19 Outcomes
- Monitoring the provision of broadband services to all 970 connected sites

- Undertaking the feasibility study for Phase 2 funding of broadband roll-out
- Coordinating and monitoring the implementation of the National e-Government Strategy and Roadmap, towards digitalization of government services
- Revision of the International engagement strategy aligned to the mandate of the DCDT
- Development and implementation of the Workplace Skills Plan aligned to the DCDT mandate
- Development and implementation of priority interventions related to the Integrated DCDT Digital Transformation Strategy

The Department did however experience varying levels of under-achievement against planned targets in relation to key programmes such as the Broadcasting Digital Migration, the South African Post Office SOC Ltd Amendment Bill, the South African Broadcasting Corporation SOC Ltd Bill, the Postbank Bill, the State Digital Infrastructure Company Bill and the State Digital Services Company Bill. The 2020/21 financial year was an unprecedented period largely due to the global impact of the COVID-19 pandemic which also required the Department to adjust and adapt accordingly. Despite the impact on the working environment, the Department was able to adopt a remote working approach through the adoption and implementation of multiple tools and platforms that ensured business continuity. In terms of the targets that experienced challenges resulting in non-achievement, the Department has identified the reasons for such deviation and has put in place relevant catch-up plans and mitigating measures so as to ensure success going forward.

2.2 Service Delivery Improvement Plan

The Department of Communications and Digital Technologies only came into existence in the 2020/21 financial year through the merger of the Department of Communications and the Department of Telecommunications and Postal Services. Prior to the merger, the Department of Communications and the Department of Telecommunications and Postal Services had in place their respective Service Delivery Improvement Plans which were being implemented and monitored accordingly. However, following the merger of the two Departments in the 2020/21 financial year, these SDIPs are no longer valid and relevant as the Departments ceased to exist.

After coming into existence, the Department of Communications and Digital Technologies has developed and approved its Service Delivery Model which informs the revision of its organisational structure, aligned to the DCDT mandate, for approval and implementation in the 2021/22 financial year. Following the approval of the revised organisational structure, the DCDT will develop and submit its 2022/2023- 2023/2024 SDIP on 01 April 2022 as stipulated by the DPSA Circular, considering that currently, the DPSA has set aside the 2021/22 financial year for development of the SDIP and consultations with stakeholders.

2.3 Organisational environment

The 2020/21 financial year saw the establishment of the Department of Communications and Digital Technologies through the merger of the former Department of Communications and the Department of Telecommunications and Postal Services. It was the first year that the Department commenced with the implementation of its 2020-2025 Strategic Plan and the 2020/21 Annual Performance plan. During this reporting period, the Department continued functioning in accordance with an interim organisational structure while it focused on developing an organisational structure aligned to the new mandate of the Department of Communications and Digital Technologies. The new organisational structure, which will be implemented in the 2021/22 financial year, will also inform the development of a new budget programme structure for implementation from the 2022/23 financial year onwards.

In terms of acquiring relevant skills to deliver on its mandate, the DCDT is in the process of undertaking a verification of competencies exercise which will be followed by a structured and comprehensive skills audit. Furthermore, the Department has in place a Workplace Skills Plan (WSP) aimed at capacitating employees with requisite skills aligned to the mandate and strategy. The DCDT is currently prioritising the implementation of the Integrated Digital Transformation Strategy as we move towards a paperless organisation. This programme will continue within the DCDT through the digitisation of additional business processes and systems as part of implementing the Integrated Digital Transformation Strategy. The DCDT has already consolidated some of the processes and systems which include the review of existing operational policies and procedures. Moreover, the Department will ensure the mainstreaming of critical issues related to designated groups through the Chief Directorate: Gender, Disability, Youth and Children (GDYC). This Unit will also ensure that all Departmental programme, policies and processes are inclusive of issues related to such designated groups and will monitor the Departmental and SOC's Gender, Disability, Youth and Children Responsiveness programmes in line with National targets.

With regard to human resource related matters, as at end of March 2021, the Department of Communications and Digital Technologies had a total head count of 333 staff on its establishment. 298 of these posts were filled, and 35 posts were vacant and funded which equates to a 10.51% vacancy rate. The Department was allocated a total adjusted and exclusively earmarked amount of R302.202 million for compensation of employees in the 2020/21 financial year. At the end of March 2021, the Department had spent R270.637 million of its COE budget.

The main reason for the underspending was the non-filling of vacancies as a result of a moratorium on the filling of vacant positions due to the revision of the organisational structure. However, posts that were identified as critical were advertised and filled during the 2020/21 financial year so as to ensure ongoing operations and achievements of strategic priorities.

The impact of COVID-19 has also affected the operations of the Department and have necessitated that the officials work remotely where practically possible, with the exception of critical services. In this regard, the Department has ensured that all officials have the necessary tools of trade to enable them to work effectively from home.

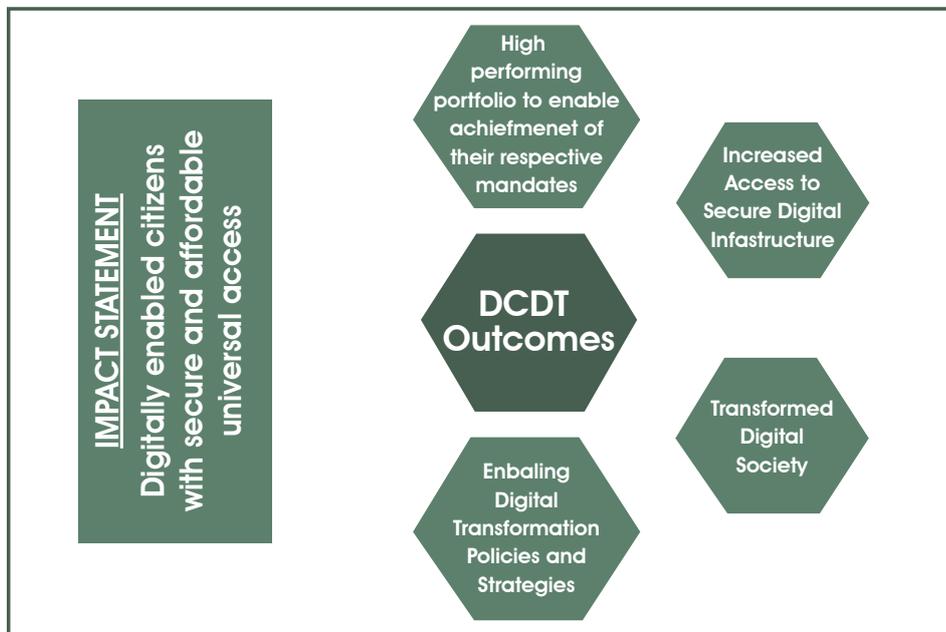
2.4 Key policy developments and legislative changes

There were no major changes to relevant policies or legislation that affected the operations of the Department during the period under review. It must however be noted that following the May 2019 National Elections, the President pronounced the establishment of the National Department of Communications and Digital Technologies. Accordingly, the Presidential Proclamations in Government Gazette dated 14 August 2019 (President Minute: 372) confirmed the transfer of administration, powers and functions entrusted by legislation to the Minister of Communication in terms of Section 97 of the Constitution. Based on the Presidential Proclamation, the revised legislative mandate is applicable to the newly established Department of Communications and Digital Technologies (DCDT), which came into operation on 01 April 2020 and will inform the operations of the DCDT going forward.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

DCDT impact statement is: *Digitally enabled citizens with secure and affordable universal access.* Through this Impact Statement, the Department recognises that the importance of universal access to digital technologies cannot be underestimated, as it enables the citizens to do their work, to socialise, to access government services, become economically active and to hold those in power accountable. However, what is equally important is that such access is secure and affordable to all citizens irrespective of race, class or geographic location. The Department will therefore work towards digitally enabled citizens with secure and affordable universal access to digital technologies and services as a key means towards socio-economic growth.

The following diagram depicts the Impact Statement of DCDT and Outcomes as per the Strategic Plan. Progress made towards the achievement of the five-year targets in relation to the outcome indicators are further discussed below.



Enabling Digital Transformation Policies and Strategies

The Department in an effort to develop enabling Digital Transformation Policies and Strategies, has developed the draft South African Post Office SOC Ltd Amendment Bill and the draft South African Broadcasting Corporation SOC Ltd Bill which were submitted to Cabinet for public consultation approval. Furthermore, the Data & Cloud Policy was approved by Cabinet for public comments, and subsequently published for public comments through a gazette on 1 April 2021.

The Department developed and approved the Digital Economy Masterplan during the reporting period. Furthermore, a report on the coordination of the implementation of identified priority areas of the Digital Economy Masterplan was generated and approved. Going forward the Department will coordinate and monitor the implementation of the Digital Economy Masterplan.

With regard to advancing country positions, to support the Digital Economy, the Department has advanced the RSA Position Paper for ITU-WRC-19 focused on Spectrum management and allocations for future technologies to support the digital development agenda. Furthermore, the Department participated in the Regional Consultation Meetings that took place through the SADC 6th WRC Preparatory meeting and the ATU 3rd WRC preparatory meeting. Furthermore, South Africa also hosted the 4th ATU APM for the WRC in 2019/20 financial year. With regard to the UPU, Position papers for UPU and PAPU were developed and approved. The Department experienced challenges with regard to capacity constraints related to the finalization and approval of the Business Cases for the State Digital Infrastructure Company Bill and the State Digital Services Company Bill and therefore sought support from the State Law Advisor in this regard. The Business Case will be finalised for approval in the first quarter of the 2021/22 financial year.

In terms of the PC4IR Report, the Department coordinated the development of the Country Report for 4IR, through the Presidential Commission on Fourth Industrial Revolution. A 4IR Project Management Office was established and operationalised, within the Department, to develop a Strategic Implementation Plan (SIP) focused on the implementation of the recommendations stemming from the PC4IR Report. The SIP was developed, and consultation has been conducted in eight (8) Provinces and 21 national departments. The finalization and Cabinet approval of the SIP will take place in the 2021/22 financial year. Drafting of the Monitoring and Evaluation Framework for the SIP has also commenced during the reporting period.

The development of relevant policies and strategies as well as the implementation of the 4IR Strategic Implementation Plan supported by strategic partnerships are focused at contributing the outcomes of creating enabling Digital Transformation Policies and Strategies.

Increasing Access to secure Digital Infrastructure.

As part of increasing access to secure Digital Infrastructure, the Department is tasked with increasing broadband connectivity. Therefore, the Department has concluded the SA Connect Feasibility Study to facilitate broadband connectivity to remaining government facilities. The feasibility study report for Phase 2 funding has been concluded. The feasibility study is undergoing governance processes for approval. Furthermore, the Department has monitored the provision of broadband services to all 970 connected sites. Going forward, the Department will finalise the Business Case for funding of Phase 2 Broadband Connectivity where the implementation of the Phase 2 additional funded sites and also the implementation of the funded Household Connectivity Programme will be coordinated. Furthermore, the Project Management Office for SA Connect Phase 2 will be established and operationalised.

With regard to increase in availability of Radio Frequency Spectrum, the Department has developed the draft NRFP based on Government Services users and submitted to ICASA. On the allocation of 4G coverage of high demand spectrum, ICASA issued an Information Memorandum for public consultation on the licensing process for International Mobile Telecommunications ("IMT") Spectrum in November 2019. ICASA issued an Invitation to Apply for licensing of the High Demand Spectrum and ITA to licence the iECNS and spectrum for WOAN. Regarding the allocation of high demand 5G spectrum to reduce the cost of data and increase access to internet, the Department has developed a draft Policy Direction in line with Section 3 (5) of the Electronic Communication Act.

With regard to coordinating and monitoring of subsidized digital television installations, the Department commenced with decoder rollout plan. An Analogue Switch Off Plan was developed to guide the process to switch off transmitters in provincial sequence. The process to switch off analogue transmitters started on 16 March 2021. The decoder distribution and installation commenced in the targeted Provinces of Free State, Northern Cape, North West and Limpopo.

Progress with regard to broadband connectivity, broadcasting digital migration and allocation of the national radio frequency spectrum will directly contribute to the outcome related to increasing access to secure Digital infrastructure.

Transformed Digital Society

In an effort to have in place a transformed digital Society, the Department has monitored the implementation of the National e-Government Strategy and Roadmap, towards digitalization of government services. The Department focused on the implementation of the e-Services portal in collaboration with SITA. The List of priority services was sourced from government departments and uploaded on the National e-Services Portal. Furthermore, a monitoring report on the uploading of e-Services on the National e-Services Portal was developed.

With regard to the approval and implementation of Digital and Future Skills Strategy, the Department has developed the National Digital Skills Strategy which underwent stakeholder consultation. The Digital and Future Skills Strategy was submitted to Cabinet for approval. The draft Digital and Future Skills Implementation Programme was developed and consulted with relevant stakeholders. Furthermore, the establishment of the Digital Skills Forum was approved. Through NEMISA, the Department facilitated the implementation of training on Coursera online digital skills.

With regard to the number of signed and implemented Partnership Agreements, the Department during the 2019/20 financial year has secured 2 Partnership Programmes with ITU and CISCO focused on development of the 4IR within South Africa. In 2020/21 financial year the Department has identified additional partners focusing on the digital economy. Furthermore, the Department has signed a Partnership Agreement in a form of the Joint Declaration of Intent by the Minister and the British High Commissioner.

The implementation of the e-Government Strategy as well as the Digital and Future Skills Strategy are focused at digitising government and increasing the uptake and usage of digital technologies which will contribute to the outcome of having in place a transformed digital society.

High Performing portfolio to enable achievement of their respective mandates.

The Department has developed the proposed macro-Organisational Structure as part of revising the organisational structure, aligned to the Departments mandate and strategy. With regard to digitising its processes and systems, the Department has developed the Integrated DCDT Digital Transformation Strategy and has also monitored the implementation of priority interventions. The Business needs analysis focusing on prioritised interventions was also conducted. Furthermore, DCDT Digital Transformation Strategy and the Cloud Strategy was approved as an annexure to the Digital Transformation Strategy.

With regard to the Approved Strategic Plans and APPs of SOE, the Department analysed Quarterly SOE Performance Reports and submitted the Reports to Minister. The Department undertook an analysis of entities's quarterly performance reports and APPs/Strategic/Corporate Plans received.

Regarding the Outcome indicator of "Approved Performance Management System for ICASA Councillors," the Department has developed the draft Performance Management System (PMS) for ICASA Councillors. Going forward the Department will table the Performance Management System for ICASA Councillors in Parliament followed by the Implementation of the Performance Management System for ICASA Councillors.

Regarding the outcome indicator "Approved and implemented Integrated Digital Economy and Society Indicator Model" the Department has developed and approved the draft Integrated Digital Economy and Society Indicator Model, which will be finalised and implemented going forward.

An organisational structure aligned to the DCDT mandate and strategy as well as digitised processes and systems will ensure a high performing organisation as all business units will focus on digitally delivering services aligned to the mandate of the organisation. Indicators related to providing stringent oversight on our SOEs will contribute towards to outcomes of a high performing portfolio with focus on performance against planned indicators and accountability in this regard.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

PURPOSE: Provide strategic leadership, management, and support services to the Department.

Sub-Programmes:

- Ministry
- Departmental Management
- Internal Audit
- Corporate Services
- Financial Management
- Office Accommodation

Institutional outcomes for Programme 1: Administration

- High performing Portfolio to enable achievement of their respective mandates.

Outcomes, outputs, output indicators, targets and actual achievements

Programme 1: Administration focused on the outcome of a "High performing Portfolio to enable achievement of their respective mandates". The Department in this regard, was able to develop and implement the Workplace Skills Plan (WSP), aligned to DCDT mandate. Furthermore, Programme 1: Administration, developed the Integrated DCDT Digital Transformation Strategy and monitored the implementation of priority interventions. Such achievements will contribute to the outcome of a high performing organisation as all business units will have well capacitated staff and will focus on digitally delivering services aligned to the mandate of the organisation.

PROGRAMME 1: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
High performing Portfolio to enable achievement of their respective mandates	Organisational structure	Implemented revised organisational structure, aligned to strategy	-	<ul style="list-style-type: none"> The reconfigured Department was established through the development of the start-up structure for the DCDT which was approved by the DPSA. The transfer of the employees from DIPS and the DOC to the newly established DCDT was also concluded. Furthermore, the 2020-2025 Strategic Plan and 2020/21 APP were developed in line with the new mandate of the DCDT. 	Organisational structure, aligned to strategy, revised and approved for implementation	<ul style="list-style-type: none"> The Department did not achieve the annual target however a proposed Macro Organisational Structure was developed. 	Service Deliver Model (SDM) was not finalised as planned.	Revised organisational structure was not approved pending the finalisation of the SDM, which required extensive consultation with multiple stakeholders.

PROGRAMME 1: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
High performing Portfolio to enable achievement of their respective mandates	Workplace Skills Plan	Implemented Workplace Skills Plan, aligned to DCDT mandate	-	-	Workplace Skills Plan (WSP), aligned to DCDT mandate, developed and implemented	<ul style="list-style-type: none"> The Department developed and implemented the Workplace Skills Plan aligned to DCDT mandate. Quarterly Training interventions, in line with WSP and aligned to DCDT mandate, were implemented and reported. 	None	None

PROGRAMME 1: ADMINISTRATION

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
High performing Portfolio to enable achievement of their respective mandates	Integrated DCDT Digital Transformation strategy	Implemented integrated DCDT Digital Transformation Strategy	<ul style="list-style-type: none"> The Department digitised the process of submitting memorandums through the roll-out of the e-Submission system. Training for users of the system was also conducted and a total of 167 staff were trained during the reporting period. Following the roll-out of the e-Submission system, 368 submissions were generated for the reporting period. 	<ul style="list-style-type: none"> The Department identified and digitised the collaboration business process within the Department through the rollout of Microsoft Teams. User acceptance testing and user training was conducted. Utilisation of the system was also monitored. 	Integrated DCDT Digital Transformation Strategy developed, and implementation of priority interventions monitored	<ul style="list-style-type: none"> The Department developed the Integrated DCDT Digital Transformation Strategy and monitored the implementation of priority interventions. The Department conducted the Business needs analysis focusing on prioritised interventions. Integrated DCDT Digital Transformation Strategy was approved. 	None	None

PROGRAMME 1: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
High performing Portfolio to enable achievement of their respective mandates	Quarterly progress report on valid invoices paid	% of valid invoices paid within 30 days	-	-	100% of valid invoices paid within 30 days from date of receipt	<ul style="list-style-type: none"> The Department achieved the annual target of 100% of valid invoices paid within 30 days from date of receipt. Monthly exceptions report on 30-day payments during the reporting period were submitted to National Treasury on time. No late submissions were made, and all payments were made within 30 days. 	None	None

Strategy to overcome areas of under-performance

The Department acknowledges its under-performance on the target related to the Organisational structure, aligned to the strategy, revised and approved for implementation. The revised organisational structure was not approved due to delays in finalising the Service Delivery Model (SDM). The Department has since finalised the SDM and will finalise the review and approval of the organisational structure for implementation in the 2021/22 Financial Year.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable in DCDT

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not receive a COVID-19 relief package. However, during the onset of the COVID-19 pandemic, the Minister issued multiple Directions on the Risk-Adjusted Strategy for the Communications and Digital Technologies Sector under Regulation 4(10) of the Regulations made under Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In order to facilitate implementation of the Directions across the entire Sector, a Programme Management Office was set up as a coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services so as to ensure smooth operations of the communications industry as essential services during the disaster period. The composition of the COVID-19 Programme Management Office consisted of Departmental officials.

Linking performance with budgets

Spending was R215.9 million in the 2020/21 financial year and R273 million in the 2019/20 financial year. Spending under goods and services declined from R92.6 million in 2019/20 to R72 million in 2020/21 financial year. Spending in Travel and subsistence decreased from R17 million in 2019/20 to R5 million in 2020/21 due to nationwide lock down as announced by the President of the country to curb the spread of COVID-19. Spending rate under this program is at 83%.

Sub-programme expenditure

SUB-PROGRAMME NAME	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
MINISTRY	6 588	4 215	2 373	8 344	5 903	2 441
DEPARTMENTAL MANAGEMENT	47 429	39 252	8 177	72 026	63 140	8 886
INTERNAL AUDIT	9 162	6 645	2 517	12 135	6 349	5 786
CORPORATE SERVICES	102 231	78 891	23 340	126 985	112 819	14 166
FINANCIAL MANAGEMENT	63 742	58 179	5 563	72 233	56 359	15 874
OFFICE ACCOMMODATION	31 110	28 719	2 391	28 479	28 479	-
TOTAL	260 262	215 901	44 361	320 202	273 049	47 153

4.2 PROGRAMME 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS

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

Sub-Programme:

- **Programme Management for ICT 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. It 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 such as the South Africa-European Union trade agreement and bilateral agreements with counterpart countries. This Sub-Programme also makes payments for international membership fees.

Institutional outcomes for Programme 2: ICT International Relations and Affairs

- Enabling Digital Transformation Policies and Strategies
- Increased Access to Secure Digital Infrastructure
- Transformed Digital Society

Outcomes, outputs, output indicators, targets and actual achievements

The Programme in its effort to implement the outcome of "enabling Digital Transformation Policies and Strategies," has developed Country Positions related the World Telecommunications Standardization Assembly (WTS), BRICS ICT Ministerial Meeting as well as Country Positions with regards to the UPU and PPU. Furthermore, the Department revised and approved the International Engagement Strategy and has also signed a partnership agreement focusing on the Digital Economy. The development and advancement of Country Positions as well as the related outcomes, informs the development of enabling policies and strategies. Furthermore, strategic partnerships focused on the digital economy contributes towards the outcome of a transformed digital society.

The table below provides progress only against the targets that were in the originally tabled APP, until date of re-tabling

PROGRAMME 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/ Annual Targets
Increased Access to Secure Digital Infrastructure	BRICS Institute for Future Networks	Operational BRICS Institute for Future Networks	-	-	BRICS Institute for Future Networks establishment coordinated	<ul style="list-style-type: none"> During the first quarter of the reporting period the Department drafted a legal instrument for the establishment of the BRICS Institute for Future Networks. 	Given that the planned annual target was only in effect for the first quarter, before revision of the APP, the establishment of the BRICS Institute for Future Networks was not coordinated as planned.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	The target was revised in order to designate the CSIR to be the BIFN-S. In the absence of a legal instrument in the form of a MoA or SLA, the BIFN-S could not be established. Therefore, the target was revised to reflect the process of negotiating a legal instrument between the Department and the CSIR towards the designation and establishment of the BIFN-S.

PROGRAMME 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/ Annual Targets
Transformed Digital Society	Signed Partnership agreements	Number of Partnership Agreement implemented	-	Two Partnership programmes were secured with ITU and CISCO and focused on development of the 4IR within South Africa.	2 Partnership agreements, focusing on the Digital Economy, signed, and implementation monitored	During Quarter 1 the Department identified relevant Partners focusing on the Digital Economy.	Given that the planned annual target was only in effect for the first quarter, before revision of the APP, the identification of relevant Partners was not implemented and monitored as planned.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	Due to the lockdown related to the COVID-19 pandemic, identifying and engaging with potential partners became a challenge, hence the target was revised.

The table below covers all targets that were committed to in the re-tabled APP

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Enabling Digital Transformation Policies and Strategies	Country Positions to support the Digital Economy	Number of approved Country Positions to support the Digital Economy	<ul style="list-style-type: none"> The RSA Position Paper for ITU-PP 18 was advanced at the ITU PP-18. South Africa was able to advance 9 proposals which were tabled at the ITU PP-18. 	<ul style="list-style-type: none"> RSA Position Paper was advanced for ITU-WRC-19 focused on spectrum management and allocations for future technologies to support the digital development agenda. Furthermore, Regional Consultation Meetings took place through the SADC 6th WRC Preparatory meeting and the ATU 3rd WRC preparatory meeting. South Africa also hosted the 4th ATU APM for the WRC. 	3 Country Positions developed to support the Digital Economy focused on BRICS, UPU and WTSA	<ul style="list-style-type: none"> RSA Position for World Telecommunications Standardization (WTSA) Assembly was developed, including outcomes of engagements with ITU and Africa group. RSA Position for BRICS ICT Ministerial Meeting was developed, and the Outcomes Report of BRICS ICT Ministerial Meeting was developed. With regards to the UPU, Position papers for UPU and PAPU were developed and approved. 	Outcomes report of World Telecommunications Standardisation (WTSA) Assembly was not developed as planned.	WTSA which was planned to have taken place in 2020 was postponed by the ITU until 2022, due the COVID-19 pandemic.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Enabling Digital Transformation Policies and Strategies	Implemented revised International Engagement Strategy	Implemented International Engagement Strategy	-	-	International Engagement Strategy revised and submitted for approval	<ul style="list-style-type: none"> International Engagement Strategy revised through stakeholder engagements. International Relations and Engagement Strategy was submitted for approval. 	None	None
Increased Access to Secure Digital Infrastructure	BRICS Institute for Future Networks	Operational BRICS Institute for Future Networks	-	-	Legal Framework for the establishment of the BRICS Institute for Future Networks developed	<ul style="list-style-type: none"> The target was not achieved; however, the Legal Instrument was developed for the establishment of the BRICS Institute for Future Networks. Inputs received from CSIR. 	<ul style="list-style-type: none"> Legal Framework for the establishment of the BRICS Institute for Future Networks was not signed by the end of the reporting period. 	<p>New issues emerged that required the parties to renegotiate the Legal Instrument (MoA) which included the reduction of timelines from 3 years to 18 months as well as the review of the financing.</p>

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Transformed Digital Society	Signed Partnership agreement	Number of Partnership Agreement implemented	-	Two Partnership programmes were secured with ITU and CISCO focused on development of the 4IR within South Africa.	Partnership agreement, focusing on the Digital Economy, signed	<ul style="list-style-type: none"> The relevant partners focusing on the digital economy were identified. The Partnership Agreement in a form of the Joint Declaration of Intent was signed by the Minister and the British High Commissioner. 	None	None

Strategy to overcome areas of under-performance

The Department acknowledges its areas of under-performance related to the target of developing 3 Country Positions to support the Digital Economy focused on BRICS, UPU and WTSA. Although the BRICS and UPU components were achieved, the WTSA which was planned to have taken place in 2020 was postponed by the ITU until 2022, due to the COVID-19 pandemic. With regards to the area of under-performance on the target related to the development of the Legal Framework for the establishment of the BRICS Institute for Future Networks, the Department will finalise the signing of the Legal Instrument (MoA) for implementation in the 2021/22 Financial Year.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not Applicable for DCDT

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not receive a COVID-19 relief package. However, during the onset of the COVID-19 pandemic, the Minister issued multiple Directions on the Risk-Adjusted Strategy for the Communications and Digital Technologies Sector under Regulation 4(10) of the Regulations made under Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In order to facilitate implementation of the Directions across the entire Sector, a Programme Management Office was set up as a coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services so as to ensure smooth operations of the communications industry as essential services during the disaster period. The composition of the COVID-19 Programme Management Office consisted of Departmental officials from all six Programmes of the Department.

Linking performance with budgets

Spending was R61.5 million in the 2020/21 financial year and R53.1 million in the 2019/20 financial year. There was an increase in transfers and subsidies from R30 million in 2019/20 to R39.5 million in 2020/21 financial year. The variance was mainly due to the rand weakening and resulted in high exchange rates during the transfer of funds for foreign payment to International Organisation for membership fees. However, spending under goods and services declined from R5.3 million in 2019/20 to R1.9 million in 2020/21 financial year. Spending in Travel and subsistence decreased from R4 million in 2019/20 to R803 thousand in 2020/21 due to nationwide lock down as announced by the President of the country to curb the spread of the COVID-19 pandemic. Spending rate under this program is at 97.4%.

Sub-programme expenditure

SUB-PROGRAMME NAME	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
INTERNATIONAL AFFAIRS	9 212	8 216	996	13 650	12 898	752
ICT TRADE/PARTNERSHIP	51 369	50 976	393	40 960	40 251	709
PROGRAMME MANAGEMENT FOR INTERNATIONAL RELATIONS AND AFFAIRS	2 533	2 258	275	-	-	-
TOTAL	63 114	61 450	1 664	54 610	53 149	1 461

4.3 PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

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.

Sub-Programme:

- **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 SMMEs in the ICT sector.
- **Broadcasting Policy** drafts legislation, regulations, policy, strategies and guidelines that govern audio-visual media sectors.
- **Media Policy** conducts research and develops print media and communications policies.

Institutional outcomes for Programme 3: ICT Policy Development and Research

- Enabling Digital transformation policies and strategies

Outcomes, outputs, output indicators, targets and actual achievements:

As its contribution to the Outcome related to "Enabling Digital transformation policies and strategies", the Programme was able to develop draft policies as well as develop and approve the Digital Economy Masterplan. Furthermore, a report on the coordination of the implementation of identified priority areas of the Digital Economy Masterplan was generated and approved. Such achievements contribute towards creating enabling digital transformation policies and strategies.

The table below covers all targets that were committed to in the re-tabled APP

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

Outcome	Output	Outputs Indicator	Audited actual performance 2018/19	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	Actual Achievement 2020/2021 until date of re-tabling	Deviation from Planned Target to Actual Achievement for 2020/21	Comment on Deviations
Enabling Digital transformation policies and strategies	South African Post Office SOC Ltd Amendment Bill	Approved South African Post Office SOC Ltd Amendment Bill	-	-	South African Post Office SOC Ltd Amendment Bill submitted to Cabinet for public consultation approval	The target was not achieved however, the draft South African Post Office SOC Ltd Amendment Bill was developed during the reporting period.	The Bill was not submitted to Cabinet for approval to undertake public consultation.	The requirement for additional consultation with key stakeholders resulted in a delay in the project. Furthermore, the delay in receiving input from key stakeholders also impacted on achievement of the target.
Enabling Digital transformation policies and strategies	South African Broadcasting Corporation SOC Ltd Bill	Approved South African Broadcasting Corporation SOC Ltd Bill	-	The Broadcasting Amendment Bill was not submitted to Cabinet.	South African Broadcasting Corporation SOC Ltd Bill submitted to Cabinet for approval to introduce to Parliament	<ul style="list-style-type: none"> The target was not achieved however, the draft South African Broadcasting Corporation SOC Ltd Bill was submitted to Cabinet for public consultation approval. SEIAS Pre-certification for South African Broadcasting Corporation SOC Ltd Bill was conducted. 	South African Broadcasting Corporation SOC Ltd Bill was not submitted to Cabinet for approval.	The DCDT had to source a legal opinion from Senior Counsel on the independence of the SABC in view of Section 192. Furthermore, the final certification from the Office of the Chief State Law Adviser (OCSLA) could not be delivered before 31 March 2021, due to the complicated nature of the Bill.

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

Outcome	Output	Outputs Indicator	Audited actual performance 2018/19	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	Actual Achievement 2020/2021 until date of re-tabling	Deviation from Planned Target to Actual Achievement for 2020/21	Comment on Deviations
Enabling Digital transformation policies and strategies	Data & Cloud Policy	Implemented Data & Cloud Policy	-	-	Data & Cloud Policy approved, and its implementation facilitated	<ul style="list-style-type: none"> The Policy was approved by Cabinet for public comments, and the notice was subsequently published through a gazette on 1 April 2021. 	Approval and implementation of final policy.	Delays are a result of requests for extended internal consultations before the policy was routed to Cabinet to approve for gazetting for public consultations.
	Digital Economy Masterplan	Implemented Digital Economy Masterplan	-	-	Digital Economy Masterplan developed, and implementation facilitated	<ul style="list-style-type: none"> Digital Economy Masterplan was developed and approved. A report on the coordination of the implementation of identified priority areas of the Digital Economy Masterplan was generated and approved. 	None	None

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

Outcome	Output	Outputs Indicator	Audited actual performance 2018/19	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	Actual Achievement 2020/2021 until date of re-tabling	Deviation from Planned Target to Actual Achievement for 2020/21	Comment on Deviations
Enabling Digital transformation policies and strategies	PC4IR Report	Implemented PC4IR Report	-	PMO was not established and operationalised to support the Presidential Commission on Fourth Industrial Revolution.	Implementation of PC4IR Report facilitated and monitored	<ul style="list-style-type: none"> The draft Strategic Implementation Plan (SIP) was developed. Consultation on the PC4IR Strategic Implementation Plan (SIP) was conducted in eight (8) Provinces and 21 national departments. Drafting of the Monitoring and Evaluation Framework for the SIP has commenced during the reporting period. 	The implementation of the PC4IR Report is yet to be facilitated.	Given the cross-cutting nature of the PC4IR recommendations, consultation of the PC4IR SIP is still ongoing with Industry, National Departments, Provinces and Municipalities
Enabling Digital transformation policies and strategies	Revised ICT SMME Strategy	Implemented revised ICT SMME Strategy	<ul style="list-style-type: none"> The Department facilitated the incubation of a total of 76 Internet Service Providers (ISPs) / SMMEs. 	<ul style="list-style-type: none"> The Department developed a programme to support, sustain and grow existing ICT SMME beneficiaries. 	ICT (Digital) SMME Development Strategy revised, and its implementation facilitated	<ul style="list-style-type: none"> Revised ICT SMME Development Strategy was developed and approved. 	None	None

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

Outcome	Output	Outputs Indicator	Audited actual performance 2018/19	Audited Actual Performance 2019/2020	Planned Annual Target 2020/21	Actual Achievement 2020/2021 until date of <u>re-tabling</u>	Deviation from Planned Target to Actual Achievement for 2020/21	Comment on Deviations
			<ul style="list-style-type: none"> A programme to promote the international competitiveness of ICT SMEs at the BRICS Ministerial Meeting and ITU Telecom World 2018 benefited a total of 40 high tech SMEs. 	<ul style="list-style-type: none"> The department facilitated the implementation of the ICT SME Development Strategy which focused on the following interventions: Cellphone Repair project, fibre and Wi-Fi training project, tech for safety summit and hackathon, Masterclass/ Women in ICT project and the SME International Competitiveness programme aligned to the ITU. 		<ul style="list-style-type: none"> In addition, a report on facilitating the implementation of the revised ICT SME Development Strategy was developed and approved. 		

Strategy to overcome areas of under-performance

The Department acknowledges its areas of under-performance related to the target of South African Post Office SOC Ltd Amendment Bill submitted to Cabinet for public consultation approval. The Department will submit the Bill to Cabinet for introduction into Parliament during the 2021/22 financial year. With regards to the area of under-performance on the target related to the Data & Cloud Policy, the Department did not obtain final approval which hindered its implementation. The Department will expedite Cabinet approval and subsequent implementation of the Data and Cloud Policy in the 2021/22 financial year. With regards to the target related to the facilitation and monitoring of the implementation of PC4IR Report, the Department will ensure that the PC4IR Strategic Implementation Plan is submitted to Cabinet for approval in the 2021/22 financial year.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not applicable to DCDT

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not receive a COVID-19 relief package. However, during the onset of the COVID-19 pandemic, the Minister issued multiple Directions on the Risk-Adjusted Strategy for the Communications and Digital Technologies Sector under Regulation 4(10) of the Regulations made under Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In order to facilitate implementation of the Directions across the entire Sector, a Programme Management Office was set up as a coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services so as to ensure smooth operations of the communications industry as essential services during the disaster period. The composition of the COVID-19 Programme Management Office consisted of Departmental officials from all six Programmes of the Department.

Linking performance with budgets

Spending was R36.1 million in the 2020/21 financial year and R33.8 million in the 2019/20 financial year. Spending under goods and services declined from R7.4 million in 2019/20 to R2.4 million in 2020/21 financial year. Consultants and business advisory decreased from R1.4 million in 2019/20 to R 170 thousand in 2020/21 and spending in Travel and subsistence also decreased from R2.9 million in 2019/20 to R 334 thousand in 2020/21 due to nationwide lock down as announced by the President of the country to curb the spread of the COVID-19 pandemic. Spending rate under this program is at 68.9%.

Sub-programme expenditure

SUB-PROGRAMME NAME	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
PROGRAMME MANAGEMENT FOR ICT POLICY DEVELOPMENT AND RESEARCH	2 486	612	1 874	-	-	-
ICT POLICY DEVELOPMENT	10 118	8 821	1 297	16 363	13 012	3 351
ECONOMIC AND MARKET ANALYSIS	5 168	3 165	2 003	4 160	3 138	1 022
RESEARCH	7 462	4 743	2 719	6 186	4 899	1 287
BROADCASTING POLICY	5 792	5 453	339	10 600	5 549	5 051
SMALL MEDIUM AND MICRO ENTERPRISE DEVELOPMENT	4 929	4 278	651	6 178	5 677	501
PRESIDENTIAL COMMISSION 4IR	16 413	8 995	7 418	-	-	-
MEDIA POLICY	-	-	-	3 548	1 571	1 977
TOTAL	52 368	36 067	16 301	47 035	33 845	13 190

4.4 PROGRAMME 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT

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.

Sub-Programme:

- **Programme Management for ICT Enterprise and Public Entity Oversight** provides for the overall management of the programme.
- **Regulatory Institutions** monitors the implementation of policies and provides guidance on and oversight of the governance matters of regulatory institutions. This subprogramme makes transfers to the Independent Communications Authority of South Africa and the Film and Publication Board.
- **Universal Service and Access** 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.

Institutional outcomes for Programme 4: ICT Enterprise Development and Public Entity Oversight

- High performing Portfolio to enable achievement of their respective mandates
- Enabling Digital transformation policies and strategies

Outcomes, outputs, output indicators, targets and actual achievements

Achievement has been made with regards to the Outcome of "High performing Portfolio to enable achievement of their respective mandates". Programme 4 is responsible for the overseeing and managing government's shareholding interest in the ICT public entities and state-owned companies. In this regard, the Department as part of its oversight function, was able to develop quarterly analysis reports on SABC's implementation of the Turnaround Plan.

With regard to the Outcome of "Enabling Digital transformation policies and strategies", although during the reporting period there was no substantial progress, the Department developed the draft Postbank Bill and gazetted the Bill for public consultation. Through its stringent oversight on the State-Owned Entities and the development of relevant legislation, the Programme contributes to the outcomes related to creating a High performing Portfolio to enable achievement of their respective mandates and Enabling Digital transformation policies and strategies.

The table below provides progress only against the targets that were in the originally tabled APP, until date of re-tabling

PROGRAMME4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Enabling Digital transformation policies and strategies.	State ICT Infrastructure Company Act	State ICT Infrastructure Company Act implemented	<ul style="list-style-type: none"> The Business Case for the State ICT Infrastructure Company was developed. Draft Legislation for the State IT Company was developed. 	The Department did not achieve the target of submitting the State ICT Infrastructure Company Bill to Cabinet for approval.	State ICT Infrastructure Company Bill submitted to Parliament	None	Given that the planned annual target was only in effect for the first quarter, before revision of the APP, the State ICT Infrastructure Company Bill was not submitted to Parliament as planned.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	Given the existing challenges and delays, related to finalising the Business Case, the target was revised to focus on submission of the State Digital Infrastructure Company Bill to Cabinet for approval to introduce to Parliament.
	State IT Company Act	State IT Company Act implemented	<ul style="list-style-type: none"> The Business Case for the State IT Company was developed. Draft Legislation for the State IT Company was developed. 	The Department did not achieve the target of submitting the State IT Company Bill to Cabinet for approval.	State IT Company Bill submitted to Parliament	None	Given that the planned annual target was only in effect for the first quarter, the State IT Company Bill was not submitted to Parliament as planned.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	Given the existing challenges and delays, related to finalising the Business Case, the target was revised to focus on submission of the State Digital Infrastructure Company Bill to Cabinet for approval to introduce to Parliament.

The table below covers all targets that were committed to in the re-tabled APP

PROGRAMME 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	
High performing Portfolio to enable achievement of their respective mandates	Analysis Reports of SOE Performance and Compliance	Approved SOE Performance Analysis Reports	The Department monitored and evaluated service delivery performance and compliance of SOEs against Strategic Plans and relevant prescripts through the development of a consolidated State of SOEs Report for Quarter 4 of the 2017/18 financial year and consolidated reports for State of the SOEs for Quarter 1, 2 and 3 of 2018/19 financial year.	During the reporting period the Department analysed 28 Quarterly SOE Performance Reports and submitted the Reports to the Minister.	Service Delivery performance and compliance of SOEs against strategic plans and relevant prescripts monitored	<ul style="list-style-type: none"> Although the planned target was not achieved, the Department undertook analysis of all quarterly performance reports of the entities. Analysis of the APPs/ Strategic/ Corporate Plans, that were submitted by entities, were conducted. 	<ul style="list-style-type: none"> The 2021/22 APPs of entities were not tabled as scheduled. 	<ul style="list-style-type: none"> The tabling of the APPs of SOEs were delayed due to a requirement for further analysis of the APPs to ensure alignment with the revised MTSF and Minister's Performance Agreement. 	
	APPs and Annual Reports of SOEs	Approved APPs and Annual Reports of SOEs	-	-	-	-	-	-	-

PROGRAMME 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
High performing Portfolio to enable achievement of their respective mandates	Performance Management System for ICASA Councilors	Implemented Performance Management System for ICASA Councilors	-	-	Implementation of the Performance Management System for ICASA Councilors facilitated	<ul style="list-style-type: none"> Although the planned target was not achieved, the Department developed the draft Performance Management System (PMS) for ICASA Councilors. 	<ul style="list-style-type: none"> The Signing of Performance Agreements between the Minister and Councilors was not concluded. The appointment of the Evaluation Panel was not finalised. 	<ul style="list-style-type: none"> Due to the COVID-19 outbreak, the programme of the Portfolio Committee, which is required to approve the Performance Management System of ICASA Councilors, was disrupted, which caused delays in the project. Furthermore, the approval of the PMS between the ICASA Councilors and the Minister was also delayed due to other urgent priorities.
High performing Portfolio to enable achievement of their respective mandates	Strengthened South African Broadcasting Corporation	Implemented SABC Turnaround Plan	-	-	Quarterly analysis report on SABC's implementation of the turnaround plan, developed.	The Department developed quarterly analysis reports on SABC's implementation of the Turnaround Plan.	None	None

PROGRAMME 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Enabling Digital transformation policies and strategies	Postbank Amendment Act	Amended Postbank Act implemented	-	<ul style="list-style-type: none"> Although the target was not achieved, the Department developed the draft Postbank Amendment Bill The draft Postbank Bill was revised to incorporate input and comments from the DPME and OSCLA who also certified the Bill for public consultations. Furthermore, the Department also facilitated the transfer of assets and liabilities of the Postbank. 	Postbank Bill submitted to Parliament	Although the target was not achieved, the Department developed the draft Postbank Bill and gazetted the Bill for public consultation.	Public Consultations on the Bill and subsequent submission of the Postbank Bill to Cabinet for approval to introduce it to Parliament, did not take place as planned.	During the consultation with the ESEID cluster, the Department, received recommendations which necessitated further consultation with the Ministry of Finance with regards to the alignment of Post Bank Bill with the State Bank Process. These subsequent consultations caused delays in achieving the target.

PROGRAMME 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Enabling Digital transformation policies and strategies	State Digital Infrastructure Company Act	State Digital Infrastructure Company Act implemented	<ul style="list-style-type: none"> The Business Case for the State ICT Infrastructure Company was developed. Draft Legislation for the State IT Company was developed. 	The Department did not achieve the target of submitting the State ICT Infrastructure Company Bill to Cabinet for approval.	State Digital Infrastructure Company Bill submitted to Cabinet for approval to introduce to Parliament	Although the target was not achieved, the draft Business Case for the State Digital Infrastructure Company Bill was developed.	<ul style="list-style-type: none"> The Bill was not submitted to Cabinet for approval to undertake public consultation. The Bill was not submitted to Cabinet for approval to introduce to Parliament. 	The Department experienced challenges with regards to capacity constraints related to the legal drafting of the Bill and therefore sought support from the State Law Advisor in this regard.
Enabling Digital transformation policies and strategies	State Digital Services Company Act	State Digital Services Company Act implemented	<ul style="list-style-type: none"> The Business Case for the State IT Company was developed. Draft Legislation for the State IT Company was developed. 	The Department did not achieve the target of submitting the State IT Company Bill to Cabinet for approval.	State Digital Services Company Bill submitted to Cabinet for approval to introduce to Parliament	Although the target was not achieved, the draft Business Case for the State Digital Services Company Bill was developed.	<ul style="list-style-type: none"> The Bill was not submitted to Cabinet for approval to undertake public consultation. The Bill was not submitted to Cabinet for approval to introduce to Parliament. 	The Department experienced challenges with regards to capacity constraints related to the legal drafting of the Bill and therefore sought support from the State Law Advisor in this regard.

Strategy to overcome areas of under-performance

The Department acknowledges its under-performance on the following targets:

Service Delivery performance and compliance of SOEs against strategic plans and relevant prescripts monitored however the tabling of the APPs of SOEs were delayed due to a requirement for further analysis of the APPs to ensure alignment with the revised MTSF and Minister's Performance Agreement. Going forward, the Department will build into its processes additional time for detailed analysis of the APPs of the SOEs to ensure alignment with strategic priorities and timeous tabling as per prescribed timeframes.

Implementation of the Performance Management System for ICASA Councillors facilitated. Going forward, the Department will expedite Cabinet approval of the Performance Management System for ICASA Councillors and work in collaboration with ICASA to ensure implementation.

Postbank Bill submitted to Parliament. In the 2021/22 financial year, the Department will fast track the process of public consultations on the Bill followed by submission of the Bill to Cabinet for approval to introduce it to Parliament.

State Digital Infrastructure Company Bill and the State Digital Services Company Bill submitted to Cabinet for approval to introduce to Parliament. The Department plans to fast track the development of the Business Cases for both Bills within quarter 1 of the 2021/22 financial year followed by the development of the Bills.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not applicable to DCDT

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not receive a COVID-19 relief package. However, during the onset of the COVID-19 pandemic, the Minister issued multiple Directions on the Risk-Adjusted Strategy for the Communications and Digital Technologies Sector under Regulation 4(10) of the Regulations made under Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In order to facilitate implementation of the Directions across the entire Sector, a Programme Management Office was set up as a coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services so as to ensure smooth operations of the communications industry as essential services during the disaster period. The composition of the COVID-19 Programme Management Office consisted of Departmental officials from all six Programmes of the Department.

Linking performance with budgets

Spending was R5.4 billion in the 2019/20 financial year and R1.8 billion in the 2020/21 financial year. Major reduction of expenditure in the current financial year is due R3.2 billion financial bailout to the SABC to cater for the public broadcaster's long outstanding debts, investment in new and compelling content; and upgrading of dilapidated infrastructure. Spending rate under this program is at 99.7 %.

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
REGULATORY INSTITUTIONS	647 619	645 754	1 865	554 183	552 018	2 165
UNIVERSAL SERVICES AND ACCESS	1 041 780	1 037 682	4 098	4 020 273	4 017 492	2 781
ICT SKILLS DEVELOPMENT	97 448	97 448	-	95 347	95 347	-
PROGRAMME MANAGEMENT FOR ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT	3 084	3 084	-	10 600	2 022	8 578
COMMUNICATION AND BRANDING	-	-	-	655 864	651 897	3 967
BROADCASTING AND COMMUNITY MEDIA	-	-	-	31 795	31 795	-
TOTAL	1 789 931	1 783 968	5 963	5 368 062	5 350 571	17 491

4.5 PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

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

Sub-Programme:

- **Programme Management for ICT Infrastructure Development and Support** provides for the overall management of the programme.
- **Broadband** is responsible for developing and facilitating the implementation of the broadband policy, strategy and rollout plan for South Africa Connect, and ensures that the programme achieves its broadband goals.
- **ICT Support** is responsible for projects related to authentication, digital object architecture and internet governance.
- **Broadcasting Digital Migration** manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting and plays an important role in creating and supporting small, medium and micro enterprises in the digital domain. It provides transfers to the Universal Service and Access Fund and Sentech for the implementation of broadcasting digital migration.

Institutional outcomes for Programme 5: ICT Infrastructure Development and Support

- Increased access to secure Digital Infrastructure
- Enabling Digital transformation policies and strategies

Outcomes, outputs, output indicators, targets and actual achievements

The Department's Programme 5 contributed to the Outcome of "Increased access to secure Digital Infrastructure" in this regard, the National Radio Frequency Plan was revised in line with WRC-19 Outcomes, for subsequent publication by ICASA. With regards to broadband, the Department during the reporting period, monitored the provision of broadband services to all 970 connected sites. Furthermore, the feasibility study for Phase 2 funding was conducted and the study report was submitted to the Development Bank of South Africa.

With regards to the Outcome of "Enabling Digital Transformation Policies and Strategies" the Programme developed a draft Policy Direction on 5G Spectrum. Regarding the establishment of the Sector Computer Security Incident Response Teams (CSIRTs), a legal entity called COMRIC has been established, which serves as the CSIRT for the mobile operator's sector. Furthermore, the Hub is exchanging information with COMRIC. The achievements related to the national radio frequency spectrum as well as broadband and cybersecurity contribute to the outcomes related to Increased access to secure Digital Infrastructure and Enabling Digital Transformation policies and strategies, respectively.

The table below provides progress only against the targets that were in the originally tabled APP, until date of re-tabling

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Increased access to secure Digital Infrastructure	Digital Transformation Centre	Operational Digital Transformation Centre	-	-	Digital Transformation Centre established and operationalised	The Department developed the Digital Transformation Centre Agreement for signature by relevant stakeholders.	Given that the planned annual target was only in effect for the first quarter, before revision of the APP, the Digital Transformation Centre was not established and operationalised as planned.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	The target was revised to include Cabinet approval of the Digital Transformation Centre followed by its establishment within the 2020/21 financial year.
Increased access to secure Digital Infrastructure	Installed Household devices	Number of subsidized digital television installations coordinated and monitored	-	-	900,000 subsidized digital television installations coordinated and monitored in three (3) provinces	None	The planned annual target was only in effect for the first quarter, before revision of the APP, however as per the initial APP, there were no planned quarter one targets.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	<ul style="list-style-type: none"> Due to delays experienced in the finalisation of the Service Level Agreement between USAASA and Sentech, the number of subsidized digital television installations had to be revised.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Enabling Digital transformation policies and strategies	Policy Direction on 5G Spectrum	Approved Policy Direction on 5G Spectrum issued	-	-	Draft Policy Direction on 5G Spectrum developed	Although the target was not achieved, the Department undertook a high-level analysis of the ICASA 5G study report and provided feedback to ICASA.	The planned annual target was only in effect for the first quarter, before revision of the APP, hence the draft Policy Direction on 5G Spectrum was not developed	Not applicable as the target was revised in the APP that was tabled in quarter 2.	Given the urgency of the target, the target was revised to develop the final Policy Direction on 5G Spectrum.

The table below covers all targets that were committed to in the re-tabled APP

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Increased access to secure Digital Infrastructure	Revised National Radio Frequency Plan (NRF)	Approved revised National Radio Frequency Plan	<ul style="list-style-type: none"> The Department developed the draft SA Preliminary Position for WRC-19. The draft report was updated based on the outcomes from Working Parties and submitted as part of multi-contributions to ITU-R TG5/1 and based on draft CPM19-2 report. 	South Africa, led by the Minister, participated at the WRC-19 after which the draft Outcomes Report of WRC-19, specifically focused on those impacting South Africa's National Radio Frequency Plan, was developed.	National Radio Frequency Plan revised in line with WRC-19 Outcomes	<ul style="list-style-type: none"> National Radio Frequency Plan was revised in line with WRC-19 Outcomes, for subsequent consideration of inputs by ICASA. The revision of the National Radio Frequency Plan was based on Government Services users hence key users such as the Department of Defence, the South African Airforce as well as the South African Navy were consulted. 	None	None

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Increased access to secure Digital Infrastructure	Sustainable Broadband connections and services	Number of Broadband connections to Government facilities sustained	<ul style="list-style-type: none"> The Department project managed connectivity to 570 identified sites. However only 266 of these sites were fully connected with both infrastructure installed, and services activated. Project management of infrastructure installation was undertaken for the remaining 304 facilities which still awaits service upgrades and activation. 	The Department monitored to provisioning of broadband services to 570 connected sites and produced quarterly monitoring reports in this regard.	Provision of broadband services to 970 connected sites, monitored and sustained	By end of the reporting period, the provision of broadband services to all 970 connected sites were monitored.	None	None

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Increased access to secure Digital Infrastructure	Phase 2 funding	Secured phase 2 funding utilised	-	-	Feasibility study for Phase 2 Funding conducted	<ul style="list-style-type: none"> The feasibility study for Phase 2 funding was conducted and the study report was developed and submitted to the Development Bank of South Africa. 	None	None
Increased access to secure Digital Infrastructure	Digital Transformation Centre	Operational Digital Transformation Centre	-	-	Digital Transformation Centre established	<ul style="list-style-type: none"> The target was not achieved; however, the Digital Transformation Centre and related institutions have been conceptualised. 	Digital Transformation Centre was not established as the Agreement was not finalised and signed by relevant stakeholders as planned.	The Digital Transformation Centre Agreement could not be finalised until Cabinet approval is received. The Cabinet Memorandum has since been developed and routed for approval.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
						<ul style="list-style-type: none"> Furthermore, the Cabinet memorandum related to the Digital Transformation Centre was submitted for approval and draft MoUs were developed between the Department and the Innovation Hub in support of the proposed physical hosting of the DTC and between the Department and SmartXchange, in support of the identified DTC project. 		

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Increased access to secure Digital Infrastructure	Installed Household devices	Number of subsidized digital television installations coordinated and monitored	<ul style="list-style-type: none"> BDM Programme was implemented, and an annual report was compiled. Four quarterly monitoring reports on implementation of the BDM Programme were compiled. 	<ul style="list-style-type: none"> A country-wide Implementation Plan on Analogue Transmission Services Switch-Off was not approved by Minister. Report on BDM awareness and educational campaigns conducted in nine provinces. 	860,000 subsidized digital television installations coordinated and monitored in three (3) provinces	The target was not met however Decoder distribution and installation commenced in the targeted Provinces of Free State, Northern Cape, North West and Limpopo which resulted in 12779 installations..	847,221 installations did not take place as planned	<ul style="list-style-type: none"> Delays in the finalisation of the Service Level Agreement between USAASA and Sentech negatively impacted the project. Delays in the stakeholder engagement in provinces, as a result of legacy issues related to poor installations done in the past; also created further delays.
Increased access to secure Digital Infrastructure	Distributed vouchers	Number of vouchers distributed	-	-	Distribution of 139 006 vouchers coordinated and monitored	None	No vouchers were distributed during the reporting period.	The absence of the implementation plan from USAASA as well as delays in finalising the voucher distribution system for implementation by USAASA, negatively impacted the project.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Increased access to secure Digital Infrastructure	Sector Computer Security Incident Response Teams (CSIRTs)	Established Sector Computer Security Incident Response Teams (CSIRTs)	-	-	1 additional CSIRT established	<ul style="list-style-type: none"> The target was achieved as a legal entity called COMRIC has been established, which serves as the CSIRT for the mobile operator's sector. Operationally, the Hub is exchanging information with COMRIC. 	None	None
Enabling Digital transformation policies and strategies	Policy Direction on 5G Spectrum	Approved Policy Direction on 5G Spectrum issued	-	-	Final Policy Direction on 5G Spectrum issued	<p>The target was not achieved however the Department developed the draft Policy Direction on 5G Spectrum.</p>	<p>The final Policy Direction on 5G Spectrum was not issued.</p>	<ul style="list-style-type: none"> The current litigation between Telkom and ICASA, MTN and ICASA are adversely impacting on the Policy Directions.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
								<ul style="list-style-type: none"> Public consultation as required by Section 3(5) of the Electronic Communication Act could not be undertaken due to the litigation since the 5G Policy direction is cited in the above litigation process and may be impacted by the outcome of the court process.

Strategy to overcome areas of under-performance.

The Department acknowledges its under-performance on the following targets:

- Digital Transformation Centre established. Going forward, the Department will expedite Cabinet approval of the Digital Transformation Centre following which the Digital Transformation Centre Agreement will be signed by relevant stakeholders.
- 860,000 subsidized digital television installations co-ordinated and monitored in three (3) provinces and Distribution of 139 006 vouchers co-ordinated and monitored. In order to ensure the full implementation of the Broadcasting Digital Migration Programme, the Department will work closely with the implementing Entities responsible for the different elements of the BDM Programme as well as ensure coordination and reporting of the BDM implementation plan.
- Final Policy Direction on 5G Spectrum issued. The Department will gazette a draft Policy Direction on 5G Network Deployment, for public consultation in quarter 1 of 2021/22 financial year so as to fast track the finalisation of the final Policy Direction by quarter 3. This is however dependent on the swift finalisation of the current litigation matter.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not applicable to DCDT.

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not receive a COVID-19 relief package. However, during the onset of the COVID-19 pandemic, the Minister issued multiple Directions on the Risk-Adjusted Strategy for the Communications and Digital Technologies Sector under Regulation 4(10) of the Regulations made under Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In order to facilitate implementation of the Directions across the entire Sector, a Programme Management Office was set up as a coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services so as to ensure smooth operations of the communications industry as essential services during the disaster period. The composition of the COVID-19 Programme Management Office consisted of Departmental officials from all six Programmes of the Department.

Linking performance with budgets

Spending was R 1.017 billion in the 2020/21 financial year and R381.3 million in the 2019/20 financial year. Spending in goods and services decrease from R247.9 million in 2019/20 to R 217.2 million in 2020/21 financial year. Spending in Travel and subsistence decreased from R9.6 million in 2019/20 to R 2.9 million in 2020/21 in the year under review due to nationwide lock down as announced by the President of the country to curb the spread of the corona virus. The transfer to the Public entities increased from R 301.9 million in 2019/20 to R761.1 million in 2020/21 financial year. These transfers are for the Digital Terrestrial Television Migration project. The variance is mainly due to fund transferred to Universal Service and Access Fund for Broadcasting digital migration project (BDM). Spending rate under this program is at 97,8%.

Sub-programme expenditure

Sub-Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
BROADBAND	227 446	226 929	517	276 438	274 813	1 625
ICT SUPPORT	8 253	5 739	2 514	13 817	6 092	7 725
BROADCASTING DIGITAL MIGRATION	801 990	782 597	19 393	311 012	300 403	10 609
PROGRAMME MANAGEMENT FOR ICT INFORMATION INFRASTRUCTURE DEVELOPMENT AND SUPPORT	2 165	2 150	15	-	-	-
TOTAL	1 039 854	1 017 415	22 439	601 267	581 308	19 959

4.6 PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

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

Sub-Programme:

- **Programme Management for ICT Information Society and Capacity Development** provides for the overall management of the programme.
- **Information Society Development** supports the promotion of digital society by facilitating the uptake and use of digital technologies. This includes the development of institutional mechanisms, intergovernmental relations forums.
- **Capacity Development** facilitates capacity-building interventions to develop digital and future skills towards the creation of a digital society.

Institutional outcomes for Programme 6: ICT Information Society and Capacity Development

- Transformed digital society
- High performing Portfolio to enable achievement of their respective mandates

Outcomes, outputs, output indicators, targets and actual achievements

The Departments' Programme 6 contributed to the Outcome of "Transformed digital society". In this regard, the Department monitored the implementation of the National e-Government Strategy and Roadmap, towards digitalisation of government services. The Department focused on the implementation of the e-Services portal in collaboration with SITA and the Monitoring Report on the Uploading of e-Services on the National e-Services Portal was developed. The Digital and Future Skills Implementation Programme plan was also developed.

This programme also contributed to the Outcome "High performing Portfolio to enable achievement of their respective mandates" by developing the Blueprint for Digital Technology diffusion and the draft Integrated Digital Economy and Society Indicator Model which was developed and approved. The digitising of government services and the provision of digital and future skills directly contributes to the outcome of a transformed digital society while the Digital Economy and Society Indicator Model contributes to a High performing Portfolio to enable achievement of their respective mandates.

Furthermore, the Department has in place a Chief Directorate: Gender, Disability, Youth and Children (GDYC) which focuses on mainstreaming initiatives related to prioritising women, youth and persons with disabilities and Children in policies and programmes of the Department.

The table below provides progress only against the targets that were in the originally tabled APP, until date of re-tabling

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Transformed digital society	Training Programme on AI related skills	Implemented Training Programme on AI related skills	-	-	Training Programme on AI related skills, focusing on the youth, developed and implemented	The target was not achieved however in quarter 1, a 2-day webcast training assessment workshop was conducted on 22-23 June 2020 with relevant stakeholders.	Given that the planned annual target was only in effect for the first quarter, before revision of the APP, the Training Programme on AI related skills, was not developed and implemented	Not applicable as target was removed from the revised APP.	The target was removed as the training on AI related skills was incorporated into the implementation of the Digital and Future Skills Programme, in line with National Digital and Future Skills Strategy.

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
High performing Portfolio to enable achievement of their respective mandates	Integrated digital economy and society indicator model	Implemented Integrated Digital Economy and Society Indicator Model	-	-	Integrated Digital Economy and Society Indicator Model developed	Although the Annual target was not achieved, the Framework for the Integrated Digital Economy and Society Indicator Model was developed within quarter 1.	Given that the planned annual target was only in effect for the first quarter, before revision of the APP, the Integrated Digital Economy and Society Indicator Model was not developed.	Not applicable as the target was revised in the APP that was tabled in quarter 2.	The finalisation of the Integrated Digital Economy and Society Indicator Model is dependent on the approval of the Digital Economy Masterplan, which was to be finalised in the 2020/21 financial year. Therefore, the target was revised to focus on the development of a draft Integrated Digital Economy and Society Indicator Model by end of the financial year while awaiting the finalisation of the Digital Economy Masterplan.

The table below covers all targets that were committed to in the re-tabled APP

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Transformed digital society	Digitalised government services	Government services digitally accessible to citizens	-	-	National e-Government Strategy and Roadmap implemented and monitored towards digitalisation of government services	<ul style="list-style-type: none"> The Department monitored the implementation of the National e-Government Strategy and Roadmap, towards digitalisation of government services. The Department focused on the implementation of the e-Services portal in collaboration with SITA. The List of priority services was sourced from government departments and uploaded on the National e-Services Portal. Monitoring Report on the Uploading of e-Services on the National e-Services Portal was developed. 	None	None

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Transformed digital society	National Digital and Future Skills Strategy	Implemented Digital and Future Skills Programme, in line with National Digital and Future Skills Strategy	-	-	Implementation of the Digital and Future Skills Programme, in line with National Digital and Future Skills Strategy, facilitated and monitored	<ul style="list-style-type: none"> The Digital and Future Skills Implementation Programme plan was developed. The establishment of the Digital Skills Forum was approved. Through NEMISA, the Dept facilitated the implementation of training on Coursera online digital skills. The AI training Network was also implemented as planned. 	None	None
Enabling Digital transformation policies and strategies	Policy and legislation addressing digital technology diffusion	Implemented Policy and Legislation addressing digital technology diffusion	-	-	Blueprint for Digital Technology diffusion developed	The Blueprint for Digital Technology diffusion was developed and approved	None	None

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
High performing Portfolio to enable achievement of their respective mandates	Integrated digital economy and society indicator model	Implemented Integrated Digital Economy and Society Indicator Model	-	-	Draft Integrated Digital Economy and Society Indicator Model developed	The draft Integrated Digital Economy and Society Indicator Model was developed and approved.	None	None

Strategy to overcome areas of under-performance.

Not applicable as all planned targets were achieved within Programme 6.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not applicable to DCDT

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not receive a COVID-19 relief package. However, during the onset of the COVID-19 pandemic, the Minister issued multiple Directions on the Risk-Adjusted Strategy for the Communications and Digital Technologies Sector under Regulation 4(10) of the Regulations made under Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In order to facilitate implementation of the Directions across the entire Sector, a Programme Management Office was set up as a coordinating mechanism, through which the Department, together with the industry service providers, facilitated the provisioning of services so as to ensure smooth operations of the communications industry as essential services during the disaster period. The composition of the COVID-19 Programme Management Office consisted of Departmental officials from all six Programmes of the Department.

Linking performance with budgets

Spending was R49.8 million in the 2020/21 financial year and R60.6 million in the 2019/20 financial year. Spending under goods and services decreased from R18.5 million in 2019/20 to R9.95 million in 2020/21 financial year. Consultants and business advisory decreased from R1.8 million in 2019/20 to R912 million in 2020/21. Spending in Travel and subsistence decreased from R9.6 million in 2019/20 to R1 million in 2020/21 due to nationwide lock down as announced by the President of the country to curb the spread of the COVID-19 pandemic. Spending rate under this program is at 66,1%.

Sub-programme expenditure

Sub-Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
INFORMATION SOCIETY DEVELOPMENT	63 284	39 004	24 280	62 141	57 163	4 978
CAPACITY DEVELOPMENT	9 890	9 355	535	4 348	3 437	911
PROGRAMME MANAGEMENT FOR ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	2 225	1 465	760	-	-	-
TOTAL	75 399	49 824	25 575	66 489	60 600	5 889

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
FPB	<ul style="list-style-type: none"> • Effective Content Regulation aligned to the Constitution • Public Education and Stakeholder Partnering • Research and Development • Efficient and high performing organisation 	R100,6 million	R99,0m excluding commitments	<p>FPB achieved 80% of planned targets for the 2020/21 financial year.</p> <p>The achievements included the following:</p> <ul style="list-style-type: none"> • production of the Content Classification index; • emoluments of the classifiers who have been appointed as independent contractors to classify the films, games and other publications; • enforcing the FP Act to the distributors through issuing non-compliance notices • training of educators, parents and learners on cyber safety, training workshops for the classifiers and industry • Implementation of outreach programmes • Improving stakeholder relations for the FPB.
ICASA	<ul style="list-style-type: none"> • Access to quality broadband Services Increased • Status of Social Cohesion (inclusive of Diversity of Views) enhanced • Rights of Consumers Protected • Competition in the ICT Sector Promoted 	543,7 million	447,4million	<ul style="list-style-type: none"> • ICASA achieved 89.6% of its targets for the 2020/21 financial year. • ICASA has both monthly and quarterly monitoring system that ensure spending kept on close watch. Forecasting on spending sufficiently done predict overspending future months ahead. • 5G spectrum auctioning at close of 2020/21FY was already set to take place with all regulatory requirements in place.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
NEMISA	Digital Skills training	R97,4 million	R64,5 million	<ul style="list-style-type: none"> • NEMISA has achieved 10 out of 11 planned targets, translating to 90%. • Notable achievement includes the training of: <ul style="list-style-type: none"> - 16 296 citizens in basic digital literacy - 117 learners in creative media practitioners. - 1126 citizens on specialist technology. - 703 government officials in digital transformation advocacy and awareness campaigns. <p>Other key achievements include:</p> <ul style="list-style-type: none"> • The registering of 10492 -LMS -users on the system • A virtual 3 Day Data Science Innovation Hackathon hosted across all nine (9) provinces. • The development of an evaluation and impact report
USAASA	Progressive realisation of the goal of universal access and universal service in South Africa.	R261,4 million	R64,599 million	<p>The achievement included the:</p> <ul style="list-style-type: none"> • Filling of the 2 critical vacancies under the organisational structure appointment of Sentech to project manage the BDM rollout of Phase 1 installations of 860 000 set-top-boxes in 3 priority provinces, i.e., Free State, Northern Cape and North West. • The establishment of the Enterprise Risk Maturity Level baseline – a baseline of 43% (level 3) was recorded in quarter 4 and 32% (level 2) in quarter 2 • The mapping capability on establishment of the Geographic Information System was developed and approved by EXCO by year end.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
USAF	Enhanced access to ICT and digital broadcasting services in identified underserved areas.	R563,5 million	R30,035 million	<ul style="list-style-type: none"> • USAF achieved the installation of 12 871 set-top-box kits, compared to 860 000 that were planned. The work done in relation to other targets that were set did not yield any significant results.
SABC	<p>The DCDT funding made it possible for the SABC to deliver the following educational programmes to the citizens of South Africa through Radio and Television:</p> <ol style="list-style-type: none"> 1. Curriculum content for learners & Educators within a formal education environment (Early Childhood Development, Primary and Secondary Schools, Further Education and Training and Adult Basic Education) 2. Non-formal content for learners outside of a formal learning environment. (Children at home). 3. Informal content for the general public in terms of Democracy, Health, Agriculture, Social Welfare, Youth Development, Social Action campaigns. The programmes were also supported by sign language and subtitling etc.). <p>The SABC also delivered Nation Building programmes to assist in building and strengthening a young democratic South Africa.</p>	R205,8 million	<ul style="list-style-type: none"> • SABC – Public Broadcaster • TV and Radio Education program – R79m • TV Programme Productions -- R3m • Channel Africa – R51m <p>Total = R133m</p>	<ul style="list-style-type: none"> • SABC’s educational programmes are the most watched programmes in South Africa compared to other broadcasters, and our radio programmes are very popular with our listeners. • The SABC’s Youth Development programme called Skeem Saam is the third most watched programme in South Africa compared to other broadcasters. • SABC’s Children and Educational programmes received 12 SAFTA nominations. • SABC also developed an Online Virtual Academy for high school learners, called SEVA (SABC Education Virtual Academy)

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
	<p>4. Channel Africa, the only international radio service of South Africa, is a platform that supports the government's programmes into the continent in spheres of political, social, and economic. It produces content that informs the African citizens of issues that affect their lives, thereby empowering them to make informed decisions. It assists in the enhancement of the national brand – South Africa – which is critical for business confidence and ultimately economic development for the country. Through its content offering, it creates the Africa that all envisages.</p>			
SAPO	Provision of Universal Postal Service	R492.1 million	R492.1 million	<ul style="list-style-type: none"> • 529 USO Post Offices operational
SENTECH	Network availability	R264.6 million	R201.5 million	<ul style="list-style-type: none"> • SENTECH has managed to achieve the 99.8% network availability for the service provision of television and radio services. • Funds are utilised in the managing of analogue and DTT infrastructure (repairs and maintenance) for service provision of uninterrupted quality radio and television service. • The network management has been challenging in the wake of rolling blackouts and vandalism. • The increasing cost of spares and regular maintenance of the analogue equipment has also been a challenge. In the wake of rolling blackouts, we have put in place diesel generators to power the transmitters to keep transmission on.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
				<ul style="list-style-type: none"> The cost is monitored on a monthly basis on a set template to calculate the costs when maintenance is carried out. The digital frequency migration project funds are required in advance to allow for advance procurement planning of the frequency migration to free up radio frequency spectrum for mobile broadband.

5.2 Transfer payments to all organisations other than public entities

The Department does not have transfer payments made to provinces, municipalities, departmental agencies, higher education institutions, public corporations, private enterprises, foreign governments, non-profit institutions and households. The only payment which is made by the Department is the membership fees which are paid to the International Organisations which are reflected in the table below.

The table below reflects the transfer payments made to the international Organisations which the department is affiliated for the period 1 April 2020 to 31 March 2021.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
African Telecommunications Union (ATU)	Continental ICT Organisation	Membership fee	Yes	1 401	1 401	-
Universal Postal Union (UPU)	Global Postal Organisation	Membership fee	Yes	8 915	8 915	-
Pan African Postal Union (PAPU)	UN Specification Organisation (Postal)	Membership fee	Yes	1 436	1 436	-
International Telecommunications Union (ITU)	UN Specialised ICT Organization	Membership fee	Yes	24 651	24 651	-
Commonwealth Telecommunication Organization (CTO)	International ICT Organisation for Commonwealth members	Membership fee	Yes	536	536	-
Organisation for Economic Cooperation and Development	Continental ICT Organisation	Membership fee	Yes	209	209	-
DONA Foundation	International Organisation	Member-ship fee	Yes	1 386	1 386	-
Smart Africa Alliance	Portfolio Organisation (Foreign government International)	Member-ship fee	Yes	924	924	-
TOTAL				39 458	39 458	-

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

No Conditional Grants

6.2 Conditional grants and earmarked funds received

No Conditional Grants and earmarked funds received by the Department.

7. DONOR FUNDS

No Donor Funds received

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

The Department has made considerable progress in implementing the capital, investment and asset management plan. An updated and accurate asset register is maintained, which adheres to the minimum requirements set out by the National Treasury and the Departmental policy as well as the Asset Acquisition, Maintenance and Disposal Plan. During the financial year, the Department did not have any infrastructure projects. The Department of Communications and Digital Technologies commenced operations from 01 April 2020 due to merger of the Department of Telecommunication and Postal Services (DTPS) and the Department of Communications (DoC). The assets were transferred from the former Departments after detailed verification and obtaining approval from the Accounting Officer:

• DTPS	R71,231,503
• DoC	R16,479,000
Total	R87,710,503

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft and losses were dealt with according to the Departmental Asset Management, Management of losses and Disposal policies. During the period under review, all losses due to theft were investigated and recommended and determination made by the Loss Control Committee. The number of assets lost due to theft were relatively low. All losses, scrapped, transfers, donations and auctioned assets were removed from the asset register after authorization was obtained from the Accounting Officer as follows:

• Scrapping	R 512,952
• Donations	R 58,341
• Sold/Auctioned	R 6,116,111
• Transferred	R 45,797
• Losses	R 392,239

98% of the book value of the disposed assets was R 1.00 each.

New assets are barcoded, updated on the asset register, allocated to asset users including their locations when invoices are captured for payment.

The Department has implemented an asset management strategy which acts as a guideline to acquire, utilise, maintain and replace assets. The asset holding went down during the reporting period due to the replacement, transfer, auctioning, donating and/or disposals of assets that were no longer supporting service delivery.

Assets that have been identified as redundant and no longer supporting service delivery have been earmarked for disposal in the next financial year. There are also assets that can no longer be repaired cost effectively or refurbished that will be disposed by means of scraping in an environmentally healthy manner.

The Department has performed annual and ad-hoc asset verification, asset movements, updated the asset locations on the asset register and ensured that asset owners sign off office inventories to ensure accountability.

The department undertook monthly, quarterly and annual asset reconciliation to ensure that all asset acquisitions and disposals are accounted for correctly in the annual financial statement.

All assets classifications and conditions were checked for correctness.

The percentage of the current state of the department's capital assets, are as follows:

- Good condition: 85%
- Fair condition: 10%
- Bad condition: 5%

There was no major maintenance or maintenance backlog on projects that have been undertaken during the period under review.

PART C

GOVERNANCE



1. INTRODUCTION

- 1.1 The leadership is committed to the delivery of the Department's mandate, which is informed by the Constitution of the Republic of South Africa, Legislative Framework and aligned to the National Development Plan. The Department also committed to integrity, ethical values and rule of law since it forms the basis of the entire governance framework and how it is governed.
- 1.2 The Department has, as part of transitioning from Department of Communications (DoC) and Department of Telecommunications and Postal Services (DTPS) to the new Department of Communications and Digital Technologies. As part of the transition, the Department developed and approved a Governance Framework aimed at institutionalising an effective governance systems and processes to ensure that proper governance structures are in place. Key to the Governance Framework and Structures are the following principles:
 - 1.2.1 It is an overarching framework that stipulates fundamental principles and practices adopted and implemented by the Department to ensure that it makes the impact as articulated in its strategy;
 - 1.2.2 It is aimed to be the catalyst for the shift from compliance-based mindset (ticking the boxes) to that which focuses on value creation to digitally enable the citizens with secure and affordable universal access to digital technologies;
 - 1.2.3 It presents the entire approach on how the Department is governed towards attainment of specific governance outcomes;
 - 1.2.4 It premises on the legislative frameworks that governs the public sector environment, embed integration of various frameworks and disciplines, encouraging focus on systematic applications and risk taking within acceptable levels/thresholds;
 - 1.2.5 That integrity, ethical values and rule of law should be embedded throughout the Department and should form the basis for all policies, procedures, and actions, as well as the professional behaviour of all employees; and
 - 1.2.6 That all frameworks outlined in the control environment of the Department should be designed fostering integration which should be evident at the business process level, policies, and standard operating procedures.

The Governance Framework was informed by the analysis of lessons learnt from the previous DoC and DTPS governance structures and a system of internal control. The Department's management structures have been institutionalised during the current financial year and are functional:

Minister's Executive Committee (MinEXCO)

MinEXCO meetings are attended by the Minister (Chairperson), Deputy Minister, Director-General, and Deputy Directors-General (DDGs). MinEXCO provides strategic policy direction for the Department and thereby ensures that strategic policy issues that form the basis for the Executive Authority's engagement with Cabinet, Parliament and other key stakeholders are properly considered. Three (03) MinEXCO meetings were held during the 2020/21 financial year.

Executive Committee (EXCO)

EXCO meetings are attended by the Director-General (Chairperson) and Deputy Directors-General (DDGs). Chief of Staff, Chief Financial Officer, Chief Information Officer, Chief Audit Executive, Chief Risk Officer, Chief Director: Strategic Planning and Monitoring, Chief Director: Human Resource Management, Chief Director: Office of the DG and Chief Director: Communications attend EXCO meetings as ex-officio members in line with the Governance Framework. EXCO provides strategic direction, make policy decisions while practicing ethical and effective leadership towards the achievement of the Department's mandate by monitoring the implementation of the Department's Strategy and ensuring effective institutionalisation of the governance principles. Nine (09) EXCO meetings were held during the 2020/21 financial year.

Management Committee (MANCO)

MANCO meetings are attended by the Director-General (Chairperson), Deputy Directors-General (DDGs), Chief Directors (CDs) and Directors. MANCO facilitates integration and collaboration across branches, ensures policies and strategies are implemented, monitors compliance across the Department and reporting on the Department's performance. MANCO further provides strategic support to EXCO in the development and implementation of the Strategic Plan, Annual Performance Plan and Governance Framework. Chief Audit Executive and Chief Risk Officer attend as ex-officio members. Three (03) MANCO meetings were held during the 2020/21 financial year.

Operations Committee (OPSCOM)

OPSCOM meetings are attended by the DDG: Administration (Chairperson), Chief Director: Human Resource Management, Chief Financial Officer, Chief Director: Communications, Chief Information Officer, Chief Director: Strategic Planning and Monitoring, Chief Director: Legal Services, Chief Director: Office of the DG and representatives from each line branch at SMS level. OPSCOM is responsible for reviewing internal control policies, strategies, and frameworks, ensuring that these enabling documents are in line with the strategic intent of the Department and relevant legislation. The Chief Audit Executive and Chief Risk Officer attend as ex-officio members. Four (04) OPSCOM meetings were held during the 2020/21 financial year.

Business Continuity Committee (BCC)

BCC meetings are attended by the DDG: Administration (Chairperson), Chief Director: Human Resource Management, Chief Financial Officer, Chief Director: Communications, Chief Information Officer, Chief Director: Strategic Planning and Monitoring, Chief Director: Legal Services, Chief Director: Office of the DG, Chief Director: Broadband, Chief Director: SOE Governance and Support, Chief Director: ICT Bilateral, Director: IT Policy, Director: Capacity Development and representatives from Labour Unions (NEHAWU and PSA) and Occupational Health and Safety (OHS). BCC is responsible for overall sponsorship, direction and strategy for the development and implementation of business continuity management programs. BCC is further responsible for making strategic recovery and continuity planning decisions for the Department and signs-off on the different stages of the business continuity management programs. BCC was also responsible for monitoring the assessment of COVID-19 risks and development and implementation of mitigation plans. The Chief Audit Executive and the Business Continuity Team (Chief Risk Officer and Deputy Director: IT Governance) attend as ex-officio members. Nine (09) BCC meetings were held during the 2020/21 financial year.

1.3 With the commitments and processes institutionalised to ensure best governance practices and sound internal control systems and processes, the Department endeavours to achieve the following:

1.3.1 Promoting appropriate ethics and values throughout the Department;

1.3.2 Convergence of the work of different programs to implement the mandate of the Department;

1.3.3 Alignment of different functions aimed at achieving similar outcomes, to alleviate duplications and resource wastages;

1.3.4 Initiating appropriate mechanisms to manage fraud, corruption, and the abuse of State resources; and

1.3.5 Accountable management, monitoring and reporting on the implementation of commitments detailed in the Strategic Plan and Annual Performance Plan of the Department.

2. RISK MANAGEMENT

2.1 Risk Management Approach.

The Department uses the Top-Down risk management approach; assesses, manages, and reports all significant risks that are impacting on the outcomes of the Department and development of risk mitigation plans consistently throughout the Department, in line with defined risk management practices and reporting protocols. The approach fosters the management of risks from the Top (Executive and Senior Management (SMS) levels managing strategic risks) to the Bottom (Middle Management (MMS) level managing operational risks) within respective Branches.

2.2 Risk Management Policy and Strategy.

The Department operates in terms of Risk Management Framework (Policy, Strategy, Methodology and Implementation Plan) in line with the National Treasury Risk Management Framework. This Framework is further aligned to the Department's Strategic and Annual Performance Plans to ensure that it is relevant for managing DCDT risk exposures.

The Department has established risk appetite and tolerance thresholds defined as part of the risk management methodology, which are used to measure the level of acceptable risks throughout the Department. These thresholds are applied to ensure effective implementation of risk management systems and processes.

The Departmental Risk Appetite and Tolerance Levels assists with the determination of the points at which risks are considered significant and require mitigations to be implemented to manage the risk exposures to acceptable levels.

2.3 Risk Aware Culture and Maturity.

An independent risk maturity assessment has been conducted and the Department's risk management systems and processes were rated moderate (level 3 maturity). The moderate rating was obtained whilst the Department was going through reconfiguration process.

The Department has since developed an improvement plan which is monitored on a quarterly basis to improve the risk management maturity level to mature (level 4 maturity) and leading (level 5 maturity) levels in the next three (3) years from 2021/22 to 2024/25. Key improvement action plans include:

- a) Procurement of a risk management system to ensure proper automation and improve efficiency;
- b) Inclusion of risk mitigation plans and monitoring in operational plans of the relevant sections to improve the level of implementation and monitoring. This will integrate risk management and strategic planning, monitoring and evaluation systems and processes;
- c) Finalising and implementing leading practice aspects to further improve the risk appetite and tolerance framework, risk appetite and tolerance thresholds, key risk indicators and risk incidents framework and business continuity management framework; and
- d) Focusing risk management awareness/training on identification of relevant preventative, detective, and corrective controls to manage specific risks root causes and consequences to acceptable levels.

There are various processes to ensure risk awareness and commitment of the entire Department, such as:

- a) Induction of new employees and newly appointed Risk and Ethics Committee (REC) Members;
- b) Risk management posters and brochures in all the Department's office blocks;
- c) Displaying risk management messages in all the Department's monitors;
- d) Uploading of risk management enabling documents in the Department's intranet for ease of access by all employees; and
- e) Quarterly risk monitoring and reporting.

2.4 Risk Management Structure.

Risk Management Directorate comprises of two officials: Director and Deputy Director. Due to the current economic conditions the Department operates in, the Directorate is not able to have a structure that can adequately respond to the increasing needs of the Department and the complexities of the Department's operational processes.

In the reconfiguration and new structure development process, the Directorate has submitted requirements for capacitation of the Directorate.

2.5 Risk Assessments.

The Top-Down risk management approach adopted by the Department requires strategic risk assessments to be completed before an operational risk assessment are completed. This will ensure the Department achieve the planned outcomes. The risk assessments are further considered on the basis of the Department's risk appetite and tolerance levels.

The 2020/21 strategic risk assessments were completed on time with relevant reports presented to the Executive (EXCO) and Risk and Ethics Committees (REC) for consideration and approval and the Accounting Officer for sign-off.

2.6 Management of risks.

Management of strategic risks and the implementation of the respective risk mitigation plans were monitored on a quarterly basis. Monitoring reports were compiled and presented on a quarterly basis to the Executive Committee (EXCO), and Risk and Ethics Committee (REC).

2.6.1 Strategic Risk Management

Of the fifteen (15) strategic risks identified during the 2020/21 financial year, one (1) has been managed within acceptable risk level (appetite) while fourteen (14) remained outside the acceptable risk levels. Strategic risks that remained outside the acceptable risk levels were due to the following key challenges/root causes:

- a) Budgetary constraints / budget cuts.
- b) No provincial concurrence.
- c) Inadequate capacity in mandated entities.
- d) Ineffective project governance, monitoring, reporting, and decision making on migration of the population from analogue to digital.
- e) Lack of infrastructure (Inability to reach all the intended audience through online learning, as we may not reach some of the planned areas) during COVID-19.
- f) COVID-19 related challenges, particularly during hard lockdown (level 5) which led to postponement and/or cancellation of key strategic events, where virtual events could not be used as an alternative.
- g) Undocumented processes in some areas (lack of standard operating procedures).
- h) Identification of relevant preventative, detective, and corrective controls to manage specific risks root causes and consequences to acceptable levels.
- i) Delays in the licensing of the Postbank.
- j) Length of time in board appointments in some SOCs.
- k) Lack of risk management software.
- l) Slow implementation of risk mitigation strategies.

2.6.2 Operational and Project Risk Management

Operational and Project risk assessments were delayed due to the reconfiguration process. The Department prioritised the identification and management of strategic risks as a component of the reconfiguration. The Department also focused on the identification and monitoring of COVID-19 risks and mitigation plans. These risks covered a number of key operational and fraud risks which were monitored and reported to the Business Continuity Committee, Executive Committee (EXCO) and Risk and Ethics Committee (REC).

2.7 Value Add.

- a) Risk management being part of the strategic planning process – this assisted with ensuring that resources are prioritised and allocated to the relevant key strategic projects and that realistic targets are set. This was also the case when the Department reprioritised APP targets and milestones to align to the revised allocations from Treasury and the challenges brought about by the pandemic.
- b) Current and emerging strategic risks – these risks assist the process by ensuring that the annual performance plan include mitigations / interventions to address these identified strategic risks;
- c) Key root causes for the identified strategic risks – these key root causes or challenges have also been considered and analysed to ensure proper mitigations are planned to address the identified strategic risks to acceptable appetite and tolerance levels;
- d) Monitoring the development of the integrated assurance framework and the compliance program.
- e) Risk management was instrumental in driving the Business Continuity Committee which ensured that innovative processes are implemented during the COVID-19; and
- f) Risk management was also instrumental in reconfiguration process by conducting the risk assessment and providing advisory services in the project.

2.8 Risk and Ethics Committee (REC).

To ensure the integrity and reliability of the risk and ethics management processes, the Department has established a Risk and Ethics Committee (REC) to assist the Accounting Officer with overseeing the effectiveness of the Department's risk and ethics management systems, practices, and procedures (which includes enterprise risk management, compliance, ethics, anti-corruption and fraud as well as business continuity management) and to provide recommendations for improvement.

The Committee consist of nine (9) members consisting of one (1) independent non-executive member as the Chairperson and eight (8) internal senior management members formally appointed by the Accounting Officer with a blend of skills and knowledge required to address all Departmental risk and ethics exposures.

The ex-officio includes Chief Audit Executive and representatives from Legal Services and Human Resource Management Chief Directorates that are invited to provide their relevant expertise and advice where necessary.

REC operates in terms of approved Terms of Reference (ToR) contained in a Departmental Risk and Ethics Committee (REC) Charter. REC held three (3) normal meetings for the financial year under review and continued to provide objective oversight to assist the Accounting Officer in embedding and improving the risk and ethics management culture throughout the Department.

The table below indicates the names of the REC Members and the meetings they have attended during the period under review:

Name (s)	Designation	Meetings attended	Notes
Dr P. Dala	Independent Non-Executive Chairperson	3 of 3	-
Mr F. Osman	Internal member (CD: Strategic Planning and Monitoring)	2 of 3	Presented an apology in one meeting
Mr M. Sebola	Internal member (CD: ICT Bilateral)	2 of 3	Presented an apology in one meeting
Mr L. Ndlovu	Internal Member (Chief Information Officer)	2 of 3	Presented an apology in one meeting
Ms JK Masemola	Internal member (Chief Financial Officer)	3 of 3	-
Ms N Sihlahla	Internal member (D: Capacity Development)	3 of 3	-
Mr K Mabe	Internal member (CD: Broadband)	0 of 3	Presented apologies in all three meetings
Mr L Motlatla	Internal member (D: IT Policy)	2 of 3	Presented an apology in one meeting
Mr M. Ntshingila	Internal member (CD: SOE Governance and Support)	1 of 3	Presented apologies in two meetings

3. FRAUD AND CORRUPTION

3.1 Fraud Prevention Plan and Implementation

The Department has developed a Fraud Prevention Framework (Strategy, Policy, Investigation Procedure, Implementation Plan and Whistle Blowing Policy) in line with the National Anti-Corruption Framework (NACF), Public Service Regulation 2016 (PSR 2016) and other relevant prescripts. The Framework was approved in March 2021 for implementation in the 2021/22 financial year. This Framework is further aligned to relevant Departmental Policies and Procedures.

Implementation of the Framework is achieved through the following initiatives:

- Awareness on prevention of fraud and corruption including, among other things, induction of new employees and newly appointed Risk and Ethics Committee (REC) Members, fraud prevention posters and brochures in all the Department's office blocks, displaying fraud prevention messages in all the Department's monitors and uploading of fraud prevention enabling documents in the Department's intranet for ease of access by all employees.

- b) The Risk and Ethics Committee (REC) providing oversight over the effectiveness of fraud prevention systems and processes.
- c) Monitoring and reporting on the implementation of the Fraud Prevention Plan to the Risk and Ethics Committee (REC) on a quarterly basis.
- d) Incorporating and ensuring fraud risks are identified at different levels of the risk management process, i.e. during strategic, project and operational risk identification and assessment processes; this will ensure that fraud risk becomes part of the risk management value chain.
- e) Progress on investigations conducted and/or sanctions taken are reported in the closed REC meetings on a quarterly basis for independent professional advice.
- f) Where officials were convicted, the necessary processes were followed in accordance with the Department's policies and procedures including disciplinary procedures and sanctioned in accordance with the guidelines provided by the Department of Public Service and Administration.
- g) The following mechanisms were implemented to create awareness and report fraud and corruption:
 - i. The National Anti-Corruption Hotline (NACH) that is operated and managed by the Public Services Commission (PSC) for whistle blowing purposes. Employees were encouraged to report any suspected corrupt, fraudulent, criminal, or unethical practices using this Hotline number.
 - ii. Fraud Prevention awareness was provided to ensure that all Department officials and external stakeholders are aware of the mechanisms used to report any allegations of fraud or corruption.

4. MINIMISING CONFLICT OF INTEREST

4.1 Systems and processes implemented to prevent conflict of interest in SCM includes:

All Bid Specification, Bid Evaluation and Adjudication Committees members completing declaration of interest at each meeting. The Bid Adjudication Committee further completed and signed code of conduct. In cases where conflict of interest was identified / declared regarding a matter to be considered, the affected member was requested to recuse himself/herself from the discussions, considerations, and decisions.

All bidders were required to complete SBD 4 form to declare any potential conflict of interest.

The Department also ensures a system of segregation of duties within the SCM Unit.

4.2 Other systems and processes to manage conflict of interest

Conflict of interest is managed through a number of practices supported by relevant prescripts. These practices include among others the declaration of interest on matters considered / decisions made in meetings, annual disclosure of financial interests through the eDisclosure system and declaration of gifts, donations, sponsorships, and hospitality in line with Public Service Regulation 2016 and Treasury Regulations. Key practices are reflected below:

- a) Financial disclosures are conducted through an e-Disclosure system provided by the Department of Public Service and Administration and managed by the Public Service Commission.
- b) Other Remunerative Work applications were facilitated and completed within set timeframes.
- c) The Department has appointed an Ethics Officer that has successfully coordinated the timely completion, verification, and submission of financial disclosures by all SMS and relevant levels of non-SMS officials (Level 11, Level 12 and all levels within Finance and SCM units). The Department achieved a 100% timely submission of financial disclosures.
- d) The Ethics Officer also considered and followed up on findings received from the Public Service Commission regarding noncompliance with the Public Service Regulations 2016. Appropriate actions were taken on these findings after thorough analysis and investigations of the matters reported.

5. CODE OF CONDUCT

- 5.1 The Department adheres to the Public Service Code of Conduct contained in the Public Service Regulations, 2016. The Ethics Office has developed Ethics and Integrity Frameworks (Policy, Strategy, and Implementation Plan) that set the tone with regard to ethics and integrity throughout the Department. The Framework was approved in March 2021 for implementation in the 2021/22 financial year.
- 5.2 The Department has also developed a Financial Disclosures Policy that sets the principles and standards to be followed during financial disclosures. This policy is aligned to the Public Service Regulation 2016 which outlines all the requirements for public servants to comply with ethics, integrity, and financial disclosure. The Policy was approved in March 2021 for implementation in the 2021/22 financial year.
- 5.3 An awareness has been provided throughout the Department to ensure all officials are aware of their responsibilities regarding ethics and integrity, code of conduct and financial disclosures. The awareness program implemented included workshops held before financial disclosures were opened to ensure that correct information is disclosed in the financial disclosures and thereby reduce the number of findings from PSC.
- 5.4 The Ethics Officer conducts the relevant investigations on ethics, integrity and financial disclosure noncompliance matters when identified. Ethics, integrity, and financial disclosures reports are compiled on a regular basis and presented or submitted to the relevant governance structures (REC, EA, PSC and DPSA). These reports include the quarterly reports on the effectiveness of ethics and integrity systems and processes, noncompliance reports on financial disclosures as well as action steps taken by the Department regarding noncompliance findings from DPSA and/or PSC.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

- 6.1 The Occupational Health and Safety Committee was appointed during the financial year under review; however, not adequate members were appointed as required by the Occupational Health and Safety Act. The Department is in the process of appointing additional members to the Committee. Once the Committee is properly constituted, it will conduct periodic workplace safety inspections, develop a report on the findings and put the action plan in place to ensure a safe environment.
- 6.2 The Department has a draft Safety, Health, Environment, Risk and Quality (SHERQ) policy in place which is aimed at the provision of a positive health and safety working environment. Consultations with stakeholders are pending due to the appointment of all committee members to finalise the policy.
- 6.3 Furthermore, the Department has appointed fire marshals and first-aiders who have undergone training to equip them to execute their assigned duties. An Emergency Evacuation Plan has been developed and pasted in the key points to ensure ease of access by all staff in the different office blocks.

7. PORTFOLIO COMMITTEES

7.1 Date and subject of briefing to the Portfolio Committee

Table below covers key strategic meetings held with the Portfolio Committee on Communications (PCC). PCC raised matters and made recommendations on several key issues which included the following amongst others:

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS	DISCUSSIONS AND RECOMMENDATIONS SUBJECT MATTER FOR DISCUSSION
12/05/2020	Deputy Minister, Department and State-Owned Entities discussing programmes dealing with COVID-19 related issues and Reconfiguration of the Department.	Focus was on DCDT's response to the COVID-19 pandemic particularly in relation to the allocation of emergency temporary spectrum which the Independent Communications Authority of South Africa (ICASA) had been able to attend to swiftly. An important development had been the establishment of a COVID-19 Project Management Office, which included State-Owned Entities (SOEs) and the broader ICT Industry.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS	DISCUSSIONS AND RECOMMENDATIONS SUBJECT MATTER FOR DISCUSSION
19/05/2020	Department of Communications and Digital Technologies (DCDT) and SABC 2020/21 tabling Annual Performance Plans.	Members' concerns centred around the impact of the COVID-19 pandemic and the shortfall of funds that National Treasury will experience, which will inevitably result in budget cuts. Recommendations were raised on the utilisation of secure online engagement platforms after consulting the State Information Technology Agency and other stakeholders.
07/07/2020	Minister, Department and USAASA tabling Adjusted Budget and Revised Annual Performance Plan.	Recommendations related to the Department engaging with National Treasury on the rollout of BDM plans, and ways of securing extra funding.
18/08/2020	Minister and Deputy Minister presenting DCDT 2020/21 Quarter 1 Performance and Progress made on Reconfiguration of entities.	Focus was on the Quarter 1 performance of the Department against its APP targets with specific recommendations related to implementing mitigating measures with regards to targets that were experiencing challenges.
03/11/2020	Minister and Department presenting progress on Broadband Rollout.	Focus was on the current challenges being experienced with regards to broadband rollout. Recommendations related to undertaking a feasibility study to confirm the challenges and devise plans to address them.
04/11/2020	DoC, DTPS, Sentech, and ZADNA tabling 2019/20 Annual Reports.	Focus was specifically on targets that experienced challenges and that were not achieved. Recommendations were made to address such challenges going forward so as to ensure improvement in the performance against planned targets.
16/02/2021	Minister and Deputy Minister presenting progress on the implementation of Broadcast Digital Migration policy.	Members appreciated the consequence management that the Minister introduced knowing that the matter of IDTVs has been in the Committee for long period. The Committee had previously placed emphasis on consequence management.
02/03/2021	Deputy Minister, DCDT and entities presenting the 2020/21 Quarter 2 performance and ICASA spectrum auction and litigation.	Concerns were raised with regard to the availability of funds for Broadcasting Digital Migration. Recommendations related to the funding allocated for dual illumination costs to SENTECH and funds allocated to DCDT for the BDM project awareness campaign.

8. SCOPA RESOLUTIONS

None

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department has an institutionalised process named Integrated Action Plan, which is under the leadership of the Chief Financial Officer. It entails consolidating findings from all assurance providers including the AGSA and ensuring that a robust process is followed to identify the root causes. Subsequent to the robust root cause analysis an action plan was developed, with emphasis on integrated systematic resolution of the matters raised. The individual responsible managers updated the progress on the findings on a regular basis.

The process outlined above has resulted in significant progress being made on the resolution of matters. During the 2019/20 financial year, the Department of Telecommunications and Postal Services received a clean audit while the Department of Communications received an unqualified audit opinion.

The table below provides matters that were identified in the prior years and the progress made by management in resolving such:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance.	Financial year in which it first arose	Progress made in clearing / resolving the matter
No consequence management for irregular expenditure incurred	2016/17	<p>The Internal Control Committee has been appointed to ensure that all the cases are addressed.</p> <p>More than 20 cases were investigated and concluded in this financial year and consequence management taken where necessary. Cases amounting R114 million are awaiting National Treasury feedback.</p> <p>Due to capacity constraints, the remainder of the investigations were delayed and are in progress.</p>
Splitting of orders to avoid bidding procurement processes; and Procurement of assets not included in the Procurement plan.	2019/20	<p>The internal controls have been strengthened to ensure that no orders are split.</p> <p>All transactions above R 500 thousand have been included in the procurement plan.</p>

10. INTERNAL CONTROL UNIT

10.1 The following key frameworks were developed and approved to further strengthen the governance/control environment of the Department:

- Integrated Governance Framework – which outlines all the overarching governance principles.
- Institutionalisation of the Governance Structures – which outlines all the oversight, governance and management structures with its high-level Terms of Reference and required membership.

10.2 The Administration Branch plays an important role in ensuring that compliance with relevant processes and policies is achieved. The Administration Branch has implemented monitoring and quality assurance assessments that ensures that reported performance of the Department is substantiated with credible evidence. Operations Committee (OPSCOM) provides oversight and manages the policy development process through a register of policies and ensuring that policies are vetted prior to presentation to the MANCO for final consideration and approval.

10.3 The following areas require enhancement as it pertains to internal controls. Management has commissioned a number of initiatives to fast-track improvements:

10.3.1 Irregular expenditure, unauthorised, fruitless, and wasteful expenditure.

- The Department has established governance and management structures to monitor and track progress on addressing unauthorized, irregular, fruitless, and wasteful expenditure. A plan has been developed to address any unauthorized, irregular, fruitless, and wasteful expenditure incurred in the current and previous financial years. The irregular expenditure committee did not meet during the financial year under review due to investigations of the cases not yet completed. The Loss Control Committee meets on a regular basis to address the matters brought to its attention.

10.3.2 Internal Controls

- The Department has developed an action plan to address matters raised in the different assurance providers' findings about the effectiveness of the currently implemented internal controls policies and procedures. Implementation of the action plans is monitored by the governance and management structures.
- Development of Standard Operating Procedures and Digitisation of critical DCDT business processes have been prioritised. These initiatives will ensure effective implementation and monitoring of internal controls across the organisation.

- The Department has focused on ensuring alignment of identified preventative, detective, and corrective controls to specific risks root causes and consequences. Plans are in progress to facilitate training on of internal controls with specific focus on design and effectiveness.

10.3.3 Project Management

- Developing comprehensive project plans with milestones, improvement of project risks identification and key strategic projects are incorporated in the monitoring processes of the Executive Committee.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1 Internal Audit

Internal Audit's mandate is to provide independent objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It should assist the Department to accomplish its outcomes by bringing a systematic disciplined approach to evaluate and improve the adequacy and effectiveness of Governance, Risk Management and Control processes.

The Internal Audit is established within the DCDT in line with the PFMA and Treasury Regulations as a key component or structure of Good Corporate Governance. The Internal Audit Unit report functionally to the Audit Committee and administratively to the Director-General. Its activities are governed by the Internal Audit Charter. The Internal Audit Services are delivered in line with the Institute of Internal Auditors' International Professional Practice Framework (IPPF). The following key activities are performed in this regard, contributing to ensuring that there is Good Corporate Governance, which contributes to the Department's effective delivery of its outcomes and outputs:

- Assess and make appropriate recommendations for improving the governance process for:
 - Making strategic and operational decisions.
 - Overseeing risk management and control.
 - Promoting appropriate ethics and values within the Department.
 - Ensuring effective Departmental performance management and accountability.
 - Communicating risk and control information to appropriate areas of the Department.
 - Coordinating the activities, and communicating information among the oversight structures, external and internal auditors, other assurance providers and management.
- Evaluate the effectiveness and contribute to the improvement of risk management processes.
- Evaluate the adequacy and effectiveness of controls in responding to risks within the Department's governance, operations, and information systems regarding the following:
 - Achievement of the Department's strategic outcomes
 - Reliability and Integrity of financial and operational information
 - Effectiveness and efficiency of operations and programs.
 - Safeguarding of assets
 - Compliance with laws, regulations, policies, and contracts

DCDT Internal Audit has overall completed 11 internal audit engagement reports, which entails 61% delivery of the Annual Internal Audit Plan for 2020/21 financial year. It should be noted that 3 (17%) of the internal audit engagements for 2020/21 financial year plan were at the finalization stage by end of the financial year and issued immediately after the financial year end. Four (4) Internal Audit engagements, which constitutes 22% of the plan, were deferred to the new financial year. It is planned that these engagements will be finalised during the 2021/22 financial year. Although there has been challenges with the delivery of the Internal Audit Services as listed below; it is important to note that the Internal Audit Chief Directorate has, working closely with Department's Management, embarked on a process of enhancing the cooperation and process of implementing tools and measures that seeks to ensure optimal delivery of the Annual Internal Audit Plan. The following challenges were evident during the 2020/21 financial year.

- Delays were experienced during the execution of the internal audit engagements in relation to Management providing management comments and information required for the internal audit process.
- The Annual Internal Audit Plan for 2020/21 had to be revised due to realisation that the status of current controls was detected to be not as presented during the development of the plan.

- Client availability was impacted by their involvement in the COVID-19 strategic interventions.
- The following table depicts progress on Internal Audit Engagements that were executed in the 2020/21 financial year:

No	Internal Audit Engagement	Date Issued	Comment
1.	Finalisation of 2019/2020: DTPS Transfer Payments	25/06/2020	Finalised
2.	Development of Internal Audit Plan 2020/21 – 2022/23	05/02/2021	Finalised
3.	DOC Annual Report 2019/2020	24/07/2020	Finalised
4.	DOC Annual Financial Statement 2019/2020	24/07/2020	Finalised
5.	DTPS Annual Report 2019/2020	24/07/2020	Finalised
6.	DTPS Annual Financial Statement 2019/2020	23/07/2020	Finalised
7.	Strategic Plan and Annual Performance Plan 2021	30/04/2020	Finalised
8.	Quarterly Performance Report 2020/21 Q1	26/08/2020	Finalised
9.	Quarterly Performance Report 2020/21 Q2	10/11/2020	Finalised
10.	Interim Financial Statement 2020/21 Q2 Including the SOE Transfer Payments	01/12/2020	Finalised
11.	Quarterly Performance Report 2020/21 Q3	25/02/2021	Finalised
12.	International Engagements	15/04/2021	Finalised after financial year end
13.	Interim Financial Statement 2020/21 Q3, including SOE Transfer Payment Monitoring	15/04/2021	Finalised after financial year end
14.	Procurement of Goods and Services (related COVID-19)	03/05/2021	Finalised after financial year end
15.	Follow Up on Integrated Action Plan Q1 and Q2	N/A	Deferred
16.	Broad Band Rollout Implementation Monitoring	N/A	Deferred
17.	Follow Up on Integrated Action Plan Q3	N/A	Deferred
18.	DCDT Annual Performance Plan 2021/22	N/A	Deferred

11.2 Audit Committee

The Audit Committee is an independent oversight structure established in terms of Sections 76 and 77 of the PFMA, read in conjunction with Treasury Regulations. Its key function is to provide oversight over the Department with regards to the following:

- Functional responsibility to the Internal Audit Function as it relates to its effectiveness.
- External Audit Function - AGSA.
- Departmental financial management processes including – Accounting and Reporting (AFS); Accounting Policies; Expenditure Management.
- Management discharge of their responsibility pertaining to AGSA management and audit report.
- Departmental Risk Management.
- ICT Governance.
- Internal Control.

- Performance Information.
- Human Resource Management Governance.
- Ethics and Forensic/Other investigations.
- Overall effective governance of the Department by Senior Management.

The DCDT Audit Committee establishment was finalised in May 2021, subsequent to the 2020/21 financial year end. During the financial year the DTPS and DOC Audit Committees continued with the finalisation of their oversight role in relation to the Annual Reports and Annual Financial Statements for the two former Departments. The process of establishing the new Audit Committee entailed following a structured recruitment process with an emphasis on attracting the most appropriate skills; however significant delays were evident in the recruitment process. Hence the Audit Committee could not hold the three (Q1; Q2; and Q3) quarterly audit committee meetings as required; the oversight meeting on the Annual Report and Annual Financial Statements for 2020/21 was held on the 31st of May 2021 and fourth quarter oversight audit committee meeting was held on the 30th of June 2021.

The table below discloses relevant information on the newly appointed audit committee members:

Name	Qualifications	Internal or External	Date appointed
Mr. Johannes Collen Weapond (Chairperson)	Bachelor of Commerce (Hons) Information Systems (NQF level 8); B-Tech Policing (NQF level 7); Bachelor of Law (NQF level 7); Diploma Compliance Management (NQF level 6); and Snr Certificate,	External	30/04/2021
Ms. Zanele Nkosi (Member)	Chartered Accountant CA(SA); Honours Bachelor of Accounting Science (NQF level 8); Baccalaureus Commercial (NQF level 7); and Snr Certificate.	External	30/04/2021

Name	Qualifications	Internal or External	Date appointed
Dr. Prittish Dala (Member)	Doctor of Philosophy in Information Technology (NQF level 10); Master of Information Technology (NQF level 9); Baccalaureus Scientiae Cum Honorius (NQF level 8); Bachelor of Information Technology (NQF level 7); and Certified Information Systems Auditor (CISA); Certified Information Security Manager (CISM); Certified Information Systems Security Professional (CISSP); Lead Auditor ISO 27001 (LA ISO 27001); Certified in the Governance of Enterprise Information Technology (CGEIT); Certified in Risk and Information Systems Control (CRISC); Certified Ethical Hacker (CEH); and Computer Hacking Forensic Investigator (CHFI).Snr Certificate,	External	30/04/2021
Ms. Rachel Kalidass (Member)	Bachelor of Commerce (Hons) Accounting (NQF level 8); Bachelor of Accounting Science (NQF level 7); and Snr Certificate	External	30/04/2021

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2021.

12.1 Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

12.2 The Effectiveness of Internal Control

The Department supported by Internal Audit reported that progress has been made in relation to the development and approval of key frameworks that seeks to establish a conducive control/governance environment, supported by the institutionalisation of the Governance Structures

Our consultation with management and review of the results of the Internal Audit, which was based on the risk assessments of the Department and the audit results from the AGSA revealed certain control deficiencies that requires enhancement. These areas of enhancement were raised with the Department and management has developed adequate measures to address those areas. The following areas requires enhancement:

- Embedding of effective and efficient Risk Management systems and processes into the daily operations of the Department, specifically the identification of relevant preventative, detective, and corrective controls to manage specific risks root causes and consequences to acceptable levels.
- Ensuring that there are documented business processes supported by standard operating procedures for all significant strategic, operational and project risks.
- Institutionalisation of consequence management processes where necessary.
- Embedding effective and efficient performance information quality assessment systems and processes in line with the approved Integrated Strategic Planning and Monitoring Policy and the adopted Integrated Assurance Framework to ensure quality of reported performance information.
- Ensuring that annual financial statements are subjected to rigorous reviews at different levels to ensure quality of reported financial information.
- Embedding effective and efficient controls to prevent, detect, investigate and correct (by taking appropriate action) potential and actual unauthorized, irregular, fruitless and wasteful expenditure within prescribed timeframes.
- Finalisation of the organizational structure and ensuring that key positions are filled in time.

We have reviewed the Department's implementation of the integrated action plan which seeks to address control deficiencies raised by both Internal Audit and Auditor General South Africa. The Audit Committee is concerned about the slow implementation of the Integrated Action Plan as some of the matters have been long outstanding. Management was engaged and provided assurance that appropriate measures are being implemented to improve the implementation rate of agreed action plans.

12.3 In-Year Management and Monthly/Quarterly Report

The Audit Committee raised concerns about some control deficiencies in the financial and performance information presented to the committee.

The Audit Committee brought the control deficiencies with management. Management committed to address the control deficiencies.

12.4 Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the annual financial statements including changes in accounting policies and practices submitted to the AGSA;
- reviewed the Auditor General's management report and managements responses thereto;
- reviewed the Department's compliance with legal and regulatory provisions;
- reviewed significant adjustments resulting from the audit; and
- reviewed information on pre-determined objectives to be included in the annual report.

INTERNAL AUDIT

The Audit Committee reviewed the consolidated annual progress report on the execution of the Internal Audit Plan 2020/21. DCDT Internal Audit did confirm to the Audit Committee that the Annual Internal Audit Plan was developed based on the risk profile of the Department and presented to Executive Management for concurrence and sign off by the Acting Director-General.

The Audit Committee is generally satisfied with the status of the Department's Internal Audit in relation to implementation of Internal Audit Methodology which aligns to the Professional Practice Framework issued by the Institute of Internal Audit. However, based on the consolidated annual internal audit progress report, the Department's Internal Audit needs to enhance the processes of ensuring that the Annual Internal Audit Plan is delivered and completed by the end of the financial year; cognisant of the reported 61% issued reports. Further area of enhancement was the coverage of the IT Audits in the Annual Audit Plan supported by the relevant resource capacity and expertise.

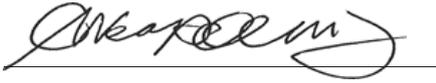
The Audit Committee is satisfied with the content and quality of consolidated annual report and internal audit reports presented in quarter four meeting for the financial year under review.

Auditor General's Report

The Audit Committee concurs and accepts the conclusions of the AGSA on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

CONCLUSION

The Audit Committee wishes to thank the Acting Director-General, Senior Management, and the relevant staff of DCDT for their continued commitment to good governance within the Department. Our appreciation is also extended to the Auditor General South Africa for the value they continue to add to the Department.



Adv. JC Weapond
Chairperson of the Audit Committee
Department of Communication and Digital Technologies

PART D

HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

1.1 Overview of Human Resources

The status of human resources in the Department

Due to the announced merger of the Department of Telecommunications and Postal Services with the Department of Communications, a start-up organisational structure was developed and approved to form the new Department of Communications and Digital Technologies with effect from 1 April 2020. A process of reviewing the start-up structure to align it to the Department's strategic plan is in progress.

As at 31 March 2021, the total number of funded posts on the establishment for the Department was three hundred and thirty-three (333) which were captured on the PERSAL system. Of these positions, two hundred and ninety-eight (298) positions were filled, and thirty-five (35) positions were vacant and funded which equates to 10.51% vacancy rate.

Human resource priorities for the year under review and the impact of these

- Filling of critical funded vacant positions – The vacancy rate of the Department was slightly above the set standard of 10% by the Department of Public Service and Administration (DPSA) i.e. 10,51%. The appointment of individuals in critical positions, assisted the Department to implement its Annual Performance Plan targets.
- Development of a Structure in line with the mandate for the Department of Communications and Digital Technologies.
- Training and development of employees in line with the approved Workplace Skills Plan – Skilled workforce contributing to the implementation of the Department's Annual Performance Plan.
- Alignment of individual performance agreements with the strategic priorities of the Department – this ensured a better performance rate in the Department.
- Development of the DCDT HRM policies.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

- Key vacancies were filled such as the Head of Office of the Deputy Minister, Deputy Director: Economic Analysis and Scenario Construction, Director: Spectrum Policy (Technical), Director: Legal Services, Director: Cyber Security, Chief Director: ICT Strategy, Chief Director: ISAD Institutional Coordination, Deputy Director-General: Information Society Development and Research and Special Adviser to Minister.
- A moratorium was placed on the filling of vacancies due to the review of the Department's start-up organisational structure to ensure that the new structure can be fully funded.
- Additional appointments to the establishment of the Department such as a SCM Clerk, Chief Director: Digital Migration, Director: Information Society Development, Director: External Communications and Chief Director: Organisational Structure Development were considered to ensure the implementation of the Annual Performance Plan and Business Plan is not negatively affected.
- Appointments on Contract to drive the 4IR Project for a period of three (3) years were also made i.e. Head of the Project Management Office, a Snr Research Expert and four (4) Research Experts.
- The Workplace Skills Plan was implemented to ensure a skilled workforce; however, the COVID-19 pandemic and lockdown did have a significant impact, both in terms of numbers trained as well as the implementation of training in the Department.

Employee Performance Management

- The Department implemented its PMDS policy in the year under review which is aligned with the new DPSA Directives for SMS and non-SMS employees. This included signing of Performance Agreements and concluding annual appraisals. The Department effectively implemented a quality assurance process across the Performance Management and Development System to ensure alignment of Performance Agreement and Performance Appraisal process. 2019/20 Annual Assessments for SMS and non-SMS members were finalised and approved by the Director General and the Executive Authority for implementation. Subsequently, employees were rewarded with performance incentives according to their level of achievement of targets. Annual PMDS workshops were conducted for all branches including the PMO in February/March 2021.

Employee wellness programmes

The year under review was affected by the COVID-19 pandemic and the subsequent lockdowns. The Department ensured that employees who test positive for COVID-19 were isolated, and all the Regulations were followed. A sick bay was set-up and equipped, ICAS issued COVID-19 related information to all staff through email and SMS

service and continued to render employee wellness through an Employee Assistance Programme to employees and their immediate family members. The national calendar of events, wellness testing and screening could not be arranged due to the COVID-19 pandemic.

Employee Relations

No disciplinary enquiries were held during the recorded period. Grievances were dealt with within the required timeframes as set out by the applicable prescripts. Ongoing training is provided to managers and supervisors.

2. ACHIEVEMENTS AND CHALLENGES

Achievements

- The following positions were filled: Head of Office of the Deputy Minister, Deputy Director: Economic Analysis and Scenario Construction, Director: Spectrum Policy (Technical), Director: Legal Services, Director: Cyber Security, Chief Director: ICT Strategy, Chief Director: ISAD Institutional Coordination, Deputy Director-General: Information Society Development and Research and Special Adviser to Minister.
- Most HRM policies were developed for the Department of Communications and Digital Technologies, coming into effect in the 2021/22 financial year.
- Reporting to the Department of Labour took place on 15 January 2021, in terms of Section 21 of the Employment Equity Act, Act 55 of 1998. In this Report the Department reports on matters such as the workforce profile, recruitment, promotions, service terminations and skills development for the period 1 January 2020 to 31 December 2020.
- Provision of Employee Health and Wellness interventions i.e. counselling services, and support during the COVID -19 pandemic.
- The Skills Verification Project, whereby the qualifications profiles of employees were updated and verified, was implemented successfully and concluded.
- By the end of the financial year 2020/21, 267 training interventions were implemented out of 502 planned during the compilation of the WSP (53,1% of the planned interventions). This was attended by 106 employees (some employees attended more than 1 training intervention) which represents approximately 33% of the staff establishment on 31 March 2021. As indicated, the COVID-19 pandemic and lockdown significantly affected the implementation of training due to social distancing measures and limited online training opportunities.
- All the training interventions that were implemented were aligned with the respective areas of work and/or PDPs of the attendees. Several training interventions specifically targeted the 4IR. This included the following programmes which were implemented through online workshops in conjunction with NEMISA and the University of the Western Cape CoLab for e-Inclusion and Social Innovation:
 - Transformative Technologies
 - Digital (D) Government
 - Societal Inclusion: The South African Landscape
 - A Citizen-Centric Approach to Policy, Services and Intervention Design
 - Digital Leadership and Change Management
- In addition, several other training interventions were implemented by individual DCDT employees as part of their PDPs which also related to the 4IR and the core business of the Department. This included, amongst others, the following programmes:
 - Technical, Business and Regulatory Aspects of 5G Network
 - 5G: Understanding the Main Policy Challenges
 - Certificate in Telecommunications Policy, Regulation and Management
 - Digital Transformation Strategy
 - Certificate in Cybersecurity Professional Practice and Leadership
 - Some IT programmes, computer end user training and ICT and 4IR related conferences, seminars and webinars.
- The Department implemented its PMDS policy in the year under review which is aligned with the new DPSA Directives for SMS and non-SMS employees. This included signing of Performance Agreements and concluding annual appraisals. The Department effectively implemented a quality assurance process across the Performance Management and Development System to ensure alignment of Performance Agreement

and Performance Appraisal process. 2019/20 Annual Assessments for SMS and non-SMS members were finalised and approved by the Director General and the Executive Authority for implementation. Subsequently, employees were rewarded with performance incentives according to their level of achievement of targets. Annual PMDS workshops were conducted for all branches including the PMO in February/March 2021.

Challenges

- The review of the organisational structure, in line with the mandate of the Department, had an impact on the filling of vacancies in the Department as it resulted in the placement of a moratorium on the filling of posts which further impacted in an under-spending of the COE budget. The Department could not fill vacant posts while undergoing a review of its organisational structure as such vacancies could be impacted by the review process.
- Currently the female representation is at forty-three percent (43,40%) against the target of fifty percent (50%) on senior management level and efforts to close the gap are not yielding the results.
- Currently the male representation on non-SMS level is at thirty-nine percent (38,6%) against the target of fifty percent (50%) and efforts to close the gap are not yielding the results.
- Not all envisaged training could be implemented due to the COVID -19 pandemic and lockdown as well as the impact of the restructuring of the Department. This affected availability of training from training providers while there was also uncertainty from employees which resulted in postponement of especially the implementation of their individual PDPs.
- Employee Health and Wellness activities such as sporting events and health screenings could not be implemented due to COVID-19 pandemic.

Future Plans/Goals

- Approval of the organisational structure aligned to the mandate of the new Department.
- Alignment of the budget structure with new organisational structure.
- To compile an HR Plan aligned to the Strategic Plan for the new reconfigured department for the period 2021 to 2023.
- To identify and implement further interventions to improve the climate and culture in the Department.
- Prioritisation of the appointment of female employees in vacant and funded Senior Management positions in the Department to reach the 50% target, the prioritisation will be institutionalized through the Employment Equity Plan.
- Prioritisation of the appointment of male employees in vacant and funded non-SMS positions in the Department to reach the 50% target, the prioritisation will be institutionalized through the Employment Equity Plan.
- Continued skills development with the focus on priority skills aligned to the mandate, strategy, APP targets of Branches and the 4IR.
- Facilitate the process of submission of PMDS Mid-Term Review for the 2021/22 financial year.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2020 and 31 March 2021

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	215 901	124 644	395	0	58	704
Programme 2: International Relations and Affairs	61 450	20 129	0	0	33	1 258
Programme 3: ICT Policy Development and Research	36 067	33 056	7	0	92	1 033
Programme 4: ICT Enterprise Development and Oversight	1 783 968	18 250	13	0	1	961
Programme 5: ICT Infrastructure Development and Support	1 017 415	34 866	65	0	3.4	942
Programme 6: ICT Information Society and Capacity Development	49 824	39 692	114	0	57	810
Total	3 164 625	270 637	594	0	8.5	820

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	888	0.3	9	99
Skilled (level 3-5)	3 527	1.3	17	207
Highly skilled production (levels 6-8)	41 064	15.2	99	415
Highly skilled supervision (levels 9-12)	88 128	32.6	112	787
Senior and Top management (levels 13-16)	136 006	50.3	112	1 214
Periodical	1 025	0.4	1	1 025
Total	270 637	100	350	773

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 and 31 March 2021

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1: Administration	84 812	68	129	0.1	1 679	1.3	3 018	2.4
Programme 2: International Relations and Affairs	10 004	50	0	0	363	1.8	494	2.5
Programme 3: ICT Policy Development and Research	22 672	69	0	0	346	1.05	458	1.4
Programme 4: ICT Enterprise Development and Oversight	12 302	67	6	0.03	52	0.3	388	2.1
Programme 5: ICT Infrastructure Development and Support	23 817	68	3	0.009	427	1.2	481	1.4
Programme 6: ICT Information Society and Capacity Development	26 527	67	0	0	564	1.4	999	2.5
Total	180 134	67	138	0.05	3 431	1.3	5 838	2.2

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	718	80.9	0	0	0	0	0	0
Skilled (level 3-5)	2 598	73.7	2	0.1	166	4.7	159	4.5
Highly skilled production (levels 6-8)	29 655	72.2	75	0.2	1 442	3.5	2 660	6.5
Highly skilled supervision (levels 9-12)	62 153	70.5	61	0.1	850	1	1 766	2
Senior management (level 13-16)	85 009	62.5	0	0	974	0.7	1 253	0.9
Total	180 134	67	138	0.05	3 431	1.3	5838	2.2

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	182	156	14.3	21
Programme 2: International Relations and Affairs	16	16	0	0
Programme 3: ICT Policy Development and Research	28	24	14.3	8
Programme 4: ICT Enterprise Development and Oversight	21	19	9.5	0
Programme 5: ICT Infrastructure Development and Support	35	34	2.9	3
Programme 6: ICT Information Society and Capacity Development	51	49	3.9	0
Total	333	298	10.5	32

PLEASE NOTE:

- Twenty-one (21) employees indicated as additional under Programme 1, include nine (9) Interns.
- Thirty-two (32) employees appointed additional to the establishment are not included in the total of 298 filled posts.

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0	0	0	9
Skilled (3-5)	16	10	37.5	1
Highly skilled production (6-8)	98	84	14.3	5

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Highly skilled supervision (9-12)	115	101	12.2	1
Senior management (13-16)	104	87	16.3	16
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	0	4	0	0
Contract (Levels 6-8)	0	2	0	0
Contract (Levels 9-12)	0	7	0	0
Contract (Levels 13-16)	0	3	0	0
Total	333	298	10.5	32

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	70	68	2.9	1
Cleaners in Offices, Workshops, Hospitals, etc.	4	4	0	0
Communication and Information Related	3	2	33.3	0
Finance and Economics Related	1	1	0	1
Financial Clerks and Credit Controllers	6	5	16.7	0
Finance and Related Professionals	18	13	27.8	1
Food Services Aids and Waiters	2	2	0	0
Head of Department	1	0	100	0
Human Resources and Organisational Development	9	7	22.2	0
Human Resource Clerks	2	2	0	0
Human Resource Related	8	8	0	0
Information Technology Related	6	4	33.3	0
Language Practitioners, Interpreters and Other Communication Related	5	4	20	0
Library Mail and Related Clerks	5	4	20	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Light Vehicle Driver	1	1	0	0
Logistical Support Personnel	13	12	7.7	0
Messengers, Porters and Deliverers	2	1	50	1
Other Administrative and Related Clerks and Organisers	45	42	6.7	12
Other Information Technology Personnel	6	6	0	0
Other Occupations	2	2	0	0
Secretaries and Other Keyboard Clerks	25	24	4	0
Senior Management	99	86	13.1	15
Total	333	298	10.5	32

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed time frames and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary 16 (including Director-General, Minister, Deputy Minister and Special Advisor)	5	3	60	2	40
Salary Level 15	6	6	100	1	16.7
Salary Level 14	34	34	100	4	11.8
Salary Level 13	59	63	106.8	7	11.9
Total	104	106	101.9	14	13.5

PLEASE NOTE:

The 106 filled posts include 16 employees appointed additional to the establishment, on a contract period of 12 months, in terms of Regulation 57 of the Public Service Regulations 2016.

Table 3.3.2 SMS post information as on 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary 16 (including Director-General, Minister, Deputy Minister and Special Advisor)	5	2	40	3	60
Salary Level 15	6	6	100	1	16.7
Salary Level 14	34	34	100	3	8.8
Salary Level 13	59	66	111.9	8	13.6
Total	104	108	103.8	15	14.4

PLEASE NOTE:

The 108 filled posts include 18 employees appointed additional to the establishment, on a contract period of 12 months, in terms of Regulation 57 of the Public Service Regulations 2016.

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	1	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	1	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months

Organizational Structure of Department is still in development phase and a decision was taken to place a moratorium on the filling of vacancies until the structure is finalized, approved, and funded.

Reasons for vacancies not advertised within twelve months

Organizational Structure of Department is still in development phase and a decision was taken to place a moratorium on the filling of vacancies until the structure is finalized, approved, and funded.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months

Organizational Structure of Department is still in development phase and a decision was taken to place a moratorium on the filling of vacancies until the structure is finalized, approved and funded.

Reasons for vacancies not filled within six months

Organizational Structure of Department is still in development phase and a decision was taken to place a moratorium on the filling of vacancies until the structure is finalized, approved and funded.

3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	16	1	6.3	0	0	0	0
Highly skilled production (Levels 6-8)	98	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	115	0	0	0	0	0	0
Senior Management Service Band A	59	0	0	0	0	0	0
Senior Management Service Band B	34	0	0	0	0	0	0
Senior Management Service Band C	6	1	16.7	0	0	0	0
Senior Management Service Band D	5	1	20	0	0	0	0
Total	333	3	0.9	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability

0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative Related	1	8	9	<ul style="list-style-type: none"> Accelerated and normal Grade Progressions. Ministerial appointments. It was determined by the DPSA, after an analysis of information submitted by the Department, that the functions performed by some of these positions do not justify a grading of posts at Assistant-Director level. Furthermore, the analysis conducted on some of these posts indicated that functions performed are production of nature. These are functions expected to be performed by officers occupying administration officers' posts: If necessary, the Department may create a proper supervisory post, if justifiable from organisational and functional decomposition.
	1	7	9	
	2	11	12	
Financial and Related Professionals	2	9	10	
Financial Clerks and Credit Controllers	1	5	6	
Human Resources Organisational Development Related Professionals	1	9	11	
	1	9	10	
Human Resource Related	2	11	12	
Information Technology Related	2	11	12	
Language Practitioners Interpreters and Other Communication	1	8	9	
	2	8	10	
	1	11	12	
Library Mail and Related Clerks	2	5	6	
Logistical Support Personnel	1	5	6	
	1	7	8	
	1	9	10	
Other Information Technology Personnel	1	8	10	
Other Administrative Related	7	5	6	DPSA Circular on benchmark job descriptions and grading levels and implementation guidelines for jobs of Clerks dated 12 December 2012.
	3	7	8	
	1	7	9	
	1	9	10	
	1	7	11	
Secretaries and Other Keyboard Operating Clerks	9	7	8	DPSA Circular on benchmark job descriptions and grading levels and implementation guidelines for jobs of Secretaries and Personal Assistants dated 31 December 2016.
Total number of employees whose salaries exceeded the level determined by job evaluation				45
Percentage of total employed				14

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	26	2	1	6	35
Male	6	1	1	2	10
Total	32	3	2	8	45
Employees with a disability	0	0	0	0	0
Total number of Employees whose salaries exceeded the grades determine by job evaluation				None	

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of employees at beginning of period- 1 April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	15	0	1	6.7
Highly skilled production (Levels 6-8)	91	0	4	4.4
Highly skilled supervision (Levels 9-12)	107	2	2	1.9
Senior Management Service Bands A (Level 13)	50	3	2	4
Senior Management Service Bands B (Level 14)	29	2	1	3.4
Senior Management Service Bands C (Level 15)	4	1	0	0
Senior Management Service Bands D (Level 16 including DG, Minister, Deputy Minister and Special Advisor)	4	1	2	50
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	1	1	1	100
Contract (Levels 6-8)	7	1	3	42.9
Contract (Levels 9-12)	2	0	0	0
Contract (Band A) (Level 13)	9	5	3	33.3
Contract (Band B) (Level 14)	2	3	1	50
Contract (Band C) (Level 15)	0	1	0	0
Contract (Band D) (Level 16 including DG, Minister, Deputy Minister and Special Advisors)	0	0	0	0
TOTAL	321	*20	**20	6.2

PLEASE NOTE:

- *The twenty (20) appointments include 9 appointments additional to the establishment.
- **The twenty (20) terminations include 3 appointments additional to the establishment.
- The figures indicated under Contract, refers to employees appointed on contract additional to the establishment but excluding the nine (9) Interns.

Table 3.5.2. Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical occupation	Number of employees at beginning of period- April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	66	2	0	0
Cleaners in Offices, Workshops, Hospitals, etc.	4	1	1	25
Communication and Information Related	2	0	0	0
Finance and Economics Related	2	0	0	0
Financial Clerks and Credit Controllers	6	0	1	16.7
Finance and Related Professionals	17	1	4	23.5
Food Services Aids and Waiters	2	0	0	0
Head of Department	1	0	1	100
Human Resources and Organisational Development	7	0	0	0
Human Resource Clerks	3	0	0	0
Human Resource Related	8	0	0	0
Information Technology Related	5	0	1	20
Language Practitioners, Interpreters and Other Communication Related	4	0	0	0
Library Mail and Related Clerks	5	0	0	0
Light Vehicle Driver	1	0	0	0
Logistical Support Personnel	13	0	1	7.7
Messengers, Porters and Deliverers	3	0	1	33.3
Other Administrative and Related Clerks and Organisers	47	0	2	4.3
Other Information Technology Personnel	6	0	0	0
Other Occupations	2	0	0	0
Secretaries and Other Keyboard Clerks	24	0	0	0
Senior Management	93	16	8	8.6
TOTAL	321	20	20	6.2

PLEASE NOTE:

- The twenty (20) appointments include 9 appointments additional to the establishment.
- The twenty (20) terminations include 3 appointments additional to the establishment.

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
Death	2	10
Resignation	8	40
Expiry of contract	9	45
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	0	0
Transfer to other Public Service Departments	1	5
Other	0	0
TOTAL	20	100
Total number of employees who left as a % of total employment	6.2	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	66	0	0	51	77.3
Cleaners in Offices, Workshops, Hospitals, etc.	4	0	0	0	0
Communication and Information Related	2	0	0	2	100
Finance and Economics Related	2	0	0	1	50
Financial Clerks and Credit Controllers	6	0	0	3	50
Finance and Related Professionals	17	0	0	10	58.8
Food Services Aids and Waiters	2	0	0	1	50
Head of Department	1	0	0	0	0
Human Resources and Organisational Development	7	0	0	2	28.6
Human Resource Clerks	3	0	0	2	66.7
Human Resource Related	8	0	0	3	37.5
Information Technology Related	5	0	0	3	60

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Language Practitioners, Interpreters and Other Communication Related	4	0	0	2	50
Library Mail and Related Clerks	5	0	0	1	20
Light Vehicle Driver	1	0	0	1	100
Logistical Support Personnel	13	0	0	5	38.5
Messengers, Porters and Deliverers	3	0	0	1	33.3
Other Administrative and Related Clerks and Organisers	47	0	0	18	38.3
Other Information Technology Personnel	6	0	0	5	83.3
Other Occupations	2	0	0	0	0
Secretaries and Other Keyboard Clerks	24	0	0	14	58.3
Senior Management	93	0	0	65	69.9
TOTAL	321	0	0	190	59.2

Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	16	0	0	5	31.3
Highly skilled production (Levels 6-8)	98	0	0	43	43.9
Highly skilled supervision (Levels 9-12)	109	0	0	76	69.7
Senior Management (Level 13-16)	98	0	0	66	67.3
TOTAL	321	0	0	190	59.2

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	51	2	3	4	38	2	5	1	106
Professionals	44	0	0	5	49	3	1	7	109
Technicians and associate professionals	26	2	1	0	53	5	2	2	91
Clerks	5	0	0	0	9	1	0	0	15
TOTAL	126	4	4	9	149	11	8	10	321
Employees with disabilities	3	0	0	0	1	1	0	1	6
Interns (Appointed additional to the establishment)	3	0	0	0	6	0	0	0	9

PLEASE NOTE:

The 321 employees include 23 employees appointed additional to the establishment.

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	0	5	0	0	0	9
Senior Management	47	2	3	4	33	2	5	1	97
Professionally qualified and experienced specialists and mid-management	44	0	0	5	49	3	1	7	109
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	26	2	1	0	53	5	2	2	91
Semi-skilled and discretionary decision making	5	0	0	0	9	1	0	0	15
Unskilled and undefined decision making	0	0	0	0	0	0	0	0	0
TOTAL	126	4	4	9	149	11	8	10	321

Table 3.6.3 Recruitment for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	1	0	0	0	3
Senior Management	9	0	0	0	4	0	0	0	13
Professionally qualified and experienced specialists and mid-management	2	0	0	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	1	0	0	0	1
Semi-skilled and discretionary decision making	0	0	0	0	1	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	13	0	0	0	7	0	0	0	20
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0								
Employees with disabilities	0								

Table 3.6.5 Terminations for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	4	0	0	0	3	0	0	0	7
Professionally qualified and experienced specialists and mid-management	2	0	0	0	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	3	0	0	2	7
Semi-skilled and discretionary decision making	1	0	0	0	1	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	11	0	0	0	7	0	0	2	20
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Written warning	1	0	0	0	0	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2020 to 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	28	0	1	4	24	1	3	0	61
Professionals	8	0	0	0	11	1	1	3	24
Technicians and associate professionals	2	0	0	0	3	0	0	0	5
Clerks	3	0	0	0	12	0	0	1	16
Total	41	0	1	4	50	2	4	4	106
Employees with disabilities	2	0	0	0	0	1	0	0	3

3.7. Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2020 (DPSA extended the signing of PAs to 31 October 2020 due to COVID-19)

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	7	6	5	83
Salary Level 14	32	32	30	94
Salary Level 13	59	59	55	93
Total	99	97	90	93

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2021

Reasons
All SMS members submitted their Performance Agreements, however (7) Performance Agreements were not properly/ completely signed.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2021

Reasons
Status report was presented at an EXCO meeting and Branch Heads (Deputy Directors-General) were requested to act against non-compliance.

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	48	126	38.1	697	14 520
Female	74	149	49.7	1 081	14 608
Asian					
Male	2	4	50	27	13 500
Female	3	8	37.5	42	14 000

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
Coloured					
Male	2	4	50	25	12 500
Female	6	11	54.5	95	15 833
White					
Male	5	9	55.6	105	21 000
Female	10	10	100	190	19 000
Total	150	321	46.7	2 262	15 080

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 to 31 March 2021.

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	5	15	33.3	34	6 800	1
Highly skilled production (level 6-8)	63	91	69.2	791	12 556	2
Highly skilled supervision (level 9-12)	58	109	53.2	1 176	20 276	1.3
Total	126	215	58.6	2 002	15 889	1.5

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 to 31 March 2021.

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related	31	69	45	646	20 839
Cleaners in Offices Workshops Hospitals Etc.	0	4	0	0	0
Communication and Information Related	0	2	0	0	0
Finance and Economics Related	1	2	50	20	20 000
Financial Clerks and Credit Controllers	5	5	100	50	10 000

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial and Related Professionals	14	14	100	237	16 929
Food Services Aids and Waiters	1	2	50	5	5 000
Human Resources & Org Develop & Related Prof	4	7	57.1	58	14 500
Human Resources Clerks	1	2	50	16	16 000
Human Resources Related	3	8	37.5	66	22 000
Information Technology Related	2	4	50	44	22 000
Language Practitioners Interpreters & Other Comm	4	4	100	82	20 500
Library Mail and Related Clerks	1	5	20	9	9 000
Light Vehicle Drivers	1	1	100	5	5 000
Logistical Support Personnel	12	12	100	170	14 167
Messengers Porters and Deliverers	2	2	100	16	8 000
Other Admin & Related Clerks and Organisers	21	45	46.7	269	12 810
Other Information Technology Personnel.	6	6	100	91	15 167
Other Occupations	0	2	0	0	0
Secretaries & Other Keyboard Operating Clerks	17	24	70.8	218	12 824
Senior Managers	24	101	23.8	260	10 833
TOTAL	150	321	46.7	2 262	15 080

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	17	63	27	178	10 471	0.1
Band B	6	34	17.6	72	12 000	0.02
Band C	1	6	16.7	10	10 000	0.003
Band D	0	3	0	0	0	0
Total	24	106	22.6	260	10 833	0.1

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Total	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Total	0	0	0	0	0	0

3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	7	71.4	3	2.7	2	7
Highly skilled production (levels 6-8)	102	62.7	36	32.4	3	170
Highly skilled supervision (levels 9 -12)	155	63.9	42	37.8	4	455
Top and Senior management (levels 13-16)	176	84.1	29	26.1	6	893
Contract (Levels 6-8)	3	100	1	0.9	3	4
Total	443	72	111	100	4	1 530

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual Leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	176	11	16
Highly skilled production (Levels 6-8)	1 307	90	15
Highly skilled supervision (Levels 9-12)	1 933	105	18
Senior management (Levels 13-16)	1 560	94	17
Contract (Levels 1-2)	60	7	9
Contract (Levels 3-5)	33	5	7
Contract (Levels 6-8)	60	7	9
Contract (Levels 9-12)	53	7	8
Contract (Levels 13-16)	75	16	5
Total	5 257	342	15

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2020
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	20
Highly skilled production (Levels 6-8)	0	0	0	12

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2020
Highly skilled supervision (Levels 9-12)	2	1	2	11
Senior management (Levels 13-16)	0	0	0	44
Total	2	1	2	23

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2020 and 31 March 2021

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Discounting with Resignation (workdays)	358	7	51
Annual – Discounting: Contract Expiry (workdays)	168	3	56
Annual – Gratuity: Death/Retirement/Medical Retirement (workdays)	191	3	64
Capped – Gratuity: Death/Retirement/Medical Retirement (workdays)	444	2	222
Total	1 161	15	77

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
No categories identified.	

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	Yes		Ms Judy Stephens Director: ER, OD and EWH
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		3 Employees: Ms Judy Stephens Mr Tony Shakwane Ms Tihago Makate R147 713. 32
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Counselling services

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		<ul style="list-style-type: none"> • Sports and Recreation Policy • Health and Productivity Policy • HIV and AIDS and TB Management Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Protection of disclosure and confidentiality are incorporated in the HIV and AIDS and TB Management Policy.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		<ul style="list-style-type: none"> • Employees encouraged to know their respective status however due to confidentiality, employees do not report the outcome to the employer.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		EAP reports to establish trends and utilisation of programme.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Total number of Disciplinary hearings finalised	None
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	% of total
None	0	0
Total	0	0

Table 3.12.4 Grievances lodged for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	4	100
Number of grievances not resolved	0	0
Total number of grievances lodged	4	100

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2020 and 31 March 2021

Disputes	Number	% of Total
Number of disputes upheld	1	20
Number of disputes dismissed	4	80
Total number of disputes lodged	5	100

Table 3.12.6 Strike actions for the period 1 April 2020 and 31 March 2021

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2020 and 31 March 2021

Number of people suspended	0
Number of people whose suspension exceeded 30 days.	0
Average number of days suspended	0
Cost of suspension(R'000)	0

3.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	43	0	63	20	83
	Male	55	0	102	38	140
Professionals	Female	60	0	38	15	53
	Male	49	0	20	12	32
Technicians and associate professionals	Female	67	0	28	9	37
	Male	31	0	2	2	4
Clerks	Female	10	0	97	19	116
	Male	6	0	31	6	37
Sub Total	Female	180	0	226	63	289
	Male	141	0	155	58	213
Total		321	0	381	121	502

Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	43	0	62	5	67
	Male	55	0	78	7	85
Professionals	Female	60	0	47	3	50
	Male	49	1	33	0	34
Technicians and associate professionals	Female	67	0	8	0	8
	Male	31	0	2	0	2
Clerks	Female	10	0	14	4	18
	Male	6	0	1	2	3
Sub Total	Female	180	0	131	12	143
	Male	141	1	114	9	124
Total		321	1	245	21	267

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

3.15 Utilisation of Consultants

a) The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

b) The rendering of expert advice;

c) The drafting of proposals for the execution of specific tasks; and

d) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Develop a business case and repurposing document within the scope of the Project Charter.	5	67	956 690.00
Develop a business case for the digital development fund contemplated in the White Paper in line with National Treasury requirements.	2	180	130 541.94
Business Impact Analysis	5	47	39 479.30
Develop IT governance	2	90	213 900.00
Risk Management Maturity Assessment	5	30	399 316.80
Assessment of the current CCTV cameras and access control system	2	635	172 500.00
Hosting and Strategic Support for Cybersecurity Hub.	CSIR	365	7 961 910.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
7	22	1414	9 874 338.04

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Develop a business case and repurposing document within the scope of the Project Charter.	N/A	N/A	N/A
Develop a business case for the digital development fund contemplated in the White Paper in line with National Treasury requirements.	N/A	N/A	N/A
Business Impact Analysis	N/A	N/A	N/A
Develop IT Governance	35.07	35.07	2
Risk Management Maturity Assessment.	30.78	30.78	2
Assessment of the current CCTV cameras and access control system.	100	100	1
Hosting and Strategic Support for Cybersecurity Hub.	N/A	N/A	N/A

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2020 and 31 March 2021

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

PART E

FINANCIAL MANAGEMENT



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Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Communications and Digital Technologies set out on pages 131 to 281, which comprise the appropriation statement, statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Communications and Digital Technologies as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for the opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Impairment of investments

7. As disclosed in note 14 to the financial statements, an amount of R8,1 billion was fully impaired, due to the negative net assets value of an entity where the investment was held as at 31 March 2021.

Non adjusting events after the reporting date

8. As disclosed in note 30 to the financial statements, the department issued a signed resolution on 13 May 2021 approving the conversion of the loan to Broadband Infraco SOC Limited amounting to R1.3 billion as equity.

Other matter

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

10. The supplementary information set out on pages **278 to 293** does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-General's responsibilities for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always date a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 5 - ICT infrastructure development and Support	54 - 64

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. The material findings on the usefulness and reliability of the performance information of the selected programme are as follows:

Programme 5 - Number of subsidised digital television installations coordinated and monitored
20. I was unable to obtain sufficient appropriate audit evidence for the achievement of 12 119 subsidised digital television installations coordinated and monitored in 3 provinces reported against target of 860,000 subsidised digital television installations coordinated and monitored in 3 provinces in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets.

22. Refer to the annual performance report on pages 22 to 78 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 20 of this report.

Report on the audit of compliance with legislation

Introduction and scope

23. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
24. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements and annual report

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and as required by section 40(1) (a) of the PFMA. Material misstatements on advances, goods and services and disclosure notes identified by the auditors in the submitted financial statement were corrected resulting in the financial statements receiving an unqualified opinion.

Consequence management

26. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

Other Information

27. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
29. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
30. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information; if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
- Management did not perform adequate reviews of financial statements and annual performance report to ensure accurate and complete reporting.
 - The department had various acting directors-generals for a period of twelve months. This instability in leadership at the department contributed to the non-compliance matters reported, and the material misstatements noted in the performance report. The efforts of the acting incumbents, as noted from the audit outcome, are however acknowledged.

Auditor-General

Pretoria

31 August 2021



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure - Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional skepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

1. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of Department of Communications and Digital Technologies to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the department to cease operating as a going concern
 - evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

2. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per programme	2021/20						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
PROGRAMME									
1. ADMINISTRATION	270 978	-	(10 716)	260 262	215 901	44 361	83,0%	320 202	273 049
2. INTERNATIONAL AFFAIRS AND TRADE	59 823	-	3 291	63 114	61 450	1 664	97,4%	54 610	53 149
3. ICT POLICY DEVELOPMENT AND RESEARCH	56 922	-	(4 554)	52 368	36 067	16 301	68,9%	47 035	33 845
4. ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	1 795 063	-	(5 132)	1 789 931	1 783 968	5 963	99,7%	5 368 062	5 360 571
5. ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	1 039 854	-	-	1 039 854	1 017 415	22 439	97,8%	601 267	581 308
6. ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	58 288	-	17 111	75 399	49 824	25 575	61,1%	66 489	60 600
SUBTOTAL	3 280 928	-	-	3 280 928	3 164 625	116 303	96,5%	6 457 665	6 352 521

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21		2019/20	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
ADD				
Departmental receipts	105 728		665 564	
NRF Receipts	-		-	
Aid assistance	-		-	
Actual amounts per statement of financial performance (total revenue)				
	3 386 656		7 123 229	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		3 164 625		6 352 521

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	683 786	(1 973)	(6 734)	675 079	575 783	99 296	85,3%	744 321	657 176
Compensation of employees	302 203	-	-	302 203	270 637	31 566	89,6%	328 190	277 670
Salaries and wages	257 233	5 776	1 141	264 150	241 628	22 522	91,5%	292 203	248 714
Social contributions	44 970	(5 776)	(1 141)	38 053	29 009	9 044	76,2%	35 987	28 956
Goods and services	381 583	(1 973)	(6 734)	372 876	305 146	67 730	81,8%	416 131	379 508
Administrative fees	2 414	(1 137)	(252)	1 025	539	486	52,6%	2 331	1 736
Advertising	17 621	3 961	(1 178)	20 404	4 078	16 326	20,0%	10 007	6 679
Minor assets	2 080	(686)	(360)	1 034	239	795	23,1%	1 166	216
Audit costs: External	6 005	387	(427)	5 965	5 956	9	99,8%	6 597	6 523
Bursaries: Employees	3 251	(1 518)	(674)	1 059	566	493	53,4%	1 094	596
Catering: Departmental activities	2 788	(1 296)	(481)	1 011	637	374	63,0%	5 322	4 772
Communication	5 716	861	(327)	6 250	5 992	258	95,9%	6 260	5 739
Computer services	197 469	14 549	(15)	212 003	207 218	4 785	97,7%	7 245	6 253
Consultants: Business and advisory services	29 449	2 227	12 391	44 067	12 054	32 013	27,4%	241 783	236 837
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	505	(480)	(25)	-	-	-	-	-	-
Legal services	5 210	(619)	-	4 591	1 744	2 847	38,0%	3 723	3 254

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Contractors	8 531	(4 577)	(1 339)	2 615	2 523	92	96,5%	4 465	2 589
Agency and support / outsourced services	691	1 502	-	2 193	1 654	539	75,4%	4 450	1 325
Entertainment	348	(63)	(164)	121	-	121	-	193	81
Fleet services	2 969	(1 392)	(221)	1 356	1 329	27	98,0%	2 385	1 875
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	342	-	342	342	-	100,0%	320	320
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Measas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 040	(432)	(222)	386	305	81	79,0%	610	364
Consumable: Stationery, printing and office supplies	2 847	(712)	(586)	1 549	925	624	59,7%	5 104	1 867

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Operating leases	29 127	22	(113)	29 036	26 056	2 980	89,7%	27 609	24 676
Property payments	13 304	1 657	-	14 961	14 766	195	98,7%	20 933	18 041
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	30 580	(8 276)	(9 962)	12 342	10 306	2 036	83,5%	50 832	44 854
Training and development	10 664	(2 657)	(280)	7 727	6 475	1 252	83,8%	3 267	2 087
Operating payments	2 838	(2 329)	(13)	496	267	229	53,8%	1 594	1 259
Venues and facilities	5 906	(1 583)	(2 451)	1 872	854	1 018	45,6%	6 669	5 867
Rental and hiring	230	276	(35)	471	321	150	68,2%	2 172	1 698
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 565 392	1 905	6 734	2 574 031	2 574 031	-	100,0%	2 482 990	2 482 910
Provinces and municipalities	19	-	-	19	19	-	100,0%	15	15
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	19	-	-	19	19	-	100,0%	15	15
Municipal bank accounts	19	-	-	19	19	-	100,0%	15	15
Municipal agencies and funds	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Departmental agencies and accounts	1 566 655	-	-	1 566 655	1 566 655	-	100,0%	1 496 328	1 496 328
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 566 655	-	-	1 566 655	1 566 655	-	100,0%	1 496 328	1 496 328
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	32 724	-	6 734	39 458	39 458	-	100,0%	30 025	30 025
Public corporations and private enterprises	962 478	-	-	962 478	962 478	-	100,0%	924 577	924 577
Public corporations	962 478	-	-	962 478	962 478	-	100,0%	924 577	924 577
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	962 478	-	-	962 478	962 478	-	100,0%	924 577	924 577
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 516	1 905	-	5 421	5 421	-	100,0%	32 045	31 965
Social benefits	3 516	1 721	-	5 237	5 237	-	100,0%	2 376	2 296

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Other transfers to households	-	184	-	184	184	-	100,0%	29 669	29 669
Payments for capital assets	31 750	-	-	31 750	14 743	17 007	46,4%	30 353	12 361
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 6 945	(51)	-	1 6 894	9 741	7 153	57,7%	17 329	10 258
Transport equipment	2 327	-	-	2 327	-	2 327	-	4 250	4 249
Other machinery and equipment	14 618	(51)	-	14 567	9 741	4 826	66,9%	13 079	6 009
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	14 805	51	-	14 856	5 002	9 854	33,7%	13 024	2 103
Payments for financial assets	-	68	-	68	68	-	100,0%	3 200 001	3 200 072
TOTAL	3 280 928	-	-	3 280 928	3 164 625	116 303	96,5%	6 457 665	6 352 521

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 1: ADMINISTRATION	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
SUB PROGRAMME	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. MINISTRY	6 588	-	-	6 588	4 215	2 373	64,0%	8 344	5 903
2. DEPARTMENTAL MANAGEMENT	59 527	(1 382)	(10 716)	47 429	39 252	8 177	82,8%	72 026	63 139
3. INTERNAL AUDIT	7 623	1 539	-	9 162	6 645	2 517	72,5%	12 135	6 349
4. CORPORATE SERVICES	104 529	(2 298)	-	102 231	78 891	23 340	77,2%	126 985	112 820
5. FINANCIAL MANAGEMENT	61 601	2 141	-	63 742	58 179	5 563	91,3%	72 233	56 359
6. OFFICE ACCOMODATION	31 110	-	-	31 110	28 719	2 391	92,3%	28 479	28 479
TOTAL FOR SUB PROGRAMMES	270 978	-	(10 716)	260 262	215 901	44 361	83,0%	320 202	273 049
ECONOMIC CLASSIFICATION									
Current payments	237 727	(1 145)	(10 716)	225 866	196 677	29 189	87,1%	270 217	231 484
Compensation of employees	140 679	-	(3 291)	137 388	124 643	12 745	90,7%	158 316	138 922
Salaries and wages	119 346	2 130	(3 291)	118 185	110 709	7 476	93,7%	138 428	124 087
Social contributions	21 333	(2 130)	-	19 203	13 934	5 269	72,6%	19 888	14 835
Goods and services	97 048	(1 145)	(7 425)	88 478	72 034	16 444	81,4%	111 901	92 564
Administrative fees	591	(51)	(182)	358	306	52	85,5%	703	645
Advertising	1 758	263	(111)	1 910	1 896	14	99,3%	2 044	1 386
Minor assets	375	172	(176)	371	239	132	64,4%	582	208
Audit costs: External	6 000	387	(422)	5 965	5 956	9	99,8%	6 597	6 523
Bursaries: Employees	1 221	(304)	(373)	544	323	221	59,4%	688	392

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 1: ADMINISTRATION									
Catering: Departmental activities	1 079	(335)	(292)	452	324	128	71,7%	1 956	1 622
Communication	2 808	477	(253)	3 032	3 032	-	100,0%	3 113	2 931
Computer services	12 906	(2 142)	-	10 764	5 979	4 785	55,5%	6 799	5 817
Consultants: Business and advisory services	6 230	73	(221)	6 082	2 054	4 028	33,8%	2 518	997
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	5 210	(634)	-	4 576	1 729	2 847	37,8%	3 594	3 254
Contractors	2 514	(435)	(539)	1 540	1 529	11	99,3%	4 083	2 406
Agency and support / outsourced services	50	(50)	-	-	-	-	-	2 469	-
Entertainment	201	(6)	(121)	74	-	74	-	62	46
Fleet services	1 436	(6)	(208)	1 222	1 205	17	98,6%	1 874	1 663
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 1: ADMINISTRATION									
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	654	(125)	(205)	324	295	29	91,0%	437	327
Consumable: Stationery, printing and office supplies	1 224	54	(236)	1 042	925	117	88,8%	3 907	1 504
Operating leases	27 983	291	-	28 274	25 551	2 723	90,4%	26 523	23 994
Property payments	13 304	1 657	-	14 961	14 766	195	98,7%	20 855	17 963
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	8 289	570	(3 725)	5 134	5 057	77	98,5%	18 077	17 273
Training and development	1 752	(681)	-	1 071	394	677	36,8%	1 820	1 205
Operating payments	1 326	(992)	-	334	193	141	57,8%	1 115	1 099
Venues and facilities	137	401	(361)	177	10	167	5,6%	1 236	560
Rental and hiring	-	271	-	271	271	-	100,0%	849	749
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 1: ADMINISTRATION									
Transfers and subsidies	3 535	1 077	-	4 612	4 612	-	100,0%	31 532	31 453
Provinces and municipalities	19	-	-	19	19	-	100,0%	15	15
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	19	-	-	19	19	-	100,0%	15	15
Municipal bank accounts	19	-	-	19	19	-	100,0%	15	15
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 1: ADMINISTRATION									
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 516	1 077	-	4 593	4 593	-	100,0%	31 517	31 438
Social benefits	3 516	917	-	4 433	4 433	-	100,0%	1 876	1 797
Other transfers to households	-	160	-	160	160	-	100,0%	29 641	29 641
Payments for capital assets	29 716	-	-	29 716	14 544	15 172	48,9%	18 452	10 053
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15 002	(51)	-	14 951	9 542	5 409	63,8%	11 908	7 950
Transport equipment	2 327	-	-	2 327	-	2 327	-	3 070	3 069
Other machinery and equipment	12 675	(51)	-	12 624	9 542	3 082	75,6%	8 838	4 881
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	14 714	51	-	14 765	5 002	9 763	33,9%	6 544	2 103
Payments for financial assets	-	68	-	68	68	-	100,0%	1	57
TOTAL	270 978	-	(10 716)	260 262	215 901	44 361	83,0%	320 202	273 049

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.1 MINISTRY	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 588	-	-	6 588	4 215	2 373	64,0%	8 344	5 883
Compensation of employees	6 588	-	-	6 588	4 215	2 373	64,0%	6 820	4 380
Goods and services	-	-	-	-	-	-	-	1 524	1 503
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.1 MINISTRY	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets				-		-	-	-	20
TOTAL	6 588	-	-	6 588	4 215	2 373	64,0%	8 344	5 903

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.2 DEPARTMENTAL MANAGEMENT	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	58 457	(1 630)	(10 716)	46 111	38 527	7 584	83,6%	70 717	61 891
Compensation of employees	41 282	(1 382)	(3 291)	36 609	29 654	6 955	81,0%	47 835	41 756
Goods and services	17 175	(248)	(7 425)	9 502	8 873	629	93,4%	22 882	20 135
Interest and rent on land									
Transfers and subsidies	-	248	-	248	248	-	100,0%	821	743
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	248	-	248	248	-	100,0%	821	743
Payments for capital assets	1 070	-	-	1 070	477	593	44,6%	488	487
Buildings and other fixed structures									
Machinery and equipment	1 070	-	-	1 070	477	593	44,6%	488	487

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.2 DEPARTMENTAL MANAGEMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									18
TOTAL	59 527	(1 382)	(10 716)	47 429	39 252	8 177	82,8%	72 026	63 139

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.3 INTERNAL AUDIT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 572	1 378	-	8 950	6 433	2 517	71,9%	10 373	6 226
Compensation of employees	4 733	1 382	-	6 115	6 115	-	100,0%	5 401	4 274
Goods and services	2 839	(4)	-	2 835	318	2 517	11,2%	4 972	1 952
Interest and rent on land									
Transfers and subsidies	-	4	-	4	4	-	100,0%	-	-
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	4	-	4	4	-	100,0%	-	-
Payments for capital assets	51	157	-	208	208	-	100,0%	1 762	122
Buildings and other fixed structures									
Machinery and equipment	51	(51)	-	-	-	-	-	123	122

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.3 INTERNAL AUDIT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets	208			208	208	-	100,0%	1 639	
Payments for financial assets				-		-	-	-	1
TOTAL	7 623	1 539	-	9 162	6 645	2 517	72,5%	12 135	6 349

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.4 CORPORATE SERVICES	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	85 749	(2 356)	-	83 393	69 944	13 449	83,9%	90 171	78 789
Compensation of employees	57 202	-	-	57 202	54 660	2 542	95,6%	64 000	56 199
Goods and services	28 547	(2 356)	-	26 191	15 284	10 907	58,4%	26 171	22 592
Interest and rent on land									
Transfers and subsidies	3 516	711	-	4 227	4 227	-	100,0%	30 569	30 569
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	3 516	711	-	4 227	4 227	-	100,0%	30 569	30 569
Households									
Payments for capital assets	15 264	(653)	-	14 611	4 720	9 891	32,3%	6 245	3 443
Buildings and other fixed structures									
Machinery and equipment	550	-	-	550	422	128	76,7%	1 340	1 340

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.4 CORPORATE SERVICES	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets	14 714	(653)		14 061	4 298	9 763	30,6%	4 905	2 103
Payments for financial assets	-	-	-	-	-	-	-	-	17
TOTAL	104 529	(2 298)	-	102 231	78 891	23 340	77,2%	126 985	112 820

APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.5 FINANCIAL MANAGEMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	48 251	1 463	-	49 714	48 839	875	98,2%	62 133	50 216
Compensation of employees	30 874	-	-	30 874	29 999	875	97,2%	34 260	32 313
Goods and services	17 377	1 463	-	18 840	18 840	-	100,0%	27 873	17 903
Interest and rent on land									
Transfers and subsidies	19	114	-	133	133	-	100,0%	142	142
Provinces and municipalities	19	-	-	19	19	-	100,0%	15	15
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	114	-	114	114	-	100,0%	127	127
Payments for capital assets	13 331	496	-	13 827	9 139	4 688	66,1%	9 957	6 001
Buildings and other fixed structures									
Machinery and equipment	13 331	-	-	13 331	8 643	4 688	64,8%	9 957	6 001

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Economic classification	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets	-	496	-	496	496	-	100,0%	-	-
Payments for financial assets	-	68	-	68	68	-	100,0%	1	1
TOTAL	61 601	2 141	-	63 742	58 179	5 563	91,3%	72 233	56 359

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.6 OFFICE ACCOMMODATION	31 110	-	-	31 110	28 719	2 391	92,3%	28 479	28 479
Current payments									
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	31 110	-	-	31 110	28 719	2 391	92,3%	28 479	28 479
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	31 110	-	-	31 110	28 719	2 391	92,3%	28 479	28 479

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Sub programme									
1. INTERNATIONAL AFFAIRS	14 169	(2 907)	(2 050)	9 212	8 216	996	89,2%	13 650	12 898
2. ICT TRADE/ PARTNERSHIP	42 832	2 907	5 630	51 369	50 976	393	99,2%	40 960	40 251
3. PROGRAMME MANAGEMENT FOR INTERNATIONAL RELATIONS AND AFFAIRS	2 822	-	(289)	2 533	2 258	275	89,1%	-	-
Total for sub programmes	59 823	-	3 291	63 114	61 450	1 664	97,4%	54 610	53 149
Economic classification									
Current payments	26 493	(4)	(3 443)	23 046	21 988	1 058	95,4%	24 039	23 122
Compensation of employees	16 839	-	3 291	20 130	20 130	-	100,0%	18 404	17 823
Salaries and wages	13 099	1 588	3 646	18 333	18 333	-	100,0%	16 692	16 206
Social contributions	3 740	(1 588)	(355)	1 797	1 797	-	100,0%	1 712	1 617
Goods and services	9 654	(4)	(6 734)	2 916	1 858	1 058	63,7%	5 635	5 299
Administrative fees	217	(4)	-	213	34	179	16,0%	112	70
Advertising	20	418	-	438	417	21	95,2%	76	76
Minor assets	191	(77)	-	114	-	114	-	102	4
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	180	(50)	-	130	12	118	9,2%	50	25
Catering: Departmental activities	165	(95)	(34)	36	-	36	-	110	78

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Communication	190	143	-	333	293	40	88,0%	301	301
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	15	-	15	15	-	100,0%	-	-
Contractors	876	-	(800)	76	59	17	77,6%	22	22
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	14	-	-	14	-	14	-	8	4
Fleet services	10	-	-	10	-	10	-	10	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual expenditure R'000
Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	30	-	-	30	-	30	-	-	-
Consumable: Stationery, printing and office supplies	138	(88)	-	50	-	50	-	28	19
Operating leases	316	(66)	-	250	28	222	11,2%	88	78
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	4 747	-	(3 900)	847	803	44	94,8%	4 038	4 038
Training and development	160	-	-	160	-	160	-	154	61
Operating payments	200	(200)	-	-	-	-	-	2	2
Venues and facilities	2 200	-	(2 000)	200	197	3	98,5%	156	143
Rental and hiring	-	-	-	-	-	-	-	378	378
Interest and rent on land	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	32 724	4	6 734	39 462	39 462	-	100,0%	30 027	30 027
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	32 724	-	6 734	39 458	39 458	-	100,0%	30 025	30 025
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	4	-	4	4	-	100,0%	2	2
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	4	-	4	4	-	100,0%	2	2
Payments for capital assets	606	-	-	606	-	606	-	544	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	606	-	-	606	-	606	-	544	-
Transport equipment	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Other machinery and equipment	606	-	-	606	-	606	-	544	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	59 823	-	3 291	63 114	61 450	1 664	97,4%	54 610	53 149

APPROPRIATION STATEMENT
for the year ended 31 March 2021

2.1 INTERNATIONAL AFFAIRS	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	13 849	(2 911)	(2 050)	8 888	8 212	676	92,4%	13 330	12 898
Compensation of employees	10 774	(2 907)	-	7 867	7 867	-	100,0%	10 291	10 195
Goods and services	3 075	(4)	(2 050)	1 021	345	676	33,8%	3 039	2 703
Interest and rent on land									
Transfers and subsidies	-	4	-	4	4	-	100,0%	-	-
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	4	-	4	4	-	100,0%	-	-
Payments for capital assets	320	-	-	320	-	320	-	320	-
Buildings and other fixed structures									
Machinery and equipment	320	-	-	320	-	320	-	320	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 INTERNATIONAL AFFAIRS									
Economic classification									
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	14 169	(2 907)	(2 050)	9 212	8 216	996	89,2%	13 650	12 898

APPROPRIATION STATEMENT
for the year ended 31 March 2021

2.2 ICT TRADE/PARTNERSHIP	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 872	2 907	(1 104)	11 675	11 518	157	98,7%	10 709	10 224
Compensation of employees	4 038	2 907	3 060	10 005	10 005	-	100,0%	8 113	7 628
Goods and services	5 834	-	(4 164)	1 670	1 513	157	90,6%	2 596	2 596
Interest and rent on land									
Transfers and subsidies	32 724	-	6 734	39 458	39 458	-	100,0%	30 027	30 027
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations	32 724	-	6 734	39 458	39 458	-	100,0%	30 027	30 027
Public corporations and private enterprises									
Non-profit institutions									
Households	-	-	-	-	-	-	-	2	2
Payments for capital assets	236	-	-	236	-	236	-	224	-
Buildings and other fixed structures									
Machinery and equipment	236	-	-	236	-	236	-	224	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.2 ICT TRADE/PARTNERSHIP									
Economic classification									
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	42 832	2 907	5 630	51 369	50 976	393	99,2%	40 960	40 251

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.3 PROGRAMME MANAGEMENT FOR INTERNATIONAL RELATIONS AND AFFAIRS									
Current payments	2 772	-	(289)	2 483	2 258	225	90,9%	-	-
Compensation of employees	2 027	-	231	2 258	2 258	-	100,0%	-	-
Goods and services	745	-	(520)	225	-	225	-	-	-
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	50	-	-	50	-	50	-	-	-
Buildings and other fixed structures									
Machinery and equipment	50	-	-	50	-	50	-	-	-
Heritage assets									

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for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.3 PROGRAMME MANAGEMENT FOR INTERNATIONAL RELATIONS AND AFFAIRS									
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	2 822	-	(289)	2 533	2 258	275	89,1%	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. PROGRAMME MANAGEMENT FOR POLICY DEVELOPMENT AND RESEARCH	2 486	-	-	2 486	612	1 874	24,6%	-	-
2. ICT POLICY DEVELOPMENT	15 878	(1 206)	(4 554)	10 118	8 821	1 297	87,2%	16 363	13 012
3. ECONOMIC AND MARKET ANALYSIS	5 168	-	-	5 168	3 165	2 003	61,2%	4 160	3 138
4. RESEARCH	7 462	-	-	7 462	4 743	2 719	63,6%	6 186	4 899
5. BROADCASTING POLICY	7 972	(2 180)	-	5 792	5 453	339	94,1%	10 600	5 549
6. SMALL MEDIUM AND MICRO ENTERPRISE DEVELOPMENT	4 892	37	-	4 929	4 278	651	86,8%	6 178	5 677
7. PRESIDENTIAL COMMISSION 4IR	13 064	3 349	-	16 413	8 995	7 418	54,8%	-	-
8. MEDIA POLICY	-	-	-	-	-	-	-	3 548	1 571
TOTAL FOR SUB PROGRAMMES	56 922	-	(4 554)	52 368	36 067	16 301	68,9%	47 035	33 845
Economic classification									
Current payments	56 561	(555)	(4 554)	51 452	35 490	15 962	69,0%	46 680	33 806
Compensation of employees	36 315	-	-	36 315	33 055	3 260	91,0%	37 024	26 451
Salaries and wages	30 405	1 608	786	32 799	29 736	3 063	90,7%	33 110	23 817
Social contributions	5 910	(1 608)	(786)	3 516	3 319	197	94,4%	3 914	2 634
Goods and services	20 246	(555)	(4 554)	15 137	2 435	12 702	16,1%	9 656	7 355

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Administrative fees	273	(1)	-	272	17	255	6,3%	150	69
Advertising	445	469	(55)	859	539	320	62,7%	538	538
Minor assets	357	(1)	-	356	-	356	-	169	8
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	234	21	-	255	101	154	39,6%	270	93
Catering: Departmental activities	307	(165)	-	142	38	104	26,8%	521	457
Communication	622	184	-	806	588	218	73,0%	635	555
Computer services	-	147	-	147	147	-	100,0%	147	147
Consultants: Business and advisory services	12 908	(254)	(4 499)	8 155	170	7 985	2,1%	1 361	1 355
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	330	(330)	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	71	29	-	100	36	64	36,0%	75	32
Agency and support / outsourced services	134	(102)	-	32	-	32	-	77	-
Entertainment	33	-	-	33	-	33	-	8	6

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH									
Sub programme									
Fleet services	-	-	-	-	-	-	-	5	5
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	342	-	342	342	-	100,0%	320	320
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	163	(139)	-	24	2	22	8,3%	39	7
Consumable: Stationery, printing and office supplies	304	(23)	-	281	-	281	-	365	74
Operating leases	58	17	-	75	40	35	53,3%	126	69
Property payments	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 986	(782)	-	2 204	334	1 870	15,2%	3 725	2 914
Training and development	415	7	-	422	7	415	1,7%	306	135
Operating payments	87	26	-	113	25	88	22,1%	100	15
Venues and facilities	369	-	-	369	49	320	13,3%	349	269
Rental and hiring	150	-	-	150	-	150	-	370	287
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	555	-	555	555	-	100,0%	15	15
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH									
Sub programme									
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH									
Sub programme									
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	555	-	555	555	-	100,0%	15	15
Social benefits	-	545	-	545	545	-	100,0%	13	13
Other transfers to households	-	10	-	10	10	-	100,0%	2	2
Payments for capital assets	361	-	-	361	22	339	6,1%	340	24
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	361	-	-	361	22	339	6,1%	340	24
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	361	-	-	361	22	339	6,1%	340	24
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH									
Sub programme									
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	56 922	-	(4 554)	52 368	36 067	16 301	68,9%	47 035	33 845

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 PROGRAMME MANAGEMENT FOR POLICY DEVELOPMENT AND RESEARCH									
Current payments	2 486	-	-	2 486	612	1 874	24,6%	-	-
Compensation of employees	2 028	-	-	2 028	601	1 427	29,6%	-	-
Goods and services	458	-	-	458	11	447	2,4%	-	-
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.1 PROGRAMME MANAGEMENT FOR POLICY DEVELOPMENT AND RESEARCH	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	2 486	-	-	2 486	612	1 874	24,6%	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.2 ICT POLICY DEVELOPMENT	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	15 786	(1 208)	(4 554)	10 024	8 819	1 205	88,0%	16 107	12 998
Compensation of employees	9 451	(1 206)	-	8 245	8 245	-	100,0%	12 279	9 330
Goods and services	6 335	(2)	(4 554)	1 779	574	1 205	32,3%	3 828	3 668
Interest and rent on land									
Transfers and subsidies	-	2	-	2	2	-	100,0%	-	-
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	2	-	2	2	-	100,0%	-	-
Payments for capital assets	92	-	-	92	-	92	-	256	14
Buildings and other fixed structures									
Machinery and equipment	92	-	-	92	-	92	-	256	14

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.2 ICT POLICY DEVELOPMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	15 878	(1 206)	(4 554)	10 118	8 821	1 297	87,2%	16 363	13 012

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.3 ECONOMIC MARKET AND ANALYSIS									
Current payments	5 168	-	-	5 168	3 165	2 003	61,2%	4 160	3 138
Compensation of employees	3 366	-	-	3 366	3 101	265	92,1%	3 312	2 834
Goods and services	1 802	-	-	1 802	64	1 738	3,6%	848	304
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.3 ECONOMIC MARKET AND ANALYSIS	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	5 168	-	-	5 168	3 165	2 003	61,2%	4 160	3 138

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.4 RESEARCH	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 253	-	-	7 253	4 743	2 510	65,4%	6 147	4 887
Compensation of employees	5 377	-	-	5 377	3 921	1 456	72,9%	3 588	2 634
Goods and services	1 876	-	-	1 876	822	1 054	43,8%	2 559	2 253
Interest and rent on land									
Transfers and subsidies	-	-	-	-	-	-	-	2	2
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									2
Payments for capital assets	209	-	-	209	-	209	-	37	10
Buildings and other fixed structures									
Machinery and equipment	209	-	-	209	-	209	-	37	10

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.4 RESEARCH	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	7 462	-	-	7 462	4 743	2 719	63,6%	6 186	4 899

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.5 BROADCASTING POLICY	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 972	(2 733)	-	5 239	4 900	339	93,5%	10 600	5 549
Compensation of employees	6 496	(2 180)	-	4 316	4 204	112	97,4%	9 449	5 304
Goods and services	1 476	(553)	-	923	696	227	75,4%	1 151	245
Interest and rent on land									
Transfers and subsidies	-	553	-	553	553	-	100,0%	-	-
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	553	-	553	553	-	100,0%	-	-
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.5 BROADCASTING POLICY	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	7 972	(2 180)	-	5 792	5 453	339	94,1%	10 600	5 549

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.6 SMALL MEDIUM AND MICRO ENTERPRISE DEVELOPMENT	4 832	37	-	4 869	4 256	613	87,4%	6 118	5 664
Current payments	4 033	37	-	4 070	4 070	-	100,0%	5 231	4 842
Compensation of employees	799	-	-	799	186	613	23,3%	887	822
Goods and services									
Interest and rent on land									
Transfers and subsidies	-	-	-	-	-	-	-	13	13
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households								13	13
Payments for capital assets	60	-	-	60	22	38	36,7%	47	-
Buildings and other fixed structures									
Machinery and equipment	60	-	-	60	22	38	36,7%	47	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.6 SMALL MEDIUM AND MICRO ENTERPRISE DEVELOPMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	4 892	37	-	4 929	4 278	651	86,8%	6 178	5 677

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.7 PRESIDENTIAL COMMISSION									
4IR									
Economic classification	13 064	3 349	-	16 413	8 995	7 418	54,8%	-	-
Current payments									
Compensation of employees	5 564	3 349	-	8 913	8 913	-	100,0%	-	-
Goods and services	7 500	-	-	7 500	82	7 418	1,1%	-	-
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.7 PRESIDENTIAL COMMISSION 4IR	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	13 064	3 349	-	16 413	8 995	7 418	54,8%	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.8 MEDIA POLICY									
Economic classification									
Current payments	-	-	-	-	-	-	-	3 548	1 571
Compensation of employees	-	-	-	-	-	-	-	3 165	1 507
Goods and services	-	-	-	-	-	-	-	383	64
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.8 MEDIA POLICY	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	-	-	-	-	-	-	-	3 548	1 571

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2020/21					2019/20			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification									
Sub programme									
1. REGULATORY INSTITUTIONS	649 312	(643)	(1 050)	647 619	645 754	1 865	99,7%	554 183	552 018
2. UNIVERSAL SERVICES AND ACCESS	1 045 384	-	(3 604)	1 041 780	1 037 682	4 098	99,6%	4 020 273	4 017 492
3. ICT SKILLS DEVELOPMENT	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347
4. PROGRAMME MANAGEMENT FOR ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2 919	643	(478)	3 084	3 084	-	100,0%	10 600	2 022
5. COMMUNICATION AND BRANDING	-	-	-	-	-	-	-	655 864	651 897
6. BROADCASTING AND COMMUNITY MEDIA	-	-	-	-	-	-	-	31 795	31 795
TOTAL FOR SUB PROGRAMMES	1 795 063	-	(5 132)	1 789 931	1 783 968	5 963	99,7%	5 368 062	5 350 571
Economic classification									
Current payments	30 476	(2)	(5 132)	25 342	19 884	5 458	78,5%	48 486	30 995
Compensation of employees	23 708	-	-	23 708	18 250	5 458	77,0%	35 547	23 175
Salaries and wages	20 874	8	-	20 882	16 261	4 622	77,9%	32 786	20 804
Social contributions	2 834	(8)	-	2 826	1 990	837	70,4%	2 761	2 371
Goods and services	6 768	(2)	(5 132)	1 634	1 634	-	100,0%	12 939	7 820
Administrative fees	1 111	(35)	(70)	6	6	-	100,0%	67	45
Advertising	1 013	(1)	(1 012)	-	-	-	-	217	215

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Economic classification	2020/21				2019/20				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Minor assets	184	-	(184)	-	-	-	-	9	5
Audit costs: External	5	-	(5)	-	-	-	-	-	-
Bursaries: Employees	335	-	(301)	34	34	-	100,0%	8	8
Catering: Departmental activities	155	-	(155)	-	-	-	-	61	41
Communication	501	-	(74)	427	427	-	100,0%	629	439
Computer services	15	-	(15)	-	-	-	-	-	-
Consultants: Business and advisory services	925	32	-	957	957	-	100,0%	8 718	5 300
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	25	-	(25)	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	4	-	4	4	-	100,0%	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	43	-	(43)	-	-	-	-	5	5
Fleet services	13	-	(13)	-	-	-	-	13	13
Housing	-	-	-	-	-	-	-	-	-

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Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2020/21				2019/20				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	17	-	(17)	-	-	-	-	28	9
Consumable: Stationery, printing and office supplies	352	(2)	(350)	-	-	-	-	398	96
Operating leases	180	2	(113)	69	69	-	100,0%	244	136
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 453	-	(2 337)	116	116	-	100,0%	2 308	1 342

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	295	(2)	(280)	13	13	-	100,0%	152	152
Operating payments	21	-	(13)	8	8	-	100,0%	50	14
Venues and facilities	90	-	(90)	-	-	-	-	32	-
Rental and hiring	35	-	(35)	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 764 082	2	-	1 764 084	1 764 084	-	100,0%	2 119 381	2 119 381
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 066 234	-	-	1 066 234	1 066 234	-	100,0%	1 445 723	1 445 723
Social security funds	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2020/21					2019/20			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies	1 066 234	-	-	1 066 234	1 066 234	-	100,0%	1 445 723	1 445 723
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	697 848	-	-	697 848	697 848	-	100,0%	673 643	673 643
Public corporations	697 848	-	-	697 848	697 848	-	100,0%	673 643	673 643
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	697 848	-	-	697 848	697 848	-	100,0%	673 643	673 643
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	2	-	2	2	-	100,0%	15	15
Social benefits	-	-	-	-	-	-	-	13	13
Other transfers to households	-	2	-	2	2	-	100,0%	2	2
Payments for capital assets	505	-	-	505	-	505	-	195	195
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
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Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	505	-	-	505	-	505	-	195	195
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	505	-	-	505	-	505	-	195	195
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	3 200 000	3 200 000
TOTAL	1 795 063	-	(5 132)	1 789 931	1 783 968	5 963	99,7%	5 368 062	5 350 571

APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.1 REGULATORY INSTITUTIONS	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 897	(643)	(1 050)	3 204	1 439	1 765	44,9%	2 165	-
Compensation of employees	3 716	(643)	-	3 073	1 308	1 765	42,6%	1 616	-
Goods and services	1 181	-	(1 050)	131	131	-	100,0%	549	-
Interest and rent on land									
Transfers and subsidies	644 315	-	-	644 315	644 315	-	100,0%	552 018	552 018
Provinces and municipalities									
Departmental agencies and accounts	644 315	-	-	644 315	644 315	-	100,0%	552 018	552 018
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	100	-	-	100	-	100	-	-	-
Buildings and other fixed structures									
Machinery and equipment	100	-	-	100	-	100	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.1 REGULATORY INSTITUTIONS	2020/21					2019/20			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	649 312	(643)	(1 050)	647 619	645 754	1 865	99,7%	554 183	552 018
TOTAL									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.2 UNIVERSAL SERVICES AND ACCESS	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	22 660	(2)	(3 604)	19 054	15 361	3 693	80,6%	26 454	23 673
Compensation of employees	17 665	-	-	17 665	13 972	3 693	79,1%	23 794	21 532
Goods and services	4 995	(2)	(3 604)	1 389	1 389	-	100,0%	2 660	2 141
Interest and rent on land									
Transfers and subsidies	1 022 319	2	-	1 022 321	1 022 321	-	100,0%	793 624	793 624
Provinces and municipalities									
Departmental agencies and accounts	324 471	-	-	324 471	324 471	-	100,0%	119 966	119 966
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	697 848	-	-	697 848	697 848	-	100,0%	673 643	673 643
Non-profit institutions									
Households	-	2	-	2	2	-	100,0%	15	15
Payments for capital assets	405	-	-	405	-	405	-	195	195
Buildings and other fixed structures									
Machinery and equipment	405	-	-	405	-	405	-	195	195

APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.2 UNIVERSAL SERVICES AND ACCESS	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets								3 200 000	3 200 000
TOTAL	1 045 384	-	(3 604)	1 041 780	1 037 682	4 098	99,6%	4 020 273	4 017 492

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.3 ICT SKILLS DEVELOPMENT									
Economic classification	R'000								
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347
Provinces and municipalities									
Departmental agencies and accounts	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.3 ICT SKILLS DEVELOPMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.3 ICT SKILLS DEVELOPMENT									
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347
Provinces and municipalities									
Departmental agencies and accounts	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

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for the year ended 31 March 2021

4.3 ICT SKILLS DEVELOPMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	97 448	-	-	97 448	97 448	-	100,0%	95 347	95 347

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for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.4 PROGRAMME MANAGEMENT FOR ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT	2 919	643	(478)	3 084	3 084	-	100,0%	10 600	2 022
Current payments	2 327	643	-	2 970	2 970	-	100,0%	10 137	1 643
Compensation of employees	592	-	(478)	114	114	-	100,0%	463	379
Goods and services									
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.4 PROGRAMME MANAGEMENT FOR ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	2 919	643	(478)	3 084	3 084	-	100,0%	10 600	2 022

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.5 COMMUNICATION AND BRANDING									
Current payments	-	-	-	-	-	-	-	9 267	5 300
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	9 267	5 300
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	646 597	646 597
Provinces and municipalities									
Departmental agencies and accounts	-	-	-	-	-	-	-	646 597	646 597
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.5 COMMUNICATION AND BRANDING									
Economic classification									
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	-	-	-	-	-	-	-	655 864	651 897

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for the year ended 31 March 2021

	2020/21				2019/20				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
4.6 BROADCASTING AND COMMUNITY MEDIA									
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies	-	-	-	-	-	-	-	31 795	31 795
Provinces and municipalities									
Departmental agencies and accounts	-	-	-	-	-	-	-	31 795	31 795
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

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for the year ended 31 March 2021

4.6 BROADCASTING AND COMMUNITY MEDIA	2020/21					2019/20			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	-	-	-	-	-	-	-	31 795	31 795

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for the year ended 31 March 2021

Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. BROADBAND	217 887	9 559	-	227 446	226 929	517	99,8%	276 438	274 813
2. ICT SUPPORT	8 999	(746)	-	8 253	5 739	2 514	69,5%	13 817	6 092
3. BROADCASTING DIGITAL MIGRATION	809 872	(7 882)	-	801 990	782 597	19 393	97,6%	311 012	300 403
4. PROGRAMME MANAGEMENT FOR ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	3 096	(931)	-	2 165	2 150	15	99,3%	-	-
Total for sub programmes	1 039 854	-	-	1 039 854	1 017 415	22 439	97,8%	601 267	581 308
Economic classification									
Current payments	274 446	(204)	-	274 242	252 102	22 140	91,9%	289 110	277 865
Compensation of employees	39 481	-	-	39 481	34 867	4 614	88,3%	33 073	29 878
Salaries and wages	35 233	442	-	35 675	31 327	4 348	87,8%	29 987	26 941
Social contributions	4 248	(442)	-	3 806	3 540	266	93,0%	3 086	2 937
Goods and services	234 965	(204)	-	234 761	217 235	17 526	92,5%	256 037	247 987
Administrative fees	795	(681)	-	114	114	-	100,0%	697	306
Advertising	13 915	3 149	-	17 064	1 093	15 971	6,4%	6 858	4 190
Minor assets	652	(459)	-	193	-	193	-	29	10
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	431	(392)	-	39	39	-	100,0%	46	46

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual expenditure R'000
Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Catering: Departmental activities	311	42	-	353	247	106	70,0%	1 912	1 911
Communication	1 135	(341)	-	794	794	-	100,0%	750	682
Computer services	184 508	16 573	-	201 081	201 081	-	100,0%	263	263
Consultants: Business and advisory services	8 425	(464)	-	7 961	7 961	-	100,0%	227 422	227 421
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	150	(150)	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	129	-
Contractors	5 000	(4 127)	-	873	873	-	100,0%	131	64
Agency and support / outsourced services	507	1 654	-	2 161	1 654	507	76,5%	1 904	1 325
Entertainment	38	(38)	-	-	-	-	-	8	8
Fleet services	1 510	(1 386)	-	124	124	-	100,0%	414	162
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-

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	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	146	(145)	-	1	1	-	100,0%	43	16
Consumable: Stationery, printing and office supplies	683	(507)	-	176	-	176	-	313	89
Operating leases	310	(276)	-	34	34	-	100,0%	58	44
Property payments	-	-	-	-	-	-	-	78	78
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	11 505	(8 488)	-	3 017	2 972	45	98,5%	12 999	9 665
Training and development	950	(885)	-	65	65	-	100,0%	162	161
Operating payments	1 184	(1 143)	-	41	41	-	100,0%	187	123
Venues and facilities	2 800	(2 172)	-	628	100	528	15,9%	1 228	1 227
Rental and hiring	10	32	-	42	42	-	100,0%	406	196

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	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	765 051	204	-	765 255	765 255	-	100,0%	301 924	301 924
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	500 421	-	-	500 421	500 421	-	100,0%	50 605	50 605
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	500 421	-	-	500 421	500 421	-	100,0%	50 605	50 605
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-

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for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Public corporations and private enterprises	264 630	-	-	264 630	264 630	-	100,0%	250 934	250 934
Public corporations	264 630	-	-	264 630	264 630	-	100,0%	250 934	250 934
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	264 630	-	-	264 630	264 630	-	100,0%	250 934	250 934
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	204	-	204	204	-	100,0%	385	385
Social benefits	-	202	-	202	202	-	100,0%	379	379
Other transfers to households	-	2	-	2	2	-	100,0%	6	6
Payments for capital assets	357	-	-	357	58	299	16,2%	10 233	1 504
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-

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	2020/21							2019/20	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual expenditure R'000
Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Machinery and equipment	266	-	-	266	58	208	21,8%	3 753	1 504
Transport equipment	-	-	-	-	-	-	-	1 180	1 180
Other machinery and equipment	266	-	-	266	58	208	21,8%	2 573	324
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	91	-	-	91	-	91	-	6 480	-
Payments for financial assets	-	-	-	-	-	-	-	-	15
TOTAL	1 039 854	-	-	1 039 854	1 017 415	22 439	97,8%	601 267	581 308

APPROPRIATION STATEMENT
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5.1 BROADBAND	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	217 578	9 615	-	227 193	226 927	266	99,9%	252 036	250 589
Compensation of employees	17 424	-	-	17 424	17 158	266	98,5%	18 468	17 021
Goods and services	200 154	9 615	-	209 769	209 769	-	100,0%	233 568	233 568
Interest and rent on land									
Transfers and subsidies	-	2	-	2	2	-	100,0%	24 112	24 112
Provinces and municipalities									
Departmental agencies and accounts	-	-	-	-	-	-	-	24 000	24 000
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	2	-	2	2	-	100,0%	112	112
Payments for capital assets	309	(58)	-	251	-	251	-	290	112
Buildings and other fixed structures									
Machinery and equipment	218	(58)	-	160	-	160	-	210	112

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5.1 BROADBAND	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets	91			91		91	-	80	
Payments for financial assets									
TOTAL	217 887	9 559	-	227 446	226 929	517	99,8%	276 438	274 813

APPROPRIATION STATEMENT
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5.2 ICT SUPPORT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	8 999	(804)	-	8 195	5 681	2 514	69,3%	6 047	6 047
Compensation of employees	6 222	-	-	6 222	5 263	959	84,6%	5 341	5 341
Goods and services	2 777	(804)	-	1 973	418	1 555	21,2%	706	706
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	-	58	-	58	58	-	100,0%	7 770	45
Buildings and other fixed structures									
Machinery and equipment		58		58	58		100,0%	1 370	45

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5.2 ICT SUPPORT	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets				-		-	-	6 400	
Payments for financial assets									
TOTAL	8 999	(746)	-	8 253	5 739	2 514	69,5%	13 817	6 092

APPROPRIATION STATEMENT
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	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.3 BROADCASTING DIGITAL MIGRATION									
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	44 773	(8 084)	-	36 689	17 344	19 345	47,3%	31 027	21 229
Compensation of employees	13 685	-	-	13 685	10 311	3 374	75,3%	9 264	7 516
Goods and services	31 088	(8 084)	-	23 004	7 033	15 971	30,6%	21 763	13 713
Interest and rent on land									
Transfers and subsidies	765 051	202	-	765 253	765 253	-	100,0%	277 812	277 812
Provinces and municipalities									
Departmental agencies and accounts	500 421	-	-	500 421	500 421	-	100,0%	26 605	26 605
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	264 630	-	-	264 630	264 630	-	100,0%	250 934	250 934
Non-profit institutions									
Households	-	202	-	202	202	-	100,0%	273	273
Payments for capital assets	48	-	-	48	-	48	-	2 173	1 347
Buildings and other fixed structures									
Machinery and equipment	48	-	-	48	-	48	-	2 173	1 347

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.3 BROADCASTING DIGITAL MIGRATION									
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	809 872	(7 882)	-	801 990	782 597	19 393	-	311 012	300 403
TOTAL							97,6%		15

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5.4 PROGRAMME MANAGEMENT FOR ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 096	(931)	-	2 165	2 150	15	99,3%	-	-
Compensation of employees	2 150	-	-	2 150	2 135	15	99,3%	-	-
Goods and services	946	(931)	-	15	15	-	100,0%	-	-
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

5.4 PROGRAMME MANAGEMENT FOR ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	3 096	(931)	-	2 165	2 150	15	99,3%	-	-
TOTAL									

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for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT									
Sub programme									
1. INFORMATION SOCIETY AND DEVELOPMENT	45 556	617	17 111	63 284	39 004	24 280	61,6%	62 141	57 163
2. CAPACITY DEVELOPMENT	9 887	3	-	9 890	9 355	535	94,6%	4 348	3 437
3. PROGRAMME MANAGEMENT FOR ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	2 845	(620)	-	2 225	1 465	760	65,8%	-	-
Total for sub programmes	58 288	-	17 111	75 399	49 824	25 575	61,6%	66 489	60 600
Economic classification									
Current payments	58 083	(63)	17 111	75 131	49 642	25 489	66,1%	65 789	59 905
Compensation of employees	45 181	-	-	45 181	39 692	5 489	87,9%	45 826	41 421
Salaries and wages	38 276	-	-	38 276	35 263	3 014	92,1%	41 200	36 859
Social contributions	6 905	-	-	6 905	4 430	2 476	64,1%	4 626	4 562
Goods and services	12 902	(63)	17 111	29 950	9 950	20 000	33,2%	19 963	18 484
Administrative fees	427	(365)	-	62	62	-	100,0%	602	601
Advertising	470	(337)	-	133	133	-	100,0%	274	274
Minor assets	321	(321)	-	-	-	-	-	275	(19)
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	850	(793)	-	57	57	-	100,0%	32	32

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Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Catering: Departmental activities	771	(743)	-	28	28	-	100,0%	762	663
Communication	460	398	-	858	858	-	100,0%	832	831
Computer services	40	(29)	-	11	11	-	100,0%	36	26
Consultants: Business and advisory services	961	2 840	17 111	20 912	912	20 000	4,4%	1 764	1 764
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	70	(48)	-	22	22	-	100,0%	154	65
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	19	(19)	-	-	-	-	-	102	12
Fleet services	-	-	-	-	-	-	-	69	32
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-

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for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT									
Sub programme									
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias Inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	30	(23)	-	7	7	-	100,0%	63	5
Consumable: Stationery, printing and office supplies	146	(146)	-	-	-	-	-	93	85
Operating leases	280	54	-	334	334	-	100,0%	570	355
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	600	424	-	1 024	1 024	-	100,0%	9 685	9 623
Training and development	7 092	(1 096)	-	5 996	5 996	-	100,0%	673	373
Operating payments	20	(20)	-	-	-	-	-	140	6

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for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT									
Sub programme									
Venues and facilities	310	188	-	498	498	-	100,0%	3 668	3 668
Rental and hiring	35	(27)	-	8	8	-	100,0%	169	88
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	63	-	63	63	-	100,0%	111	110
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT									
Sub programme									
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	63	-	63	63	-	100,0%	111	110
Social benefits	-	57	-	57	57	-	100,0%	95	94
Other transfers to households	-	6	-	6	6	-	100,0%	16	16

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT									
Sub programme									
Payments for capital assets	205	-	-	205	119	86	58,0%	589	585
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	205	-	-	205	119	86	58,0%	589	585
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	205	-	-	205	119	86	58,0%	589	585
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	58 288	-	17 111	75 399	49 824	25 575	66,1%	66 489	60 600

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 INFORMATION SOCIETY AND DEVELOPMENT									
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments	45 401	554	17 111	63 066	38 822	24 244	61,6%	61 441	56 468
Compensation of employees	39 826	-	-	39 826	35 582	4 244	89,3%	42 478	38 684
Goods and services	5 575	554	17 111	23 240	3 240	20 000	13,9%	18 963	17 784
Interest and rent on land									
Transfers and subsidies	-	63	-	63	63	-	100,0%	111	110
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	63	-	63	63	-	100,0%	111	110
Payments for capital assets	155	-	-	155	119	36	76,8%	589	585
Buildings and other fixed structures									
Machinery and equipment	155	-	-	155	119	36	76,8%	589	585

APPROPRIATION STATEMENT
for the year ended 31 March 2021

6.1 INFORMATION SOCIETY AND DEVELOPMENT	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	45 556	617	17 111	63 284	39 004	24 280	61,6%	62 141	57 163

APPROPRIATION STATEMENT
for the year ended 31 March 2021

6.2 CAPACITY DEVELOPMENT	2020/21				2019/20				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 887	3	-	9 890	9 355	535	94,6%	4 348	3 437
Compensation of employees	3 205	-	-	3 205	2 670	535	83,3%	3 348	2 737
Goods and services	6 682	3	-	6 685	6 685	-	100,0%	1 000	700
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

6.2 CAPACITY DEVELOPMENT	2020/21					2019/20			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	9 887	3	-	9 890	9 355	535	94,6%	4 348	3 437
TOTAL									

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.3 PROGRAMME MANAGEMENT FOR ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	2 795	(620)	-	2 175	1 465	710	67,4%	-	-
Current payments	2 150	-	-	2 150	1 440	710	67,0%	-	-
Compensation of employees	645	(620)	-	25	25	-	100,0%	-	-
Goods and services									
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	50	-	-	50	-	50	-	-	-
Buildings and other fixed structures									
Machinery and equipment	50	-	-	50	-	50	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets									
TOTAL	2 845	(620)	-	2 225	1 465	760	65,8%	-	-

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2021

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-E) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Programme 1: Administration	260 262	215 901	44 361	17%
<i>Underspending under current payments mainly in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19. Included in the Transfers and subsidies is a payment made to former employees of the department towards medical aid subsidy contribution as per the recommendations of the report of the Public Protector. The underspending in payment for capital assets is due to vehicles that were in the procurement process and the slow implementation of the PABX and Digitisation projects. Payment for financial asset includes debts written off.</i>				
Programme 2: International Affairs and Trade	63 114	61 450	1 664	3%
<i>Transfers and subsidies include all foreign payment to International Organisation for membership fees. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19.</i>				
Programme 3: Policy Development and Research	52 368	36 067	16 301	31%
<i>Underspending in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19.</i>				
Programme 4: ICT Enterprise development and Public entity oversight	1 789 931	1 783 968	5 963	0%
<i>Underspending in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19.</i>				

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2021

4.1

Per programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Programme 4: ICT Enterprise development and Public entity oversight	1 789 931	1 783 968	5 963	0%

Underspending in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19.

Programme 5: ICT Infrastructure Support	1 039 854	1 033 386	6 468	1%
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Underspending in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Included in goods and services are funds allocated for SA Connect project paid in advance to BBI.

Programme 6: Information Society and Capacity Development	75 399	69 824	5 575	7%
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Underspending in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.2

Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	302 203	270 637	31 566	10%
Goods and services	372 876	305 146	67 730	18%
Interest and rent on land				
Transfers and subsidies				
Provinces and municipalities	19	19	-	0%
Departmental agencies and accounts	1 566 655	1 566 655	-	0%
Higher education institutions			-	0%
Public corporations and private enterprises	962 478	962 478	-	0%
Foreign governments and international organisations	39 458	39 458	-	0%
Non-profit institutions			-	0%
Households	5 421	5 421	-	0%
Payments for capital assets				
Buildings and other fixed structures				
Machinery and equipment	16 894	9 741	7 153	42%
Heritage assets			-	
Specialised military assets			-	
Biological assets			-	
Land and subsoil assets			-	
Intangible assets	14 856	5 002	9 854	66%
Payments for financial assets				
	68	68	-	0%

Underspending under current payments mainly in compensation of employees is because of vacant posts not filled and the salary adjustment not implemented during the financial year. Underspending in goods and services is due to slowed down of activities due to the nationwide lock down as announced by the president of the country to curb the spread of the COVID-19. The underspending in payment for capital assets is due to vehicles that were in the procurement process and the slow implementation of the PABX and Digitisation projects. Payment for financial asset includes debts written off.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

STATEMENT OF FINANCIAL PERFORMANCE
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	1	3 280 928	6 457 665
Departmental revenue	2	105 728	665 564
TOTAL REVENUE		3 386 656	7 123 229
Current expenditure			
Compensation of employees	4	270 637	277 670
Goods and services	5	305 146	379 508
Total current expenditure		575 783	657 178
Transfers and subsidies			
Transfers and subsidies	7	2 574 031	2 482 910
Total transfers and subsidies		2 574 031	2 482 910
Expenditure for capital assets			
Tangible assets	8	9 741	10 258
Intangible assets	8	5 002	2 103
Total expenditure for capital assets		14 743	12 361
Payments for financial assets	6	68	3 200 072
TOTAL EXPENDITURE		3 164 625	6 352 521
SURPLUS/(DEFICIT) FOR THE YEAR		222 031	770 708
Voted funds			
Annual appropriation		116 303	105 144
Departmental revenue and NRF Receipts	17	105 728	665 564
SURPLUS/(DEFICIT) FOR THE YEAR		222 031	770 708

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

STATEMENT OF FINANCIAL POSITION

as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		116 805	104 690
Unauthorised expenditure	9	4 741	4 741
Cash and cash equivalents	10	69 802	93 492
Prepayments and advances	12	41 684	6 102
Receivables	13	578	355
Non-current assets		11 605 518	11 605 673
Investments	14	10 238 242	10 238 242
Receivables	13	1 132	1 287
Loans	15	1 366 044	1 366 044
Other financial assets	11	100	
TOTAL ASSETS		11 722 323	11 710 363
Current liabilities		117 706	105 703
Voted funds to be surrendered to the Revenue Fund	16	116 303	105 144
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	17	605	463
Payables	18	798	96
TOTAL LIABILITIES		117 706	105 703
NET ASSETS		11 604 617	11 604 660
Represented by:			
Capitalisation reserve		11 604 286	11 604 286
Recoverable revenue		331	374
TOTAL		11 604 617	11 604 660

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2021

NET ASSETS		2020/21	2019/20
	Note	R'000	R'000
Capitalisation Reserves			
Opening balance		11 604 286	11 606 774
Transfers:			
Movement in Equity		-	(2 488)
Closing balance		11 604 286	11 604 286
Recoverable revenue			
Opening balance		374	3 032
Transfers:		(43)	(2 658)
Irrecoverable amounts written off			
Debts revised			
Debts recovered (included in departmental receipts)		(228)	(3 022)
Debts raised		185	364
Closing balance		331	374
TOTAL		11 604 617	11 604 660

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

CASH FLOW STATEMENT
for the year ended 31 March 2021

	<i>Note</i>	2020/21	2019/20
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3 282 258	6 458 211
Annual appropriated funds received	1.1	3 280 928	6 457 665
Departmental revenue received	2	268	(786)
Interest received	2.2	1 062	1 332
Net (increase)/decrease in working capital		(35 103)	11 654
Surrendered to Revenue Fund		(210 730)	(705 774)
Current payments		(575 783)	(657 178)
Payments for financial assets		(68)	(3 200 072)
Transfers and subsidies paid		(2 574 031)	(2 482 910)
Net cash flow available from operating activities	19	(113 457)	(576 069)
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		103 759	664 534
Payments for capital assets	8	(14 743)	(12 361)
Proceeds from sale of capital assets	2.3	639	484
(Increase)/decrease in loans			2 488
(Increase)/decrease in investments			
(Increase)/decrease in other financial assets			
(Increase)/decrease in non-current receivables		155	4 570
Net cash flows from investing activities		89 810	659 715
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(43)	(5 146)
Net cash flows from financing activities		(43)	(5 146)
Net increase/(decrease) in cash and cash equivalents		(23 690)	78 500
Cash and cash equivalents at beginning of period		93 492	14 992
Cash and cash equivalents at end of period	20	69 802	93 492

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e., statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9. Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

(Indicate when prepayments and advances are expensed and under what circumstances.)

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital Assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and Contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities, and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets, and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

24. Departures from the MCS requirements

The Departments has compiled the Annual Financial Statements as per Modified Cash Standards. Management has concluded that the financial statements present fairly the department's primary and secondary information.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed, and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

28. Inventories (*Effective from date determined in a Treasury Instruction*)

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2020/21			2019/20		
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	
Administration	260 262	260 262	-	320 202	320 202	-
International Affairs and Trade	63 114	63 114	-	54 610	54 610	-
ICT Policy Development and Research	52 368	52 368	-	47 035	47 035	-
ICT Enterprise Development and public Entity oversight	1 789 931	1 789 931	-	5 368 062	5 368 062	-
ICT Infrastructure Development and Support	1 039 854	1 039 854	-	601 267	601 267	-
ICT Information Society and Capacity Development	75 399	75 399	-	66 489	66 489	-
TOTAL	3 280 928	3 280 928		6 457 665	6 457 665	-

All funds requested were received in accordance with the drawings approved by National Treasury.

2. Departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Sales of goods and services other than capital assets	2.1	95	108
Interest, dividends and rent on land	2.3	104 821	665 866
Sales of capital assets	2.4	639	484
Transactions in financial assets and liabilities	2.5	173	(1 254)
Transfer received		-	360
Total revenue collected		105 728	665 564
Less: Own revenue included in appropriation	19	-	-
Departmental revenue collected		105 728	665 564

Included in the total revenue is interest received from SABC on the loan No. 14 in terms of the Section 30(1) of the Exchequer Act (Act No 66 of 1975) at an interest rate of 6,5% p.a. payable six monthly on 31 January and 31 July every year. There was significant drop in the dividend collection from Telkom during 2020/21 financial year. This is due to Telkom suspending its dividend policy for the next three years to use the funds to participate in spectrum auction and will prioritise capital investments over dividends pay-out.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

2.1 Sales of goods and services other than capital assets

	Note 2	2020/21 R'000	2019/20 R'000
Sales of goods and services produced by the department		95	107
Sales by market establishment		71	16
Administrative fees		24	24
Other sales		51	67
Sales of scrap, waste, and other used current goods		-	1
TOTAL		95	108

2.2 Interest, dividends and rent on land

	Note 2	2020/21 R'000	2019/20 R'000
Interest		1 062	1 332
Dividends		103 759	664 534
TOTAL		104 821	665 866

2.3 Sale of capital assets

	Note 2	2021/20 R'000	2019/20 R'000
Tangible assets		639	484
Machinery and equipment	39	639	484
TOTAL		639	484

2.4 Transactions in financial assets and liabilities

	Note 2	2020/21 R'000	2019/20 R'000
Receivables		-	258
Other Receipts including Recoverable Revenue		173	(1 512)
TOTAL		173	(1 254)

The negative R1,5 million relates to a reversal of a duplicated transaction that was incorrectly recorded as a receivable and a contingent asset as well in the financial year 2019/20. An investigation indicated that the transaction should be recorded as a contingent asset and no longer receivable.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

2.5 Transfers received

	Note 2	2020/21 R'000	2019/20 R'000
Public corporations and private enterprises		-	360
TOTAL		-	360

The donation amounting to R360 thousand was received in cash from MTN during 2019/20

2.6 Cash received not recognised (not included in the main note)

Name of entity	2020/21		
	Amount received R'000	Amount paid to the revenue fund R'000	Balance R'000
Independent Communications Authority of South Africa (Spectrum)	1 504 914	1 504 914	-
TOTAL	1 504 914	1 504 914	-

Name of entity	2019/20		
	Amount received R'000	Amount paid to the revenue fund R'000	Balance R'000
Independent Communications Authority of South Africa (Spectrum)	1 490 587	1 490 587	-
TOTAL	1 490 587	1 490 587	-

A total of R1,750 billion (2019/20: R1,671 billion) was received from ICASA during the 2020/21 financial year of which R245 million (2019/20: R180 million) was surrendered to SARS and R1,5 billion to National Revenue Fund (2019/20: R1,49 billion). DCDT is deemed to be a "conduit" as it only passes administrative fees from ICASA to the NRF and SARS and, therefore, the Department does not record the mentioned amounts as departmental revenue in the Statement of Financial Performance (PER) at year end as this will overstate the department's revenue.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

3. Donations received in kind (not included in the main note) [Treasury Regulations 21.2.4]

	Note	2020/21 R'000	2019/20 R'000
<i>List in kind donations received</i>			
Connectivity for 20 sites		2 000	-
Sponsor IOON developing post COVID-19 strategy		427	-
Provide Fibre infrastructure for Covid 19 Priority sites		163	-
Offer to connect Critical health sales		603	-
Support Covid 19 clinic connectivity		7 900	-
Grant offered to conduct the feasibility study on the SA Connect Phase II		50 000	-
Sponsorship for 4th Africa regional preparatory meeting (WRC)		-	280
Sponsorship for the ATU APM-4 hosted in east London		-	250
Sponsorship site Inspection meeting African planning meeting in preparation for WRC-19		-	150
DSTV Delicious Concert Ticket		-	1
Cape town Jazz festival		-	1
Advertising space in the municipal Bills (call to action message to ratepayers to register for government subsidized decoder		-	48
TOTAL		61 093	730

In the financial year 2020/21 the department has received the donation in kind in support of connectivity during covid 19 lockdown and the grant offered to conduct the feasibility study on the SA Connect Phase II.

4. Compensation of employees

4.1 Salaries and Wages

	Note	2020/21 R'000	2019/20 R'000
Basic salary		180 134	181 873
Performance award		2 245	4 922
Service Based		153	324
Compensative/circumstantial		2 029	4 042
Periodic payments		1 025	702
Other non-pensionable allowances		56 042	56 853
TOTAL		241 628	248 716

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

4.2 Social contributions

Employer contributions	Note	2020/21 R'000	2019/20 R'000
Pension		23 136	23 216
Medical		5 838	5 705
Bargaining council		35	33
TOTAL		29 009	28 954
Total compensation of employees		270 637	277 670
Average number of employees		330	337

The average number of employee figure represent the total number of officials in service as at 31 March 2020, the decrease is due to natural attrition.

5. Goods and services

	Note	2020/21 R'000	2019/20 R'000
Administrative fees		537	1 750
Advertising		4 080	3 302
Minor assets	6.1	239	250
Bursaries (employees)		567	597
Catering		637	4 920
Communication		5 994	5 788
Computer services	6.2	207 218	228 195
Consultants: Business and advisory services		12 054	14 896
Legal services		1 744	3 254
Contractors		2 523	2 588
Agency and support / outsourced services		1 654	1 325
Entertainment		-	79
Audit cost – external	6.3	5 955	6 523
Fleet services		1 329	1 876
Inventory	6.4	342	320
Consumables	6.5	1 230	2 250
Housing			
Operating leases		26 056	24 676
Property payments	6.6	14 766	18 044
Rental and hiring		320	1 698
Travel and subsistence	6.7	10 305	44 285
Venues and facilities		854	6 005
Training and development		6 476	2 254
Other operating expenditure	6.8	266	1 257
TOTAL		305 146	379 508

The increase in advertising is due to media buying for the BDM awareness communications and marketing programmes. Included in the Computer services is the amount paid to SITA and BBI for SA connect project. Included in training and development is paid to NEMISA to provide ICT related training.

The decrease in travel, venues and facilities is due to the impact of covid-19.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

5.1 Minor assets

	Note 6	2020/21 R'000	2019/20 R'000
Tangible assets		239	250
Machinery and equipment		239	250
TOTAL		239	250

5.2 Computer services

	Note 6	2020/21 R'000	2019/20 R'000
SITA computer services		64 572	115 989
External computer service providers		142 646	112 206
TOTAL		207 218	228 195

External Computer services is procurement of services from BBI and SITA computer. Services procured from SITA, relating to SA connect.

5.3 Audit cost – External

	Note 4	2020/21 R'000	2019/20 R'000
Regularity audits		5 740	6 096
Performance audits		-	-
Investigations		206	427
Environmental audits			
Computer audits		9	-
TOTAL		5 955	6 523

Auditor fees represent amount paid to AGSA for an audit of 2019/20.

5.4 Inventory

	Note 4	2020/21 R'000	2019/20 R'000
Medical supplies		342	320
TOTAL		342	320

5.5 Consumables

	Note 4	2020/21 R'000	2019/20 R'000
Consumable supplies		304	368
Uniform and clothing		-	7
Household supplies		221	233
Building material and supplies		4	31
IT consumables		9	93
Other consumables		70	4
Stationery, printing and office supplies		926	1 882
TOTAL		1 230	2 250

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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5.6 Property payments

	Note 4	2020/21 R'000	2019/20 R'000
Municipal services		4 691	8 123
Property management fees		235	406
Property maintenance and repairs		637	1 614
Other		9 203	7 901
TOTAL		14 766	18 044

Included in the above figure of other property payments are the monthly administrative commitments relating to the safeguarding and maintenance of the building. The significant decrease is due to reduction in utilization of municipal services as the result of lock down and work home policy adopted by the department.

5.7 Travel and subsistence

	Note 4	2020/21 R'000	2019/20 R'000
Local		9 281	30 189
Foreign		1 024	14 096
TOTAL		10 305	44 285

Reduction in travel is due to the lockdown restrictions that were proclaimed by the President of the Republic of South Africa in March 2020.

5.8 Other operating expenditure

	Note 4	2020/21 R'000	2019/20 R'000
Professional bodies, membership and subscription fees		121	89
Resettlement costs		-	6
Other		145	1 162
TOTAL		266	1 257

The reduction in other operating expenditure is due to lock down as there was less payment on printing, courier, and delivery services.

6. Payments for financial assets

	Note	2020/21 R'000	2019/20 R'000
Extension of loans for policy purposes		-	3 200 000
Other material losses written off	5.1	-	62
Debts written off	5.2	68	9
Debt take overs		-	1
TOTAL		68	3 200 072

The R3.2 billion was a transfer to SABC for recapitalization purpose in the financial year 2019/20.

6.1 Other material losses written off

	Note 5	2020/21 R'000	2019/20 R'000
Nature of losses			
Damaged Vehicle		-	60
No Show		-	2
TOTAL		-	62

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

6.2 Debts written off

	Note 8	2020/21 R'000	2019/20 R'000
Nature of debts written off			
Recoverable revenue written off			
SILD conference		35	-
TOTAL		35	-
Other debt written off			
Leave over granted		-	7
Cellular Telephone		-	2
Salary overpayment		33	-
TOTAL		33	9
Total debt written off		68	9

6.3 Forex losses

	Note 8	2020/21 R'000	2019/20 R'000
Nature of losses			
Foreign exchange - Travel and subsistence		-	1
TOTAL		-	1

7. Transfers and subsidies

	Note	2020/21 R'000	2019/20 R'000
Provinces and municipalities	36	19	15
Departmental agencies and accounts	Annex- ure 1B	1 566 655	1 496 328
Foreign governments and international organisations	Annex- ure 1D	39 458	30 025
Public corporations and private enterprises	Annex- ure 1C	962 478	924 577
Households	Annex- ure 1E	5 421	31 965
TOTAL		2 574 031	2 482 910

The transfers and subsidies are paid as per approved schedule of 2020/21 financial year. The decrease in Households is due less claims pay-outs

8. Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets			
Machinery and equipment	30	9 741	10 258
Intangible assets			
Software	31	5 002	2 103
TOTAL		14 743	12 361

The increase in Software was due to additional licences procured for the increased number of officials because of the merger.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

8.1 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	9 741	-	9 741
Machinery and equipment	9 741	-	9 741
Intangible assets	5 002		5 002
Software	5 002	-	5 002
TOTAL	14 743	-	14 743

8.2 Analysis of funds utilised to acquire capital assets – 2019/20

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	10 258		10 258
Machinery and equipment	10 258	-	10 258
Intangible assets	2 103		2 103
Software	2 103	-	2 103
TOTAL	12 361	-	12 361

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		4 741	4 741
Prior period error		-	-
As restated		4 741	4 741
Closing balance		4 741	4 741
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		4 741	4 741
TOTAL		4 741	4 741

9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2020/21 R'000	2019/20 R'000
Transfers and subsidies	4 741	4 741
TOTAL	4 741	4 741

9.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2020/21 R'000	2019/20 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	4 741	4 741
TOTAL	4 741	4 741

The R4.7 million for unauthorised expenditure was referred to National Treasury to be condoned and the amount was not yet condoned at the end of financial year.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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10. Cash and cash equivalents

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account		100 549	93 471
Disbursements		(30 812)	(44)
Cash on hand		65	65
TOTAL		69 802	93 492

11. Other financial assets

	Note	2020/21 R'000	2019/20 R'000
Non-current			
Local			
Municipality Deposit		100	100
TOTAL		100	100
Total Non-current other financial assets		100	100

12. Prepayments and advances

	Note	2020/21 R'000	2019/20 R'000
Staff advances		-	5
Advances paid (Not expensed)	12.1	41 684	6 097
TOTAL		41 684	6 097

The increase is due to payment made to SITA and GCIS.

12.1 Advances paid (Not expensed)

Note	Balance as at 1 April 2020 R'000	Less: Amount expensed in current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Balance as at 31 March 2021 R'000
12					
National departments	5 239	(4 239)	-	40 684	41 684
Public entities	858	(858)	-	-	-
TOTAL	6 097	(5 097)	-	40 684	41 684

Note	Balance as at 1 April 2019 R'000	Less: Amount expensed in current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Balance as at 31 March 2020 R'000
12					
National departments	16 453	(16 909)	-	5 695	5 239
Public entities	858	-	-	-	858
TOTAL	17 311	(16 909)	-	5 695	6 097

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES - VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

12.2 Advances paid (Expensed)

Note	Amount as at 1 April 2020 R'000	Less: Received in the current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Amount as at 31 March 2021 R'000
National departments	-	-	-	-	-
Public entities	128 700	(125 319)	-	102 000	105 381
TOTAL	128 700	(125 319)	-	102 000	105 381

Included in the above, is the advance expensed made to BBI.

Note	Amount as at 1 April 2019 R'000	Less: Received in the current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Amount as at 31 March 2020 R'000
National Departments	119 403	(119 403)	-	128 700	128 700
TOTAL	119 403	(119 403)	-	128 700	128 700

The R128.7 million advance is the continuation of implementing the SA connect project.

13. Receivables

Note	2020/21			2019/20		
	Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable 13.1	387	-	387	226	-	226
Recoverable expenditure 13.2	-	-	2	3	-	3
Staff debt 13.3	148	187	335	121	238	359
Other receivables 13.4	43	943	986	5	1 049	1 054
TOTAL	578	1 132	1 710	355	1 287	1 642

13.1 Claims recoverable

	Note 13 and Annex 4	2020/21 R'000	2019/20 R'000
National departments		387	226
TOTAL		387	226

13.2 Recoverable expenditure (disallowance accounts)

	Note 13	2020/21 R'000	2019/20 R'000
Disallowance Damage and Losses		2	3
TOTAL		2	3

13.3 Staff debt

	Note 13	2020/21 R'000	2019/20 R'000
Debt accounts		335	359
TOTAL		335	359

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13.4 Other receivables

	Note	2020/21	2019/20
	13	R'000	R'000
Ex-employees		358	402
Non-employees		116	112
Suppliers		512	540
TOTAL		986	1 054

The Decrease is mainly from repayment made by ex-employees.

13.5 Fruitless and wasteful expenditure

	Note	2020/21	2019/20
	13	R'000	R'000
Opening balance		-	-
Less amounts recovered		-	5
Less amounts written off		-	-
Transfers from note 32 Fruitless and Wasteful Expenditure		-	(5)
TOTAL		-	-

13.6 Impairment of receivables

	Note	2020/21	2019/20
		R'000	R'000
Estimate of impairment of receivables		1 047	1 058
TOTAL		1 047	1 058

14. Investments

	Note	2020/21	2019/20
	Annex 2A	R'000	R'000
Non-Current			
Shares and other equity			
Telkom SA Limited		2 070 381	2 070 381
South African Post Office Limited		8 164 116	8 164 116
Sentech		2	2
Vodacom		3 743	3 743
TOTAL		10 238 242	10 238 242

	2020/21	2019/20
	R'000	R'000
Analysis of non-current investments		
Opening balance	10 238 242	10 238 242
Closing balance	10 238 242	10 238 242

14.1 Impairment of investments

	Note	2020/21	2019/20
		R'000	R'000
Estimate of impairment of impairment		8 164 116	4 191 882
TOTAL		8 164 116	4 191 882

The amount of R6,782 billion relates to an impairment of investment in the South African Post Office. The Net Asset Value of R1,382 billion as at 31 March 2021 was less than the investment amounting to R8.1 billion (SAPO). SAPO has been fully impaired due to the negative net assets value at SAPO at the end of financial year.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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15. Loans

	Note	2020/21 R'000	2019/20 R'000
Public corporations		1 366 044	1 366 044
TOTAL		1 366 044	1 366 044
Analysis of Balance			
Opening balance		1 366 044	1 368 532
Repayments		-	(2 488)
Closing balance		1 366 044	1 366 044

The loan amount of R1,3 billion is a Non-interest-bearing loan made to BBI (Broad Band infraco) and a R14 million loan interesting bearing made to SABC. In 2019/20 a repayment of R2,4 million was made for the loan SABC. In terms of section 30 (1) of the Exchequer Act 66 of 1975, an amount of R27,391 million was made available by the National Treasury to the South African Broadcasting Corporation (SABC) as permanent capital (SABC Loan: Channel Africa - Loan 14). The Loan was reduced to R14, 914 million through the appropriation over a period of four financial years.

16. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		105 144	40 397
As restated		105 144	40 397
Transfer from statement of financial performance (as restated)		116 303	105 144
Paid during the year		(105 144)	(40 397)
Closing balance		116 303	105 144

The closing balance represents the savings in the end of financial year.

17. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		463	276
Prior period error	19.1		
As restated		463	276
Transfer from Statement of Financial Performance (as restated)		105 728	665 564
Own revenue included in appropriation			
Transfer from aid assistance	4		
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	18.1		
Paid during the year		(105 586)	(665 377)
Closing balance		605	463

Included in the total revenue is interest received from SABC on the loan No. 14 in terms of the Section 30(1) of the Exchequer Act (Act No 66 of 1975) at an interest rate of 6,5% p.a. payable six monthly on 31 January and 31 July every year. There was significant drop in the dividend collection from Telkom during 2020/21 financial year. This is due to Telkom suspending its dividend policy for the next three years to use the funds to participate in spectrum auction and will prioritise capital investments over dividends pay-out.

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18. Payables – current

	Note	2020/21 R'000	2019/20 R'000
Clearing accounts	18.1	798	76
Other payables	18.2	-	20
TOTAL		798	96

The increase is mainly due to pension and income tax that will interface in the first week of April 2021.

18.1 Clearing accounts

	Note	2020/21 R'000	2019/20 R'000
Salary Pension Fund	18	166	10
Sal bargaining council		632	66
TOTAL		798	76

18.2 Other payables

	Note	2020/21 R'000	2019/20 R'000
Payable ADV: Pub Ent Adv Acc: CL (ICASA)	18	-	1
Supplier invoice dispute		-	19
TOTAL		-	20

19. Net cash flow available from operating activities

	Note	2020/21 R'000	2019/20 R'000
Net surplus/(deficit) as per Statement of Financial Performance		222 031	770 708
Add back non cash/cash movements not deemed operating activities		(335 488)	(1 346 777)
(Increase)/decrease in receivables		(223)	337
(Increase)/decrease in prepayments and advances		(35 582)	11 265
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		702	52
Proceeds from sale of capital assets		(639)	(484)
Proceeds from sale of investments		(103 759)	(664 534)
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		14 743	12 361
Surrenders to Revenue Fund		(210 730)	(705 774)
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generated by operating activities		(113 457)	(576 069)

20. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General account		100 549	93 471
Disbursements		(30 812)	(44)
Cash on hand		65	65
TOTAL		69 802	93 492

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21. Contingent liabilities and contingent assets

21.1 Contingent liabilities

Liable to Nature	Note	2020/21 R'000	2019/20 R'000
Other guarantees	Annex 3A	132 013	148 925
Claims against the department	Annex 3B	7 183	24 860
Intergovernmental payables (unconfirmed balances)	Annex 5	398	5
TOTAL		139 594	173 790

The following court cases are still pending, and the outcomes were unknown by 31 March 2021:

1. DoC vs Senior Official

2. USAASA vs CZ Electronics/Minister. Not received confirmation as yet. Case remains same.

3. GEPF vs SABC/Minister*

4. Minister of Communications vs Commission of inquiry into state capture

5. DoC v Uniglobe Sunshine Travels

6. Buthelezi vs DTPS**

* GEPF vs SABC/Minister: High Court found in favour of SABC & Others and subsequently GEPF lodged petition was lodged with SCA

** Buthelezi vs DTPS: Labour court found in favour of the department and Buthelezi lodged an application for leave to appeal

21.2 Contingent assets

Nature of contingent asset	Note	2020/21 R'000	2019/20 R'000
Legal claim: Counter claim submitted		8 173	7 076
SABC Recapitalisation		3 200 000	3 200 000
TOTAL		3 208 173	3 207 076

An amount of R3,2 billion allocated in the 2019/20 financial year for the recapitalization of South African Broadcasting Corporation. The allocation is made as payment for financial assets and thus will require that SABC issue shares to Government. Awaiting the approval of the issue of shares.

22. Capital commitments

Specify class of asset	Note	2020/21 R'000	2019/20 R'000
Machinery and Equipment		14 663	5 638
Software		1 496	448
TOTAL		16 159	6 086

The increase in Capital commitments is due to the Telephone management systems and Server hardware, orders outstanding. In the prior year, one order was cancelled, others paid and 3 orders are still outstanding.

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23. Accruals and payables not recognised

23.1 Accruals

	2020/21			2019/20
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	640	910	1 550	3 730
	640	910	1 550	3 730
	<i>Note</i>	2020/21	2019/20	
		R'000	R'000	
Listed by programme level				
Administration		890	1 200	
International Affairs and Trade		14	8	
ICT Policy Development and Research		216	866	
ICT Enterprise Development and Public Entity Oversight		222	71	
ICT Infrastructure Development and Support		99	15	
ICT Information Society and Capacity Development		109	1 570	
TOTAL		1 550	3 730	

23.2 Payables not recognised.

	2020/21			2019/20
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	968	10	978	143 059
Capital assets	-	-	-	38
TOTAL	968	10	978	143 097
	<i>Note</i>	2020/21	2019/20	
		R'000	R'000	
Listed by programme level				
Administration		937	2 021	
International Affairs and Trade		-	15	
ICT Policy Development and Research		3	140 992	
ICT Enterprise Development and Public Entity Oversight		-	38	
ICT Infrastructure Development and Support		-	31	
ICT Information Society and Capacity Development		38	-	
TOTAL		978	143 097	
	<i>Note</i>	2020/21	2019/20	
		R'000	R'000	
Included in the above totals are the following:				
Confirmed balances with other departments	<i>Annex 5</i>	874	25	
Confirmed balances with other government entities	<i>Annex 5</i>	-	-	
TOTAL		874	25	

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24. Employee benefits

	Note	2020/21	2019/20
		R'000	R'000
Leave entitlement		21 573	10 796
Service bonus		5 891	5 861
Performance awards		1 521	2 653
Capped leave		3 571	4 003
Other		87	87
TOTAL		32 643	23 400

Included in the leave entitlement is the negative leave credits amounting to R67 641,33 as at 31 March 2021. Leave entitlement includes credit still available from previous leave cycle. The performance awards liability decreased from 0,75% to 0,50% for 2020/21 financial year in accordance with DPSA circular. The decrease is due to the service termination of two individuals where their capped leave credits were paid out.

25. Lease commitments

25.1 Operating leases

2020/21	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	25 222	319	25 541
Later than 1 year and not later than 5 years	85 114	64	85 178
Total lease commitments	110 336	383	110 719

2019/20	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	-	896	896
Later than 1 year and not later than 5 years	-	286	286
Total lease commitments	-	1 182	1 182

The Department of Public Works and Infrastructure signed a lease agreement for office and functional accommodation on behalf of the Department for a period of five (5) years with the commencement date as 01 April 2020 amounting to R134 million for the whole period.

All operating lease contracts within the Department are for a period of 36 months. Lease contracts in respect of photocopy machines have an option to be extended with an additional 24 months of which 25% of operating lease will be payable. Extension not to exceed 24 months.

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26. Irregular expenditure

26.1 Reconciliation of irregular expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		214 382	208 386
As restated		214 382	208 386
Add: Irregular expenditure – relating to prior year		-	261
Add: Irregular expenditure – relating to current year		1 071	6 128
Less: Prior year amounts condoned		-	(261)
Less: Current year amounts condoned		-	(132)
Closing balance		215 453	214 382
Analysis of awaiting condonation per age classification			
Current year		1 071	5 996
Prior years		214 382	208 386
TOTAL		215 453	214 382

A new irregular expenditure was recorded of R1 071 million in 2020/21 financial year. Cases amounting to R114.6 million was sent to National Treasury for condonement. During the 2020/21 financial year the assessments of the cases identified in the previous financial was conducted to determine irregular expenditure. Detailed investigations are currently under way on all the outstanding cases.

26.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Payment for Professors research (NEMISA)	None	800
Transfer of official between Departments during April and June 2020	A verbal warning was given to responsible employee	85
The old National Treasury instruction note was used to quote the department	A verbal warning was given to responsible employee	186
TOTAL		1 071

Investigation reports completed but not submitted for condonation. A proper process will be followed

26.3 Details of irregular expenditures under assessment (not included in the main note)

Incident	2020/21 R'000
Deviation from SCM process	15
Payment of portable air conditioner (the purchases are assessed for a possible split)	712
Possible irregular on CSIR contract	12 144
TOTAL	12 871

Possible irregular expenditure amounting to R12 871 million.

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27. Fruitless and wasteful expenditure

27.1 Reconciliation of fruitless and wasteful expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		9 253	9 253
As restated		9 253	9 253
Fruitless and wasteful expenditure – relating to current year		-	8
Less: Amounts recoverable		-	(5)
Less: Amounts written off		-	(3)
Closing balance		9 253	9 253

28. Related party transactions

Payments made

	Note	2020/21 R'000	2019/20 R'000
Goods and services		197 739	221 942
TOTAL		197 739	221 942

Loans to/from related parties

	Note	2020/21 R'000	2019/20 R'000
Non-interest bearing loans to/(from)		1 351 130	1 351 130
Interest bearing loans to/(from)		14 914	14 914
TOTAL		1 366 044	1 366 044

Other

	Note	2020/21 R'000	2019/20 R'000
Guarantees issued/received		300 371	338 851
TOTAL		300 371	338 851

In kind goods and services provided/received

List in kind goods and services between the department and the related party

	Note	2020/21 R'000	2019/20 R'000
Sentech: Connectivity for 20 Sites		2 000	-
TOTAL		2 000	-

The following are the related parties to the Department: SITA, NEMISA, USAASA, USAF, ZADNA, Sentech, SAPO, ICASA, SABC, FPB Telkom SA limited, Vodacom SA and Broadband Infraco. All persons included in the key management personnel form part of related parties.

The R197,7 million relates to expenditure incurred towards the implementation of SA connect project by SITA and BBI.

The R1,3 billion non-interest-bearing loan is a loan made to BBI. The Loan of R14 million is interest bearing loan to SABC with an interest of 6,5% annually payable every six months.

The Guarantee issued to Telkom foreign guarantee @euro 17,302,943.46*R17,359511 = R300 million, variance caused by currency fluctuation.

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29. Key management personnel

	No. of Individuals	2020/21 R'000	2019/20 R'000
Political office bearers (provide detail below)	2	4 215	4 726
Officials:			
Level 15 to 16	9	12 455	13 968
Level 14 (incl CFO if at a lower level)	13	17 974	29 468
Level 13	2	2 406	9 176
TOTAL		37 050	57 338

During the month of May 2020, the late Minister Mthembu acted as the Minister of DCDT as announced by The Presidency. DDG Admin was seconded to BRAND SA and during the period, CD: Legal Services & CD: SPM acted in the position without monetary value since the post is not vacant. Included in the above level 15 to 16 is the amount of special advisers of the Ministry. In the financial year 2020/21 the following ADG has acted: Mr Nkuna, Mr Shelembe, Ms Batyi and Ms Jordan-Dyani. The decrease on level 14 & 13 is due to change of approved key management personnel list by EXCO.

30. Non-adjusting events after reporting date

Nature of event	2020/21 R'000
BBI Loan conversion into equity	1 351 130
TOTAL	1 351 130

The Shareholder issued a signed resolution on 13 May 2021 approving the conversion of the loan to Broadband Infraco amounting to R1.3 billion into equity.

31. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	78 012		9 741	14 729	73 024
Transport assets	13 940	-	-	3 416	10 524
Computer equipment	27 525		8 147	4 305	31 367
Furniture and office equipment	16 115	-	1 030	91	17 054
Other machinery and equipment	20 432	-	564	6 917	14 079
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	78 012	-	9 741	14 729	73 024

A reclassification exercise was done on the opening balances of the transferred assets. Included in the opening balance of Transport Assets was an amount of R626,611.00 which was disposed in the system this current financial year. Included in the disposals for the current financial year is the amount of R681,841.98, which were disposed in the system in April 2021. There was an adjustment of R1000.00 in the opening balance of other machinery and equipment.

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Major Capital Assets under investigation

	Number	Value R'000
Included in the above total of the major capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	1	19

Included in the assets register is the value of R19 000.00 under investigation and is one item.

31.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash* R'000	Non-cash** R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
MACHINERY AND EQUIPMENT	9 741				9 741
Transport assets	-	-	-	-	-
Computer equipment	8 147	-	-	-	8 147
Furniture and office equipment	1 030	-	-	-	1 030
Other machinery and equipment	564	-	-	-	564
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	9 741				9 741

31.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT	6 117	8 612	14 729	639
Transport assets	3 416	-	3 416	505
Computer equipment	2 673	1 632	4 305	132
Furniture and office equipment	-	91	91	-
Other machinery and equipment	28	6 889	6 917	2
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	6 117	8 612	14 729	639

Included in the opening balance of Transport Assets was an amount of R626,611.00 which was disposed in the system this current financial year. Included in the disposals for the current financial year is the amount of R681,841,98, which were disposed in the system in April 2021.

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31.3 Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	75 313	10 258	7 558	78 013
Transport assets	11 036	4 249	1 345	13 940
Computer equipment	29 959	2 908	5 342	27 525
Furniture and office equipment	14 538	1 775	198	16 115
Other machinery and equipment	19 780	1 326	673	20 433
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	75 313	10 258	7 558	78 013

31.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Machinery and equipment R'000	Total R'000
Opening balance	9 697	9 697
Additions	239	239
Disposals	547	547
TOTAL MINOR ASSETS	9 389	9 389
	Machinery and equipment	Total
Number of R1 minor assets	114	114
Number of minor assets at cost	3 832	3 832
TOTAL NUMBER OF MINOR ASSETS	3 728	3 728

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment		116

Included in the opening balance is the amount of R108 thousand, is the items that are not recorded in the Assets register and at this point the number of items is unknown and there are two items amounting to R8 998.00 under investigation.

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MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Machinery and equipment R'000	Total R'000
Opening balance	10 115	10 115
Additions	249	249
Disposals	667	667
TOTAL MINOR ASSETS	9 697	9 697

	Machinery and equipment	Total
Number of R1 minor assets	123	123
Number of minor assets at cost	3 952	3 952
TOTAL NUMBER OF MINOR ASSETS	4 075	4 075

31.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Machinery and equipment R'000	Total R'000
Assets written off	392	392
TOTAL MOVABLE ASSETS WRITTEN OFF	392	392

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Machinery and equipment R'000	Total R'000
Assets written off	243	243
TOTAL MOVABLE ASSETS WRITTEN OFF	243	243

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31.6 S42 Movable capital assets

MAJOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2021

	Machinery and equipment	Total
No. of Assets	117	117
Value of the assets (R'000)	7 667	7 667

MINOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2021

	Machinery and equipment	Total
No. of Assets	160	160
Value of the assets (R'000)	312	312

32. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	5 421	-	5 002	2 091	8 332
MASTHEADS AND PUBLISHING TITLES					
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	369	-	-	-	369
TOTAL INTANGIBLE CAPITAL ASSETS	5 790	-	5 002	2 091	8 701

32.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash R'000	Non-Cash R'000	(Development work in progress – current costs) R'000	Received current year, not paid (Paid current year, received prior year) R'000	Total R'000
SOFTWARE	5 002	-	-	-	5 002
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	5 002	-	-	-	5 002

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32.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
SOFTWARE		2 091	2 091	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS		2 091	2 091	-

32.3 Movement for 2019/20

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	3 318		2 103		5 421
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	369		-		369
TOTAL INTANGIBLE CAPITAL ASSETS	3 687		2 103		5 790

33. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	18	-	-	-	18
Non-residential buildings	18	-	-	18	18
Other fixed structures					
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	18	-	-	18	18

33.1 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
BUILDINGS AND OTHER FIXED STRUCTURES		18	18	
Non-residential buildings	-	18	18	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	18	18	-

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for the year ended 31 March 2021

33.2 Movement for 2019/20

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	18	-	-	-	18
Non-residential buildings	18	-	-	-	18
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	18	-	-	-	18

34. Prior period errors

34.1 Correction of prior period errors

	Note	Amount before error correction 2019/20 R'000	Prior period error 2019/20 R'000	Restated Amount 2019/20 R'000
Revenue:				
Administration	1	61 765	1 945	63 710
industry and capacity development	1	37 449	55	37 504
Entity Oversight	1	4 659 465	(2 000)	4 657 465
Net effect		4 758 679	-	4 758 679

The amount disclosed on note1 from DOC did not include adjustment made during the financial year 2019/20, we are correcting the amounts above.

	Note	Amount before error correction 2019/20 R'000	Prior period error 2019/20 R'000	Restated Amount 2019/20 R'000
Expenditure:				
Related parties: Interest bearing Loan	33	-	14 914	14 914
Related parties: other Guarantees issued/ received	33	-	338 851	338 851
Goods and services (Computer services)	6	6 253	221 942	228 195
Goods and services (Consultants)	6	236 838	(221 942)	14 896
Net effect		243 091	353 765	596 856

The related party note from previous Departments omitted the balance reflected above. The prior period error under Goods and Services was because of payments made to BBI and SITA for SA connect was misallocated.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

35. Inventories (Effective from date determined in a Treasury Instruction)

35.1 Inventories for the year ended 31 March 2021

	First Quarter R'000	Second Quarter R'000	Third Quarter R'000	Fourth Quarter R'000	TOTAL R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	-	-	342	342
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	(342)	(342)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Inventories for the year ended 31 March 2020

	First Quarter R'000	Second Quarter R'000	Third Quarter R'000	Fourth Quarter R'000	First Quarter R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	320	-	-	320
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	(320)	-	-	(320)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Include discussion where deemed relevant.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

36. Transfer of functions and mergers

36.1 Transfer of functions

The following Entities are transferred to Presidency as of 01 April 2020: GCIS, BRAND SA, MDDA the functions and officials those entities are also transferred. Please note that the department did not even any balances due to or from these entities.

36.2 Mergers

The Department of Communications and the Department of Telecommunications and Postal Services has been reconfigured and is called Department of Communications and Digital Technologies from 01 April 2020.

36.2.1 Statement of Financial Position

	Balance before merger date			
	Combining Department Telecommunications & Postal Services	Combining Department Communications	Combining Departments	Combined Department Communications and Digital Technologies
	R'000	R'000	R'000	R'000
ASSETS	63 344	41 346	-	104 690
Current Assets				
Unauthorised expenditure	4 741	-	-	4 741
Cash and cash equivalents	54 319	39 173	-	93 492
Other financial assets	4 015	2 087	-	6 102
Prepayments and advances	269	86	-	355
Non-Current Assets	11 590 646	15 027	-	11 605 673
Investments	10 238 242	-	-	10 238 242
Receivables	1 174	113	-	1 287
Loans	1 351 130	14 914	-	1 366 044
Other financial assets	100	-	-	100
TOTAL ASSETS	11 653 990	56 373	-	11 710 363

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

LIABILITIES

Current Liabilities

Voted funds to be surrendered to the Revenue Fund
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund
Payables

64 244	41 459	-	105 703
63 690	41 454	-	105 144
462	1	-	463
92	4	-	96

TOTAL LIABILITIES

64 244	41 459	-	105 703
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NET ASSETS

11 589 746	14 914	-	11 604 660
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

37. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2020/21					2019/20	
	GRANT ALLOCATION			TRANSFER		Division of Revenue Act R'000	Actual transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000		
City of Tshwane	-	-	-	-	19	-	15
TOTAL	-	-	-	-	19	-	15

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

38. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

39. COVID 19 Response Expenditure

	<i>Note</i>	2020/21	2019/20
	<i>Annexure 8</i>	R'000	R'000
Compensation of employees		-	-
Goods and services		1 649	18
Transfers and subsidies		-	-
Expenditure for capital assets		929	
Other		-	-
TOTAL		2 578	18

All the expenditure above related to the response to COVID-19 PANDEMIC from April to March 2021. The R18 thousand relates to PPE purchase in March 2020.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2019/20		
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000	Actual transfer R'000
City of Tshwane					19							15	-
TOTAL					19							15	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2019/20	
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %		Final Appropriation R'000
Universal Service and Access Agency of South Africa: Operations	264 881	-	(3 496)	261 385	261 385	100%	82 949	
Universal Service and Access Fund: Operations	63 086	-	-	63 086	63 086	100%	37 017	
Universal Service and Access Fund: BDM project management	578 721	-	(78 300)	500 421	500 421	100%	26 605	
National Electronic Media Institute of SA: Operations	49 690	-	(1 747)	47 943	47 943	100%	48 423	
National Electronic Media Institute of SA: INESI	49 505	-	-	49 505	49 505	100%	46 924	
Independent Communication Authority SA	477 721	-	65 998	543 719	543 719	100%	476 645	
Film and Publication Board	103 978	-	(3 382)	100 596	100 596	-	99 373	
Brand South Africa	-	-	-	-	-	-	207 914	
Media Development and Diversity Agency (MDDA)	-	-	-	-	-	-	31 795	
Government Communications and Information System (GCIS)	-	-	-	-	-	-	438 683	
TOTAL	1 587 582	-	(20 927)	1 566 655	1 566 655	-	1 496 328	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 1C
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE			2019/20	
	Adjusted Appro- priation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Capital R'000		Current R'000
Transfers	470 393	-	-	470 393	470 393	100,0%	525 720	-	525 720
Public Corporations Transfers	470 393	-	-	470 393	470 393	100,0%	525 720	-	525 720
Sentech: Digitisation migration- Capital	60 586	-	-	60 586	60 586	100,0%	58 440	-	58 440
Sentech: Dual Illumination Capital	204 044	-	-	204 044	204 044	100,0%	192 494	-	192 494
South African Broadcasting Corporation: Channel Africa	63 399	-	-	63 399	63 399	100,0%	61 320	-	61 320
South African Broadcasting Corporation: Programme productions	14 940	-	-	14 940	14 940	100,0%	14 450	-	14 450
South African Broadcasting Corporation: Public broadcaster	127 424	-	-	127 424	127 424	100,0%	199 016	-	199 016
Subsidies	492 085	-	-	492 085	492 085	100,0%	474 627	-	474 627
SA Post office ltd	492 085	-	-	492 085	492 085	100,0%	474 627	-	474 627
TOTAL	962 478	-	-	962 478	962 478	100,0%	1 000 347	-	1 000 347

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 1D
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
African Telecommunications Union (ATU)	1 186	-	215	1 401	1 401	100%	1 114
Universal Postal Union (UPU)	7 044	-	1 871	8 915	8 915	100%	6 443
Pan African Postal Union (PAPU)	1 215	-	221	1 436	1 436	100%	1 142
International Telecommunications Union (ITU)	20 584	-	4 067	24 651	24 651	100%	18 829
Commonwealth Telecommunication Organization (CTO)	493	-	43	536	536	100%	462
Organisation for Economic Cooperation and Development	198	-	11	209	209	100%	186
DONA Foundation	1 214	-	172	1 386	1 386	100%	1 108
Smart Africa Alliance	790	-	134	924	924	100%	741
TOTAL	32 724	-	6 734	39 458	39 458		30 025

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 1E
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000		R'000
Transfers							
H/H EMPL S/BEN:LEAVE GRATUITY	-	-	-	-	1 257		760
H/H:PMT/REFUND&REM-ACT/GRCE	-	-	-	-	82		78
H/H: CLAIMS AGAINST THE STATE (CASH)	-	-	-	-	100		29 573
H/H: DONATION GIFT AND SPONSORSHIPS	-	-	-	-	2		19
H/H EMPL S/BEN:PST RETIRMT BENEFIT	-	-	-	-	3 980		331
H/H EMPL S/BEN:SEVERANCE PACKAGE	-	-	-	-	-		392
H/H EMPL S/BEN: SOCIAL BENEFIT	-	-	-	-	-		812
TOTAL	-	-	-	-	5 421		31 965

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 2020/21	% Held 2019/20	Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guaranteed
				R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	Yes/No
National/Provincial Public Entity												
Universal Service and Access Agency of South Africa	3A	100%	100%	-	-	-	-	-	-	199 549	(3 873)	No
Universal Service and Access Fund	3A	100%	100%	-	-	-	-	-	-	571 876	97 086	No
Telkom SA Limited	2	41%	41%	207 038 058	207 038 058	2 070 381	2 070 381	31 341	-	2 428	885 000	No
South African Post Office Ltd	2	100%	100%	693 115 883	693 115 883	8 164 116	8 164 116	(2 573 158)	3 972 234	(2 418 749)	(1 813)	No
National Electronic Media Institute of South Africa	3A	100%	100%	-	-	-	-	-	-	4 674 413	(10 758)	No
Sentech (Pty) Ltd	3B	100%	100%	2000	2000	2	2	2 603 986	2 520 597	313 323	158 127	No
Vodacom Group Limited	2	0,004%	0,004%	63 658	63 658	3 743	3 743	85 690	-	17 071	8 199	No
Broadband Infraco SOC Limited	2	74%	74%	74	74	-	-	405 772	498 080	(106 330)	(129 217)	No
SITA	3A	100%	100%	-	-	-	-	3 196 236	3 136 347	309 010	384 010	No
TOTAL				900 219 673	900 219 673	10 238 242	10 238 242	3 749 867	10 127 258	3 562 591	1 386 761	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 2A (continued)
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Telikom shares: Comprised of 207 038 058 shares @ R10 per share.

Senitech shares: Comprised of 2000 shares @R1 per share.

Vodacom: Comprised of 63658 shares @ R58,8 per share.

The transfer of business enterprise for former Postbank as a division of SAPO was transferred to Postbank SOC Limited. The intention is for South African Postbank Limited SOC to be a standalone entity however the amendments to the Postbank Act that would give effect to that have not finalised through the Parliamentary processes. Postbank in its current form is considered a subsidiary of SAPO pending the finalisation of the Postbank Amendment Act.

The amount disclosed is preliminary information relating to investment as investment are measured at cost. In the absence of audited financial statements from the entities that will only be submitted on the 31 July 2021, finance will place reliance on the preliminary information, as they provide reliable estimate, however the amounts will be changed when financial statements are received.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2021 – FOREIGN

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2020	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2021	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2021
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Other								
Telkom SA Ltd	Societe Generale export credit	300 371	148 925	-	-	(16 912)	132 013	-	-
	TOTAL	300 371	148 925	-	-	(16 912)	132 013	-	-

Telkom initially had approved "Guaranteed capital amount" of FRF 113,000,000.00. That currency was later converted into Euro at an exchange rate of 1 Euro = FRF 6.55957 equating to Euro17,302,963.46.

Telkom's guarantee is a foreign guarantee which therefore requires to be converted and reported in Rands in this annexure; hence DCDT will convert the Telkom's numbers using the monthly published SARB.

Telkom Foreign guarantee @ Euro 17302963.46 * R17,359511 = R300 million Capital amount.

Telkom Foreign guarantee: Opening Balance of R148.9 million decreased to R132 million of revaluation from foreign currency movements. The figures is based on estimate.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	1 April 2020				31 March 2021
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Total amount for possible legal claim	24 860	-	17 677	-	7 183
TOTAL	24 860	-	17 677	-	7 183

The following court cases are still pending, and the outcomes were unknown by 31 March 2021:

1. DoC vs Senior Official.
2. USAASA vs CZ Electronics/Minister. Not received confirmation as yet. Case remains same.
3. GEPP vs SABC/Minister.*
4. Minister of Communications vs Commission of inquiry into state capture.
5. DoC v Uniglobe Sunshine Travels.
6. Buthelezi vs DTPS**

* GEPP vs SABC/Minister: High Court found in favour of SABC & Others and subsequently GEPP lodged petition was lodged with SCA.

** Buthelezi vs DTPS*: Labour court found in favour of the department and Buthelezi lodged an application for leave to appeal.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 3B (continued)

Nature of Liabilities recoverable	Opening Balance 1 April 2020		Details of Liability and Recoverability	Movement during year		Closing Balance 31 March 2021	
	R'000			R'000		R'000	
Possible legal claim			DOC issued summons against the company for amongst other arrear rental and the company filed the counter claim. The matter has been doormat in court and parties are now seeking to negotiate settlement.		1 097		8 173
TOTAL	7 076			1 097		8 173	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 4
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21*	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENT								
Department of Telecommunications and Postal Services	-	41	-	-	-	41		
Department of Public Works	-	-	113	-	113	-		
Gauteng Department of Education	63	-	63	-	63	-	01/04/2021	63
Department of Home Affairs	-	-	-	58	-	58		
COGTA	-	-	-	27	-	27		
	-	41	113	85	176	126		63
OTHER GOVERNMENT ENTITIES								
NEMISA	-	99	-	-	-	99		
USAASA	86	-	-	-	86	-	19/03/2021	86
BRAND SA	125	-	-	-	125	-	25/03/2021	125
TOTAL	211	99	-	-	211	99		211
TOTAL	274	140	113	85	387	225		274

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21*	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Government Printers	-	25	-	5	-	30		
Department of Public Works and Infrastructure	874	-	398	-	1 272			
TOTAL INTERGOVERNMENT PAYABLES	874	25	398	5	1 272	30		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 6
INVENTORIES

Inventories for the year ended 31 March 2021

	First Quarter R'000	Second Quarter R'000	Third Quarter R'000	Fourth Quarter R'000	TOTAL R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	-	-	342	342
Add: Additions-Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	(342)	(342)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Inventories for the year ended 31 March 2020

	First Quarter R'000	Second Quarter R'000	Third Quarter R'000	Fourth Quarter R'000	TOTAL R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	320	-	-	320
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	(320)	-	-	(320)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 7
INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperation	-	272	1 431	3 268	1 431	3 540
GCS	4 282	1 699	15 971	-	20 253	1 699
SITA	-	-	20 000	-	20 000	-
Subtotal	4 282	1 971	37 402	3 268	41 684	5 239
PUBLIC ENTITIES						
South African Post Office	-	-	-	858	-	858
Subtotal	-	-	-	858	-	858
TOTAL	4 282	1 971	37 402	4 126	41 684	6 097

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 8**COVID 19 RESPONSE EXPENDITURE**
Per quarter and in total

Expenditure per economic classification	2020/21	2020/19
	Total R'000	Total R'000
Compensation of employees		
Goods and services	1 649	18
<i>List all applicable SCOA level 4 items</i>		
<i>Minor Assets</i>	156	-
<i>Communication</i>	379	-
<i>Consumable supplies</i>	236	18
<i>Property payments</i>	878	-
<i>Operating payments</i>	1	-
Expenditure for capital assets	929	-
<i>List all applicable SCOA level 4 items</i>		
<i>Other Machinery and Equipment</i>	929	-
TOTAL COVID 19 RESPONSE EXPENDITURE	2 578	18

All the expenditure above related to the response to COVID-19 PANDEMIC from April to March 2021. The R18 thousand relates to PPE purchase in March 2020.



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RP111/2021

ISBN: 978-0-621-49362-7

