

# Annual Report

## 2021 / 22



**A leader in enabling a connected and digitally transformed South**



**communications  
& digital technologies**

Department:  
Communications & Digital Technologies  
**REPUBLIC OF SOUTH AFRICA**

**Submission of the  
Department of Communications and Digital Technologies 2021/22 Annual Report**

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

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 2021 to 31 March 2022.

Ms Nonkqubela Jordan-Dyani  
Acting Director-General

Date of submission: 23 September 2022



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# **PART A**

## **GENERAL INFORMATION**



## GENERAL INFORMATION

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## LIST OF ABBREVIATIONS/ACRONYMS

AGSA	AUDITOR GENERAL OF SOUTH AFRICA
ACFTA	AFRICA CONTINENTAL FREE TRADE AREA
AI	ARTIFICIAL INTELLIGENCE
4IR	FOURTH INDUSTRIAL REVOLUTION
AO	ACCOUNTING OFFICE
APP	ANNUAL PERFORMANCE PLAN
BBBEE	BROAD-BASED BLACK ECONOMIC EMPOWERMENT
BBI	BROADBAND INFRACO
BDM	BROADCASTING DIGITAL MIGRATION
BFI	BUDGET FACILITY OF INFRASTRUCTURE
BRICS	BRAZIL, RUSSIA, INDIA, CHINA AND SOUTH AFRICA
CFO	CHIEF FINANCIAL OFFICER
CSIR	COUNCIL FOR SCIENTIFIC AND INDUSTRIAL RESEARCH
DBSA	DEVELOPMENT BANK OF SOUTHERN AFRICA
DCDT	DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES
DG	DIRECTOR GENERAL
DIRCO	DEPARTMENT OF INTERNATIONAL RELATIONS AND COOPERATION
DPME	DEPARTMENT OF PLANNING, MONITORING AND EVALUATION
DPSA	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
DSD	DEPARTMENT OF SOCIAL DEVELOPMENT
DSBD	DEPARTMENT OF SMALL BUSINESS DEVELOPMENT
DTIC	DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION
ECA	ELECTRONICS COMMUNICATIONS ACT
EU	EUROPEAN UNION
EXCO	EXECUTIVE COMMITTEE
FOSAD	FORUM FOR SOUTH AFRICAN DIRECTORS-GENERAL
GBVF	GENDER BASED VIOLENCE AND FEMICIDE
GDP	GROSS DOMESTIC PRODUCT
GDYC	GENDER, DISABILITY, YOUTH AND CHILDREN
GHS	GENERAL HOUSE SURVEY
GMS	GLOBAL SYSTEM FOR MOBILE COMMUNICATIONS
HOD	HEAD OF DEPARTMENT
ICASA	INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA
ICT	INFORMATION AND COMMUNICATION TECHNOLOGIES
IDC	ICT DEVELOPMENT INDEX
ILO	INTERNATIONAL LABOUR ORGANISATION
IOT	INTERNET OF THINGS

ISP'S	INTERNET SERVICE PROVIDERS
IT	INFORMATION TECHNOLOGY
ITAC	INTERNATIONAL TRADE ADMINISTRATION COMMISSION
ITU	INTERNATIONAL TELECOMMUNICATION UNION
MP	MEMBER OF PARLIAMENT
MTEF	MEDIUM TERM EXPENDITURE FRAMEWORK
MTSF	MEDIUM TERM STRATEGIC FRAMEWORK
NDP	NATIONAL DEVELOPMENT PLAN
NSP	NATIONAL STRATEGIC PLAN
NEMISA	NATIONAL ELECTRONIC MEDIA INSTITUTE OF SOUTH AFRICA
NEDLAC	NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL
NFRP	NATIONAL RADIO FREQUENCY PLAN
OCSLA	OFFICE OF THE CHIEF STATE LAW ADVISOR
OTT	OVER THE TOP
PC4IR	PRESIDENTIAL COMMISSION ON THE 4TH INDUSTRIAL REVOLUTION
PFMA	PUBLIC FINANCE MANAGEMENT ACT
POPIA	PROTECTION OF PERSONAL INFORMATION ACT
PMO	PROJECT MANAGEMENT OFFICE
PMS	PERFORMANCE MANAGEMENT SYSTEM
QOS	QUALITY OF SERVICES
RDCC	RAPID DEPLOYMENT COORDINATION CENTRE
RSA	REPUBLIC OF SOUTH AFRICA
RICA	REGULATION OF INTERCEPTION OF COMMUNICATIONS AND PROVISION OF COMMUNICATIONS ACT
SABC	SOUTH AFRICAN BROADCASTING CORPORATION
SAPO	SOUTH AFRICAN POST OFFICE
SCM	SUPPLY CHAIN MANAGEMENT
SDIP	SERVICE DELIVERY IMPROVEMENT PLAN
SEDA	SMALL ENTERPRISE DEVELOPMENT AGENCY
SEIAS	SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM
SITA	STATE INFORMATION TECHNOLOGY AGENCY
SLA	SERVICE LEGAL AGREEMENT
SMME'S	SMALL MEDIUM AND MICRO ENTERPRISES
STATSSA	STATISTICS SOUTH AFRICA
SOC	STATE OWNED COMPANY
SONA	STATE OF NATION ADDRESS
TID	TECHNICAL INDICATOR DESCRIPTION
TR	TREASURY REGULATIONS
TV	TELEVISION

USAASA	UNIVERSAL SERVICE AND ACCESS AGENCY OF SOUTH AFRICA
VPNS	VIRTUAL PRIVATE NETWORKS
WEF	WORLD ECONOMIC FORUM
WRC	WORLD RADIO CONFERENCE
WSP	WORKPLACE SKILLS PLAN
WTDC	WORLD TELECOMMUNICATIONS DEVELOPMENT CONFERENCE
.ZADNA .	.ZA DOMAIN NAME AUTHORITY

## FOREWORD BY THE MINISTER:

**HON. MS. KHUMBUDZO NTSHAVHENI, MP**



It is my pleasure to present the 2021/2022 Annual Report for the Department of Communications and Digital Technologies. We are reporting on a marked improvement on the attainment of performance targets. The achievement of 92% (AGSA confirmed 91%) of our performance targets sets the Department on a solid path towards meeting the ICT goals of the National Development Plan (NDP) by 2030 and to lead South Africa's transition to the digital economy that is inclusive and creates jobs.

The COVID-19 pandemic has amongst others, exposed the extent and impact of the digital divide and highlighted the importance of accelerating access to ICT services by all. This requires rapid deployment of robust telecommunications infrastructure across the country for universal coverage. During the COVID-19 pandemic, majority of South Africans experienced limited access to basic services such as education, health and entertainment due to their lack of access to internet connectivity. It is for this reason that access to internet connectivity, or bridging the digital divide, has become a prime priority for the Department and government.

This Annual Report is an account of the Department of Communications and Digital Technologies on its performance against the planned targets set for the 2021/22 financial year. During the year under review, the Department continued with the implementation of its 2020-2025 Strategic Plan which identifies the following outcomes:

- Enabling Digital Transformation Policies, Strategies and Regulations,
- Increased Access to Secure Digital Infrastructure & Services,
- Digitally Transformed Economy and Society,
- High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives.

Amongst the Department's main accomplishments during the 2021/22 financial year, is the much celebrated conclusion of South Africa's first high-demand spectrum auction in over a decade. The licensing of the high demand frequency spectrum is a critical milestone in our programme to lower cost of communication, and extend network reach to achieve universal coverage to ensure that rural and peri-urban areas have access to the internet. In addition, the auction of the high demand spectrum was accompanied by social obligations to connect 18,520 schools, 5,731 health facilities, and 8,241 traditional authority offices over a 36 months.

The auctioning of the high demand frequency spectrum was made possible because of the progress achieved in the implementation of the Broadcasting Digital Migration programme. During the reporting period, we have managed to switch off analogue transmission in five (5) provinces, namely Free State, Northern Cape, North West, Limpopo and Mpumalanga.

The Department also revised the model for implementing the South Africa (SA) Connect Phase 2 to include deployment of over 33, 000 community wi-fi hotspots. Under SA Connect, the Department continues to monitor the provision of broadband services to the 970 already connected sites to ensure there is sustainability.

When functioning well, State-Owned Entities are important levers for economic development. The Department exercises oversight over 11 entities, and it has established a robust and vigorous SOC Oversight function to ensure revitalisation of struggling entities, improve performance and sustainability of entities within the portfolio. In the reporting period, the Department carried out analysis of quarterly performance reports of the State-Owned Entities (SOEs) and recommended interventions required to improve performance and sustainability. In addition, the following legislation was finalised for either submission to Parliament or public consultations:

- The South African Post Office SOC Ltd Amendment Bill was approved by Cabinet for public consultation, and
- the Postbank Amendment Bill was submitted to Parliament.

In conclusion, I want to extend my sincere appreciation to the Acting Director-General of the Department, Ms Nonkqubela Jordan-Dyani and her management team, all staff members of the Department who actively supported us both in terms of focus and speed in execution of the tasks at hand. Indeed the result of our collective efforts are there to be seen by all. I further would like to take this opportunity to appreciate our Portfolio and Select Committees for their oversight, guidance and direction, and keeping us on a tight leash in terms of set deadlines. I am also indebted to the leadership of our State-Owned Entities for their dedicated support and hard work in pursuit of our objectives for a connected and digitalised South Africa as we march towards the digital economy. I continue to value the partnership with the industry as we collectively work together to increase the contribution of the sector to advance socio-economic development of our country.



**HON. MINISTER KHUMBUDZO NTSHAVHENI, MP**  
**MINISTER OF COMMUNICATIONS & DIGITAL TECHNOLOGIES**  
**DATE: 23 SEPTEMBER 2022**

## DEPUTY MINISTER STATEMENT:

**HON. MR. PHILLY MAPULANE, MP**



This Annual Report is the evidence of our commitment to digitally enable citizens to secure an affordable universal access to digital technology. The Department of Communications and Digital Technologies (DCDT) is central to the call of building a better life for all through an enabling and sustainable world class information technology environment towards socio-economic growth. In line with our mandate and resolve to improve government services, the DCDT successfully tracked progress on the implementation of the following Outcomes:

Regarding Outcome 1: *Enabling Digital Transformation Policies and Strategies*, the Department submitted the South African Post Office SOC Ltd Amendment (SAPO) Bill to Cabinet which was approved for public consultations. The gazette together with SAPO Bill were submitted to Government Printers for gazetting whereas the Cloud & Data Policy was developed, and together with Cabinet Memo were submitted for approval. Also, the implementation of Digital Economy Masterplan was coordinated and an integrated report on Digital Economy programmes was developed and submitted for processing.

Furthermore, the Revised ICT SMME Strategy was developed and submitted for approval, while the White Paper on Audio and Audio-Visual Content Services was revised incorporating stakeholder inputs. Additionally, the Electronic Communications Amendment Bill and the PC4IR Strategic Implementation Plan were developed and submitted for approval. Moreover, the Rapid Deployment Policy was finalised and submitted for approval.

Certainly, both the Business Cases for the State Digital Services Company and the State Digital Infrastructure were developed and approved while the Postbank Amendment Bill was introduced to Parliament.

Regarding Outcome 2: *Increased access to secure digital infrastructure*, the Department developed and approved the National BIFN-S priority Programme focusing on Broadband Infrastructure Rollout, Artificial Intelligence and Cyber-Security. The revised SA Connect Phase 2 model was approved by the Cabinet. Broadband services to 970 connected sites were monitored and sustained.

Regarding Outcome 3: *transformed digital society*, the Department developed and approved the 3-Year Implementation Plan of the National e-Government Programme. The National e-Government Programme Governance Structure was established. The National e-Services Portal was re-designed, implemented, and monitoring reports were developed. Prioritised key public facing services were identified for automation (integrating AI and Big Data) and monitoring reports were developed.

The Department facilitated and monitored the implementation of the Digital and Future Skills Programme through training which was conducted by NEMISA on pre-entry Digital skills. NEMISA conducted training for young people through the CoLabs and various training providers on the Introduction to Cyber Attacks, Programming for Everybody (Getting Started with Python), Introduction to MongoDB, Technical Support Fundamentals, the Bits and Bytes of Computer Networking, Introduction to Business Analytics, Technical Support Fundamentals, as well as the Data Scientist™'s Toolbox, Foundations of Project Management, a Crash Course in Data Science, Introduction to Data Analytics, Managing Data Analysis, Introduction to Cybersecurity Tools & Cyber Attacks, Python for Data Science, Artificial Intelligence and Development courses.

The Department supported and contributed to the SA Investment Conference through advancing the ICT investment initiatives and the Outcomes report was developed and approved.

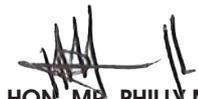
Regarding Outcome 4: *high performing portfolio to enable achievement of their respective mandates*, the Department developed and implemented the Workplace Skills Plan (WSP) aligned to DCDT mandate. Quarterly Training interventions, in line with WSP and aligned to DCDT mandate, were implemented, and reported. The Department developed, approved, and implemented 1 Digital Transformation priority intervention (Collaboration Platform). 100% of valid invoices paid within 30 days from date of receipt. Monthly exceptions report on 30- day payments prepared and submitted to National Treasury on time. No late submissions were made, and all payments were made within 30 days. The 2021/22 Annual Communications Plan was developed and approved. Implementation of the 2021/22 Annual Communications Plan was coordinated and monitored.



The Department successfully coordinated the implementation of quarterly recommendations from analysis of SOE Performance Reports. The Department analysed 2022/23 Annual Performance Plans (APPs) of the entities for Minister's approval and facilitated the tabling of APPs for the SOEs. The Department reviewed 2021/22 Shareholder Compacts of Schedule 2 and 3B entities. Inputs were submitted to entities for the development of 2022/23 Shareholder Compacts and the approval of 2022/23 Shareholder Compacts was facilitated. The Department conducted consultation with ICASA on the Performance Management System (PMS) for ICASA Councilors. Inputs from ICASA were incorporated into the draft PMS and submitted for tabling before Parliament for approval.

The Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Responsiveness programmes was monitored in line with National targets. The DCDT integrated action plan in support of the NSP on combating GBVF developed, however approval was still pending. The Department coordinated the implementation of Stakeholder Relations Strategy and monitoring reports were developed. Implementation Plan for District Development Model aligned with COGTA was developed and coordinated. Furthermore, consultations were held with relevant districts including Waterberg, Moses Kotane, and Gert Sibande Districts. Implementation plan was monitored in Waterberg, eThekweni, and OR Tambo.

None of these achievements would have been possible without the support of our local and international stakeholders. I wish to commend the Minister for her political guidance, to the executive and staff of the DCDT for their commitment to the Department's vision, and to the Department's entities for their continued support.



**HON. MR. PHILLY MAPULANE, MP**  
**DEPUTY MINISTER OF THE DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES**  
**DATE: 23 SEPTEMBER 2022**

## REPORT OF THE ACCOUNTING OFFICER:

**NONKQUBELA THATHAKAHLE JORDAN-DYANI**



### OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT:

The 2021/22 financial year was characterised by changes in the executive authorities and the revision of some of the priorities to align with the new direction the Department was taking. DCDT revised number of targets on the 2021/22 Annual Performance Plan to align to the new priorities to ensure that the mandate of DCDT is fully achieved owing to the budget cuts and fiscal constraints.

To implement its 2021/22 legislative programme, Department focused on the development of several legislation and strategies as part of contributing to Outcome 1: Enabling digital transformation policies and strategies. Key to this was the development of the revised Draft South African Post Office SOC Ltd Amendment Bill and was submitted to Cabinet for public consultation approval. We further undertook to reconfigure the State-Owned Entities under our portfolio to be in line with our new mandate. We have developed and approved the 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. Following the Cabinet approval of the Report of the

Presidential Commission on the Fourth Industrial Revolution (PC4IR), PC4IR Strategic Implementation Plan was developed, to ensure that the recommendations of the PC4IR Report are implemented by relevant stakeholders.

Regarding Outcome 2: Increased access to secure Digital Infrastructure, the Department conducted the preliminary technical and regulatory studies to inform draft SA's position for WRC-23. With regards to the SA Connect the Cabinet approved a revised SA Connect implementation plan, set to connect SA in 3 years. The previous work done by DCDT on Feasibility Study for SA Connect Phase 2 required 57 billion which state was unable to fund. The Revised model requires state capital funding of 2.5 billion and will ensure that Government achieves its target of 80% broadband access by 2024. Furthermore, the Department continue to monitor the provision of broadband services to 970 connected sites. The department reviewed the Broadcasting Digital Migration (BDM) projects target which deals with subsidized digital television, following Cabinet approval of the revised implementation. The new target consolidates the work towards Analogue Switch-Off by 31 March 2022, however due to the litigation a deadline was extended to end of June 2022.

In its efforts to deliver Outcome 3: A transformed digital society, our key achievements include facilitating 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 developed and approved the 3-Year Implementation Plan of the National e-Government Programme and implemented the re-design of National e-Services Portal. The Department also continued to focus on the implementation of the Digital and Future Skills Strategy through the development of the Digital and Future Skills Implementation Programme and the implementation of training on 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 implemented a collaborative Platform as part of its Digital Transformation priority intervention. Furthermore, the Department monitored its Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Responsiveness programmes in line National targets

In terms of performance against the 2021/22 Annual Performance Plan (APP), the Department committed to achieve 35 annual targets during the reporting period. The Department achieved 32 (91%) annual targets, while spending 92% of its adjusted budget allocation. The difference between the performance achieved and the budget spent is due to the spending on the business and operational plans as well as the monthly administrative commitments of the Department. 100% payment of transfers were made to the entities which represent 76.6% of the total allocated budget.

## OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:

### 1. DEPARTMENTAL RECEIPTS

DEPARTMENTAL RECEIPTS	2021/22			2020/21		
	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
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	54	71	(18)	75	95	(20)
Transfers received	-	-	-	-	-	-
Fines, penalties, and forfeits						
Interest, dividends and rent on land	832	1 008	(176)	664 989	104 821	560 168
Sale of capital assets	200	175	25	15	639	(624)
Financial transactions in assets and liabilities	75	245	(170)	61	173	(112)
<b>TOTAL</b>	<b>1 161</b>	<b>1 499</b>	<b>(339)</b>	<b>665 140</b>	<b>105 728</b>	<b>559 412</b>

The total revenue collected as of 31 March 2022 amount to R 1.5 million against the adjusted estimates of R1.2 million. The over collection of revenue is as a result of recoveries of bursaries due to breach of contract for an official who resigned during the last quarter of the financial year. 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) interest rate of 6,5% p.a. payable six monthly on 31 January and 31 July every year.

### 2. PROGRAMME EXPENDITURE

PROGRAMME NAME	2021/22			2020/21		
	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	257 431	228 371	29 060	260 262	215 901	44 361
ICT International Relations & Affairs	58 884	54 565	4 319	63 114	61 450	1 664
ICT Policy Development & Research	49 973	29 586	20 387	52 368	36 067	16 301
ICT Enterprise & Public Entity Oversight	1 683 194	1 678 860	4 334	1 789 931	1 783 968	5 963
ICT Infrastructure Development & Support	1 760 446	1 512 955	247 491	1 039 854	1 017 415	22 439
ICT Information Society & Capacity Development	74 528	65 127	9 401	75 399	49 824	25 575
<b>TOTAL</b>	<b>3 884 456</b>	<b>3 569 464</b>	<b>314 992</b>	<b>3 280 928</b>	<b>3 164 625</b>	<b>116 303</b>

The Department of Communications and Digital Technologies had a total adjusted appropriation of R3.844 billion for the 2021/22 financial year. The adjusted allocation for 2021/22 was increased by R603.5 million (15.5%) as compared to the previous financial year allocation of R3.280 billion. Of the total allocation, transfers and subsidies amount to R2.978 billion (77%) of the budget. These transfers were mainly to departmental agencies and accounts, as well as allocation for digital broadcasting migration.

The allocation for good & services amounted to R594.7 million (15%) of the total budget. The allocation for compensation of employees amounted to R295.8 million (8%), and payment for capital assets was allocated R15.1 million which is less than 1%.

For 2021/22 financial year, the Department spent to R3.569 billion (91.9%) of the adjusted budget of R3.884 billion. The total under-spending was 315 million (8.1%). The underspending on good and services was mainly due to unspent funds appropriated for Presidential Employment Stimulus payment as the process to appoint BBI as a designated fund manager for the Broadband Access Fund has not been concluded and consultants costs due to the expiry of the MoA that governs the relationship between DCDT and the CSIR. Under capital assets underspending is as a result of non-procurement of the Integrated Workflow management system as a result of requirements by SITA to deviate from IFSM project. The underspending on compensation of employees is due to critical vacancies not filled due to merger, organisational structure of the Department not finalized and moratorium on the filling of posts, and DPSA's circular allowing only the advertisement of extremely critical positions due to Covid 19 pandemic.

## **THE SPENDING TRENDS PER PROGRAMME ARE OUTLINED BELOW:**

### **PROGRAMME 1: ADMINISTRATION**

The programme had a final budget of R257.4 million and expenditure amounted to R228.4 million or (88.7%) in the current financial year, compared to R215.9 million expenditure in the 2020/21 financial year.

### **PROGRAMME 2: ICT INTERNATIONAL RELATIONS & AFFAIRS**

The programme had a final budget of R58.9 million and expenditure amounted to R54.6 million or (92.7%) in the current financial year, compared to R61.5 million expenditure in the 2020/21 financial year.

### **PROGRAMME 3: ICT POLICY DEVELOPMENT & RESEARCH**

The programme had a final budget of R 50 million and expenditure amounted to R 29.6 million or (59.2%) in the current financial year, compared to R 36.1 million expenditure in the 2020/21 financial year.

### **PROGRAMME 4: ICT ENTERPRISE & PUBLIC ENTITY OVERSIGHT**

The programme had a final budget of R1.683 billion and expenditure amounted to R1.679 billion or (99.7%) in the current financial year, compared to R1.784 billion expenditure in the 2020/21 financial year.

### **PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT & SUPPORT**

The programme had a final budget of R1.760 billion and expenditure amounted to R1.513 billion (85.9%) in the current financial year as compared to expenditure of R1.017 million in the 2020/21 financial year. The increase of expenditure in the current financial year is due to transfer made to Universal Service and Access Fund for Broadcasting Digital Migration project.

### **PROGRAMME 6: ICT INFORMATION SOCIETY & CAPACITY DEVELOPMENT**

The programme had a final budget of R74.5 million and expenditure amounted to R65.1 million or (87.4%) in the current financial year, compared to R49.8 million expenditure in the 2020/21 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 R22.9 million from programmes 1,3 and 6 were transferred to programme 2,4 and 5 to defray excess expenditure. Programme 2 was overspending under compensation of employees, Programmes 4 and 5 were overspending under transfers.

No roll-overs were approved by National Treasury to 2021/22 financial year.

### **Unauthorised, Irregular, fruitless and wasteful Expenditure**

The department did not incur any unauthorised expenditure during the period under review. The Fruitless and Wasteful expenditure amounted to R4000.00 for cell phone and R3000.00 was recovered from the officials. Fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence

The department did not incur any irregular expenditure during the period under review, however cases amounting to R133 million were resubmitted and referred to National Treasury awaiting condonation. The Department had possible irregular expenditure under assessment amounting to R1,2 million that is being quantified.

### **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 and regulation, (2) Increased access to secure digital infrastructure and services, (3) a Digitally transformed economy and society and (4) a d) High performing and sustainable 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 Draft Regulatory Reform Policy, Draft National Cloud Computing Policy, the Policy Direction on the discontinuation of analogue TV sets from domestic production and imports, Digital Economy Strategy as well as the Policy to discontinue GMS phones. The Department will also focus on submitting the following to Cabinet for approval Audio Visual White Paper, SABC Bill, South African Post Office (SAPO) Amendment Bill, Electronic Communications Amendment Bill and to monitor the Postbank Amendment Bill parliamentary. The focus will also be to undertake the disestablishment of USAASA and developing the Strategy to leverage delivery of services through 5G and Wi-Fi 6 to stimulate the digital economy.

With regards to the Outcome of Increased access to secure digital infrastructure, the Department will focus on coordinating implementation of the revised SA Connect Model to ensure 80% broadband access to citizens by 2024. We will also coordinate and monitor interventions related to rapid deployment of digital infrastructure, for ease of access to relevant critical infrastructure and servitudes. The Department will continue implementing National Cybersecurity programmes, to enable the safe participation of citizens online, as well as safeguarding critical ICT infrastructure. Furthermore, we will coordinate household migration to digital broadcasting and switch-off analogue broadcasting signal, to enhance TV viewing for information and entertainment. The Department is also prioritising the development of Policy Direction for 5G deployment, to support digital transformation and re-industrialisation of the economy. Another key focus will be on preparations for the World Radiocommunication Conference (WRC) taking place in 2023, through conducting preliminary technical and regulatory studies to inform South Africa's position on the coordination of radio-spectrum in line with changes in technology and demand, and particularly with respect to our national and regional priorities.

To realise Outcome 3: Digitally Transformed Economy and Society, the Department will focus on coordinating the implementation of identified international programmes to support the digital economy. We will conduct a study on the Cost to Communicate to inform the revision on the data costs and implement recommendations stemming from the study. We will implement the National e-Government Strategy and Roadmap towards the digitalization of government services with a focus on Single Portal. We will also develop Green Paper on the Digital Government Act as well as facilitate and monitor the implementation of the Digital and Future Skills Programme through local and international Public and Private Partnerships focused on training people. We will focus also on establishing Artificial Intelligence Institute and implement priority programmes, in line with the recommendations stemming the Report of the Presidential Commission on the Fourth Industrial Revolution (4IR).

Important 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.

Important to the delivering on our mandate is to have in place a High Performing and Sustainable Portfolio to enable achievement of their respective mandates and policy objectives, the Department and the Portfolio will focus on the strategic coordination for the efficient delivery of our respective mandates. In this regard we will prioritise the implementation of Digital Transformation Strategy initiatives. We will monitor the DCDT and State-Owned Company's (SOC's) Gender, Disability, Youth and Children (GDYC) responsiveness programmes in line with the national targets. We will also coordinate the implementation of the DCDT integrated plan of action in support of the implementation of the National Strategic Plan (NSP) on gender-based violence.

The Department will ensure stringent and proactive oversight of our State-Owned Entities (SOEs) in terms of their service delivery performance and compliance against plans and relevant prescripts. We will also facilitate the monitoring and evaluation of the performance of ICASA Councillors, in line with the Performance Management System.

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, this sector will remain 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

### List activities discontinued/to be discontinued

None

### Reasons for discontinuance

None

### Effect on the operations of, and service delivery by the Department

None

### Financial implications of each discontinued activity.

None

### New or proposed key activities

None

## Supply chain management

The Department did not have unsolicited bid proposals during the year under review. 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 segregation of responsibilities and duties.

## Gifts and Donations received in kind from non-related parties

DONOR	REASON FOR DONATION	AMOUNT DONATED R,000
LIQUID INTELLIGENT TECHNOLOGIES	20 Tablets donated to schools/institutions	35
INTERNATIONAL LABOUR ORGANISATION (ILO)	To provide digital skills for decent jobs for Youth Programme in South Africa	1 060
HUAWEI	During Minister meet and greet with the CEO of Huawei, 3 Huawei P smart was donated	12
<b>TOTAL</b>		<b>1 107</b>

## 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**

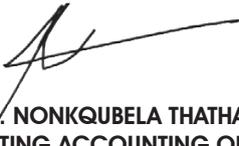
I would like to take this opportunity to openly thank the Minister and the Deputy Minister for their strategic leadership and guidance they provided throughout the financial year. I would also acknowledge and appreciate the Department's employees, the governance committees and the executive team for their tireless dedication and commitment during the period under review. Through their hard work employees ensured that the Department achieve 92% of its predetermined targets, which is far better than the results of the previous financial year facing challenges brought by the COVID-19 pandemic.

Appreciation also goes to our Parliamentary Oversight Committee as well as our State-Owned Entities (SOEs) for their support and contribution towards achieving the planned government outcomes. I continue to value the partnership with the ICT Industry as well as collectively working together to increase the contribution of the sector to the GDP and towards socio-economic growth and development.

## **Conclusion**

During the reporting period, the Department's performance was impacted by the challenges 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. I am confident that with the strategic leadership and guidance of our Political Principals as well as dedication of our staff and commitment of our stakeholders and SOEs, we can focus on implementing our predetermined priorities, optimally carry out the mandate and achieve our targets in line with the Medium-Term Strategic Framework and attain our envisaged impact and outcomes.

## **Approval and sign off**



**MS. NONKUBELA THATHAKAHLE JORDAN-DYANI**  
**ACTING ACCOUNTING OFFICER**  
**DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES**  
**DATE: 23 SEPTEMBER 2022**

### 3. 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 judgments 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 2022.

Yours faithfully



**ACTING ACCOUNTING OFFICER  
MS. NONKUBELA THATHAKAHLE JORDAN-DYANI  
DATE: 23 SEPTEMBER 2022**



## STRATEGIC OVERVIEW

### 1. Vision

A leader in enabling a connected and digitally transformed South Africa.

### 2. Mission

Leading SA's inclusive digital transformation journey through creating an enabling environment towards a digital society to foster socio-economic growth.

### 3. Values

- Transparency
- Respect
- Accountability
- Fairness
- Integrity
- Excellence
- Responsiveness
- Innovation

#### 4. 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
<b>Sentech Act, 1996 (Act No. 63 of 1996)</b>	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.
<b>Former States Posts and Telecommunications Act, 1996 (Act No. 5 of 1996)</b>	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.
<b>Former States Broadcasting Reorganisation Act, 1996 (Act No. 91 of 1996)</b>	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.
<b>Former States Broadcasting Reorganisation Act, 1996 (Act No. 91 of 1996)</b>	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.
<b>Postal Service Act, 1998 (Act No. 124 of 1998)</b>	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.
<b>Department of Communications Rationalisation Act, 1998 (Act No. 10 of 1998)</b>	To provide for the rationalisation of the Department of Communications; and matters connected therewith.

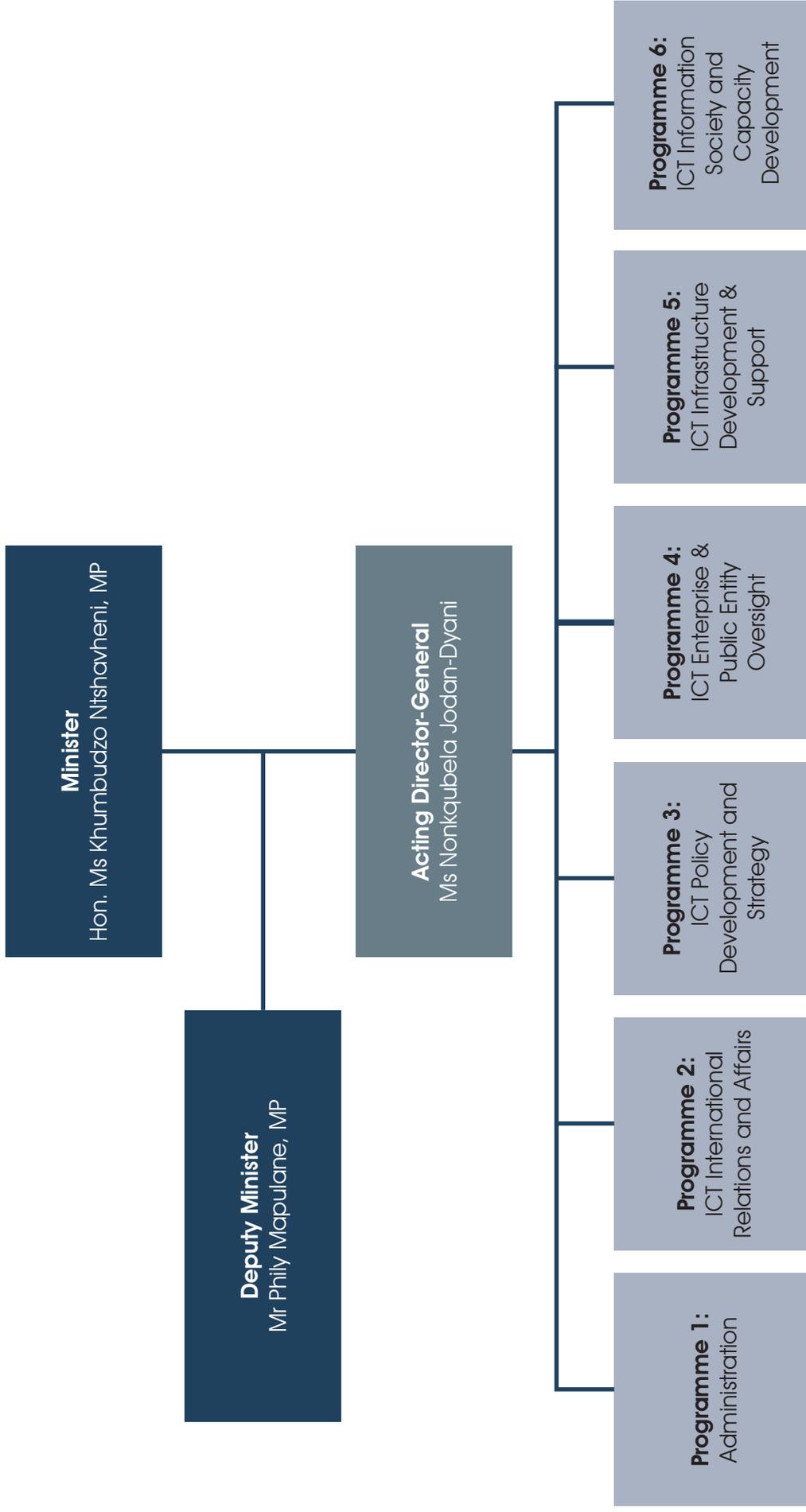
NAME OF ACT PURPOSE	PURPOSE
<b>Electronic Communications and Transactions Act, 2002 (Act No. 25 of 2002)</b>	To provide for the facilitation and regulation of electronic communications and transactions; the development of a national e-strategy for the Republic; to promote universal access to electronic 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.
<b>Electronic Communications Act, 2005 (Act No. 36 of 2005)</b>	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.
<b>Independent Communications Authority of South Africa, 2000 (Act No. 13 of 2000)</b>	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.
<b>South African Post Bank Limited Act, 2010 (Act No. 9 of 2010)</b>	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.
<b>South African Post Office SOC Ltd Act, 2011 (Act No. 22 of 2011)</b>	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.
<b>State Information Technology Agency Act, 1998 (Act No. 88 of 1998)</b>	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.

NAME OF ACT PURPOSE	PURPOSE
<b>Broadband Infraco Act, No. 33 of 2007.</b>	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.

## ORGANISATIONAL STRUCTURE



## 5. ENTITIES REPORTING TO THE MINISTER/MEC

The table below indicates the entities that report to the Minister/MEC.

NAME OF ENTITY	LEGISLATIVE MANDATE	FINANCIAL RELATIONSHIP	NATURE OF OPERATIONS
<b>NEMISA</b>	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.
<b>USAASA</b>	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.
<b>USAF</b>	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.
<b>.ZADNA</b>	.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 name space.
<b>SAPO</b>	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.
<b>SITA</b>	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
<b>BBI</b>	<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> <ol style="list-style-type: none"> <li>1. Including but not limited to under-developed and under-serviced areas;</li> <li>2. In support of projects of national interests;</li> <li>3. In accordance with the Electronic Communications Act and commensurate with international best practice and pricing; and</li> <li>4. Through the provision of electronic communications network services and electronic communications services.</li> </ol>	Self-funded	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)
<b>SENTECH</b>	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.	Transfer of funds	Provides signal distribution services in the broadcasting industry.
<b>SABC</b>	<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> <ol style="list-style-type: none"> <li>1. The Constitution of the Republic of South Africa, No. 108 of 1996;</li> <li>2. The Broadcasting Act No. 4 of 1999, as amended;</li> <li>3. The Independent Communications Authority of South Africa Act No. 13 of 2002, as amended;</li> <li>4. The Electronic Communications Act No. 36 of 2005, as amended.</li> </ol>	Mixture of government funding and self-funding	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



NAME OF ENTITY	LEGISLATIVE MANDATE	FINANCIAL RELATIONSHIP	NATURE OF OPERATIONS
<b>ICASA</b>	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.
<b>FPB</b>	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 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 147 of the Report of the Auditor General, published as Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

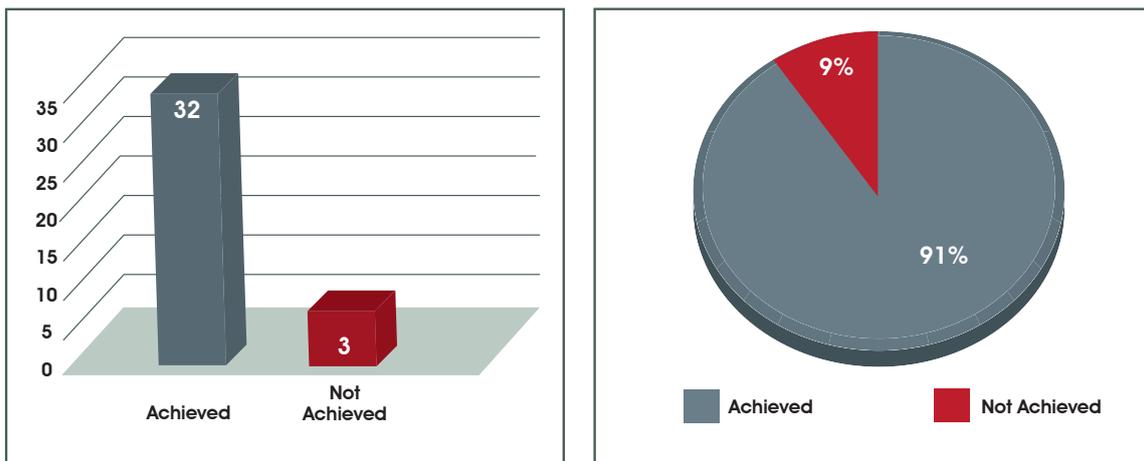
### 2.1 Service Delivery Environment

During the reporting period, DCDT have revised number of targets on the 2021/22 Annual Performance Plan to align to the new priorities to ensure that the mandate of DCDT is fully achieved owing to the budget cuts and fiscal constraints. The 2021/22 Annual Report covers both the initial Annual Performance Plan, which was in effect in quarters one, two and three as well as the revised APP which was in effect from quarter four. During the reporting period of the 2021/22 financial year, government had to reprioritise its budget and related programmes considering COVID-19. Furthermore, there was Cabinet reshuffling which the Department had newly appointed Minister and the Deputy Minister.

Over and above the budget cut, which impacted on planned targets, the revision of the 2021/22 Annual Performance Plan had to also take into consideration the fact that during quarter three of the 2020/21 financial year, Executive Authority prioritised several projects such as the SA Connect which needed to take a new direction as the cabinet approved a revised SA Connect implementation plan, set to connect SA in 3 years. The previous work done by DCDT on Feasibility Study for SA Connect Phase 2 required 57 billion which state was unable to fund. The revised model requires state capital funding of 2.5 billion and will ensure that Government achieves its target of 80% broadband access by 2024. Furthermore, the delivery of the Broadcasting Digital Migration (BDM) projects target which deals with subsidized digital television was reviewed, following Cabinet approval of the revised implementation. The new target consolidates the work towards Analogue Switch-Off by 31 March 2022, however due to the litigation the switch off date was moved to 30 June 2021, and this led to the target not to be achieved during the reporting period.

In terms of the performance against its 2021/22 Annual Performance Plan, the Department planned to achieve 35 targets. Of the 35 planned targets, the Department was able to achieve 32 targets which equates to 91% achievement, as depicted in the graphs below:

### DCDT 2021/22 ORGANISATIONAL PERFORMANCE



## 2.2 Organisational environment

The 2021/22 financial year was the second year of implementation of its 2020-2025 Strategic Plan and the 2021/22 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 (DCDT). The organisational structure will be finalised during the 2022/23 financial and be implemented going forward.

In terms of acquiring relevant skills to deliver on its mandate, the DCDT undertook the process of verification of competencies exercise which was 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 Digital Transformation Strategy with the focus on workflow management system 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 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 SOCs Gender, Disability, Youth and Children Responsiveness programmes in line with National targets.

With regard to human resource related matters, as at end of March 2022, the Department of Communications and Digital Technologies had a total head count of 333 staff on its establishment. 290 of these posts were filled, and 43 posts were vacant and funded which equates to a 12.9% vacancy rate. The Department was allocated a total adjusted and exclusively earmarked amount of R295 831 million for compensation of employees in the 2021/22 financial year. At the end of March 2022, the Department had spent R271 487 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, some appointments were made additional to the establishment during the 2021/22 financial year so as to ensure ongoing operations and achievements of strategic priorities.

## 2.3 Key policy developments and legislative changes

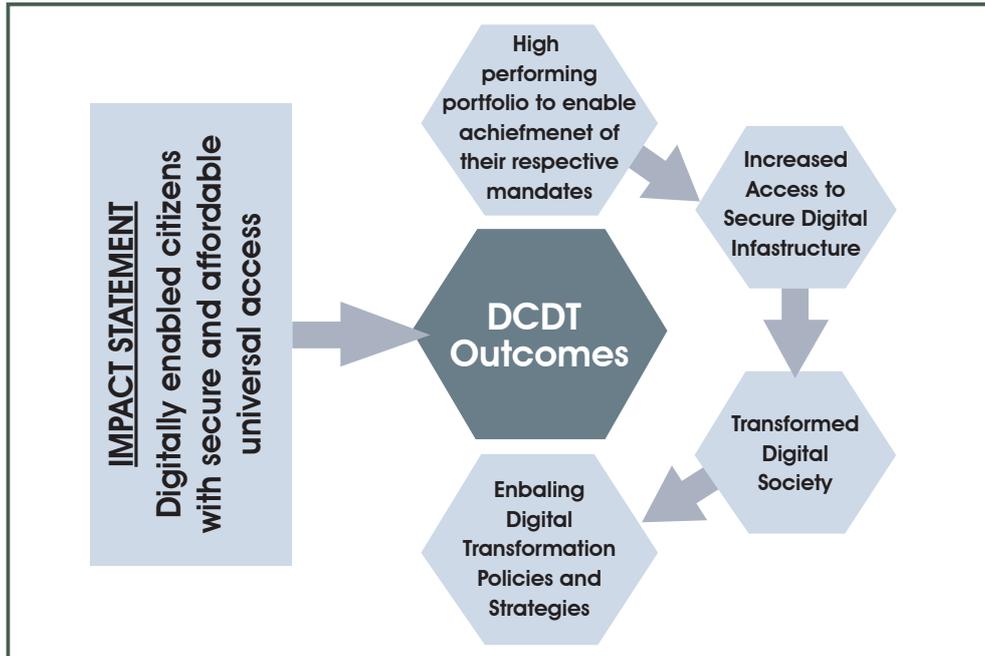
There were no major changes to relevant policies or legislation that affected the operations of the Department during the period under review. It must however be noted that following the May 2019 National Elections, the President pronounced the establishment of the National Department of Communications 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 illustrates the Impact Statement of DCDT and Outcomes as per the Strategic Plan.

The following is the progress made towards the achievement of the strategic plan five-year targets in relation to the outcome indicators highlight significant achievements regarding the contribution toward the 2019-24 Medium Term Strategic Framework.



#### Enabling Digital Transformation Policies and Strategies

With regards to the progress on the implementation of the outcome indicators related to the Enabling Digital Transformation Policies and Strategies, the Department has revised the draft South African Post Office SOC Ltd Amendment Bill and submitted to Cabinet for public consultation, approval and the Postbank Amendment Bill was introduced in Parliament. The Data & Cloud Policy, which was approved by Cabinet for public comments, and subsequently published for public comments through a gazette on 1 April 2021, has during this reporting period submitted for approval to Minister. The White Paper on the Audio and Audio-Visual Content Services Policy was revised. Furthermore, a Rapid Deployment Policy was also finalised.

The Department developed and approved the Digital Economy Masterplan during the 2020/21 reporting period. Furthermore, a report on the coordination of the implementation of identified priority areas of the Digital Economy Masterplan was generated and approved during the 2021/22 financial year. The Department has developed the Integrated report on Digital Economy Programmes.

With regards to advancing the 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 regards to the UPU, Position papers for UPU and PAPU were developed and approved. During the 2020/21 reporting period the Department has developed 2 Country Positions to support the National ICT priorities focused on BRICS and WTDC-21. The Department has approved the Business Cases for the State Digital Infrastructure Company Bill and the State Digital Services Company Bill. The focus for the next financial will be on developing and approving 3 country position to support the National ICT priorities focusing on BRICS, ITU-PP 22 and WTDC.

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 operationalized, 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 was conducted in Provinces and national departments. During the reporting period the PC4IR Strategic Implementation Plan was submitted to Minister.

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

### **Increases Access to secure Digital Infrastructure**

As part of increasing access to secure Digital infrastructure the Department is responsible to Increase broadband connectivity. Therefore, the Department in 2020/21 reporting period concluded the SA Connect Feasibility Study to facilitate broadband connectivity to remaining government facilities. The feasibility study report for Phase 2 funding was also concluded. During the 2021/22 reporting period the Cabinet approved a revised SA Connect implementation plan, set to connect South Africa in 3 years.

The previous work done by the Department on Feasibility Study for SA Connect Phase 2 required 57 billion which state was unable to fund. The Revised model required state capital funding of 2.5 billion and was to ensure that Government achieves its target of 80% broadband access by 2024. Furthermore, the Department has established the Project Management Office for SA Connect Phase 2, the project team has been appointed which consist of representation from the entities within the portfolio and the Department in order to implement revised SA Connect Phase 2 Model. The Department has also continued in monitoring and sustaining the provision of broadband services to all 970 connected sites. Going forward, the Department will coordinate the implementation of the revised SA Connect Model on the funded sites.

During the 2021/22 reporting period the preliminary technical and regulatory studies were conducted to inform draft SA's position for WRC-23. The focus for 2022/23 will be on developing Second Draft SA Preliminary Positions for WRC-23. Furthermore, the Department will develop the Policy Direction for 5G deployment and monitor the implementation of social obligations for new spectrum licence holders.

With regards to the roll out of the subsidized digital television installations, the Department continued with the coordination of the Switch-off of SABC analogue television transmitters across provinces. However, Broadcasting Digital Migration (BDM) projects target which deals with subsidized digital television was reviewed, following Cabinet approval of the revised implementation. The new target consolidates the work towards Analogue Switch-Off by 31 March 2022, which the deadline was subsequently extended to end of June 2022 due to litigation. Going forward the Department will focus on coordinating the Household Migration and Analogue Switch-off for the Broadcasting Digital Migration for households registered after 31 October 2021.

Progress with regards 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**

To have a transformed digital Society, the Department has facilitated the implementation of the National e-Government Strategy and Roadmap, towards digitalization of government services. The Department focused on establishing the National e-Government Programme Governance Structure and monitored the prioritized key public facing services automation (integrating AI and Big Data interventions).

With regards to the Digital and Future Skills Strategy, the Department submitted the Digital and Future Skills Strategy to Cabinet for approval and a draft Digital and Future Skills Implementation Programme was developed. Furthermore, the establishment of the Digital Skills Forum was approved. Through NEMISA, the Department facilitated the implementation of training on Coursera online digital skills in the 2020/21 reporting period. For the 2021/22 reporting period with regards to the implementation of Digital and Future Skills Strategy, the Department has through NEMISA facilitated and monitored training of young people in pre-entry level digital skills, Data science, Analytics, and Machine Learning.

The Department coordinated and reported on Partnership Programmes initiatives to support the Digital Economy. Internal engagements to identify priority programmes of DCDT were held with both ICT Policy

Development and Research as well as with ICT Information Society and Capacity Development Branches. Stakeholders for partnerships for the implementation of programmes, were identified. Engagements with concerned Foreign Embassies were conducted to agree on the identified partnership programmes were conducted. Implementation of identified partnership programmes status report was developed.

The Department supported and contributed to the SA Investment Conference through advancing the ICT investment initiatives and the Outcomes report was developed and approved. The implementation of the National

e-Government Strategy and Roadmap, towards digitalization of government services and increasing the uptake and usage of digital technologies contribute to the outcome of having in place a transformed digital society

### **High Performing portfolio to enable achievement of their respective mandates**

With efforts to achieve a high performing portfolio to enable achievement of their respective mandate, the Department has digitised its processes and systems, developed the Integrated DCDT Digital Transformation Strategy and has also monitored the implementation of priority interventions. The Business needs analysis focusing on prioritized interventions was also conducted. Furthermore, DCDT Digital Transformation Strategy and the cloud strategy was approved as an annexure to the Digital Transformation Strategy in the 2020/21 reporting period. The Department has during the 2021/22 financial year implemented and monitored Collaboration platform rollout plan as part of Digital Transformation priority intervention.

With regards to the Approved Strategic Plans and APPs of SOE, the Department continue to analyse Quarterly SOE Performance Reports and submit the Reports to Minister. The Department also undertook analysis of quarterly performance reports of the entities and analysis of the APPs/ Strategic/ Corporate Plans, that were submitted by entities. Furthermore, the Department reviewed 2021/22 Shareholder Compacts of Schedule 2 and 3B entities.

Regarding the Performance Management System for ICASA Councillors, the Department tabled the Performance Management System for ICASA Councillors in Parliament. Going forward the Department will facilitate the monitoring and evaluation of the Performance Management System for ICASA Councillors.

As per the requirements of government the Department also developed and coordinated the Implementation Plan for District Development Model. Furthermore, monitored the Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Responsiveness programmes in line National targets.

The finalisation of the DCDT organisational structure aligned mandate and strategy as well as digitised process 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 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 outcome focuses on "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, implemented collaborated platform as part of the Digital Transformation priority intervention and coordinated the implemented the Annual 2021/22 Communications Plan. Such achievements contributed to the outcome of a high performing organisation as all business units have well capacitated staff and focussed on digitally delivering services aligned to the mandate of the organisation.

The Department have ensured the mainstreaming of critical issues related to designated groups through the Chief Directorate: Gender, Disability, Youth and Children. During the reporting period 50% of the senior management in the Department are women.

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	***ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
High performing Portfolio to enable achievement of their respective mandates	Skilled workforce	Implemented Workplace Skills Plan, aligned to DCDT mandate	Quarterly WSP Progress Implementation Report was developed and submitted to PSETA	Workplace Skills Plan (WSP) was aligned to DCDT mandate, and developed, and implemented.	Workplace Skills Plan (WSP), aligned to DCDT mandate, implemented, and monitored	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.	-	-
High performing Portfolio to enable achievement of their respective mandates	Integrated DCDT Digital Transformation Strategy	Implemented Integrated DCDT Digital Transformation Strategy	1 additional business process digitized in the form of the digitisation of the e-Submission process.	Integrated DCDT Digital Transformation Strategy developed, and implementation of priority interventions monitored.	1 Digital Transformation priority intervention implemented (Collaboration Platform)	Collaboration platform rollout plan was developed, approved, implemented, and monitored during the reporting period	-	-

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	***ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
High performing Portfolio to enable achievement of their respective mandates	Valid invoices paid within 30 days	Percentage (%) of valid invoices paid within 30 days from date of receipts	-	100% of valid invoices were paid within 30 days from date of receipt.	100% of valid invoices paid within 30 days from date of receipt	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.	-	-
High performing Portfolio to enable achievement of their respective mandates	Annual Communications Plans	Implemented Annual Communications Plans	-	-	Implementation of the Annual 2021/22 Communications Plan coordinated	During the reporting period the 2021/22 Annual Communications Plan was developed and approved by EXCO. Implementation of the 2021/22 Annual Communications Plan was coordinated and monitored.	-	-

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	***ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
						<p>Quarterly progress reports on implementation of the 2021/22 Annual Communications Plan on Communications and Marketing were developed. Furthermore, Minister and Deputy Minister were supported on Public and Outreach Projects.</p>		



### Strategy to overcome areas of under performance

Not applicable as all planned targets were achieved within Programme 1.

### 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 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 still functional 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 R228.4 million in the 2021/22 financial year and R215.9 million in the 2020/21 financial year. Spending under goods and services increased from R72 million in 2020/21 to R94.1 million in 2021/22 financial year. Spending in computer services increased from R6 million in 2020/21 to R19 million 2021/22. Travel and subsistence increased from R5.1 million in 2020/21 to R7.6 million in the year under review due to increased activity since the easing of the 2020 nationwide lock regulations as announced by the president of the country. Spending rate under this program is at 88.7%.

### Sub-programme expenditure

SUB-PROGRAMME NAME	2021/2022			2020/2021		
	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	6 627	4 444	2 183	6 588	4 215	2 373
Departmental Management	56 435	42 161	14 274	47 429	39 252	8 177
Internal Audit	7 623	6 362	1 261	9 162	6 645	2 517
Corporate Services	99 112	95 728	3 384	102 231	78 891	23 340
Financial Management	53 624	48 567	5 057	63 742	58 179	5 563
Office Accommodation	34 010	31 109	2 901	31 110	28 719	2 391
Total	257 431	228 371	29 060	260 262	215 901	44 361

## 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 Affairs and Trade

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

### Outcomes, outputs, output indicators, targets, and actual achievements-

The Department in its effort to implement the outcome of Enabling Digital Transformation Policies and Strategies has developed 2 Country Positions to support the National ICT priorities focused on BRICS and WTDC-21. Furthermore, the Department coordinated the implementation of the International Relations and Engagement Strategy 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, informed the development of enabling policies and strategies. Furthermore, partnership programmes to support the Digital Economy initiatives focused on contributing towards the outcome of a transformed digital society. Furthermore, to contribute to the outcome of Increased Access to Secure Digital Infrastructure, the Department developed National BIFN-S priority Programme focusing on Broadband Infrastructure Roll-out, Artificial Intelligence and Cyber-security.

This programme, in its response to prioritise women, youth and persons with disabilities has ensured the participation of youth in International fora, working with Progressive Black ICT Forum, which is an association of ICT SMMEs.

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	**** ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR OUTPUTS/ OUTPUT INDICATORS/ ANNUAL TARGETS
Increased Access to Secure Digital Infrastructure	BRICS Institute for Future Networks	Operational BRICS Institute for Future Networks	-	-	Operations of the BRICS Institute for Future Networks (BIFN-S) facilitated	<ul style="list-style-type: none"> <li>The Department was unable to achieve the planned target. However, BIFN-S Task Team presented in 3rd and 4th BIFN Council Meetings during the BRICS Ministers of Communications Meeting in October 2021.</li> <li>BIFN-S participated in BRICS Future Networks Forum Meeting hosted by BIFN-China in December 2021.</li> </ul>	Absence of designation/establishment of BIFN-S constrained the implementation of the target.	The resource mobilisation to achieve the planned target was not achieved as planned and could not proceed. A legal body of the BIFN-S was not established.	Since there was no resource mobilisation, the target was revised to focusing on Broad-band Infrastructure Roll-out, Artificial Intelligence and Cyber-Security which will be implemented by the Department and the SOCs.
Transformed Digital Society	ICT Investment Conference	Implemented ICT Investment Projects	-	-	ICT Investment Conference hosted	The Department was unable to achieve the planned target, as a decision was taken to support and contribute to SA Investment Conference which was hosted by Presidency.	The target was put in abeyance to support the SA Investment Conference	A decision was taken to rather support the SA Investment Conference hosted by Presidency	A decision was taken to rather support the SA Investment Conference hosted by Presidency.

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Enabling Digital Transformation Policies and Strategies	Country Positions to support the National ICT priorities	Number of approved Country Positions to support the National ICT priorities	RSA Position Paper was advanced for ITU-WRC-19 focused on Spectrum Management and allocations for future technologies to support the digital development agenda.	3 Country Positions developed to support the Digital Economy focused on BRICS, UPU and WTSA-20.	2 Country Positions developed to support the National ICT priorities focused on BRICS and WTDC-21	<ul style="list-style-type: none"> <li>BRICS Position Paper was developed and submitted to BRICS Ministers of Communication Meeting which was held in October 2021 and Key Outcomes Report was developed.</li> <li>WTDC Position paper was developed and informed the Department's participation in WTDC.</li> </ul>	-	-

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Enabling Digital Transformation Policies and Strategies	International Relations and engagement strategy	Implemented International Relations and Engagement Strategy	-	International Relations and Engagement Strategy was revised and submitted for approval.	Implementation of the International Relations and Engagement Strategy coordinated	<ul style="list-style-type: none"> <li>Implementation of the International Relations and Engagement Strategy was coordinated through engagement with relevant external stakeholders.</li> <li>Implementation of International Relations and Engagement Strategy was monitored, and progress report was developed and submitted.</li> </ul>	-	-
Increased Access to Secure Digital Infrastructure	BRICS Institute for Future Networks	Operational BRICS Institute for Future Networks	-	-	National BIFN-S priority Programme developed to focus on the following three strategic priorities: <ul style="list-style-type: none"> <li>Broadband Infrastructure Roll-out; Artificial Intelligence</li> </ul>	National BIFN-S priority Programme was developed and approved focusing on Broadband Infrastructure Roll-out; Artificial Intelligence and Cyber-Security.	None	None

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Transformed Digital Society	Partnership programmes	Implemented Partnership programmes	1 partnership agreement signed	1 Partnership agreements, focusing on the Digital Economy, signed	Partnership Programmes to support the Digital Economy initiatives coordinated	<ul style="list-style-type: none"> <li>Partnership Programmes to support the Digital Economy initiatives were coordinated during the reporting period.</li> </ul>	None	None
						<ul style="list-style-type: none"> <li>Stakeholders for partnerships for the implementation of programmes, were identified as planned.</li> <li>Engagements with concerned Foreign Embassies were conducted to agree on the identified partnership programmes were conducted.</li> <li>Implementation of Identified partnership programmes status report was developed.</li> </ul>		

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Transformed Digital Society	ICT Investment Conference	Implemented ICT Investment initiatives	-	-	ICT investment initiatives developed to contribute to SA Investment Conference	The Department supported and contributed to the SA Investment Conference through advancing the ICT investment initiatives and the Outcomes report was developed and approved	None	None

### Strategy to overcome areas of under-performance

Not applicable as all planned targets were achieved within Programme 2.

### 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 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 still functional as a 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 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 R54.6 million in the 2021/22 financial year and R61.5 million in the 2020/21 financial year. There was a decrease in transfers and subsidies from R39.5 million in 2020/21 to R32.1 million in 2021/22 financial year. The variance was mainly due to low exchange rates as the rand was stronger during the transfer of funds for foreign payment to International Organisation for membership fees, also the decline was due to non-transfer to Commonwealth Telecommunications Organisation (CTO) due to government resignation to participate in that space. However, spending under goods and services increased from R1.9 million in 2020/21 to R3 million in 2021/22 financial year. Spending in consultation fees increased from R Nil in 2020/21 to R1.2 million in the year under review due to increase in activity since the easing of 2020 nationwide lock down regulations as announced by the President of the country to curb the spread of the corona virus. Spending rate under this program is at 92.7%.

### Sub-programme expenditure

Sub-Programme Name	2021/2022			2020/2021		
	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	10 853	9 676	1 177	9 212	8 216	996
ICT Trade/Partnership	44 653	42 148	2 505	51 369	50 976	393
Programme Management for International Relations and Affairs	3 378	2 741	637	2 533	2 258	275
<b>TOTAL</b>	<b>58 884</b>	<b>54 565</b>	<b>4 319</b>	<b>63 114</b>	<b>61 450</b>	<b>1 664</b>

### 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 sub programme 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 it's contribution to the Outcome related to "Enabling Digital transformation policies and strategies", the programme was able to develop draft policies as well as coordinate the implementation of the Digital Economy Masterplan. Furthermore, a was Rapid Deployment Policy was finalised and submitted to Minister for approval. Such achievements contribute towards creating enabling digital transformation policies and strategies.

In response to prioritising women, youth and persons with disabilities the programme ensured that during the consultation workshops on the White Paper on the Audio- and Audio-Visual Content Services, more than 50% participants were women, youth and persons with disabilities.

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	* ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS / ANNUAL TARGETS
Enabling Digital Transformation policies and strategies	South African Post Office SOC Ltd Amendment Bill	Implemented South African Post Office SOC Ltd Amendment Bill	-	South African Post Office SOC Ltd Amendment Bill submitted to State Law Advisor	South African Post Office SOC Ltd Amendment Bill submitted to Cabinet for approval to introduce to Parliament	<ul style="list-style-type: none"> <li>Draft Bill was consulted with SAPO and National Treasury and was further submitted to the Office of Chief State Law advisor for legal drafting and pre-certification.</li> <li>Revised Cabinet memo was developed to align with SAPO submission for SAPO Future Strategy.</li> </ul>	South African Post Office SOC Ltd Amendment Bill was not submitted to Cabinet for approval to introduce to Parliament in Quarter 3.	The submission of the South African Post Office SOC Ltd Amendment Bill was put on hold pending the finalisation of SAPO's Strategy of the Future	To allow the finalisation of the SAPO's Strategy of the Future.
Enabling Digital Transformation policies and strategies	Data & Cloud Policy	Implemented Data & Cloud Policy	-	Data & Cloud Policy submitted to Minister for Cabinet approval for public consultation	Implementation of approved Data & Cloud Policy monitored	<p>During the Reporting period the Draft Data and Cloud Policy was published for public comments and the inputs from public consultations incorporated into the policy.</p>	The Draft Final Data and Cloud Policy could not be finalised as the new Minister needed to be further appraised as the new custodian of the Departmental policies.	To enable Minister to engage fully with the Draft final policy and provide further processing of the policy.	Revision was necessary to enable Minister to make the final determinations regarding whether further approval is needed by Cabinet.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	* ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS / ANNUAL TARGETS
Enabling Digital transformation policies and strategies	Digital Economy Masterplan	Implemented Digital Economy Masterplan	-	Digital Economy Masterplan and its implementation plan developed	Implementation of Digital Economy Masterplan coordinated	Implementation on the Digital Economy Masterplan was developed in consultation with stakeholders.	The coordination of the Implementation of Digital Economy Masterplan could not be coordinated throughout the reporting period as DEM Executive Oversight Committee (EOC) was not operationalised.	The implementation of the Digital Economy Masterplan could not be coordinated and monitored as the target was put on hold and the establishment of the EOC did not happen.	The decision was taken to review the Digital Economy Masterplan to focus on the Digital Economy Framework for South Africa which will be finalised in the next financial year.
Enabling Digital transformation policies and strategies	Revised ICT SMME Development Strategy	Approved Revised ICT SMME Development Strategy	Implementation of the ICT SMME Development Strategy facilitated on identified priority areas	ICT SMME Strategy Revised	Revised ICT SMME Development Strategy submitted to Cabinet for approval	The Department did not achieve the target of submitting the Revised ICT SMME Development Strategy to Cabinet for approval.	The Revised ICT SMME Development Strategy was not submitted to Cabinet for approval.	There was a need to align the SMME strategy With SA ICT Industry Development Plan which is still to be established by the Department.	The target was revised in order to align the SMME strategy with SA ICT Industry Development Support Plan.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	* ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS / ANNUAL TARGETS
Enabling Digital transformation policies and strategies	Audio and Audio-visual Content Services Policy	Implemented Audio-visual Content Service policy	-	-	White Paper on the Audio and Audio-visual Content Services Policy submitted to Cabinet for approval	<ul style="list-style-type: none"> <li>Public consultations/ hearings on the Draft Audio- and Audio-Visual content Services White Paper were conducted.</li> <li>The inputs have been incorporated into the White Paper on Audio- and Audio-Visual White Paper.</li> </ul>	The White Paper was not submitted to the office of the State Law Advisor.	The Draft White Paper was awaiting the approval of the "Future of Broadcasting" document	Target was put in abeyance as the Draft White Paper was awaiting finalisation of the "Future of Broadcasting" document.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	* ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS / ANNUAL TARGETS
Enabling Digital transformation policies and strategies	Electronic Communications Amendment Bill	Approved Electronic Communications Amendment Bill	Department developed the Priority ICT legislation and policies, in line with the National Integrated ICT Policy White Paper	-	Electronic Communications Amendment Bill submitted to Cluster and Cabinet for public consultation approval	<ul style="list-style-type: none"> <li>Draft Electronic Communications Amendment Bill was developed</li> <li>Initial SEIAS report was prepared, and Bill submitted for pre-certification by Office of the Chief State Law Adviser.</li> <li>Cluster documents were prepared, and Bill placed on agenda for Cluster meeting</li> </ul>	Electronic Communications Amendment Bill was submitted to Cluster but not considered.	The Bill was withdrawn from Cluster based on direction from Minister regarding policies.	A decision was taken that the ECA Bills dealing with Competition and Digital Development Fund must be combined.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	* ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS / ANNUAL TARGETS
Enabling Digital transformation policies and strategies	PC4IR Report	Implemented PC4IR Strategic Implementation Plan	Development of the Country Report for 4IR was coordinated, through PC4IR and submitted to the Presidency in March 2020.	Draft PC4IR Strategic Implementation Plan developed.	PC4IR Strategic Implementation Plan submitted to Cabinet for approval	<ul style="list-style-type: none"> <li>Stakeholder consultation was conducted on PC4IR Strategic Implementation Plan</li> <li>Stakeholder consultation was concluded, and inputs were incorporated into PC4IR Strategic Implementation Plan</li> <li>PC4IR Strategic Implementation Plan was submitted to Minister for approval</li> </ul>	PC4IR Strategic Implementation Plan was not submitted to Cabinet.	The Executive Authority needed to provide advice on the Strategic Implementation Plan.	Decision was taken by the Executive Authority not to submit the PC4IR Strategic Implementation Plan.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	* ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS / ANNUAL TARGETS
Enabling Digital transformation policies and strategies	Regulatory Reform Bill	Approved Regulatory Reform Bill	-	-	Business Case for the Regulatory Reform Bill developed	The Department did not achieve the target of developing the Business Case for the Regulatory Reform Bill.	The project was put in abeyance by the Minister.	Target was put on hold given the new direction the Department has to take on the matter and subject to further clarity on the direction on the ECA e.g., absorbing the ECA in the Digital Transformation Bill or comprehensive review of the full ECA.	Business Case for the Regulatory Reform Bill and Electronic Communication Bill was put on hold given the new direction the Department has to take on the matter and subject to further clarity on the direction on the ECA e.g., absorbing the ECA in the Digital Transformation Bill or comprehensive review of the full ECA.
Enabling Digital transformation policies and strategies	Cost to Communicate Programme of Action	Implemented Cost to Communicate Programme of Action	-	-	Study on cost to communicate conducted to inform the revision of the Cost to Communicate Programme	The Department did not achieve the target of conducting the Study on Cost to Communicate to inform the revision of the Cost to Communicate Programme.	Service provider to conduct the study was not appointed.	Following the non-approval of the company to conduct the study a decision was taken to monitor, populate data tariffs, trends, promotional prices, international benchmark to perform the study as most of the information was available	Decision was taken to monitor, populate data tariffs, trends, promotional prices, international benchmark to perform the study as most of the information was available

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Enabling Digital transformation policies and strategies	South African Post Office SOC Ltd Amendment Bill	Implemented South African Post Office SOC Ltd Amendment Bill	-	South African Post Office SOC Ltd Amendment Bill was submitted to State Law Advisor.	Draft South African Post Office SOC Ltd Amendment Bill revised and submitted to Cabinet for public consultation approval	SAPO Amendment Bill was submitted to Cabinet and approved by Cabinet for public consultations. The gazette to publish the Bill for public consultations was approved by the Minister and submitted together with the Bill to Government Printers for gazetting.	None	None
Enabling Digital transformation policies and strategies	Data & Cloud Policy	Implemented Data & Cloud Policy	-	Data & Cloud Policy was submitted to Minister for approval for public consultation.	Data and Cloud Policy developed and submitted for approval	Data and Cloud Policy was developed, and Cabinet Memo submitted to Minister for approval.	None	None
Enabling Digital Transformation policies and strategies	Digital Economy Masterplan	Implemented Digital Economy Masterplan	-	Digital Economy Masterplan and its implementation plan were developed.	Implementation of Digital Economy Masterplan coordinated	Implementation of Digital Economy Masterplan was coordinated and an integrated report on Digital Economy programmes was developed and submitted to Director-General for processing by Minister.	None	None

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Enabling Digital transformation policies and strategies	Revised ICT SMME Development Strategy	Approved Revised ICT SMME Development Strategy	Implementation of the ICT SMME Development Strategy facilitated on identified priority areas	ICT SMME Strategy Revised	Revised ICT SMME Development Strategy submitted to Minister for approval	Revised ICT SMME Strategy has been developed and submitted to Minister for approval.	None	None
Enabling Digital transformation policies and strategies	Audio and Audio-visual Content Services Policy	Implemented Audio-visual Content Service policy	-	-	White Paper on the Audio and Audiovisual Content Services Policy revised	White Paper on Audio and Audio-Visual Content Services was revised incorporating stakeholder inputs.	None	None
Enabling Digital transformation policies and strategies	Electronic Communications Amendment Bill	Approved Electronic Communications Amendment Bill	Department developed the Priority ICT legislation and policies, in line with the National Integrated ICT Policy White Paper	-	Electronic Communications Amendment Bill submitted to Minister	Electronic Communications Amendment Bill was developed and submitted to Minister	None	None
Enabling Digital transformation policies and strategies	PC4IR Report	Implemented PC4IR Strategic Implementation Plan	Development of the Country Report for 4IR was coordinated, through PC4IR and submitted the Presidency in March 2020	Draft PC4IR Strategic Implementation Plan developed	PC4IR Strategic Implementation Plan submitted to Minister	PC4IR Strategic Implementation Plan was submitted to Minister for approval	None	None
Enabling Digital transformation policies and strategies	Rapid deployment policy	Implemented Rapid Deployment Policy	-	-	Rapid Deployment Policy finalised	Rapid Deployment Policy was finalised and submitted to Minister for approval	None	None

### Strategy to overcome areas of under-performance

Not applicable as all planned targets were achieved within Programme 3.

### 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 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 still functional 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 R29.6 million in the 2021/22 financial year and R36.1 million in the 2020/21 financial year. Spending under goods and services declined from R2.4 million in 2020/21 to R1.7 million in 2021/22 financial year. Consultants and business advisory decreased from R170 thousand in 2020/21 to R Nil in 2021/22 and spending in advertising also decreased from R539 thousand in 2020/21 to R 154 thousand in the year under review due to continuous slow spending as a result of the nationwide lock down. Spending rate under this program is at 59.2%.

### Sub-programme expenditure

SUB-PROGRAMME NAME	2021/2022			2020/2021		
	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	1 252	713	539	2 486	612	1 874
ICT Policy Development	13 005	8 147	4 858	10 118	8 821	1 297
Economic and Market Analysis	5 391	2 198	3 193	5 168	3 165	2 003
Research	8 926	4 701	4 225	7 462	4 743	2 719
Small Medium and Micro Enterprise Development	775	-	775	4 929	4 278	651
Broadcasting Policy	14 872	12 650	2 222	5 792	5 453	339
Presidential Commission 4ir	5 752	1 177	4 575	16 413	8 995	7 418
<b>TOTAL</b>	<b>49 973</b>	<b>29 586</b>	<b>20 387</b>	<b>52 368</b>	<b>36 067</b>	<b>16 301</b>

#### 4.4 Programme 4: ICT Enterprise 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 sub programme 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 fulfillment 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 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 coordinate implementation of recommendations from analysis of SOE Performance Reports and facilitated the tabling of submitted Annual Performance Plans of SOEs in line with the MTSF. Furthermore, Performance Management System for ICASA Councillors was submitted in Parliament

With regards to the Outcome of "Enabling Digital transformation policies and strategies", the Department introduced the Postbank Amendment Bill to Parliament. Furthermore, developed and approved the Business Cases for both the State Digital Infrastructure Company Bill and State Digital Services Company. Through its stringent oversight on the State-Owned Entities and the development of relevant legislation, the Programme contributed to the outcomes related to creating a High performing Portfolio to enable achievement of their respective mandates and Enabling Digital transformation policies and strategies.

In response to prioritising women, youth and persons with disabilities the programme ensured that the Entities are aligned in terms of gender representation and compliance with the Framework on Gender, Responsiveness, Budgeting, Planning, Monitoring, Evaluation and Auditing.

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	**ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/22	REASONS FOR DEVIATIONS
High performing Portfolio to enable achievement of their respective mandates	SOEs Performance Reports recommendations	Implemented SOE Performance Reports recommendations	Consolidated Quarterly State of the SOCs Reports were developed and submitted to the Minister	Consolidated Quarterly State of the SOCs Reports were developed and submitted to the Minister	Implementation of recommendations from analysis of SOE Performance Reports coordinated	Implementation of quarterly recommendations from analysis of SOE Performance Reports was successfully coordinated.	None	None
	Annual Performance Plans of SOEs	Tabled Annual Performance Plans of SOEs	-	-	Tabling of submitted Annual Performance Plans of SOEs in line with the MTSF facilitated	The Department has analysed 2022/23 Annual Performance Plans (APPs) of the entities for Minister's approval and facilitated the tabling of APPs for the SOEs.	None	None

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	**ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/22	REASONS FOR DEVIATIONS
	Shareholder compacts	Approved Shareholder compacts of Schedule 2 and 3B entities	-	-	Development of Shareholder compacts of Schedule 2 and 3B entities facilitated	The Department reviewed 2021/22 Shareholder Compacts of Schedule 2 and 3B entities. Inputs were submitted to entities for the development of 2022/23 Shareholder Compacts and the approval of 2022/23 Shareholder Compacts was facilitated.	None	None
	Performance Management System for ICASA Councilors	Implemented Performance Management System for ICASA Councilors	-	Workshop for the Implementation of the Performance Management System for ICASA Councilors was conducted.	Performance Management System for ICASA Councilors tabled in Parliament	The Department conducted consultation with ICASA on the Performance Management System for ICASA Councilors. Inputs from ICASA were incorporated and submitted for tabling before Parliament for approval.	None	None

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	**ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/22	REASONS FOR DEVIATIONS
Enabling Digital transformation policies and strategies	State Digital Services Company Business Case	Approved Business Case for the State Digital Services Company Bill	Finalisation of the business case that could inform the draft legislation was expedited for public comments.	Business Case for State Digital Services Company Bill was finalised	Business Case for the State Digital Services Company Bill approved	Business Case for the State Digital Infrastructure Company was approved.	None	None
	State Digital Infrastructure Company Business Case	Approved Business Case for the State Digital Infrastructure Company Bill	Finalisation of the business case that would inform the draft legislation was expedited for public comments.	Business Case for the State Digital Infrastructure Company was finalised	Business Case for the State Digital Infrastructure Company Bill approved	Business Case for the State Digital Infrastructure Company was approved	None	None
	Postbank Amendment Bill	Implemented Postbank Amendment Bill	The Department facilitated the transfer of assets and liabilities of the Postbank.	Publishing of the Postbank Amendment Bill for public consultation and comments was facilitated	Postbank Amendment Bill introduced to Parliament	The Postbank Amendment Bill was introduced to Parliament.	None	None

## Strategy to overcome areas of under-performance

Not applicable as all planned targets were achieved within Programme 4.

## 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 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 still functional 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 R1.7 billion in the 2021/22 financial year and R1.8 billion in the 2020/21 financial year. Spending under goods and services increased from R1.6 million in 2020/21 to R2.7 million in 2021/22 financial year. Advertising costs increased from R Nil in 2020/21 to R 1.2 million in the year under review due to continuous slow spending as a result of the nationwide lock down. Spending rate under this program is at 99.7%.

## Sub-programme expenditure

SUB-PROGRAMME NAME	2021/2022			2020/2021		
	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 Enterprise And Public Entity Oversight	3 286	3 162	124	3 084	3 084	-
Regulatory Institutions	565 396	562 222	3 174	647 619	645 754	1 865
Universal Services and Access	1 010 053	1 009 230	823	1 041 780	1 037 682	4 098
ICT Skills Development	98 468	98 468	-	97 448	97 448	-
SOE Governance and Support	5 991	5 778	213	-	-	-
<b>TOTAL</b>	<b>1 683 194</b>	<b>1 678 860</b>	<b>4 334</b>	<b>1 789 931</b>	<b>1 783 968</b>	<b>5 963</b>

#### 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 Programme5: 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, preliminary technical and regulatory studies was conducted to inform draft SA's position for WRC-23. With regards to broadband, the Department during the reporting period, the revised SA Connect Phase 2 model was approved by the Cabinet and the provision of broadband services to 970 connected sites was sustained

With regards to the Outcome of "Enabling Digital Transformation policies and strategies" although during the reporting period the progress was not achieved as planned, the Department coordinated the Switch-off of SABC analogue television transmitters across provinces by 31 March 2022. The target could not be achieved due to litigation and the new deadline has been extended to end of June 2022. However, the progress made contributed to the outcomes related to Increased access to secure Digital Infrastructure and Enabling Digital Transformation policies and strategies, respectively.

In response to prioritising women, youth and persons with disabilities the programme ensured that during the implementation of the Broadcasting Digital Migration Programme 40% of total number of set-top-box installers were women. This programme also had participation by youth.

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

OUTCOME OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2019/2020	PLANNED ANNUAL TARGET 2021/2022	*ACTUAL ACHIEVEMENT UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS/ ANNUAL TARGETS
Increased access to secure Digital Infrastructure	Country Position in preparation for WRC-23	Approved Country Position in preparation for WRC-23	Draft WRC-19 Outcomes report was developed to inform the revision of the 2020 NRFP	National Radio Frequency Plan was revised in line with WRC-19 Outcomes.	Preliminary technical and regulatory studies conducted to inform draft SA's position for WRC-23	<ul style="list-style-type: none"> <li>The Department conducted preliminary technical and regulatory studies to inform draft SA's position for World Radio Conference-23 (WRC-23).</li> <li>First draft preliminary position in preparation of WRC-23 was developed based on views or recommendations from ITU-R Working Groups.</li> </ul>	None	None	None
Increased access to secure Digital Infrastructure	Sustainable Broadband connections and services	Number of Broadband connections to Government facilities sustained	Provision of broadband services to 570 connected sites was monitored. Additional 400 identified sites were connected.	Provision of broadband services to 970 connected sites were monitored and sustained.	Provision of broadband services to 970 connected sites sustained	<ul style="list-style-type: none"> <li>Broadband services to 970 connected sites were sustained</li> </ul>	None	None	None

OUTCOME OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2019/2020	PLANNED ANNUAL TARGET 2021/2022	*ACTUAL ACHIEVEMENT UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ INDICATORS/ ANNUAL TARGETS
Increased access to secure Digital Infrastructure	Phase 2 funding	Implemented Phase 2 funding for broadband roll-out	-	Feasibility study for Phase 2 Funding conducted	Phase 2 funding sourced	<ul style="list-style-type: none"> <li>Funding application for Phase 2 of SA Connect was developed and budget Facility for Infrastructure (BFI) funding application for Phase 2 was submitted to National Treasury.</li> <li>BBI, Sentech and SITA were engaged to develop funding proposal for the revised implementation for SA Connect Phase 2.</li> </ul>	None	None	None
	Household Connectivity Programme funding	Implemented Household Connectivity programme	-	-	Funding for household connectivity programme sourced	<ul style="list-style-type: none"> <li>Funding application for household connectivity was developed and submitted to National Treasury.</li> <li>Funding to the tune of R200 million was allocated by National Treasury to establish broadband access fund for household connectivity.</li> </ul>	None	None	None

OUTCOME OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2019/2020	PLANNED ANNUAL TARGET 2021/2022	*ACTUAL ACHIEVEMENT 2021/22 UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS/ ANNUAL TARGETS
	Phase 2 SA Connect Project Management Office	Operational Project Management Office for Phase 2 SA Connect	-	-	Project Management Office for SA Connect Phase 2 established	Project Management Office for SA Connect Phase 2 was not established.	The Project Team was appointed instead of the Project Management Office consisting of representation within the portfolio and the Department in order to implement revised SA Connect Phase 2 Model.	The revised approach for SA Connect did not make use of PMO for project management. A project team was established instead.	Cabinet approved a revised SA Connect implementation plan, set to connect SA in 3 years.
	Digital Transformation Centre	Operational Digital Transformation Centre	-	-	Operations of the Digital Transformation Centre facilitated	Operations of the Digital Transformation Centre was not facilitated during the reporting period.	Digital Transformation Centre Operations was not finalized.	DTC was put on hold due to pending the finalisation of the Departmental Strategy for Digital Transformation Centre.	The establishment of the DTC was dependent on the finalisation of the Departmental Strategy for Transformation Centre

OUTCOME OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2019/2020	PLANNED ANNUAL TARGET 2021/2022	*ACTUAL ACHIEVEMENT UNTIL DATE OF RE-TABLING	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS/ OUTPUT INDICATORS/ ANNUAL TARGETS
	Installed Household devices	Number of subsidized digital television installation installations	20 000 subsidized digital television installations were coordinate and monitored in three (3) provinces.	840 000 subsidized digital television installations coordinate and monitored in four (4) provinces (Free State, Northern Cape, North West and Limpopo	29 230 subsidized digital television installations were coordinate and monitored.	810 770 subsidized digital television installations were not coordinate and monitored.	Decoder distribution and installation process was reviewed.	The current decoder distribution and installation process was reviewed, and the delivery model was approved by Cabinet on 29 September 2021 which recommended that the installations be opened across all Provinces.	
	Distributed vouchers	Number of vouchers distributed	No distribution of the vouchers was coordinate and monitored.	Distribution of 3.2 million vouchers coordinate and monitored	No (zero) vouchers were distributed and as a result coordinate and monitoring could not be conducted.	Distribution of 3.2 million vouchers could not be coordinate and monitored due to the review of the Voucher Subsidy System.	The delivery model for the Voucher Subsidy System was reviewed.	Revised delivery model to deliver the programme was reviewed.	

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Increased access to secure Digital Infrastructure	Country Position in preparation for WRC-23	Approved Country Position in preparation for WRC-23	Draft WRC-19 Outcomes report was developed to inform the revision of the 2020 NRRP.	National Radio Frequency Plan was revised in line with WRC-19 Outcomes.	Preliminary technical and regulatory studies conducted to inform draft SA's position for WRC-23	<ul style="list-style-type: none"> <li>The Department conducted preliminary technical and regulatory studies to inform draft SA's position for World Radio Conference-23 (WRC-23).</li> <li>First draft preliminary position in preparation of WRC-23 was developed based on views or recommendations from ITU-R Working Groups.</li> </ul>	None	None
Increased access to secure Digital Infrastructure	Sustainable Broadband connections and service	Implemented SA Connect Model	-	-	Revised SA Connect Phase 2 model approved	<ul style="list-style-type: none"> <li>The revised SA Connect Phase 2 model was approved by the Cabinet.</li> </ul>	None	None
Increased access to secure Digital Infrastructure	Revised SA Connect Model	Number of Broadband connections to Gov-ernment facilities sustained	Provision of broadband services to 570 connected sites, monitored. Additional 400 identified sites connected.	Provision of broadband services to 970 connected sites, monitored and sustained.	Provision of broadband services to 970 connected sites sustained	<ul style="list-style-type: none"> <li>Broadband services to 970 connected sites were sustained.</li> </ul>	None	None

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Increased access to secure Digital Infrastructure	Revised analogue switch off plan	Implemented Revised integrated Analogue Switch Off Plan	-	-	Switch-off of SABC analogue television transmitters coordinated across all provinces by 31 March 2022	The Department was unable to achieve the target of coordinating the switch-off of SABC analogue television transmitters across all provinces by 31st March 2022. However, by the end of the reporting period SABC Analogue services were switched off in five provinces of Free-State, Northern Cape, North West, Mpumalanga and Limpopo. Bringing the total number of SABC Analogue transmitters that were switched off in the reporting period to 141.	The target could not be achieved due to litigation.	The new deadline has been extended to end of June 2022.

## Strategy to overcome areas of under-performance

The Department acknowledges its areas of under-performance related to the target of Switch-off of SABC analogue television transmitters coordinated across all provinces by 31 March 2022 which could not be achieved due to litigation against the Department. As a result, the deadline was extended to end of June 2022. The Department will ensure finalisation of the coordination of switch-off of SABC analogue television transmitters across all provinces in 2022/23 financial year. The completion of the analogue switch-off will have a huge impact on the accessibility of digital content.

## 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 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 still functional 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 R1.513 billion in the 2021/22 financial year and R1.017 billion in the 2020/21 financial year. Spending in goods and services decreased from R217.3 million in 2020/21 to R 186.3 million in 2021/22 financial year. Spending in Travel and subsistence increased from R2.9 million in 2020/21 to R 5.6 million in the year under review. The transfer to the public entities increased from R 765.2 million in 2020/21 to R1.291 billion in 2021/22 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 85.9 %.

## Sub-programme expenditure

SUB- PROGRAMME NAME	2021/2022			2020/2021		
	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 Information Infrastructure Development and Support	2 267	2 265	2	2 165	2 150	15
Broadband	472 208	227 987	244 221	227 446	226 929	517
ICT Support	7 609	7 558	51	8 253	5 739	2 514
Broadcasting Digital Migration	1 278 362	1 275 145	3 217	801 990	782 597	19 393
<b>TOTAL</b>	<b>1 760 446</b>	<b>1 512 955</b>	<b>247 491</b>	<b>1 039 854</b>	<b>1 017 415</b>	<b>22 439</b>

#### 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
- Enabling Digital transformation policies and strategies
- 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 coordinated the implementation of the National e-Government Strategy and Roadmap towards digitalization of government services. The implementation of the Digital and Future Skills Implementation Programme was also facilitated and monitored.

Programme 6 also contributed to the Outcome of "Enabling Digital transformation policies and strategies". During the reporting period the Department have not achieved the target of submitting the Framework on Digital Transformation and Digital Inclusion for approval and developing the implementation plan as there were delays in the approval process.

This Programme also contributed to the Outcome "High performing Portfolio to enable achievement of their respective mandates" by monitoring the Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Responsiveness programmes in line with National targets and coordinated the implementation of Stakeholder Relations Strategy.

In response to prioritising women, youth and persons with disabilities the programme ensured that training the Entities are aligned in terms of gender representation and compliance with the Framework on Gender, Responsiveness, Budgeting, Planning, Monitoring, Evaluation and Auditing.

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

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Transformed digital society	National e-Government Strategy and Roadmap	Implemented National e-Government Strategy and Roadmap	Implementation of the e-Government Programme for Smart Communities was facilitated.	National e-Government Strategy and Roadmap was revised, implemented, and reported, towards digitisation of government services.	Implementation of the National e-Government Strategy and Roadmap facilitated towards digitalization of government services	<ul style="list-style-type: none"> <li>The Department developed and approved the 3-Year Implementation Plan of the National e-Government Programme</li> <li>Establishment of National e-Government Programme Governance Structure.</li> <li>Re-design of National e-Services Portal implemented, and monitoring reports were developed.</li> <li>Prioritised key public facing services identified for automation and monitoring reports were developed as well as National e-services portal re-designed and monitored.</li> <li>Implementation of key public facing services was prioritised for automation (Integrating AI and Big Data interventions) was monitored.</li> </ul>	None	None

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	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	National Digital and Future Skills Strategy was approved by Cabinet.	Implementation of the Digital and Future Skills Programme, in line with National Digital and Future Skills Strategy was facilitated and monitored.	Implementation of the Digital and Future Skills Programme facilitated and monitored	The Department facilitated and monitored the implementation of the Digital and Future Skills Programme through: <ul style="list-style-type: none"> <li>• training which was conducted by NEMISA on pre-entry Digital skills. NEMISA conducted training for young people through the CoLabs and various training providers on the following courses. <ul style="list-style-type: none"> <li>• Introduction to Cyber Attacks;</li> <li>• Programming for Everybody (Getting Started with Python);</li> <li>• Introduction to MongoDB, Technical Support Fundamentals,</li> </ul> </li> </ul>	None	None



OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
Enabling Digital transformation policies and strategies	Framework on Digital Transformation and Digital Inclusion	Implemented Framework on Digital Transformation and Digital Inclusion	-	-	Framework on Digital Transformation and Digital Inclusion submitted for approval and implementation plan developed	<ul style="list-style-type: none"> <li>The Department did not achieve the planned target. The final Framework on Digital Transformation and Digital Inclusion inclusive of all inputs received was developed, however, the Framework approval is pending.</li> </ul>	<ul style="list-style-type: none"> <li>The Bits and Bytes of Computer Networking,</li> <li>Introduction to Business Analytics.</li> <li>Technical Support Fundamentals, as well as the Data Scientist™s Toolbox, Foundations of Project Management, A Crash Course in Data Science, Introduction to Data Analytics, Managing Data Analysis, Introduction to Cybersecurity Tools &amp; Cyber Attacks, Python for Data Science, Artificial Intelligence and Development.</li> </ul>	<p>The final Framework on Digital Transformation and Digital Inclusion is yet to be approved</p> <p>There were delays in the approval of the final Framework on Digital Transformation and Digital Inclusion</p>

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
High performing Portfolio to enable achievement of the respective mandates	Gender, Disability, Youth and Children (GDYC) Responsive Programmes Planning and Budgeting Approach	Implemented Gender, Disability, Youth and Children (GDYC) Responsive Programmes	-	-	Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Responsiveness programmes monitored in line with National targets	<ul style="list-style-type: none"> <li>Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Responsiveness programmes was monitored in line with National targets .</li> </ul>	None	None
High performing Portfolio to enable achievement of the respective mandates	National Strategic Plan (NSP) on gender-based violence	Implemented National Strategic Plan (NSP) on gender-based violence	-	-	DCDT integrated plan of action in support of the implementation of National Strategic Plan (NSP) on gender-based violence developed	DCDT integrated action plan in support of the NSP on combating GBVF was developed, however approval was still pending.	The GBV Action Plan approval was still pending due to the delays in the required inputs.	Delays in receiving the input to finalise the integrated plan of action.
High performing Portfolio to enable achievement of the respective mandates	Stakeholder Relations Strategy	Implemented Stakeholder Relations Strategy	-	-	Implementation of Stakeholder Relations Strategy coordinated	The Department coordinated the implementation of Stakeholder Relations Strategy and monitoring reports were developed.	-	-

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2019/2020	AUDITED ACTUAL PERFORMANCE 2020/2021	PLANNED ANNUAL TARGET 2021/2022	ACTUAL ACHIEVEMENT 2021/22	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2021/2022	REASONS FOR DEVIATIONS
High performing Portfolio to enable achievement of the respective mandates	District Development Model implementation Plan	Implemented District Development Model Implementation Plan	-	-	Implementation Plan for District Development Model developed and coordinated	<ul style="list-style-type: none"> <li>Implementation Plan for District Development Model aligned with COGTA was developed and coordinated. Furthermore, consultations were held with relevant districts including Waterberg, Moses Kotane, and Gertruida Districts.</li> <li>Implementation plan was monitored in Waterberg, eThekweni, and OR Tambo.</li> </ul>	-	-

### Strategy to overcome areas of under-performance

The Department acknowledges its areas of under-performance related to the target of Framework on Digital Transformation and Digital Inclusion and its implementation plan and on the target of the development of the DCDT integrated plan of action in support of the implementation of National Strategic Plan (NSP) on gender-based violence which could not be achieved due to delayed inputs from the stakeholders. The Department will ensure that both targets are approved and finalised in the 2022/2023 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 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 still functional 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 R65.1 million in the 2021/22 financial year and R49.8 million in the 2020/21 financial year. Spending under goods and services increased from R9.5 million in 2020/21 to R23.1 million in 2021/22 financial year. Consultants and business advisory increased from R912 thousand in 2020/21 to R 6.6 million in 2021/22. The major variance is due to payment made to SITA for National e-Government programme and spending in Travel and subsistence increased from R1 million in 2020/21 to R 2.6 million in the year under review due to increased activity since the easing of 2020 nationwide lock down regulations as announced by the President of the country to curb the spread of the corona virus. Spending rate under this program is at 87.4%.

### Sub-programme expenditure

Sub-Programme Name	2021/2022			2020/2021		
	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 Information Society and Capacity Development	2 993	2 572	421	2 225	1 465	760
Information Society Development	66 555	59 112	7 443	63 284	39 004	24 280
Capacity Development	4 980	3 443	5 037	9 890	9 355	535
<b>TOTAL</b>	<b>74 528</b>	<b>65 127</b>	<b>9 401</b>	<b>75 399</b>	<b>49 824</b>	<b>25 575</b>

## 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
<b>FPB</b>	<p>Effective Content Regulation aligned to the Constitution</p> <p>Public Education and Stakeholder Partnering</p> <p>Research and Development</p> <p>Efficient and high performing organisation</p>	100,9 million	<p>R99.0m excluding commitments</p> <p>R118.6m inclusive of commitments</p>	<p>FPB achieved 80% of planned targets for the 2020/21 financial year.</p> <p>The achievement included the following:</p> <ul style="list-style-type: none"> <li>• production of the Content Classification index;</li> <li>• emoluments of the classifiers who have been appointed as independent contractors to classify the films, games, and other publications;</li> <li>• enforcing the FP Act to the distributors through issuing non-compliance notices</li> <li>• training of educators, parents and learners on cyber safety, training workshops for the classifiers and industry</li> </ul> <p>Implementation of outreach programmes</p> <p>Improving stakeholder relations for the FPB.</p>
<b>ICASA</b>	<p>Access to quality broadband Services Increased</p> <p>Status of Social Cohesion (inclusive of Diversity of Views) enhanced</p> <p>Rights of Consumers Protected</p> <p>Competition in the ICT Sector Promoted</p>	508,2 million	447.4million	<p>ICASA achieved 89.6% of its targets for the current financial year (Unaudited).</p> <p>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.</p> <p>5G spectrum auctioning at close of 2020/21FY was already set to take place with all regulatory requirements in place.</p>
<b>NEMISA</b>	Digital Skills training	98.5 million	64.5 million	<p>NEMISA has achieved 10 out of 11 planned targets, translating to 90%.</p> <p>Notable achievement include the training of: - 16 296 citizens in basic digital literacy</p> <ul style="list-style-type: none"> <li>• 117 learners in creative media practitioners</li> <li>• 1126 citizens on specialist technology</li> <li>• 703 government officials in digital transformation advocacy and awareness campaigns</li> </ul> <p>Other key achievements include:</p> <ul style="list-style-type: none"> <li>• The registering of 10492 LMS users on the system</li> </ul>

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"> <li>• A virtual 3 Day Data Science Innovation Hackathon hosted across all nine (9) provinces.</li> <li>• The development of an evaluation and impact report</li> </ul>
<b>USAASA</b>	Progressive realisation of the goal of universal access and universal service in South Africa.	177.1 million	64.599 million	<p>The achievement included the:</p> <ul style="list-style-type: none"> <li>• Filling of the 2 critical vacancies under the organisational structure</li> <li>• 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</li> <li>• 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</li> <li>• The mapping capability on establishment of the Geographic Information System was developed and approved by EXCO by year end</li> </ul>
<b>USAF</b>	Enhanced access to ICT and digital broadcasting services in identified underserved areas.	1 137 million	30.035 million	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.
<b>SABC</b>	<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"> <li>1. Curriculum content for learners &amp; Educators within a formal education environment (Early Childhood Development, Primary and Secondary Schools, Further Education and Training and Adult Basic Education)</li> <li>2. Non-formal content for learners outside of a formal learning environment. (Children at home).</li> </ol>	209.7 million	<p>SABC – Public Broadcaster</p> <p>TV and Radio Education program: R79m</p> <p>Tv Programme Productions: R3m</p> <p>Channel Africa: R51m</p> <p><b>Total = R133m</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The SABC’s Youth Development programme called Skeem Sam is the third most watched programme in South Africa compared to other broadcasters.</li> <li>• SABC’s Children and Educational programmes received 12 SAFTA nominations.</li> <li>• SABC also developed an Online Virtual Academy for high school learners, called SEVA (SABC Education Virtual Academy)</li> </ul>

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>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> <p>The SABC also delivered Nation Building programmes to assist in building and strengthening a young democratic South Africa.</p>			
	<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.</p> <p>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>			



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
SAPO	Provision of Universal Postal Service	542.6 million	492.1 million	529 USO Post Offices Provision of universal postal services
SENTECH	Network availability	169.7 million	201.5million	<p>SENTECH has managed to achieve the 99.8% network availability for the service provision of television and radio services.</p> <p>Funds are utilised in the managing of analogue and DTT infrastructure (repairs and maintenance) for service provision of uninterrupted quality radio and television service.</p> <p>The network management has been challenging in the wake of rolling blackouts and vandalism.</p> <p>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.</p> <p>The costs are monitored on a monthly basis on a set template to calculate the costs when maintenance is carried out.</p> <p>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.</p>

## 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 2021 to 31 March 2022.

The table below reflects the transfer payments made for the period 1 April 2021 to 31 March 2022

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)		Member-ship fee		1 117		
Universal Postal Union (UPU)		Member-ship fee		7 388		
Pan African Postal Union (PAPU)		Member-ship fee		1 204		
International Telecommunications Union (ITU)		Member-ship fee		20 176		
Commonwealth Telecommunication Organization (CTO)		Member-ship fee		-		
Organisation for Economic Cooperation and Development		Member-ship fee		199		
DONA Foundation		Member-ship fee		1 144		
Smart Africa Alliance		Member-ship fee		744		
		FOGA		77		
<b>TOTAL</b>				<b>32 049</b>		

## 6. CONDITIONAL GRANTS

None

## 7. DONOR FUNDS

None

## 8. CAPITAL INVESTMENT

### 8.1. Capital investment, maintenance, and asset management plan

The Department has made a 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.

Details as to how asset holdings have changed over the period under review, including information on acquisitions, usage, service, and maintenance as well as 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 for determination by the Loss Control Committee. The acquisitions for new assets were made in line with the SCM processes. New assets are barcoded, updated on the asset register, allocated to asset users and under their locations when invoices are captured for payment. The service and maintenance cost increased due to the utilisation of most of the vehicles in the fieldwork for DTT project. The number of asset losses 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:

Acquisitions Tangible Assets	R 5 959 853.99
Acquisitions Intangible Assets	R 2 755 832.87
Disposal Tangible Assets	R 1 926 345.02
Disposal Intangible Assets	R 2 118 722.88
Transfers In	R 872 401.04
Transfers Out	R 3 726 926.79
Sold/Auctioned	R 761 778.39
Losses	R 678 316.62

98% of the book value of the disposed assets is R 0.00.

The Department has implemented an asset management strategy which acts as a guideline to acquire, utilise, maintain, and replace assets. The replacement, transfer, auctioning, donating and disposals of assets that no longer support service delivery in the Department ensured that the asset holding goes down during the reporting period.

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, performed asset movements, updated the asset locations on the asset register and ensured that asset owners signed off office inventories to ensure accountability.

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

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: 80%
- Fair condition: 15%
- Bad condition: 5%

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

INFRASTRUCTURE PROJECTS	2021/2022			2021/2022		
	FINAL APPROPRIATION R'000	ACTUAL EXPENDITURE R'000	(OVER)/ UNDER EXPENDITURE R'000	FINAL APPROPRIATION R'000	ACTUAL EXPENDITURE R'000	(OVER)/ UNDER EXPENDITURE R'000
New and replacement assets	0	0	0	0	0	0
Existing infrastructure assets	0	0	0	0	0	0
Upgrades and additions	0	0	0	0	0	0
Rehabilitation, renovations, and refurbishments	0	0	0	0	0	0
Maintenance and repairs	0	0	0	0	0	0
Infrastructure transfer	0	0	0	0	0	0
Current	0	0	0	0	0	0
Capital	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# PART C

# GOVERNANCE



## 1. GOVERNANCE INTRODUCTION

- a. The Department's leadership is committed to the delivery of the Department's mandate, which is informed by the Constitution of South Africa, Legislative Framework and aligned to the National Development Plan. The Department demonstrates a strong commitment to integrity, ethical values, and rule of law since it forms the basis of the entire governance framework and or how it is governed.
- b. The Department has, as part of transformation and transitioning from Department of Communications and Department of Telecommunications and Postal Services into Department of Communications and Digital Technologies, developed and approved a Governance Framework aimed at institutionalising effective governance systems and processes and ensuring proper governance structures are in place to monitor the institutionalisation thereof. Key to the Governance Framework and Structures are the following principles:
  - i. 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;
  - ii. It is aimed to be the catalyst for the shift from compliance-based mind set (tick the box mind-set) to that which focuses on value creation to digitally enable the citizens with secure and affordable universal access to digital technologies;
  - iii. It presents the entire approach on how the Department is governed towards attainment of specific governance outcomes;
  - iv. It premise on the legislative frameworks that governs the public sector environment, embed integration of various frameworks or disciplines, encouraging focus on systematic applications and risk taking within acceptable levels/thresholds;
  - v. That integrity, ethical values and rule of law should be embedded throughout the Department and should form the basis for all its policies, procedures, and actions, as well as the personal behaviour of all employees; and
  - vi. 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.
- c. Key to the Governance Framework was the analysis of lessons learnt from the previous DoC and DTPS governance structures and the systems of internal controls that were institutionalised. This was necessitated by the ambitions of the Department to ensure effective governance and management structures and best practice principles of internal controls. The following are the DCDT 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. Two (2) MinEXCO meetings were held during the 2021/22 financial year.

**Executive Committee (EXCO).** EXCO meetings are attended by the Director-General (Chairperson) and Deputy Directors-General (DDGs). 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. Nineteen (19) EXCO meetings were held during the 2021/22 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 provide 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. Nine (9) MANCO meetings were held during the 2021/22 financial year.

**Governance and Compliance Committee (GCC).** GCC 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. GCC 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. (Five) 5 GCC meetings were held during the 2021/22 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 (risks and mitigation plan). 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 programme. The Chief Audit Executive and the Business Continuity Team (BC Team; Chief Risk Officer and Deputy Director: IT Governance) attend as ex-officio members. (Six) 6 BCC meetings were held during the 2021/22 financial year.

- d. 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:
- i. Promoting appropriate ethics and values throughout the Department;
  - ii. Convergence of the work of different programmes to implement the mandate of the Department;
  - iii. Alignment of different functions aimed at achieving similar outcomes, to alleviate duplications and resource wastages;
  - iii. Initiating appropriate mechanisms to manage fraud, corruption, and the abuse of State resources; and
  - v. 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 which assesses, manages and reports all significant risks and related 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) level 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) derived from 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's risk exposure.

The Department has established risk appetite and tolerance thresholds, which are used to measure the level of acceptable risks throughout the Department based on the extent of implementation of risk mitigation plans.

The Departmental Risk Appetite and Tolerance Levels assist 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 wherein the Department's risk management systems and processes were rated to be at mid baseline and mature levels with three areas assessed to be at mid baseline level while the other three were assessed to be at mature level. 76 % of in terms of risk maturity has been achieved and 74% achieved with regards to the implementation the action plan to improve risk maturity.
- Out of 17 risks 16 risks were not addressed as they were outside the risk appetite levels,
- Only 25% of risk mitigation action plans implemented.
- 28% of the risks mitigations actions that were within the DCDT control were not yet implemented due to the following but not limited to:
  - ✓ Delays in finalisation of the structure which affected human and financial Resources.
  - ✓ Dependencies with the external stakeholders.
- 2% of the risks mitigations actions that were outside DCDT control were not yet implemented.

The Department has monitored the implementation of some improvement plans that were identified in order to improve the risk management maturity level to mature and leading levels in the next two (2) years to 2024/25. Key improvement action plans implemented which will assist in improving the current maturity level includes:

- a) Finalising and implementing leading or best practice frameworks such as risk appetite and tolerance framework, risk appetite and tolerance thresholds, key risk indicators and risk incidents framework, and business continuity management framework;
- b) Focusing risk management awareness/training on the identification of relevant preventative, defective, and corrective controls to manage specific risk root causes and consequences to acceptable levels; and
- c) Improving the risk culture to ensure timeous implementation of risk mitigations plans to reduce the overall residual risk to acceptable levels in pursuit of objectives and to enhance the overall control environment.

The Department has failed to implement the following improvement action plans in the period under review:

- a) Procurement of risk management system to ensure proper automation and improve efficiency; and
- b) Inclusion of risk mitigation plans 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.

There are various processes to ensure 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) Quarterly risk monitoring and reporting;
- d) Displaying risk management messages in all the Department's monitors; and
- e) Uploading of risk management enabling documents in the Department's intranet for ease of access by all employees.

#### **2.4 Risk Management Structure.**

Risk Management Directorate comprises two officials: Director and Deputy Director. Due to the current economic conditions, in the Department operates, 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 as well as to ensure effective execution of the enterprise risk management mandate, which over and above risk management, includes business continuity management, compliance, anti-corruption and fraud, combined assurance and ethics.

As a compensating control, the Directorate has teamed up with other sections to ensure that key compliance matters relating to risk management, ethics, combined assurance and business continuity are not left unattended; particularly during this tough COVID-19 pandemic era that we are operating under. Thus, Human Resource Management Chief Directorate assists with the financial disclosures while IT Chief Directorate is assisting with the Disaster Recovery Planning and implementation as a component of the Business Continuity Management. While Internal Audit is assisting with all aspects related to combined assurance and similarly Legal is assisting with compliance matters.

#### **2.5 Risk Assessments.**

The Top-Down risk management approach adopted by the Department requires strategic risk assessments to be completed first and thereafter operational risk assessments completed. The risk assessments are further considered on the basis of the Department's risk appetite and tolerance levels.

The 2021/22 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).

### **Strategic Risk Management**

Of twenty-three (23) strategic risks identified during the 2021/22 financial year, six (6) retired from the register, one has been put on hold until strategic direction has been confirmed. Zero (0) has been managed within acceptable risk level (appetite) therefore sixteen (16) remained outside 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) Delays in finalisation of Operating Model.
- c) Dependencies on external stakeholders.
- d) Lack of presence in Provincial and District Municipalities.
- e) No provincial concurrence.
- f) Inadequate capacity in mandated entities.
- g) Undocumented processes in some areas (lack of standard operating procedures).
- h) Delays in the licensing of the Postbank.
- i) Length of time in board appointments in some SOCs.
- j) Lack of risk management software.
- k) Slow implementation of risk mitigation strategies.
- l) Lack of alignment of risk mitigation strategies with the available financial and human resource requirements to ensure effective, efficient and timeous implementation thereof.

### **Operational Risk Management**

The Department concentrated on the identification and management of COVID-19 risks and mitigation plans. These risks covered several key operational and fraud risks which were monitored and reported to the Business Continuity Committee, Executive Committee (EXCO) and Risk and Ethics Committee (REC).

Of the 5 COVID-19 risks identified, 3 were managed to acceptable levels while 2 were not addressed. The following are the main reasons for the risks that could not be addressed to acceptable levels:

- a) Delays in the implementation of the planned risk mitigation plans.
- b) Delays from the Landlord to overhaul the office's ventilation system. This challenge due to the old brand and parts are rarely found. This also affected the return to offices of all officials. The Department has therefore adopted the gradual returning to office from level 12 and below as the SMS were returned to office full time.
- c) Delays in the upgrading of IT infrastructure (telephone, server, network). This challenge affected the quality of the network in the Department including but not limited to virtual meetings.
- d) Delays in the establishment of the Departmental Occupational Health and Safety (OHS) Committee to consider the occupational health and safety risks that were identified during the COVID-19 era. This challenge affected the management of OHS risks and monitoring risk mitigation strategies during the COVID-19 period as the Business Continuity Committee was therefore required to consider OHS compliance as well.

## 2.7 Value Add.

Risk Management systems and processes have assisted the Department in the achievement of objectives by ensuring that the following are considered during the 2021/22 strategic planning and COVID-19 risk identification and action planning processes:

- 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 revised the APP targets and milestones due to the change of leadership and continued revised allocations from Treasury due to challenges brought about by the pandemic-;
- b) Current and emerging strategic risks – these risks assist the process by ensuring that the annual performance plan includes mitigations/interventions to address these identified strategic risks; and
- 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, e.g. availability of resources (financial, human and other relevant resources), COVID-19 challenges, lack of provincial presence (DCDT is only present at a national level), negative publicity about some of the entities reporting to the Ministry, etc.

## 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 and to provide recommendations for improvement.

The Committee is constituted of nine (9) members consisting of one (1) independent non-executive member 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.

Other standing invitees that attend as ex-officio include the Chief Audit Executive and representatives from Legal Services and Human Resource Management Chief Directorates that are invited to observe the effectiveness of the REC meetings and provide advice where necessary.

REC operates in terms of approved terms of reference contained in a Departmental Risk and Ethics Committee (REC) Charter. REC held three (3) normal meetings in the year under review and continued to provide objective oversight so as 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
<b>Dr P. Dala</b>	Independent Non-Executive Chairperson	<b>3 of 3</b>	
<b>Mr F. Osman</b>	Internal member (CD: Strategic Planning and Monitoring)	<b>1 of 2</b>	<b>Presented an apology in one meeting.</b>  <b>Mr Osman resigned from the Department in January 2022.</b>  <b>Mr S Maleka replaced Mr Osman as the ACD: SPM.</b>
<b>Mr M. Sebola</b>	Internal member (CD: ICT Bilateral)	<b>1 of 2</b>	<b>Presented an apology in one meeting.</b>  Mr Moseamo Sebola term lapsed on the 30 <sup>th</sup> of September 2021. Mr Sebola has indicated that he will reach his retirement age before finishing a third term with the REC if he accepts his membership to be extended.  Mr Sebola was replaced by Mr Masilela the D: ICT Bilateral South-South & BRICS.
<b>Mr L. Ndlovu</b>	Internal Member (Chief Information Officer)	<b>1 of 3</b>	<b>Presented an apology in two meetings</b>
<b>Ms JK Masemola</b>	Internal member (Chief Financial Officer)	<b>3 of 3</b>	-
<b>Ms N Sihlahla</b>	Internal member (D: Capacity Development)	<b>2 of 3</b>	<b>Presented apology in one meeting.</b>
<b>Mr K Mabe</b>	Internal member (CD: Broadband)	<b>1 of 3</b>	<b>Presented an apology in two meetings</b>
<b>Mr L. Motlatla</b>	Internal member (D: IT Policy)	<b>3 of 3</b>	-
<b>Mr M. Ntshingila</b>	Internal member (CD: SOE Governance and Support)	<b>0 of 1</b>	<b>Presented apology in one meeting.</b>  Mr Ntshingila term lapsed on July 2021.  <b>Due to medical reasons, the REC recommended that his term should not be extended.</b>  <b>Mr Ntshingila was replaced by Ms P Tsolo D: SOE Governance &amp; Support</b>
<b>Ms P Tsolo</b>	Internal member (CD: SOE Governance and Support)	<b>2 of 2</b>	<b>Ms Tsolo was appointed as the REC internal member in August 2021</b>
<b>Mr Z Masilela</b>	D: ICT Bilateral South South & BRICS - Internal Member)	<b>1 of 1</b>	<b>Mr Masilela was appointed as the REC internal member in November 2021</b>
<b>Mr S Maleka</b>	Internal member (ACD: Strategic Planning and Monitoring)	<b>1 of 1</b>	<b>Mr Maleka was appointed as the ACD after the resignation of Mr Osman. By virtue of being an ACD, he becomes a member of the REC.</b>

### **3. FRAUD AND CORRUPTION**

#### **3.1 Fraud Prevention Plan and Implementation**

The Department has developed Fraud Prevention Framework (Strategy, Policy, Investigation Procedure, Implementation Plan and Whistle Blowing Policy) derived from the National Anti-Corruption Framework (NACF), Public Service Regulation 2016 (PSR 2016) and other relevant prescripts. The Framework was revised and approved in July 2021 for implementation in the 2021/22 financial year. This Framework is further aligned to relevant Departmental Policies and Procedures to ensure alignment and relevance for managing DCDT's fraud and corruption exposures.

Implementation of the Framework is achieved through the following initiatives:

- a) 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) Monitoring and reporting on the implementation of the Fraud Prevention Plan to the Risk and Ethics Committee on a quarterly basis.
- c) 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.
- d) The Risk and Ethics Committees (REC) providing oversight over the effectiveness of fraud prevention systems and processes.
- e) Progress on investigations conducted and/or sanctions taken are reported to REC 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.

#### **3.2 Mechanisms to report fraud and corruption**

- a) The Department used the National Anti-Corruption Hotline (NACH) for whistleblowing purposes that are operated and managed by the Public Services Commission (PSC). Employees were encouraged to report any suspected corrupt, fraudulent, criminal, or unethical practices using this Hotline number.

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**

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.

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 places the requirement for all public servants to comply with ethics, integrity, and financial disclosure requirements. The Policy was approved in March 2021 for implementation in the 2021/22 financial year.

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 programme 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.

The Ethics Officer conducts the relevant investigations on ethics, integrity and financial disclosure non-compliance 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 the implementation of ethics and integrity systems and processes, non-compliance reports on financial disclosures submitted to PSC and DPSA as well as action steps taken by the Department regarding non-compliance findings from DPSA and/or PSA.

## 5. CODE OF CONDUCT

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## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department has a Safety, Health, Environment, Risk and Quality (SHERQ) policy in place which is aimed at the provision of a positive health and safety working environment. The Department has permanently appointed an official as a Health and Safety Officer and furthermore, the established Health and Safety committee has been established to ensure that health and safety matters in the Department are attended to.

## 7. PORTFOLIO COMMITTEES

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
11 May 2021	Presentation of the DCDT 2021/22 Annual Performance Plan	1. A question was asked about the Brazil-Russia-India-China-South Africa (BRICS) involvement with international bodies such as the World Telecommunication Development Conference (WTDC)-21 and the World Radio Conference (WRC)-23. Specifically, what processes feature in these meetings as well as whether there were BRICS pre-conference meetings that South Africa attended? Do they then take a unified position forward into these, like they did with regional structures in Africa?	1. The ADG stated that in all of the international engagements, the focus was always on the national interest especially in the space of technological development, where the country always sought strategic alliances. In an alliance like BRICS, there were areas of common interest. The BRICS Institute for Future Networks focused on providing joint research on innovation. In terms of research and development, China and India were advanced while Russia and Brazil boasted specific superior skills. Thus, it was imperative that South Africa collaborated with these countries.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
		<p>2. The Committee asked for clarity regarding the funding for the Integrated Digital Televisions (IDTVs), as these were an intervention during the budget cuts which would have come from interest and/or surpluses that Treasury would have agreed to release.</p>	<p>2. On the issue of the IDTVs, the ADG said that USAASA had written to request the use of interest that they had accrued from the Universal Service and Access Fund (USAF) for the IDTVs. Unfortunately, due to delays, those funds had not been spent. They had then written back to National Treasury at the beginning of this financial year to request a rollover of those funds for the IDTVs. National Treasury had responded that they should rather utilise those funds for the shortfall on their set-top-boxes. The funds were around R243 million, but there was still a shortfall for the analogue switch-off and for the provision of vouchers for the households to purchase the set-top-boxes. This shortfall was just below R600 million, which excluded the operationalisation of the voucher system itself, which was estimated at around R25 million.</p>
2 June 2021	Presentation on the Update of the Merger of State entities, Regulatory Reform Bill, and Digital Development Challenge Fund Bill	<p>Committee Members sought clarity on the following: -</p> <p>1. What were the implications of the rationalisation process relating to the workers and the possibilities of economic growth (including employees' job security)?</p> <p>2. Ensuring that its statistics in terms of youth development is improved as there was a need to place greater emphasis on youth development and guarantee participation in all economic activities of the ICT sector.</p>	<p>1. The ADG said no job losses would occur but, instead, about 300 excess jobs would be created. This would require more skills and a greater focus on the recruitment of the youth to ensure economic growth.</p> <p>2. In terms of the APP there is a specific target on measuring the responsiveness on youth development in the ICT sector. In this regard, the Department has developed a monitoring template and was in the process of setting up a monitoring forum inclusive of SOEs. The Department had also consulted with the SOEs to collate information on their programmes, policies, and procedures in terms of youth development and ICTs.</p>



DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
		3. Timeframes for the merger.	3. The ADG responded that the main questions centred around the need for more concrete long-term timeframes. She confirmed that the business case had been developed and sent to the National Treasury, as required by the Companies Act. The target of 30 June 2021 was to ensure that the relevant Ministries provided the necessary consent. In this regard, the DCDT completed its requirements. As soon as the consent is obtained, the business case can be utilised to the draft the relevant Bills. There are parallel processes to ensure that the business case then gets the back end in terms of the corporate strategy from the entities. The intention is to fast-track the merger.



DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
17 August 2021	DCDT and Entities presentation on the 3 <sup>rd</sup> and 4 <sup>th</sup> Quarter Performance and Expenditure Reports	The Minister provided an overview of the Department and entities. The Committee sought clarity on the overall under-performance. The reasons reflected in the reports and presentations were not tangible, and no clear indication had been given on corrective measures and how challenges would be addressed. It pointed out that the Covid-19 pandemic had been used as an excuse, as the entities had reported on the same matters in previous quarters.	<p>The Minister said the work that had been done by those who had passed on due to Covid within the Department would continue.</p> <p>Regarding poor performance, she said there had been meetings and engagements with the entities and these would be completed next week. There were matters that needed immediate attention and intervention, in particular the issue of digital migration.</p> <p>The Department needed to ensure that the stumbling blocks to digital migration were resolved and that a new approach had been adopted which would go to Cabinet, and it would report back to the Committee. Counsel had been briefed, and if the matter had to go back to court, the Department would oppose it and defend the policy directives of Cabinet. The Department was committed to resolving the small issues which could create stumbling blocks and would take the Committee into its confidence while finalising the negotiations.</p> <p>Regarding the SAPO, she said meetings were convened with the entity. Its financial statements had not been finalised and would not be submitted on time. There had been engagements with the Auditor-General (AG) to request an extension. This would result in a delay in the submission of the annual report.</p>
9 November 2021	Presentation of the DCDT's 2020/2021 Annual Report	The Committee expressed the concern about the regression in performance at the DCDT because of the integration of the two departments and the lack of an organisational structure.	The ADG said there was incoherence with the current organisational structure. A review into specific areas and a new operating model would be devised. A draft structure in consultation with the DPSA was developed but the Department could not provide timeframes as engagements and consultations were still in progress.



DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
23 November 2021	Presentation on the Implementation of Broadcasting Digital Migration	<p>The Committee sought clarity on the following:</p> <p>1. The number of registrations</p>	<p>1. The ADG said the data management system crashed and the total number of registrations will be verified and reported on.</p>
		<p>2. Why was SAPO a key stakeholder as part of the model?</p>	<p>2. The challenges at the SAPO are being worked on as there are weekly meetings with the leadership of the SAPO. The SAPO is responsible for two areas in the programme, the registration as well as equipment and installation. The SAPO is involved because it has access to the majority of indigenous households and has the relevant capacity.</p>
		<p>3. Why was the awareness campaign concentrated on the non-subsidised market?</p>	<p>3. The scale of the messaging focused on the subsidised household in the first phase. This was due to driving the registration process. The messaging for non-subsidised households was communicated in media briefings. The messaging for non-subsidised households will improve as it will now receive more focus.</p>
		<p>4. How will USAASA ensure controls are in place considering the previous repeated audit findings from the Auditor-General South Africa (AGSA)?</p>	<p>4. The Acting CEO of USAASA, Ms Chwayita Madikizela, said that in support of the programme the organisation negotiates service level agreements (SLAs) and master service agreements. The SLAs include clauses that address any issues that would pre-empt, the repeat of previous findings as highlighted by the AGSA. The strict controls will address the management and flow of inventory to prevent repeated findings. The SLAs will also ensure that operations take place in an environment conducive to a clean audit.</p>

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
1 March 2022	Presentation on Broadcasting Digital Migration; SA Connect; 4IR and Consequence Management	<p>The Committee asked the following key questions:</p> <p>1. If after analogue switch-off, would TV services be accessible to the public?</p>	<p>1. The Deputy Minister said that the current set-top boxes under installation were procured by USAASA and carried a two-year warranty. If problems were encountered, beneficiaries could call the manufacturer. In two years, the DCDT envisions modernising the system. He said a call centre is being established as part of the after-market support and would be administered by Sentech. If there are any issues with the installation or the working of the device, beneficiaries can call the call centre for assistance. After the analogue switch off at the end of March this year, the intention is that the SABC will take over the call centre and administer it.</p>
		<p>2. If there were challenges with regards to the set-top boxes that have been installed?</p>	<p>2. The ADG assured the Committee that although the decoders were evolving, the Department would invest in SMMEs as far as creating a new sector for the installer and refurbishment programme. While the installers are in place, the Department would assess if it could use certain components of the decoders or upgrade them.</p>
		<p>3. What is the plan for the targeted subsidised group of people after the analogue technology becomes obsolete?</p>	<p>3. The ADG said during the SONA debate, the Minister affirmed that the DCDT will be introducing a new programme for data capturers, wherein smart devices would ensure data is available in every household. The decoders that will be deployed will ensure it has an in-built mechanism that will have wi-fi coverage in every household.</p>



DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
		<p>4. Regarding SMMEs, the Chairperson said there have been previous reports regarding the pricing of set top boxes between government and the sector. He asked if their grievances had been resolved as it could stall the rollout process.</p>	<p>4. The ADG said regarding local economic development objectives, particularly for SMMEs and job creation, all the entities that have been appointed to do BDM installations were small companies. There is a total of about five to eight companies that the Department was engaging with to assist in the rollout. This will create about 3 109 job opportunities.</p>
		<p>5. Regarding SA Connect, the Committee asked if it expanded to South Africa as a whole and not just government institutions. This is an area that was identified as part of the programmes of the Economic Recovery and Reconstruction Plan (ERRP).</p>	<p>5. The connection of South African communities and homes to the internet will be facilitated by Broadband Infraco (BBI) and Sentech working with SITA and the ICT industry on an open access principle. This will enable access to the backbone infrastructure including base stations and points of presence. This partnership will enable small and emerging service providers such as Internet Service Providers (ISPs), Wireless Access Service Providers (WASPs), Mobile Virtual Network Operators (MVNOs) and the ICT Mobile Network Operators (MNOs) to connect communities within 36 months.</p>



DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
8 March 2022	Presentation on DCDT and its Entities' Quarter 1 and Quarter 2 Performance Expenditure Reports	Committee Members were concerned on the future of the SABC, including its funding model; the ICASA spectrum auction on 31 March 2022 and plans to resuscitate the South African Post Office.	<p>The Deputy Minister said it was pleasing that the SABC Board and executive management was adhering to the implementation of its turnaround plan. The SABC will meet all the targets of the turnaround plan over three years. However, there were challenges around revenue, and this posed a significant risk. The Committee should prepare itself to receive proposals for the review of regulations and other matters that govern the SABC. The SABC Board is stable, and the Committee was urged to finalise the filling of one vacancy. The Deputy Minister said the roundtable discussions on the SABC organised by the Committee had stakeholders and broadcasters participating on the way the SABC should move forward. The Department participated in a debate on the SABC and its challenges. One of the items raised at the time was the funding model for the SABC as a public broadcaster and he said it would be reviewed.</p> <p>The Deputy Minister said that it is an exciting moment for ICASA in the release of the spectrum. This has been a binding constraint that the sector players have been raising. The DCDT was aware that the court arguments will be heard in April. However, he was optimistic that the matter could be resolved with litigants. ICASA had started a process called the Opt-In and the main auction was scheduled to take place on 10 March 2022</p> <p>Regarding the SAPO, the Deputy Minister said the DCDT received a request by the Committee to brief it on the new strategy. He said it was pleasing that the new strategy had been finalised. This strategy would require funding and it contained exciting initiatives. The Department had engaged National Treasury on funding, and it was hopeful that there would soon be an announcement on allocation of funding.</p>

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
22 March 2022	Presentation on the Department's Revised 2021/22 Annual Performance Plan	The primary concern of Members was potential consequences after the analogue switch-off. There were fears of a TV blackout and questions were raised on whether there was an intervention strategy in place.	The Deputy Minister said those who were earning below R3 500 a month, and those considered to be indigents, would be supported by the government so that no one was left behind. The Department had ramped up communications for support in those areas. Those who qualify and own old television sets must approach the Post Office, register and their eligibility to qualify would be evaluated. Once it was confirmed that they qualified, Sentech would then install the set top box. As soon as the Cabinet approved the revised model, people had been approaching the Post Office and applying, and the numbers were going up. Sentech was also ensuring that those who were approved would have their set top boxes installed. They had made a call that those who came in before the end of October 2021 would be connected in this financial year. However, those who registered after October 2021 would be connected within the next six months after the switch-off. This had been an ongoing process, and the Department had communicated with South Africans to apply at the Post Office. No one was going to be left behind as they migrated from analogue to digital. The Department was aware of organisations that had approached the courts to contest the switch-off date, and it would abide by the outcome of the court decision.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
29 March 022	Presentation on the Analogue Switch Off	Members enquired about the implications of the Minister's decision to withdraw the SABC's tabled report and the Department's subsequent actions following the leak of a letter to the media regarding the broadcasters concerns over the Analogue Switch Off (ASO) date.	The Minister said she suspected that there were members on the SABC board who were working with other broadcasters to attempt to deter the ASO progress, as evidenced by the correspondence between herself and the SABC board which had been leaked to the media. In addition, she pointed out the inconsistency in the information provided by the board in the letter dated 7 March compared to what had been submitted in its reports for the first three quarters. This had led to her decision to institute a provisional withdrawal of the SABC's quarterly reports from Parliament until a correct version could be determined by the entity. Once that process came to an end and the SABC had determined the correct version of information, she would inform Parliament of the outcome and the Committee then could decide on its plan of action.



## 8. SCOPA RESOLUTIONS

None

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department has put in place an Integrated Action Plan, which is under the leadership of the Chief Financial Officer. It entails consolidating findings from all assurance providers including Auditor-General South Africa 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. In resolving the BDM listing, several meetings were held with relevant stakeholders including the project managers and entities responsible to implement the BDM. Monthly progress is reported in the EXCO and MANCO. Quarterly progress is also presented to the Audit Committee.

The process outlined above has resulted in significant progress being made on the resolution of matters.

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
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.	2020/21	The internal controls were strengthened when processing advance payments. During the financial year under review there were material misstatement.
There was no 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.	2020/21	The assessment and investigation of irregular expenditure are ongoing during the financial year under review. Irregular expenditure amounting to R133 million have been submitted to National Treasury for condonement.
There was no 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.	2020/21	In resolving the BDM listing, several meetings are held and continue to be held with relevant stakeholders including the project managers and entities responsible to implement the BDM. The same issue was identified in the 2022 audit.

## 10. INTERNAL CONTROL UNIT

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. The Governance and Compliance Committee provides oversight and manages the policy development process through a register of policies and ensuring that policies are vetted prior to presentation to MANCO for final consideration and approval.

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

The Department has developed an integrated 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.

The Department has established governance and management structures to monitor and track progress on addressing irregular expenditure, unauthorised, fruitless, and wasteful expenditure.

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.

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.

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

Integrated Governance Framework – which outlines all the overarching governance principles.

Compliance Management and Monitoring Matrix – which seeks to ensure identification of the compliance universe, development of compliance indicators and mapping of the governance and management structures to ensure they are responsible for monitoring compliance.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

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 assist the Department to accomplish its objectives by bringing a system discipline approach to evaluate and improve the adequacy and effectiveness of Governance, Risk Management and Control processes

The Internal Audit is established in line with the PFMA and Treasury Regulations as a key component or structure of good corporate governance. The Internal Audit Activity 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, contributing to ensuring that there is good corporate governance, which contributes to the Department's effective delivery of its strategic goals and objectives.

- 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 organisation's strategic objectives
  - Reliability and Integrity of financial and operational information
  - Effectiveness and efficiency of operations and programs.
  - Safeguarding of assets
  - Compliance with laws, regulations, policies, policies and contracts

DCDT Internal Audit has overall completed and issued 16 final internal audit engagements report, which entails 94% delivery of the Annual Internal Audit Plan for 2021/22 financial year. The reported % includes four (4) of the internal audit engagement reports that were issued immediately after the financial year.

Three (3) Internal audit engagements were deferred to the new financial year 2022/23, due to procurement challenges.

The delivery of the Internal Audit Services has been engulfed with the challenges however the Chief Directorate Internal Audit is working closely with Management to enhance the process of co-operation and implement tools and measures that seeks to ensure optimal delivery of the annual internal audit plan.

The following challenges were evident during the financial year 2021/22:

- Significant delays were experienced during the execution of the internal audit engagements in relation to Management providing the required information and management comments.
- Client unavailability.

- 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 organisation's strategic objectives
- Reliability and Integrity of financial and operational information
- Effectiveness and efficiency of operations and programs.
- Safeguarding of assets
- Compliance with laws, regulations, policies, policies, and contracts

DCDT Internal Audit has overall completed and issued 16 final internal audit engagements report, which entails 94% delivery of the Annual Internal Audit Plan for 2021/22 financial year. The reported % includes three (3) of the internal audit engagement reports that were issued immediately after the financial year end (April/May 2022).

Three (3) Internal audit engagements were deferred to the new financial year 2022/23, due to procurement challenges.

The delivery of the Internal Audit Services has been engulfed with the challenges listed below; however, it suffices to indicate that Chief Directorate Internal Audit working closely with Departmental Management has embarked on a process of enhancing the co-operation and in the 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 financial year 2021/22:

Significant delays were experienced during the execution of the internal audit engagements in relation to Management providing information required for the internal audit process and management comments.

#### **Client unavailability.**

For the period under review, Internal Audit performed an evaluation of the adequacy and effectiveness of controls in the following areas:

NO	INTERNAL AUDIT ENGAGEMENT	COMMENT
1.	Follow Up on Integrated Action Plan 2021	Finalised
2.	DCDT Annual Report 2020/2021	Finalised
3.	DCDT Annual Financial Statement 2020/2021	Finalised
4.	DCDT Annual Performance Plan 2021/2022	Finalised
5.	Review of Q4 Quarterly Performance Report 2020/2021	Finalised
6.	Broad Band Rollout Implementation Monitoring	Finalised
7.	Work skills plan Review	Finalised immediately after financial year end
8.	Asset Management Process	Finalised
9.	Review of Q1 Performance Report	Finalised
10.	POPIA Compliance Review	Finalised
11.	Broadcast Digital Migration	Finalised in the 2022/23 financial year
12.	Review of Q2 Performance Report	Finalised

NO	INTERNAL AUDIT ENGAGEMENT	COMMENT
13.	Human Resource Management <ul style="list-style-type: none"> <li>• Leave</li> <li>• Terminations &amp; Overtime</li> </ul>	Finalised after financial year end
14.	Follow Up on Integrated Action Plan 2021	Finalised
15.	Review of Q3 Quarterly Performance Report	Finalised
16.	Transfer Payment Review	Finalised immediately after financial year end
17.	DCDT Annual Performance Plan 2022/2023	Finalised
18.	SCM Physical Security and Cleaning Services Compliance Review	Deferred to 2022/23
19.	Digitization Strategy Implementation	Deferred to 2022/23
20.	IT Services	Deferred to 2022/23

### 1.1 AUDIT COMMITTEE

The Audit Committee is an independent governance structure established in terms of section 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-Auditor General of South Africa (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

**Audit committee membership:**

<b>NAME</b>	<b>QUALIFICATIONS</b>	<b>INTERNAL OR EXTERNAL</b>	<b>IF INTERNAL, POSITION IN THE DEPARTMENT</b>	<b>DATE APPOINTED</b>	<b>DATE RESIGNED</b>	<b>NO. OF MEETINGS ATTENDED</b>
Adv Johannes Collen Weapond (Chairperson)	Bachelor of Commerce (Hons) Information Systems  BTech Policing  Diploma Compliance Management  Senior Certificate	External	N/A	30/04/2021	N/A	7
Ms. Zanele Nkosi (Member)	Chartered Accountant CA(SA)  Honours Bachelor of Accounting Science  Baccalaureus Commercial  Senior Certificate	External	N/A	30/04/2021	N/A	7
Dr Prittish Dala (Member)	Doctor of Philosophy in Information Technology  Master of Information Technology  Baccalaureus Scientiae Cum Honoris  Bachelor of Information Technology  Senior Certificate	External	N/A	30/04/2021	N/A	7
Ms Rachel Kalidass (Member)	Bachelor of Accounting (Honours) Accounting  Bachelor of Accounting Science  Senior Certificate	External	N/A	30/04/2021	N/A	7

## 12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2022.

### **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 (audit committee charter).

The Audit Committee has regulated its affairs in compliance with the charter and has discharged all its responsibilities as contained therein.

### **The Effectiveness of Internal Control**

Our review of the assurance reports, i.e. Management, Internal Audit and AGSA, revealed certain areas that requires enhancement, Management have developed corrective measures to address the risks.

We have reviewed the Department's implementation of the integrated action plan which addresses issues or findings raised by both the Internal Audit and AGSA and recommended that the Department should implement control measures and system that will adequately, efficiently and effectively monitor the implementation of the agreed action plans.

We encourage the Department to effectively utilise different governance structures to adequately monitor the effective implementation of the integrated action plan.

The Committee is of the opinion that both AGSA and Internal Audit findings should be addressed timely for effective system of internal controls, in particular the AGSA repeat findings. The Committee noted the following areas of concern:

- **Broadcasting Digital Migration Project**

- Management does not have adequate internal control process in place for collecting, collating and verifying the data related to the Broadcasting Digital Migration(BDM) indicator and related target, which resulted in material findings on the reliability of the reported performance information.
- Management did not implement adequate review procedures to ensure that the actual reported information for the indicator number of subsidised digital television installations coordinated and monitored is verified to ensure that it is valid, accurate and complete.

- **Irregular expenditure and Consequence Management**

- Determination assessments not conducted for all irregular expenditure cases and consequence management implemented against the responsible officials based on the recommendations of the determination assessments conducted.
- Disciplinary steps were not taken against some of the officials who had incurred and permitted irregular expenditure, as required by section 38(1) (h) (iii) of the PFMA.

- **Procurement and Contract Management**

- The departmental training and development policy is not in line with the SCM laws and regulations, this led to the services being procured without following a process that is fair, equitable, transparent, competitive and cost-effective as required by section 217 of the constitution.

- **Lack of Implementation of risk mitigation actions and internal audit findings.**

The Committee will continue monitoring these concerning areas closely.

### **In-Year Management and Monthly/Quarterly Report**

The Audit Committee has reviewed and is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer during the year under review.

## Evaluation of Financial Statements

The Audit Committee has:

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

## INTERNAL AUDIT

The Audit Committee reviewed and approved the IAA's risk-based three-year rolling and operational plans for 2021/22. Internal Audit was guided by the consolidated risk profile of the Department, critical audit areas and management's inputs in the formulation of its three-year strategic and annual plans. The Audit Committee also monitored performance of IAA against its approved operational plan on a quarterly basis.

We are satisfied that the IAA is operating effectively and that it has addressed the risks pertinent to the Department in its audits. We have met with the IAA during the year to ensure that the function is executed effectively and objectively. We are satisfied with the content and quality of quarterly reports prepared and issued by the IAA during the year under review. The work performed by Internal Audit has enabled the Committee to fulfil its duties around Compliance, Financial Management and Performance information.

## Auditor General South Africa (AGSA)'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 audit report.

## CONCLUSION

The Audit Committee wishes to thank the Acting Director-General, Executive Management, Senior Management, and the relevant staff of DCDT for their continued support during the year under review.



**Adv JC Weapond**

**Chairperson of the Audit Committee**

**Department of Communications and Digital Technologies**



### 13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:		
CRITERIA	RESPONSE YES / NO	DISCUSSION (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for <b>other authorisations</b> in respect of economic activity in terms of any law?	Yes	<p>The Department accredits authentication service or product providers (Electronic Signature Provider)</p> <p>The Department has appointed the following companies to assist with the process of adjudicating applications</p> <ul style="list-style-type: none"> <li>• Ernst &amp; Young</li> <li>• KPMG</li> <li>• Harris Nupen &amp; Molebatsi INC</li> </ul> <p>The Department has accredited at least the following service providers:</p> <ul style="list-style-type: none"> <li>• South African Post Office (SAPO)</li> <li>• Lawtrust</li> <li>• Trust-factory</li> </ul>
Developing and implementing a preferential procurement policy?	Yes	<p>The Supply Chain Management policy is aligned to legislations, prescripts, treasury instructions, regulations ETC governing procurement processes in the Public Sector.</p> <p>80/20 or 90/10 preference point system has been applied by Supply Chain Management on transactions with a Rand value of R 30 000.00 and above. 80/90 represents points for price and 20/10 represent points for preference/ BEE.</p> <p>30% compulsory sub-contracting has been applied by Supply Chain Management on transactions with a Rand value of R 30 000 000.00 and above</p> <p>Local supplier(s) have been prioritised on sourcing of quotations when it comes to events, imbizos ETC</p>
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	Yes	<p>Legal Services Unit has developed Standard Operating Procedures which amongst other things addresses the process for entering into Memorandum of Understanding/ Agreements with the Department.</p> <p>The Department has Memorandum of Understandings with at least the following companies:</p> <ul style="list-style-type: none"> <li>• Huawei: collaboration on ICT expertise and skills transfer</li> <li>• DBSA: SA Connect</li> <li>• Ernst &amp; Young: Advisory services</li> </ul>
Determining criteria for the awarding of <b>incentives</b> , grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	N/A



# **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.

## 2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Department

The Department functioned on the approved start-up structure for the duration of the 2021/22 financial year whilst the process of reviewing the start-up structure to align it to the Department's strategic plan is still in progress. A moratorium was also in place for the whole financial year and no permanent positions were filled.

As of 31 March 2022, 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 (290) positions were filled, and forty-three (43) positions were vacant and funded which equates to 12.9% vacancy rate.

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

- Appointment of individuals additional to the establishment – 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., 12.9%. The appointment of individuals additional to the establishment in critical areas, assisted the Department to implement its Annual Performance Plan targets.
- Development of a structure in line with the mandate for the Department.
- 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

- 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.
- Appointments additional to the establishment of the Department such as a SCM Clerk, Head of Project Management Office: Digital Migration, 2 X Snr Admin Officers: Digital Migration, Deputy Director: Communications and 4 X Assistant Directors: Administration were made to ensure that the implementation of the Annual Performance Plan and Business Plan are not negatively affected.
- 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, concluding of Mid-Term Review documents and 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. 2020/21 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 2022.

### Employee wellness programmes

During the year under review, the Department ensured that employees who tested positive for Covid-19 are isolated, those that were in contact with employees who tested positive for Covid-19 were tracked and traced to encourage them to self-isolate and all the Regulations were adhered to. Health related information received from ICAS were circulated through the Department's Internal Communication mechanism. Periodic Covid-19 related information was shared with all staff through email and SMS service. Simplified versions of lockdown provisions were distributed to employees and the Department continued to render wellness support through an Employee Assistance Programme to employees and their immediate family members.

## Employee Relations

No disciplinary hearings were finalised during the recorded period and grievances were dealt with as set out by the applicable prescripts.

## ACHIEVEMENTS AND CHALLENGES

### Achievements

- The following appointments additional to the establishment were made: SCM Clerk, Head of Project Management Office: Digital Migration, 2 X Snr Admin Officers: Digital Migration, Deputy Director: Communications and 4 X Assistant Directors: Administration.
- Most HRM policies were developed for the Department of Communications and Digital Technologies, coming into effect in the 2022/23 financial year.
- Reporting to the Department of Labour took place on 14 January 2022, 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 2021 to 31 December 2021.
- Training was implemented that aligned with the respective areas of work and/or Personal Development Plans (PDP's) of employees which contributed to upskilling in the Department in line with its mandate and functions. This included training in areas related to policy development, legislative drafting, digital transformation, infrastructure, and technical programmes. Employees in support functions also attended training to enable improvement of performance in areas related to their work.
- The Department implemented its PMDS policy in the year under review which is aligned with the DPSA Directives for SMS and non-SMS employees. This included signing of Performance Agreements, concluding of mid-term review documents and 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. 2020/21 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 2022.
- The Department implemented the provisions of the approved Funeral and Bereavement Policy to the employees who lost their respective family members and ensured that families of the deceased employees received the necessary assistance and interventions.
- Provision of Employee Health and Wellness interventions i.e., counselling services, and support during the Covid-19 pandemic.
- A Staff meeting was held to discuss Health Matters under the theme "How to live and Work better during the Covid-19 ERA." Representatives from the Department of Health, National Credit Regulator, Bhekisisa Centre for Health Journalism and ICAS shared health information with employees.

### Challenges

- The delay in finalising 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.
- Currently the female representation is at forty-five (45) percent against the target of fifty (50) percent on senior management level and the moratorium on the filling of permanent vacancies impacted on efforts from the Department to address the shortcoming.
- Currently the male representation on non-SMS level is at forty percent (40%) against the target of fifty percent (50%) and the moratorium on the filling of permanent vacancies impacted on efforts from the Department to address the shortcoming.
- At the time of planning, it was anticipated that the impact of the Covid-19 pandemic and lockdown would be less than in 2020/21. However, the same challenges persisted in this financial year, both from the side of a lack of suitable training interventions that could be implemented successfully online as well as the reluctance of employees to proceed with the implementation of Personal Development Plans (PDP's). Several branches also identified training needs for which training was not readily available or in the format that they preferred. This together with limitations placed by social distancing measures and continued lockdown as well as uncertainty due to restructuring in the Department, limited both online as well as face-to-face training which impacted significantly on the addressing of all the training needs that were identified.

- Employee Health and Wellness activities such as sporting events and health screenings could not be implemented due to lockdown restrictions.

#### Future Plans/Goals

- Review of the organisational start-up structure to be aligned to strategic outcomes of the 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.
- 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 as well as encouraging employees to proceed with the implementation of their individual Personal Development Plans (PDP's).
- Facilitate the process of submission of PMDS Mid-Term Review for the 2022/23 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 2021 and 31 March 2022**

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	228 371	123 911	733	0	3.5	756
Programme 2: International Relations and Affairs	54 565	19 496	47	0	1	1 147
Programme 3: ICT Policy Development and Research	29 586	27 812	223	0	1	1 030
Programme 4: ICT Enterprise Development and Oversight	1 678 860	23 181	101	0	1	927
Programme 5: ICT Infrastructure Development and Support	1 512 955	35 143	62	0	1	1 004
Programme 6: ICT Information Society and Capacity Development	65 127	41 944	253	0	12	892
<b>Total</b>	<b>3 569 464</b>	<b>271 487</b>	<b>1 419</b>	<b>0</b>	<b>7.6</b>	<b>862</b>

**Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022**

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)	700	0.3	9	78
Skilled (level 3-5)	3 728	1.4	23	162
Highly skilled production (levels 6-8)	39 765	14.6	92	432
Highly skilled supervision (levels 9-12)	91 607	33.7	121	757
Senior and Top management (levels 13-16)	135 453	49.9	111	1 220
Periodical	234	0.1	1	234
<b>Total</b>	<b>271 487</b>	<b>100</b>	<b>357</b>	<b>760</b>

**Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022**

Programme	Salaries		Overtime		Homeowners 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	82 477	67	356	0.3	1 609	1.3	2 956	2.4
Programme 2: International Relations and Affairs	10 497	54	0	0	367	1.9	532	2.7
Programme 3: ICT Policy Development and Research	18 705	67	0	0	229	1	399	1.4
Programme 4: ICT Enterprise Development and Oversight	15 265	66	0	0	230	1	442	2
Programme 5: ICT Infrastructure Development and Support	23 538	67	63	0.2	432	1.2	494	1.4
Programme 6: ICT Information Society and Capacity Development	27 598	66	0	0	569	1.4	1 024	2.4
<b>Total</b>	<b>178 080</b>	<b>66</b>	<b>419</b>	<b>0.2</b>	<b>3 436</b>	<b>1.3</b>	<b>5 847</b>	<b>2.2</b>

**Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022**

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)	517	0.2	18	0.007	0	0	0	0
Skilled (level 3-5)	2 543	0.9	2	0	174	0.1	138	0.1
Highly skilled production (levels 6-8)	27 482	10.1	236	0.1	1 429	0.5	2 720	1
Highly skilled supervision (levels 9-12)	63 107	23.2	164	0.1	858	0.3	1 842	1
Senior management (level 13-16)	84 433	31.2	0	0	974	0.4	1 146	0.4
<b>Total</b>	<b>178 081</b>	<b>65.6</b>	<b>419</b>	<b>0.2</b>	<b>3 436</b>	<b>1.3</b>	<b>5 846</b>	<b>2.2</b>

### 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 2022**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	182	151	17	13
Programme 2: International Relations and Affairs	17	17	0	0
Programme 3: ICT Policy Development and Research	23	19	17.4	8
Programme 4: ICT Enterprise Development and Oversight	27	25	7.4	0
Programme 5: ICT Infrastructure Development and Support	33	31	6.1	4
Programme 6: IT Information Society and Capacity Development	51	47	7.8	0
<b>Total</b>	<b>333</b>	<b>290</b>	<b>12.9</b>	<b>25</b>

**Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022**

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	1
Skilled (3-5)	16	10	37.5	2
Highly skilled production (6-8)	98	80	18.4	4
Highly skilled supervision (9-12)	115	100	13	6
Senior management (13-16)	104	86	17.3	12
Contract (Levels 1- 2)	0	0	0	0
Contract (Levels 3 - 5)	0	5	0	0
Contract (Levels 6 - 8)	0	0	0	0
Contract (Levels 9 -12)	0	7	0	0
Contract (Levels 13 - 16)	0	2	0	0
<b>Total</b>	<b>333</b>	<b>290</b>	<b>12.9</b>	<b>25</b>

**Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022**

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	70	69	1.4	2
Cleaners in Offices, Workshops, Hospitals, etc.	4	3	25	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	12	33.3	1
Food Services Aids and Waiters	2	2	0	1
Head of Department	1	0	100	0
Human Resources and Organisational Development	9	6	33.3	0
Human Resource Clerks	2	2	0	0
Human Resource Related	8	7	12.5	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	2	60	0
Light Vehicle Driver	1	2	0	0
Logistical Support Personnel	13	12	7.7	0
Messengers, Porters, and Deliverers	2	1	50	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other Administrative and Related Clerks and Organisers	45	40	11.1	8
Other Information Technology Personnel	6	6	0	0
Other Occupations	2	2	0	0
Secretaries and Other Keyboard Clerks	25	25	0	0
Senior Management	99	83	16.2	11
<b>Total</b>	<b>333</b>	<b>290</b>	<b>12.9</b>	<b>25</b>

### 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 timeframes and disciplinary steps taken.

**Table 3.3.1 SMS post information as on 31 March 2022**

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	0	0
Salary Level 14	34	33	97.1	1	2.9
Salary Level 13	59	59	100	0	0
<b>Total</b>	<b>104</b>	<b>100</b>	<b>96.2</b>	<b>4</b>	<b>3.8</b>

Please note: The hundred (100) employees include 12 employees that are appointed additional to the establishment.

**Table 3.3.2 SMS post information as on 30 September 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	2	40	3	60
Salary Level 15	6	6	100	0	0
Salary Level 14	34	34	100	0	0
Salary Level 13	59	61	103.4	0	0
<b>Total</b>	<b>104</b>	<b>103</b>	<b>99</b>	<b>1</b>	<b>1</b>

Please note: The hundred and three (103) employees include 14 employees that are appointed additional to the establishment.

**Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022**

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	0	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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

Please note: there were no filling of vacancies due to the review of the organisational structure.

**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 2021 and 31 March 2022**

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.

Reasons for vacancies not filled 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.

Notes: In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

**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 2021 and 31 March 2022**

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.

Reasons for vacancies not filled 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.

### 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 2021 and 31 March 2022**

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	0	0	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	0	0	0	0	0	0
Senior Management Service Band D	5	0	0	0	0	0	0
<b>Total</b>	<b>333</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 2021 and 31 March 2022**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Employees with a disability	0
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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 2021 and 31 March 2022**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative Related	1	8	9	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 form organisational and functional decomposition.
	1	7	9	
	2	11	12	
Communication and Information Related	1	8	9	
Financial and Related Professionals	2	9	10	
Financial Clerks and Credit Controllers	1	5	6	
Human Resources Organisational Development Related Professionals	1	9	10	
Human Resource Related	4	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	1	5	6	
Logistical Support Personnel	1	5	6	
	1	7	8	
	1	9	10	
Other Information Technology Personnel	1	8	10	
	1	9	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	
	1	9	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.
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				48
Percentage of total employed				15.3

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 2021 and 31 March 2022**

Gender	African	Asian	Coloured	White	Total
Female	27	2	2	7	38
Male	7	0	1	2	10
<b>Total</b>	<b>34</b>	<b>2</b>	<b>3</b>	<b>9</b>	<b>48</b>
<b>Employees with a disability</b>					<b>0</b>

### 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 (see definition in notes below).

**Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022**

Salary band	Number of employees at beginning of period 1 April 2021	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)	14	1	1	7.1
Highly skilled production (Levels 6-8)	86	1	4	4.7
Highly skilled supervision (Levels 9-12)	108	0	1	1
Senior Management Service Bands A (Level 13)	52	0	1	1.9
Senior Management Service Bands B (Level 14)	30	0	1	3.3
Senior Management Service Bands C (Level 15)	5	0	0	0
Senior Management Service Bands D (Level 16 including DG, Minister, Deputy Minister, and Special Advisor)	3	2	3	100
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	1	7	5	500
Contract (Levels 6-8)	5	3	6	120
Contract (Levels 9-12)	1	14	9	900
Contract (Band A) (Level 13)	11	1	4	36.4

Salary band	Number of employees at beginning of period 1 April 2021	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Contract (Band B) (Level 14)	4	3	3	75
Contract (Band C) (Level 15)	1	0	0	0
Contract (Band D) (Level 16 including DG, Minister, Deputy Minister, and Special Advisors)	0	0	0	0
<b>Total</b>	<b>321</b>	<b>*32</b>	<b>**38</b>	<b>11.8</b>

The figures indicated under Contract, refers to employees appointed on contract additional to the establishment but excluding the nine (9) Interns.

\*The thirty-two (32) appointments include 12 appointments additional to the establishment.

\*\*The thirty-eight (38) terminations include 6 appointments additional to the establishment.

During this period, the contract for eight (8) Interns did also expire. Not included in the above figures.

**Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022**

Critical occupation	Number of employees at beginning of period 1 April 2021	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative Related	69	9	9	13
Cleaners in Offices, Workshops, Hospitals, etc.	4	3	4	100
Communication and Information Related	2	0	0	0
Finance and Economics Related	2	0	1	50
Financial Clerks and Credit Controllers	5	0	0	0
Finance and Related Professionals	14	1	0	0
Food Services Aids and Waiters	2	1	0	0
Head of Department	0	0	0	0
Human Resources and Organisational Development	7	0	0	0
Human Resource Clerks	2	0	0	0
Human Resource Related	8	0	1	12.5
Information Technology Related	4	0	0	0
Language Practitioners, Interpreters and Other Communication Related	4	0	0	0
Library Mail and Related Clerks	5	0	3	60
Light Vehicle Driver	1	1	0	0
Logistical Support Personnel	12	0	0	0

Critical occupation	Number of employees at beginning of period 1 April 2021	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Messengers, Porters, and Deliverers	2	1	1	50
Other Administrative and Related Clerks and Organisers	45	7	6	13.3
Other Information Technology Personnel	6	0	0	0
Other Occupations	2	2	2	100
Secretaries and Other Keyboard Clerks	24	3	1	4.2
Senior Management	101	4	10	9.9
<b>TOTAL</b>	<b>321</b>	<b>*32</b>	<b>**38</b>	<b>11.8</b>

The figure of 321 exclude the (9) Interns that are appointed additional to the establishment.

\*The thirty-two (32) appointments include 12 appointments additional to the establishment.

\*\*The thirty-eight (38) terminations include 6 appointments additional to the establishment.

During this period, the contract for eight (8) Interns expired. Not included in the above figures.

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 2021 and 31 March 2022**

Termination Type	Number	% of Total Resignations
Death	5	13.2
Resignation	6	15.8
Expiry of contract	23	60.5
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	4	10.5
Other	0	0
<b>Total</b>	<b>38</b>	<b>100</b>
<b>Total number of employees who left as a % of total employment</b>	<b>11.8</b>	

**Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022**

Occupation	Employees 1 April 2021	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	69	0	0	68	98.6
Cleaners in Offices, Workshops, Hospitals, etc.	4	0	0	2	50
Communication and Information Related	2	0	0	2	100
Finance and Economics Related	2	0	0	2	100
Financial Clerks and Credit Controllers	5	0	0	5	100
Finance and Related Professionals	14	0	0	13	92.9
Food Services Aids and Waiters	2	0	0	2	100
Head of Department	0	0	0	0	0
Human Resources and Organisational Development	7	0	0	6	85.7
Human Resource Clerks	2	0	0	2	100
Human Resource Related	8	1	12.5	9	112.5
Information Technology Related	4	0	0	4	100
Language Practitioners, Interpreters and Other Communication Related	4	0	0	4	100
Library Mail and Related Clerks	5	0	0	2	40
Light Vehicle Driver	1	0	0	2	200
Logistical Support Personnel	12	0	0	12	100
Messengers, Porters, and Deliverers	2	0	0	2	100
Other Administrative and Related Clerks and Organisers	45	0	0	47	104.4
Other Information Technology Personnel	6	0	0	7	116.7
Other Occupations	2	0	0	0	0
Secretaries and Other Keyboard Clerks	24	0	0	24	100
Senior Management	101	0	0	91	90.1
<b>TOTAL</b>	<b>321</b>	<b>1</b>	<b>0.3</b>	<b>306</b>	<b>95.3</b>

The figure of 321 exclude the (9) Interns that are appointed additional to the establishment.

**Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022**

Salary Band	Employees 1 April 2021	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)	15	0	0	14	93.3
Highly skilled production (Levels 6-8)	91	0	0	84	92.3
Highly skilled supervision (Levels 9-12)	109	1	0.9	113	103.7
Senior Management (Level 13-16)	106	0	0	95	89.6
<b>Total</b>	<b>321</b>	<b>1</b>	<b>0.3</b>	<b>306</b>	<b>95.3</b>

The figure of 321 exclude the (9) Interns that are appointed additional to the establishment.

### 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 2022**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials, and managers	47	2	2	4	38	2	4	1	100
Professionals	49	0	0	5	48	3	1	7	113
Technicians and associate professionals	23	2	1	0	49	5	2	2	84
Clerks	6	0	0	0	10	1	0	0	17
<b>Total</b>	<b>125</b>	<b>4</b>	<b>3</b>	<b>9</b>	<b>145</b>	<b>11</b>	<b>7</b>	<b>10</b>	<b>314</b>
Employees with disabilities	2	0	0	0	1	1	0	1	5
Interns (Appointed additional to the establishment)	0	0	0	0	1	0	0	0	1

PLEASE NOTE: The 314 employees include 24 employees 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 2022**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	0	4	0	0	0	8
Senior Management	43	2	2	4	34	2	4	1	92
Professionally qualified and experienced specialists and mid-management	49	0	0	5	48	3	1	7	113
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	23	2	1	0	49	5	2	2	84
Semi-skilled and discretionary decision making	6	0	0	0	10	1	0	0	17
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>125</b>	<b>4</b>	<b>3</b>	<b>9</b>	<b>145</b>	<b>11</b>	<b>7</b>	<b>10</b>	<b>314</b>

**Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	1	0	0	0	3	0	0	0	4
Professionally qualified and experienced specialists and mid-management	7	0	0	0	7	0	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	1	0	0	1	0	0	0	4
Semi-skilled and discretionary decision making	3	0	0	0	5	0	0	0	8
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>14</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

**Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022**

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
<b>Total</b>	<b>0</b>								
Employees with disabilities	0	0	0	0	0	0	0	0	0

**Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	2	0	0	0	3
Senior Management	5	0	1	0	2	0	1	0	9
Professionally qualified and experienced specialists and mid-management	3	0	0	0	7	0	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	1	0	0	4	0	0	0	10
Semi-skilled and discretionary decision making	2	0	0	0	4	0	0	0	6
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>16</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>38</b>
Employees with Disabilities	0	0	0	0	0	0	0	0	0

**Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Non-compliance with SCM policy	1	0	0	0	0	0	0	0	1

**Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials, and managers	32	1	1	3	27	1	3	1	69
Professionals	16	0	1	1	9	1	0	4	32
Technicians and associate professionals	4	0	0	0	9	1	0	0	14
Clerks	5	0	1	0	18	1	0	0	25
<b>Total</b>	<b>57</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>63</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>140</b>
Employees with disabilities	1	0	0	0	0	1	0	1	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 2021**

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	6	100
Salary Level 14	31	31	31	100
Salary Level 13	59	59	59	100
<b>Total</b>	<b>98</b>	<b>96</b>	<b>96</b>	<b>100</b>

**Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022**

Reasons
All 96 (100%) SMS Members signed their Performance Agreements by 31 May 2021, however 9 (10%) of SMS Members submitted their Performance Agreements after the 31 May 2021.

**Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022**

Reasons
Not applicable.

### 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 (see definition in notes below).

**Table 3.8.1 Performance Rewards by race, gender, and disability for the period 1 April 2021 to 31 March 2022**

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	40	125	32	486	12 150
Female	48	145	33.1	653	13 604
Asian					
Male	2	3	67	21	10 500
Female	4	7	57.1	35	8 750
Coloured					
Male	1	4	25	30	30 000
Female	5	11	45.5	64	12 800
White					
Male	4	9	44.4	67	16 750
Female	5	10	50	76	15 200
<b>Total</b>	<b>109</b>	<b>314</b>	<b>34.7</b>	<b>1 431</b>	<b>13 128</b>

**Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022**

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)	0	17	0	0	0	0
Highly skilled production (level 6-8)	36	84	42.9	460	12 778	0.002
Highly skilled supervision (level 9-12)	43	113	38.1	785	18 256	0.003
<b>Total</b>	<b>79</b>	<b>214</b>	<b>36.9</b>	<b>1 245</b>	<b>15 759</b>	<b>0.005</b>

**Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022**

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	22	70	31.4	418	19 000
Cleaners in Offices, Workshops, Hospitals, etc.	0	3	0	0	0
Communication and Information Related	0	2	0	0	0
Finance and Economics Related	1	2	50	16	16 000
Financial Clerks and Credit Controllers	5	5	100	46	9 200
Finance and Related Professionals	10	13	77	166	16 600
Food Services Aids and Waiters	0	3	0	0	0
Head of Department	0	0	0	0	0
Human Resources and Organisational Development	3	6	50	45	15 000
Human Resource Clerks	1	2	50	14	14 000
Human Resource Related	3	7	42.9	53	17 667
Information Technology Related	2	4	50	36	18 000
Language Practitioners, Interpreters and Other Communication Related	1	4	25	16	16 000
Library Mail and Related Clerks	0	2	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Light Vehicle Driver	0	2	0	0	0
Logistical Support Personnel	9	12	75	123	13 667
Messengers, Porters, and Deliverers	0	2	0	0	0
Other Administrative and Related Clerks and Organisers	11	47	23.4	147	13 364
Other Information Technology Personnel	4	6	66.7	58	14 500
Other Occupations	0	2	0	0	0
Secretaries and Other Keyboard Clerks	7	25	28	107	15 286
Senior Management	30	95	31.6	186	6 200
<b>Total</b>	<b>109</b>	<b>314</b>	<b>34.7</b>	<b>1 431</b>	<b>13 128</b>

**Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022**

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	19	59	32.2	109	5 737	0.04
Band B	11	33	33.3	77	7 000	0.03
Band C	0	6	0	0	0	0
Band D	0	2	0	0	0	0
<b>Total</b>	<b>30</b>	<b>100</b>	<b>30</b>	<b>186</b>	<b>6 200</b>	<b>0.07</b>

### 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 2021 and 31 March 2022**

Salary band	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022**

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 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 2021 to 31 December 2021**

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 (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)	112	91.1	15	19.2	7	192
Highly skilled supervision (Levels 9 -12)	272	89.3	34	43.6	8	827
Top and Senior management (Levels 13-16)	168	92.9	27	34.6	6	809
Contract (Levels 1-2)	11	100	1	1.3	11	6
Contract (Levels 9-12)	9	100	1	1.3	9	25
<b>Total</b>	<b>572</b>	<b>91.1</b>	<b>78</b>	<b>100</b>	<b>7</b>	<b>1 860</b>

**Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021**

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)	190	100	3	60	63	373
Highly skilled supervision (Levels 9-12)	36	100	1	20	36	107
Senior management (Levels 13-16)	105	100	1	20	105	631
<b>Total</b>	<b>331</b>	<b>100</b>	<b>5</b>	<b>100</b>	<b>66</b>	<b>1 111</b>

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 2021 to 31 December 2021**

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)	125	11	11
Highly skilled production (Levels 6-8)	1 498	83	18
Highly skilled supervision (Levels 9-12)	2 223	102	22
Senior management (Levels 13-16)	2 020	90	22
Contract (Levels 1-2)	25	3	8
Contract (Levels 3-5)	46	7	7
Contract (Levels 6-8)	43	7	6
Contract (Levels 9-12)	68	12	6
Contract (Levels 13-16)	133	14	10
<b>TOTAL</b>	<b>6 181</b>	<b>329</b>	<b>19</b>

**Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021**

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 2021
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
Highly skilled supervision (Levels 9-12)	0	0	0	11
Senior management (Levels 13-16)	0	0	0	39
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>

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

**Table 3.10.5 Leave pay-outs for the period 1 April 2021 and 31 March 2022**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Discounting with Resignation (workdays)	408	8	51
Annual – Discounting: Contract Expiry (workdays)	800	27	30
Annual – Gratuity: Death/Retirement/Medical Retirement (workdays)	122	3	41
<b>Total</b>	<b>1 330</b>	<b>38</b>	<b>35</b>

### 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 Mathope Thusi Chief Director: HRM
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 Mathope Thusi Mr Tony Shakwane Ms Tlhago Mokate
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 through ICAS
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		Sports and Recreation Policy HIV and AIDS and TB Management Policy Employee Wellness Management Policy Funeral and Bereavement 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		Employees encouraged to know their respective status however due to confidentiality, employees are not obliged to disclose their 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		Monthly and quarterly EAP reports to establish trends and utilisation of the programme.

### 3.12 Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022**

Total number of Collective agreements	None
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**Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022**

Total number of Disciplinary hearings finalised	0
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**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022**

Type of misconduct	Number	% of total
None	0	100
<b>Total</b>	<b>0</b>	<b>100</b>

**Table 3.12.4 Grievances lodged for the period 1 April 2021 and 31 March 2022**

Grievances	Number	% of Total
Number of grievances resolved	3	100
Number of grievances not resolved	0	0
<b>Total number of grievances lodged</b>	<b>3</b>	<b>100</b>

**Table 3.12.5 Disputes lodged with Councils for the period 1 April 2021 and 31 March 2022**

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
<b>Total number of disputes lodged</b>	<b>0</b>	<b>0</b>

**Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022**

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 2021 and 31 March 2022**

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 2021 and 31 March 2022**

Occupational category	Gender	Number of employees as at 1 April 2021	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	46	0	100	27	127
	Male	60	0	129	31	160
Professionals	Female	60	0	33	9	42
	Male	49	0	27	12	39
Technicians and associate professionals	Female	62	0	26	4	30
	Male	29	0	7	0	7
Clerks	Female	10	0	90	5	95
	Male	5	0	35	4	39
Sub Total	Female	178	0	249	45	294
	Male	143	0	198	47	245
<b>Total</b>		<b>321</b>	<b>0</b>	<b>447</b>	<b>92</b>	<b>539</b>

**Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022**

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials, and managers	Female	46	0	41	11	52
	Male	60	0	53	11	64
Professionals	Female	60	0	24	9	33
	Male	49	0	32	7	39
Technicians and associate professionals	Female	62	0	20	2	22
	Male	29	0	10	1	11
Clerks	Female	10	0	28	7	35
	Male	5	0	8	2	10
Sub Total	Female	178	0	113	29	142
	Male	143	0	103	21	124
<b>Total</b>		<b>321</b>	<b>0</b>	<b>216</b>	<b>50</b>	<b>266</b>

### 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 2021 and 31 March 2022**

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
<b>Total</b>	<b>0</b>	<b>0</b>

### 3.15 Utilisation of Consultants

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:

- The rendering of expert advice;
- The drafting of proposals for the execution of specific tasks; and
- 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 2021 and 31 March 2022**

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Business Impact Analysis	5	47	533 121.60
Implementation of National e-Governments Projects	N/A	365	16 682 506.23
Appointment of BBBEE Verification Agency	1	365	69 000.00
Disaster recovery plan	1	30	31 258.38
Africa 4IR Strategy	2	90	1 238 688.00
Appointment of an Assessor to adjudicate an application for accreditation	4	120	1 877 950.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
6	14	1017	20 432 524.21

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Business impact Analysis	N/A	N/A	N/A
Implementation of National e-Governments Projects	N/A	N/A	N/A

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of BBBEE Verification Agency	100	100	1
Disaster recovery plan	N/A	N/A	N/A
4IR Strategy	N/A	N/A	N/A
Appointment of an Assessor to adjudicate an application for accreditation	33.33	33.33	4

**Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022**

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	None	None	None

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	None	None	None

**Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	None	None	None

### 3.16 Severance Packages

**Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2021 and 31 March 2022**

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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





# **PART E**

# **ANNUAL FINANCIAL STATEMENTS**

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## Report of the auditor-general to Parliament on vote no.30: Department of Communications and Digital Technologies

### 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 152 - 258, which comprise the appropriation statement; statement of financial position as at 31 March 2022, 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 (DCDT) as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

#### Basis for 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.

#### Other matter

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

#### Unaudited supplementary schedules

7. The supplementary information set out on pages 244 to 258 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

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS, the requirements of the 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.
9. 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

10. My objectives are to obtain reasonable assurance about whether 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 detect 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.

11. 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**

12. 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 the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
13. 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.
14. 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 programmes presented in the Department's annual performance report for the year ended 31 March 2022

Programme	Pages In the annual performance report
Programme 5 - ICT Infrastructure Development and Support	62 to 69

15. 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.
16. The material findings on the usefulness and reliability of the performance information of the selected programme are as follows :

**Programme 5 - ICT Infrastructure Development and Support**

**Number of subsidized digital television installations**

17. I was unable to obtain sufficient appropriate audit evidence for the achievement of 29 230 subsidized digital television installations coordinated and monitored in 4 provinces reported against target of 840 000 subsidized digital television installations coordinated and monitored in 4 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.

**Operational Digital Transformation Centre**

18. The planned target of the operations of the digital transformation centre facilitated for this indicator was not specific in clearly identifying the nature and required level of performance and measurable.

**Number of vouchers distributed**

19. The planned target of the distribution of 3.2 million vouchers coordinated and monitored for this indicator was not specific in clearly identifying the nature and required level of performance and measurable.

**Other matters**

20. I draw attention to the matter below.

**Achievement of planned targets**

21. Refer to the annual performance report on pages 28 to 75 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(s) 17 to 20 of this report.

**Adjustment of material misstatements**

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 5 - ICT Infrastructure Development and Support. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

**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:

**Annual financial statements and Performance and annual report**

25. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1) (a) and (b) of the PFMA. Material misstatements of non-current asset, current liabilities, disclosure notes identified by the auditors in the submitted financial statement were corrected and supporting records were provided subsequently 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 some of the irregular expenditure were not performed.
27. Disciplinary steps were not taken against some of the officials who had incurred and permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.

**Procurement and contract management**

28. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1, paragraph 3.3.1 of Practice Note 8 of 2007/08 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22.
29. Some of the quotations were accepted from prospective suppliers who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by Treasury Regulation 16A8.4 and paragraph 4.1.2 of Practice Note 7 of 2009/10.

**Other information**

30. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report .The other information does not include the financial statements, the auditor’s report and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor’s report.

31. 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.
32. 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.
33. 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

34. 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.
35. An adequate review of the annual performance plan (APP) and the technical indicator description was not performed before approval to ensure that the required level of performance is clearly identifiable.
36. Adequate internal control processes were not in place to collect, collate and report on the actual achievement for the installations of the subsidized digital televisions.
37. Processes were not in place to ensure consequence management is implemented against officials who incurred or permitted irregular expenditure. In addition, controls were not implemented to ensure determination assessments are conducted are required by the irregular expenditure framework.
38. Sufficient processes were not *in* place to ensure the annual financial statements and the annual performance report are adequately reviewed before they are submitted for audit purposes.

*Auditor-General*

**Pretoria**

29 July 2022



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 scepticism 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**

2. 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 the Department 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 a 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
  - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### **Communication with those charged with governance**

3. 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.
4. 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 per programme									
Voted funds and Direct charges	2021/22							2020/21	
	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
<b>PROGRAMME</b>									
1. ADMINISTRATION	272 974	-	(15 543)	257 431	228 371	29 060	88,7%	260 262	215 901
2. INTERNATIONAL AFFAIRS AND TRADE	56 499	-	2 385	58 884	54 565	4 319	92,7%	63 114	61 450
3. ICT POLICY DEVELOPMENT AND RESEARCH	51 173	-	(1 200)	49 973	29 586	20 387	59,2%	52 368	36 067
4. ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	1 663 539	-	19 655	1 683 194	1 678 860	4 334	99,7%	1 789 931	1 783 968
5. ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	1 760 443	-	3	1 760 446	1 512 955	247 491	85,9%	1 039 854	1 017 415
6. ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	79 828	-	(5 300)	74 528	65 127	9 401	87,4%	75 399	49 824
<b>TOTAL</b>	<b>3 884 456</b>	<b>-</b>	<b>-</b>	<b>3 884 456</b>	<b>3 569 464</b>	<b>314 992</b>	<b>91,9%</b>	<b>3 280 928</b>	<b>3 164 625</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b>	Departmental receipts			1 499				105 728	
	NRF Receipts			-				-	
	Aid assistance			-				-	
				<b>3 885 955</b>				<b>3 386 656</b>	
<b>Actual amounts per statement of financial performance (total revenue)</b>									
<b>Add:</b>	Aid assistance			-					
	Prior year unauthorised expenditure approved without funding								
<b>Actual amounts per Statement of Financial Performance Expenditure (Total)</b>					<b>3 569 464</b>				<b>3 164 625</b>

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
APPROPRIATION STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Appropriation per economic classification		2021/22							2020/21	
		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
<b>Current payments</b>		<b>908 461</b>	<b>(2 098)</b>	<b>(15 787)</b>	<b>890 576</b>	<b>582 288</b>	<b>308 288</b>	<b>65,4%</b>	<b>675 079</b>	<b>575 783</b>
Compensation of employees		295 831	-	-	295 831	271 487	24 344	91,8%	302 203	270 637
Salaries and wages		247 470	9 586	-	257 056	242 839	14 217	94,5%	264 150	241 628
Social contributions		48 361	(9 586)	-	38 775	28 648	10 127	73,9%	38 053	29 009
Goods and services		612 630	(2 098)	(15 787)	594 745	310 801	283 944	52,3%	372 876	305 146
Administrative fees		2 714	(901)	(114)	1 699	746	953	43,9%	1 025	539
Advertising		10 250	10 705	-	20 955	19 693	1 262	94,0%	20 404	4 078
Minor assets		1 659	(528)	(17)	1 114	11	1 103	1,0%	1 034	239
Audit costs: External		7 500	(316)	-	7 184	6 384	800	88,9%	5 965	5 956
Bursaries: Employees		4 335	(1 434)	(101)	2 800	1 255	1 545	44,8%	1 059	566
Catering: Departmental activities		2 464	(559)	(131)	1 774	837	937	47,2%	1 011	637
Communication		6 347	823	(182)	6 988	6 296	692	90,1%	6 250	5 992
Computer services		209 698	4 935	-	214 633	179 480	35 153	83,6%	212 003	207 218
Consultants: Business and advisory services		247 124	8 576	(11 100)	244 600	21 363	223 237	8,7%	44 067	12 054
Legal services		6 588	267	-	6 855	6 855	-	100,0%	4 591	1 744
Contractors		5 900	(3 238)	-	2 662	1 107	1 555	41,6%	2 615	2 523
Agency and support / outsourced services		5 307	(4 398)	-	909	81	828	8,9%	2 193	1 654
Entertainment		386	(131)	(18)	237	3	234	1,3%	121	-
Fleet services		2 764	(1 089)	-	1 675	1 665	10	99,4%	1 356	1 329

Appropriation per economic classification									
	2021/22					2020/21			
	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
Inventory: Materials and supplies	-	-	-	-	-	-	-	342	342
Consumable supplies	955	(269)	-	686	256	430	37,3%	386	305
Consumable: Stationery, printing and office supplies	3 564	(790)	(269)	2 505	1 700	805	67,9%	1 549	925
Operating leases	28 413	(1 039)	(109)	27 265	26 273	992	96,4%	29 036	26 056
Property payments	19 467	(1 010)	-	18 457	15 526	2 931	84,1%	14 961	14 766
Travel and subsistence	34 630	(6 821)	(3 281)	24 528	17 337	7 191	70,7%	12 342	10 306
Training and development	4 867	(1 629)	(297)	2 941	1 393	1 548	47,4%	7 727	6 475
Operating payments	1 954	(710)	(32)	1 212	843	369	69,6%	496	267
Venues and facilities	5 320	(2 867)	(100)	2 353	984	1 369	41,8%	1 872	854
Rental and hiring	424	325	(36)	713	713	-	100,0%	471	321
<b>Transfers and subsidies</b>	<b>2 953 189</b>	<b>2 037</b>	<b>23 487</b>	<b>2 978 713</b>	<b>2 978 399</b>	<b>314</b>	<b>100,0%</b>	<b>2 574 031</b>	<b>2 574 031</b>
Provinces and municipalities	125	-	-	125	16	109	12,8%	19	19
Municipalities	125	-	-	125	16	109	12,8%	19	19
Municipal bank accounts	125	-	-	125	16	109	12,8%	19	19
Departmental agencies and accounts	2 022 181	-	-	2 022 181	2 022 181	-	100,0%	1 566 655	1 566 655
Departmental agencies and accounts	2 022 181	-	-	2 022 181	2 022 181	-	100,0%	1 566 655	1 566 655
Foreign governments and international organisations	32 254	-	-	32 254	32 049	205	99,4%	39 458	39 458

Appropriation per economic classification									
	2021/22						2020/21		
	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
Public corporations and private enterprises	898 629	-	23 487	922 116	922 116	-	100,0%	962 478	962 478
Public corporations	898 629	-	23 487	922 116	922 116	-	100,0%	962 478	962 478
Other transfers to public corporations	898 629	-	23 487	922 116	922 116	-	100,0%	962 478	962 478
Households	-	2 037	-	2 037	2 037	-	100,0%	5 421	5 421
Social benefits	-	1 835	-	1 835	1 835	-	100,0%	5 237	5 237
Other transfers to households	-	202	-	202	202	-	100,0%	184	184
<b>Payments for capital assets</b>	<b>22 806</b>	<b>-</b>	<b>(7 700)</b>	<b>15 106</b>	<b>8 716</b>	<b>6 390</b>	<b>57,7%</b>	<b>31 750</b>	<b>14 743</b>
Machinery and equipment	12 613	3 949	(7 700)	8 862	5 960	2 902	67,3%	16 894	9 741
Transport equipment	2 500	-	(1 700)	800	741	59	92,6%	2 327	-
Other machinery and equipment	10 113	3 949	(6 000)	8 062	5 219	2 843	64,7%	14 567	9 741
Intangible assets	10 193	(3 949)	-	6 244	2 756	3 488	44,1%	14 856	5 002
<b>Payments for financial assets</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>61</b>	<b>61</b>	<b>-</b>	<b>100,0%</b>	<b>68</b>	<b>68</b>
<b>Total</b>	<b>3 884 456</b>	<b>-</b>	<b>-</b>	<b>3 884 456</b>	<b>3 569 464</b>	<b>314 992</b>	<b>91,9%</b>	<b>3 280 928</b>	<b>3 164 625</b>

Programme 1: ADMINISTRATION	2021/22							2020/21	
	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
<b>Sub programme</b>									
1. <b>MINISTRY</b>	6 627	--	-	6 627	4 444	2 183	67,1%	6 588	4 215
2. <b>DEPARTMENTAL MANAGEMENT</b>	66 139	(6 561)	(3 143)	56 435	42 161	14 274	74,7%	47 429	39 252
3. <b>INTERNAL AUDIT</b>	10 233	90	(2 700)	7 623	6 362	1 261	83,5%	9 162	6 645
4. <b>CORPORATE SERVICES</b>	94 428	6 684	(2 000)	99 112	95 728	3 384	96,6%	102 231	78 891
5. <b>FINANCIAL MANAGEMENT</b>	61 537	(213)	(7 700)	53 624	48 567	5 057	90,6%	63 742	58 179
6. <b>OFFICE ACCOMMODATION</b>	34 010	-	-	34 010	31 109	2 901	91,5%	31 110	28 719
<b>Total for sub programmes</b>	<b>272 974</b>	<b>-</b>	<b>(15 543)</b>	<b>257 431</b>	<b>228 371</b>	<b>29 060</b>	<b>88,7%</b>	<b>260 262</b>	<b>215 901</b>

<b>Economic classification</b>	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>252 268</b>	<b>(1 791)</b>	<b>(7 840)</b>	<b>242 637</b>	<b>217 992</b>	<b>24 645</b>	<b>89,8%</b>	<b>225 866</b>	<b>196 677</b>
Compensation of employees	138 590	-	(1 540)	137 050	123 910	13 140	90,4%	137 388	124 643
Salaries and wages	111 763	5 122	(1 540)	115 345	110 337	5 008	95,7%	118 185	110 709
Social contributions	26 827	(5 122)	-	21 705	13 573	8 132	62,5%	19 203	13 934
Goods and services	113 678	(1 791)	(6 300)	105 587	94 082	11 505	89,1%	88 478	72 034
Administrative fees	767	(42)	-	725	372	353	51,3%	358	306
Advertising	2 472	(704)	-	1 768	1 176	592	66,5%	1 910	1 896
Minor assets	295	(152)	-	143	8	135	5,6%	371	239
Audit costs: External	6 000	1 148	-	7 148	6 348	800	88,8%	5 965	5 956
Bursaries: Employees	2 070	(658)	-	1 412	539	873	38,2%	544	323

Programme 1: ADMINISTRATION	2021/22							2020/21	
	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
	653	36	-	689	466	223	67,6%	452	324
	2 957	162	-	3 119	3 097	22	99,3%	3 032	3 032
	11 678	7 284	-	18 962	18 912	50	99,7%	10 764	5 979
	7 434	(826)	(4 700)	1 908	1 676	232	87,8%	6 082	2 054
	6 088	767	-	6 855	6 855	-	100,0%	4 576	1 729
	2 418	(439)	-	1 979	974	1 005	49,2%	1 540	1 529
	156	(23)	-	133	3	130	2,3%	74	-
	1 200	147	-	1 347	1 347	-	100,0%	1 222	1 205
	560	(186)	-	374	140	234	37,4%	324	295
	1 375	326	-	1 701	1 641	60	96,5%	1 042	925
	27 111	(441)	-	26 670	25 951	719	97,3%	28 274	25 551
	19 467	(1 010)	-	18 457	15 526	2 931	84,1%	14 961	14 766
	16 138	(5 069)	(1 600)	9 469	7 592	1 877	80,2%	5 134	5 057
	2 686	(1 079)	-	1 607	707	900	44,0%	1 071	394
	804	(180)	-	624	411	213	65,9%	334	193
	1 320	(1 056)	-	264	108	156	40,9%	177	10
	29	204	-	233	233	-	100,0%	271	271
	<b>125</b>	<b>1 730</b>	<b>(3)</b>	<b>1 852</b>	<b>1 743</b>	<b>109</b>	<b>94,1%</b>	<b>4 612</b>	<b>4 612</b>
Provinces and municipalities	125	-	(3)	122	13	109	10,7%	19	19

Programme 1: ADMINISTRATION	2021/22							2020/21	
	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
Municipalities	125	-	(3)	122	13	109	10,7%	19	19
Municipal bank accounts	125	-	(3)	122	13	109	10,7%	19	19
Households	-	1 730	-	1 730	1 730	-	100,0%	4 593	4 593
Social benefits	-	1 558	-	1 558	1 558	-	100,0%	4 433	4 433
Other transfers to households	-	172	-	172	172	-	100,0%	160	160
<b>Payments for capital assets</b>	<b>20 581</b>	-	<b>(7 700)</b>	<b>12 881</b>	<b>8 575</b>	<b>4 306</b>	<b>66,6%</b>	<b>29 716</b>	<b>14 544</b>
Machinery and equipment	10 388	3 949	(7 700)	6 637	5 819	818	87,7%	14 951	9 542
Transport equipment	2 500	-	(1 700)	800	741	59	92,6%	2 327	-
Other machinery and equipment	7 888	3 949	(6 000)	5 837	5 078	759	87,0%	12 624	9 542
Intangible assets	10 193	(3 949)	-	6 244	2 756	3 488	44,1%	14 765	5 002
<b>Payments for financial assets</b>	-	<b>61</b>	-	<b>61</b>	<b>61</b>	-	<b>100,0%</b>	<b>68</b>	<b>68</b>
<b>Total</b>	<b>272 974</b>	-	<b>(15 543)</b>	<b>257 431</b>	<b>228 371</b>	<b>29 060</b>	<b>88,7%</b>	<b>260 262</b>	<b>215 901</b>

1.1 MINISTRY	2021/22						2020/21		
	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
<b>Current payments</b>	<b>6 627</b>	-	-	<b>6 627</b>	<b>4 444</b>	<b>2 183</b>	<b>67,1%</b>	<b>6 588</b>	<b>4 215</b>
Compensation of employees	6 627	-	-	6 627	4 444	2 183	67,1%	6 588	4 215
<b>Total</b>	<b>6 627</b>	-	-	<b>6 627</b>	<b>4 444</b>	<b>2 183</b>	<b>67,1%</b>	<b>6 588</b>	<b>4 215</b>

1.2 DEPARTMENTAL MANAGEMENT	2021/22						2020/21		
	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
<b>Current payments</b>	<b>65 783</b>	<b>(7 217)</b>	<b>(3 140)</b>	<b>55 426</b>	<b>41 243</b>	<b>14 183</b>	<b>74,4%</b>	<b>46 111</b>	<b>38 527</b>
Compensation of employees	41 341	(2 476)	(1 540)	37 325	28 859	8 466	77,3%	36 609	29 654
Goods and services	24 442	(4 741)	(1 600)	18 101	12 384	5 717	68,4%	9 502	8 873
<b>Transfers and subsidies</b>	<b>100</b>	<b>443</b>	<b>(3)</b>	<b>540</b>	<b>449</b>	<b>91</b>	<b>83,1%</b>	<b>248</b>	<b>248</b>
Provinces and municipalities	100	(1)	(3)	96	5	91	5,2%	-	-
Households	-	444	-	444	444	-	100,0%	248	248
<b>Payments for capital assets</b>	<b>256</b>	<b>213</b>	<b>-</b>	<b>469</b>	<b>469</b>	<b>-</b>	<b>100,0%</b>	<b>1 070</b>	<b>477</b>
Machinery and equipment	256	213	-	469	469	-	100,0%	1 070	477
<b>Total</b>	<b>66 139</b>	<b>(6 561)</b>	<b>(3 143)</b>	<b>56 435</b>	<b>42 161</b>	<b>14 274</b>	<b>74,7%</b>	<b>47 429</b>	<b>39 252</b>

1.3 INTERNAL AUDIT	2021/22							2020/21	
	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
<b>Current payments</b>	<b>9 957</b>	<b>27</b>	<b>(2 700)</b>	<b>7 284</b>	<b>6 299</b>	<b>985</b>	<b>86,5%</b>	<b>8 950</b>	<b>6 433</b>
Compensation of employees	5 657	90	-	5 747	5 747	-	100,0%	6 115	6 115
Goods and services	4 300	(63)	(2 700)	1 537	552	985	35,9%	2 835	318
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>63</b>	<b>-</b>	<b>63</b>	<b>63</b>	<b>-</b>	<b>100,0%</b>	<b>4</b>	<b>4</b>
Households	-	63	-	63	63	-	100,0%	4	4
<b>Payments for capital assets</b>	<b>276</b>	<b>-</b>	<b>-</b>	<b>276</b>	<b>-</b>	<b>276</b>	<b>-</b>	<b>208</b>	<b>208</b>
Buildings and other fixed structures	172	-	-	172	-	172	-	-	-
Machinery and equipment	104	-	-	104	-	104	-	208	208
Intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>10 233</b>	<b>90</b>	<b>(2 700)</b>	<b>7 623</b>	<b>6 362</b>	<b>1 261</b>	<b>83,5%</b>	<b>9 162</b>	<b>6 645</b>

1.4 CORPORATE SERVICES	2021/22							2020/21	
	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
<b>Current payments</b>	<b>83 679</b>	<b>5 524</b>	<b>(2 000)</b>	<b>87 203</b>	<b>87 203</b>	-	<b>100,0%</b>	<b>83 393</b>	<b>69 944</b>
Compensation of employees	53 522	2 386	-	55 908	55 908	-	100,0%	57 202	54 660
Goods and services	30 157	3 138	(2 000)	31 295	31 295	-	100,0%	26 191	15 284
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>1 160</b>	<b>-</b>	<b>1 160</b>	<b>1 160</b>	<b>-</b>	<b>100,0%</b>	<b>4 227</b>	<b>4 227</b>
Provinces and municipalities	-	1	-	1	1	-	100,0%	-	-
Households	-	1 159	-	1 159	1 159	-	100,0%	4 227	4 227
<b>Payments for capital assets</b>	<b>10 749</b>	<b>-</b>	<b>-</b>	<b>10 749</b>	<b>7 365</b>	<b>3 384</b>	<b>68,5%</b>	<b>14 611</b>	<b>4 720</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	660	3 949	-	4 609	4 609	-	100,0%	550	422
Intangible assets	10 089	(3 949)	-	6 140	2 756	3 384	44,9%	14 061	4 298
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>94 428</b>	<b>6 684</b>	<b>(2 000)</b>	<b>99 112</b>	<b>95 728</b>	<b>3 384</b>	<b>96,6%</b>	<b>102 231</b>	<b>78 891</b>

1.5 FINANCIAL MANAGEMENT	2021/22							2020/21	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>52 212</b>	<b>(125)</b>	-	<b>52 087</b>	<b>47 694</b>	<b>4 393</b>	<b>91,6%</b>	<b>49 714</b>	<b>48 839</b>
Compensation of employees	31 443	-	-	31 443	28 952	2 491	92,1%	30 874	29 999
Goods and services	20 769	(125)	-	20 644	18 742	1 902	90,8%	18 840	18 840
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>25</b>	<b>64</b>	-	<b>89</b>	<b>71</b>	<b>18</b>	<b>79,8%</b>	<b>133</b>	<b>133</b>
Provinces and municipalities	25	-	-	25	7	18	28,0%	19	19
Households	-	64	-	64	64	-	100,0%	114	114
<b>Payments for capital assets</b>	<b>9 300</b>	<b>(213)</b>	<b>(7 700)</b>	<b>1 387</b>	<b>741</b>	<b>646</b>	<b>53,4%</b>	<b>13 827</b>	<b>9 139</b>
Buildings and other fixed structures									
Machinery and equipment	9 300	(213)	(7 700)	1 387	741	646	53,4%	13 331	8 643
Intangible assets	-	-	-	-	-	-	-	496	496
<b>Payments for financial assets</b>	<b>61 537</b>	<b>(213)</b>	<b>(7 700)</b>	<b>53 624</b>	<b>48 567</b>	<b>5 057</b>	<b>100,0%</b>	<b>63 742</b>	<b>68</b>
<b>Total</b>	<b>61 537</b>	<b>(213)</b>	<b>(7 700)</b>	<b>53 624</b>	<b>48 567</b>	<b>5 057</b>	<b>90,6%</b>	<b>63 742</b>	<b>58 179</b>

1.6 OFFICE ACCOMMODATION	2021/22							2020/21	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>34 010</b>	-	-	<b>34 010</b>	<b>31 109</b>	<b>2 901</b>	<b>91,5%</b>	<b>31 110</b>	<b>28 719</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	34 010	-	-	34 010	31 109	2 901	91,5%	31 110	28 719
<b>Total</b>	<b>34 010</b>	-	-	<b>34 010</b>	<b>31 109</b>	<b>2 901</b>	<b>91,5%</b>	<b>31 110</b>	<b>28 719</b>

Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
Sub programme	2021/22					2020/21			
	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
1. PROGRAMME MANAGEMENT FOR INTERNATIONAL RELATIONS AND AFFAIRS	2 670	684	24	3 378	2 741	637	81,1%	2 533	2 258
2. INTERNATIONAL AFFAIRS	12 777	(1 924)	-	10 853	9 676	1 177	89,2%	9 212	8 216
3. ICT TRADE/ PARTNERSHIP	41 052	1 240	2 361	44 653	42 148	2 505	94,4%	51 369	50 976
<b>Total for sub programmes</b>	<b>56 499</b>	<b>-</b>	<b>2 385</b>	<b>58 884</b>	<b>54 565</b>	<b>4 319</b>	<b>92,7%</b>	<b>63 114</b>	<b>61 450</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>23 616</b>	<b>(8)</b>	<b>2 385</b>	<b>25 993</b>	<b>22 508</b>	<b>3 485</b>	<b>86,6%</b>	<b>23 046</b>	<b>21 988</b>
Compensation of employees	17 111	-	2 385	19 496	19 496	-	100,0%	20 130	20 130
Salaries and wages	13 758	1 480	2 361	17 599	17 599	-	100,0%	18 333	18 333
Social contributions	3 353	(1 480)	24	1 897	1 897	-	100,0%	1 797	1 797
Goods and services	6 505	(8)	-	6 497	3 012	3 485	46,4%	2 916	1 858
Administrative fees	217	-	-	217	13	204	6,0%	213	34
Advertising	20	344	-	364	344	20	94,5%	438	417
Minor assets	156	(62)	-	94	1	93	1,1%	114	-
Bursaries: Employees	180	-	-	180	-	180	-	130	12
Catering: Departmental activities	140	-	-	140	6	134	4,3%	36	-

	Programme 2: INTERNATIONAL AFFAIRS AND TRADE									
	2021/22					2020/21				
	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	R'000	
Communication	190	143	-	333	300	33	90,1%	333	293	
Consultants: Business and advisory services	-	1 241	-	1 241	1 241	-	100,0%	-	-	
Legal services	-	-	-	-	-	-	-	15	15	
Contractors	576	-	-	576	26	550	4,5%	76	59	
Entertainment	14	(6)	-	8	-	8	-	14	-	
Fleet services	10	-	-	10	-	10	-	10	-	
Consumable supplies	130	1	-	131	2	129	1,5%	30	-	
Consumable: Stationery, printing and office supplies	138	-	-	138	5	133	3,6%	50	-	
Operating leases	244	-	-	244	48	196	19,7%	250	28	
Travel and subsistence	2 848	(429)	-	2 419	816	1 603	33,7%	847	803	
Training and development	100	3	-	103	47	56	45,6%	160	-	
Operating payments	200	(4)	-	196	163	33	83,2%	-	-	
Venues and facilities	1 342	(1 239)	-	103	-	103	-	200	197	
<b>Transfers and subsidies</b>	<b>32 254</b>	<b>8</b>	-	<b>32 262</b>	<b>32 057</b>	<b>205</b>	<b>99,4%</b>	<b>39 462</b>	<b>39 462</b>	
Foreign governments and international organisations	32 254	-	-	32 254	32 049	205	99,4%	39 458	39 458	
Households	-	8	-	8	8	-	100,0%	4	4	



2.1 PROGRAMME MANAGEMENT FOR INTERNATIONAL RELATIONS AND AFFAIRS	2021/22							2020/21	
	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
<b>Current payments</b>	<b>2 620</b>	<b>682</b>	<b>24</b>	<b>3 326</b>	<b>2 739</b>	<b>587</b>	<b>82,4%</b>	<b>2 483</b>	<b>2 258</b>
Compensation of employees	1 888	684	24	2 596	2 596	-	100,0%	2 258	2 258
Goods and services	732	(2)	-	730	143	587	19,6%	225	-
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>
Households	-	2	-	2	2	-	100,0%	-	-
<b>Payments for capital assets</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>
Buildings and other fixed structures									
Machinery and equipment	50	-	-	50	-	50	-	50	-
<b>Total</b>	<b>2 670</b>	<b>684</b>	<b>24</b>	<b>3 378</b>	<b>2 741</b>	<b>637</b>	<b>81,1%</b>	<b>2 533</b>	<b>2 258</b>

2.2 INTERNATIONAL AFFAIRS	2021/22							2020/21	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>12 447</b>	<b>(1 928)</b>	-	<b>10 519</b>	<b>9 672</b>	<b>847</b>	<b>91,9%</b>	<b>8 888</b>	<b>8 212</b>
Compensation of employees	10 015	(1 924)	-	8 091	8 091	-	100,0%	7 867	7 867
Goods and services	2 432	(4)	-	2 428	1 581	847	65,1%	1 021	345
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>4</b>	-	<b>4</b>	<b>4</b>	<b>-</b>	<b>100,0%</b>	<b>4</b>	<b>4</b>
Households	-	4	-	4	4	-	100,0%	4	4
<b>Payments for capital assets</b>	<b>330</b>	<b>-</b>	-	<b>330</b>	<b>-</b>	<b>330</b>	<b>-</b>	<b>320</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	330	-	-	330	-	330	-	320	-
<b>Total</b>	<b>12 777</b>	<b>(1 924)</b>	<b>-</b>	<b>10 853</b>	<b>9 676</b>	<b>1 177</b>	<b>89,2%</b>	<b>9 212</b>	<b>8 216</b>

2.3 ICT TRADE/PARTNERSHIP	2021/22							2020/21	
	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
<b>Current payments</b>	<b>8 549</b>	<b>1 238</b>	<b>2 361</b>	<b>12 148</b>	<b>10 097</b>	<b>2 051</b>	<b>83,1%</b>	<b>11 675</b>	<b>11 518</b>
Compensation of employees	5 208	1 240	2 361	8 809	8 809	-	100,0%	10 005	10 005
Goods and services	3 341	(2)	-	3 339	1 288	2 051	38,6%	1 670	1 513
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>32 254</b>	<b>2</b>	<b>-</b>	<b>32 256</b>	<b>32 051</b>	<b>205</b>	<b>99,4%</b>	<b>39 458</b>	<b>39 458</b>
Foreign governments and international organisations	32 254			32 254	32 049	205	99,4%	39 458	39 458
Households	-	2	-	2	2	-	100,0%	-	-
<b>Payments for capital assets</b>	<b>249</b>	<b>-</b>	<b>-</b>	<b>249</b>	<b>-</b>	<b>249</b>	<b>-</b>	<b>236</b>	<b>-</b>
Buildings and other fixed structures									
Machinery and equipment	249	-	-	249	-	249	-	236	-
<b>Total</b>	<b>41 052</b>	<b>1 240</b>	<b>2 361</b>	<b>44 653</b>	<b>42 148</b>	<b>2 505</b>	<b>94,4%</b>	<b>51 369</b>	<b>50 976</b>

Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH									
	2021/22						2020/21		
	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
<b>Sub programme</b>									
1. PROGRAMME MANAGEMENT FOR POLICY DEVELOPMENT AND RESEARCH	1 188	64	-	1 252	713	539	56,9%	2 486	612
2. ICT POLICY DEVELOPMENT	14 012	193	(1 200)	13 005	8 147	4 858	62,6%	10 118	8 821
3. ECONOMIC AND MARKET ANALYSIS	5 573	(182)	-	5 391	2 198	3 193	40,8%	5 168	3 165
4. RESEARCH	8 869	57	-	8 926	4 701	4 225	52,7%	7 462	4 743
5. SMALL MEDIUM AND MICRO ENTERPRISE DEVELOPMENT	1 775	(1 000)	-	775	-	775	-	4 929	4 278
6. BROADCASTING POLICY	10 166	4 706	-	14 872	12 650	2 222	85,1%	5 792	5 453
7. PRESIDENTIAL COMMISSION 4IR	9 590	(3 838)	-	5 752	1 177	4 575	20,5%	16 413	8 995
<b>Total for sub programmes</b>	<b>51 173</b>	<b>-</b>	<b>(1 200)</b>	<b>49 973</b>	<b>29 586</b>	<b>20 387</b>	<b>59,2%</b>	<b>52 368</b>	<b>36 067</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>51 033</b>	<b>(120)</b>	<b>(1 200)</b>	<b>49 713</b>	<b>29 466</b>	<b>20 247</b>	<b>59,3%</b>	<b>51 452</b>	<b>35 490</b>
Compensation of employees	28 427	-	-	28 427	27 812	615	97,8%	36 315	33 055
Salaries and wages	23 108	2 582	-	25 690	25 075	615	97,6%	32 799	29 736
Social contributions	5 319	(2 582)	-	2 737	2 737	-	100,0%	3 516	3 319
Goods and services	22 606	(120)	(1 200)	21 286	1 654	19 632	7,8%	15 137	2 435
Administrative fees	301	-	-	301	32	269	10,6%	272	17
Advertising	668	130	-	798	154	644	19,3%	859	539

Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH											
	2021/22						2020/21				
	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		
Minor assets	840	-	-	840	-	840	-	356	-		
Audit costs: External	-	-	-	-	-	-	-	-	-		
Bursaries: Employees	397	(52)	-	345	5	340	1,4%	255	101		
Catering: Departmental activities	444	4	-	448	8	440	1,8%	142	38		
Communication	783	224	-	1 007	497	510	49,4%	806	588		
Computer services	147	-	-	147	147	-	100,0%	147	147		
Consultants: Business and advisory services	10 579	(131)	(700)	9 748	-	9 748	-	8 155	170		
Legal services	350	(350)	-	-	-	-	-	-	-		
Contractors	8	1	-	9	9	-	100,0%	100	36		
Agency and support / outsourced services	828	-	-	828	-	828	-	32	-		
Entertainment	73	(3)	-	70	-	70	-	33	-		
Inventory: Materials and supplies	-	-	-	-	-	-	-	342	342		
Consumable supplies	66	-	-	66	-	66	-	24	2		
Consumable: Stationery, printing and office supplies	457	-	-	457	2	455	0,4%	281	-		
Operating leases	82	10	-	92	15	77	16,3%	75	40		
Travel and subsistence	4 625	(7)	(500)	4 118	554	3 564	13,5%	2 204	334		
Training and development	725	46	-	771	223	548	28,9%	422	7		



3.1 PROGRAMME MANAGEMENT FOR POLICY DEVELOPMENT AND RESEARCH	2021/22							2020/21	
	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
<b>Current payments</b>	<b>1 188</b>	<b>64</b>	<b>-</b>	<b>1 252</b>	<b>713</b>	<b>539</b>	<b>56,9%</b>	<b>2 486</b>	<b>612</b>
Compensation of employees	563	64	-	627	627	-	100,0%	2 028	601
Goods and services	625	-	-	625	86	539	13,8%	458	11
Interest and rent on land									
<b>Total</b>	<b>1 188</b>	<b>64</b>	<b>-</b>	<b>1 252</b>	<b>713</b>	<b>539</b>	<b>56,9%</b>	<b>2 486</b>	<b>612</b>

3.2 ICT POLICY DEVELOPMENT	2021/22							2020/21	
	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
<b>Current payments</b>	<b>13 922</b>	<b>193</b>	<b>(1 200)</b>	<b>12 915</b>	<b>8 147</b>	<b>4 768</b>	<b>63,1%</b>	<b>10 024</b>	<b>8 819</b>
Compensation of employees	7 831	193	-	8 024	8 024	-	100,0%	8 245	8 245
Goods and services	6 091	-	(1 200)	4 891	123	4 768	2,5%	1 779	574
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
Households	-	-	-	-	-	-	-	2	2
<b>Payments for capital assets</b>	<b>90</b>	<b>-</b>	<b>-</b>	<b>90</b>	<b>-</b>	<b>90</b>	<b>-</b>	<b>92</b>	<b>-</b>
Machinery and equipment	90	-	-	90	-	90	-	92	-
<b>Total</b>	<b>14 012</b>	<b>193</b>	<b>(1 200)</b>	<b>13 005</b>	<b>8 147</b>	<b>4 858</b>	<b>62,6%</b>	<b>10 118</b>	<b>8 821</b>

3.3 ECONOMIC MARKET AND ANALYSIS	2021/22							2020/21	
	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
<b>Current payments</b>	<b>5 573</b>	<b>(184)</b>	-	<b>5 389</b>	<b>2 196</b>	<b>3 193</b>	<b>40,7%</b>	<b>5 168</b>	<b>3 165</b>
Compensation of employees	2 356	(182)	-	2 174	2 147	27	98,8%	3 366	3 101
Goods and services	3 217	(2)	-	3 215	49	3 166	1,5%	1 802	64
<b>Transfers and subsidies</b>	-	<b>2</b>	-	<b>2</b>	<b>2</b>	-	<b>100,0%</b>	-	-
Households	-	2	-	2	2	-	100,0%	-	-
<b>Total</b>	<b>5 573</b>	<b>(182)</b>	-	<b>5 391</b>	<b>2 198</b>	<b>3 193</b>	<b>40,8%</b>	<b>5 168</b>	<b>3 165</b>

3.4 RESEARCH	2021/22							2020/21	
	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
<b>Current payments</b>	<b>8 819</b>	<b>57</b>	-	<b>8 876</b>	<b>4 701</b>	<b>4 175</b>	<b>53,0%</b>	<b>7 253</b>	<b>4 743</b>
Compensation of employees	4 075	57	-	4 132	4 132	-	100,0%	5 377	3 921
Goods and services	4 744	-	-	4 744	569	4 175	12,0%	1 876	822
<b>Payments for capital assets</b>	<b>50</b>	-	-	<b>50</b>	-	<b>50</b>	-	<b>209</b>	-
Buildings and other fixed structures									
Machinery and equipment	50	-	-	50	-	50	-	209	-
<b>Total</b>	<b>8 869</b>	<b>57</b>	-	<b>8 926</b>	<b>4 701</b>	<b>4 225</b>	<b>52,7%</b>	<b>7 462</b>	<b>4 743</b>

3.5 SMALL MEDIUM AND MICRO ENTERPRISE DEVELOPMENT	2021/22							2020/21	
	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
<b>Current payments</b>	<b>1 775</b>	<b>(1 000)</b>	-	<b>775</b>	-	<b>775</b>	-	<b>4 869</b>	<b>4 256</b>
Compensation of employees	1 200	(1 000)	-	200	-	200	-	4 070	4 070
Goods and services	575	-	-	575	-	575	-	799	186
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>60</b>	<b>22</b>
Machinery and equipment	-	-	-	-	-	-	-	60	22
<b>Total</b>	<b>1 775</b>	<b>(1 000)</b>	-	<b>775</b>	-	<b>775</b>	-	<b>4 929</b>	<b>4 278</b>

3.6 BROADCASTING POLICY	2021/22										2020/21	
	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	R'000	R'000	
<b>Economic classification</b>												
<b>Current payments</b>	<b>10 166</b>	<b>4 588</b>	-	<b>14 754</b>	<b>12 532</b>	<b>2 222</b>	<b>84,9%</b>	<b>5 239</b>	<b>4 900</b>			
Compensation of employees	7 012	4 706	-	11 718	11 718	-	100,0%	4 316	4 204			
Goods and services	3 154	(118)	-	3 036	814	2 222	26,8%	923	696			
Interest and rent on land	-	-	-	-	-	-	-	-	-			
<b>Transfers and subsidies</b>	<b>-</b>	<b>118</b>	-	<b>118</b>	<b>118</b>	<b>-</b>	<b>100,0%</b>	<b>553</b>	<b>553</b>			
Households	-	118	-	118	118	-	100,0%	553	553			
<b>Total</b>	<b>10 166</b>	<b>4 706</b>	-	<b>14 872</b>	<b>12 650</b>	<b>2 222</b>	<b>85,1%</b>	<b>5 792</b>	<b>5 453</b>			

3.7 PRESIDENTIAL COMMISSION 4IR	2021/22										2020/21		
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>9 590</b>	<b>(3 838)</b>	<b>-</b>	<b>5 752</b>	<b>1 177</b>	<b>4 575</b>	<b>20,5%</b>	<b>16 413</b>	<b>8 995</b>	<b>8 995</b>	<b>16 413</b>	<b>8 995</b>	<b>8 995</b>
Compensation of employees	5 390	(3 838)	-	1 552	1 164	388	75,0%	8 913	8 913	8 913	8 913	8 913	8 913
Goods and services	4 200	-	-	4 200	13	4 187	0,3%	7 500	82	82	7 500	82	82
Interest and rent on land													
<b>Total</b>	<b>9 590</b>	<b>(3 838)</b>	<b>-</b>	<b>5 752</b>	<b>1 177</b>	<b>4 575</b>	<b>20,5%</b>	<b>16 413</b>	<b>8 995</b>	<b>8 995</b>	<b>16 413</b>	<b>8 995</b>	<b>8 995</b>

Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT											
Sub programme	2021/22						2020/21				
	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	R'000	R'000
1. PROGRAMME MANAGEMENT FOR ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	3 606	81	(401)	3 286	3 162	124	96,2%	3 084	3 084		
2. REGULATORY INSTITUTIONS	567 344	(466)	(1 482)	565 396	562 222	3 174	99,4%	647 619	645 754		
3. UNIVERSAL SERVICES AND ACCESS	988 821	(306)	21 538	1 010 053	1 009 230	823	99,9%	1 041 780	1 037 682		
4. ICT SKILLS DEVELOPMENT	98 468	-	-	98 468	98 468	-	100,0%	97 448	97 448		
5. SOE GOVERNANCE AND SUPPORT	5 300	691	-	5 991	5 778	213	96,4%	-	-		
<b>Total for sub programmes</b>	<b>1 663 539</b>	<b>-</b>	<b>19 655</b>	<b>1 683 194</b>	<b>1 678 860</b>	<b>4 334</b>	<b>99,7%</b>	<b>1 789 931</b>	<b>1 783 968</b>		
<b>Economic classification</b>											
<b>Current payments</b>	<b>33 574</b>	<b>(4)</b>	<b>(3 832)</b>	<b>29 738</b>	<b>25 871</b>	<b>3 867</b>	<b>87,0%</b>	<b>25 342</b>	<b>19 884</b>		
Compensation of employees	27 848	-	(845)	27 003	23 182	3 821	85,8%	23 708	18 250		
Salaries and wages	24 696	132	(821)	24 007	20 758	3 249	86,5%	20 882	16 261		
Social contributions	3 152	(132)	(24)	2 996	2 424	572	80,9%	2 826	1 990		
Goods and services	5 726	(4)	(2 987)	2 735	2 689	46	98,3%	1 634	1 634		
Administrative fees	238	(177)	(61)	-	-	-	-	6	6		
Advertising	-	1 246	-	1 246	1 246	-	100,0%	-	-		
Minor assets	62	(45)	(17)	-	-	-	-	-	-		

	2021/22							2020/21	
	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
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	315	153	(7)	461	461	-	100,0%	34	34
Catering: Departmental activities	176	(72)	(101)	3	3	-	100,0%	-	-
Communication	732	153	(182)	703	659	44	93,7%	427	427
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	1 141	(141)	(1 000)	-	-	-	-	957	957
Contractors	-	10	-	10	10	-	100,0%	4	4
Agency and support / outsourced services	137	(137)	-	-	-	-	-	-	-
Entertainment	13	(4)	(8)	1	-	1	-	-	-
Consumable supplies	48	(46)	-	2	2	-	100,0%	-	-
Consumable: Stationery, printing and office supplies	479	(242)	(199)	38	38	-	100,0%	-	-
Operating leases	90	76	(109)	57	57	-	100,0%	69	69
Travel and subsistence	1 847	(586)	(1 173)	88	87	1	98,9%	116	116
Training and development	284	(121)	(62)	101	101	-	100,0%	13	13
Operating payments	128	(71)	(32)	25	25	-	100,0%	8	8
Rental and hiring	36	-	(36)	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 629 498</b>	<b>4</b>	<b>23 487</b>	<b>1 652 989</b>	<b>1 652 989</b>	<b>-</b>	<b>100,0%</b>	<b>1 764 084</b>	<b>1 764 084</b>

Programme 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT									
	2021/22					2020/21			
	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
Departmental agencies and accounts	900 615	-	-	900 615	900 615	-	100,0%	1 066 234	1 066 234
Departmental agencies	900 615	-	-	900 615	900 615	-	100,0%	1 066 234	1 066 234
Public corporations and private enterprises	728 883	-	23 487	752 370	752 370	-	100,0%	697 848	697 848
Public corporations	728 883	-	23 487	752 370	752 370	-	100,0%	697 848	697 848
Other transfers to public corporations	728 883	-	23 487	752 370	752 370	-	100,0%	697 848	697 848
Households	-	4	-	4	4	-	100,0%	2	2
Other transfers to households	-	4	-	4	4	-	100,0%	2	2
<b>Payments for capital assets</b>	<b>467</b>	-	-	<b>467</b>	-	<b>467</b>	-	<b>505</b>	-
Machinery and equipment	467	-	-	467	-	467	-	505	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	467	-	-	467	-	467	-	505	-
<b>Total</b>	<b>1 663 539</b>	<b>-</b>	<b>19 655</b>	<b>1 683 194</b>	<b>1 678 860</b>	<b>4 334</b>	<b>99,7%</b>	<b>1 789 931</b>	<b>1 783 968</b>

4.1 PROGRAMME MANAGEMENT FOR ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	2021/22							2020/21	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>3 528</b>	<b>81</b>	<b>(401)</b>	<b>3 208</b>	<b>3 162</b>	<b>46</b>	<b>98,6%</b>	<b>3 084</b>	<b>3 084</b>
Compensation of employees	3 002	122	-	3 124	3 124	-	100,0%	2 970	2 970
Goods and services	526	(41)	(401)	84	38	46	45,2%	114	114
<b>Payments for capital assets</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>-</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	78	-	-	78	-	78	-	-	-
<b>Total</b>	<b>3 606</b>	<b>81</b>	<b>(401)</b>	<b>3 286</b>	<b>3 162</b>	<b>124</b>	<b>96,2%</b>	<b>3 084</b>	<b>3 084</b>

4.2 REGULATORY INSTITUTIONS	2021/22							2020/21	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>6 417</b>	<b>(466)</b>	<b>(1 482)</b>	<b>4 469</b>	<b>1 295</b>	<b>3 174</b>	<b>29,0%</b>	<b>3 204</b>	<b>1 439</b>
Compensation of employees	5 383	(122)	(845)	4 416	1 242	3 174	28,1%	3 073	1 308
Goods and services	1 034	(344)	(637)	53	53	-	100,0%	131	131
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>560 927</b>	<b>-</b>	<b>-</b>	<b>560 927</b>	<b>560 927</b>	<b>-</b>	<b>100,0%</b>	<b>644 315</b>	<b>644 315</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	560 927	-	-	560 927	560 927	-	100,0%	644 315	644 315
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	100	-
<b>Total</b>	<b>567 344</b>	<b>(466)</b>	<b>(1 482)</b>	<b>565 396</b>	<b>562 222</b>	<b>3 174</b>	<b>99,4%</b>	<b>647 619</b>	<b>645 754</b>

4.3 UNIVERSAL SERVICES AND ACCESS	2021/22							2020/21	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>18 393</b>	<b>(310)</b>	<b>(1 949)</b>	<b>16 134</b>	<b>15 636</b>	<b>498</b>	<b>96,9%</b>	<b>19 054</b>	<b>15 361</b>
Compensation of employees	15 095	-	-	15 095	14 597	498	96,7%	17 665	13 972
Goods and services	3 298	(310)	(1 949)	1 039	1 039	-	100,0%	1 389	1 389
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>970 103</b>	<b>4</b>	<b>23 487</b>	<b>993 594</b>	<b>993 594</b>	<b>-</b>	<b>100,0%</b>	<b>1 022 321</b>	<b>1 022 321</b>
Provinces and municipalities									
Departmental agencies and accounts	241 220	-	-	241 220	241 220	-	100,0%	324 471	324 471
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises	728 883	-	23 487	752 370	752 370	-	100,0%	697 848	697 848
Non-profit institutions									
Households	-	4	-	4	4	-	100,0%	2	2
<b>Payments for capital assets</b>	<b>325</b>	<b>-</b>	<b>-</b>	<b>325</b>	<b>-</b>	<b>325</b>	<b>-</b>	<b>405</b>	<b>-</b>
Buildings and other fixed structures									
Machinery and equipment	325	-	-	325	-	325	-	405	-
<b>Total</b>	<b>988 821</b>	<b>(306)</b>	<b>21 538</b>	<b>1 010 053</b>	<b>1 009 230</b>	<b>823</b>	<b>99,9%</b>	<b>1 041 780</b>	<b>1 037 682</b>

4.4 ICT SKILLS DEVELOPMENT	2021/22							2020/21	
	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
<b>Current payments</b>									
Compensation of employees									
Goods and services									
Interest and rent on land									
<b>Transfers and subsidies</b>	<b>98 468</b>	-	-	<b>98 468</b>	<b>98 468</b>	-	<b>100,0%</b>	<b>97 448</b>	<b>97 448</b>
Provinces and municipalities									
Departmental agencies and accounts	98 468	-	-	98 468	98 468	-	100,0%	97 448	97 448
<b>Total</b>	<b>98 468</b>	-	-	<b>98 468</b>	<b>98 468</b>	-	<b>100,0%</b>	<b>97 448</b>	<b>97 448</b>

4.5 SOE GOVERNANCE AND SUPPORT	2021/22							2020/21	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 236</b>	<b>691</b>	-	<b>5 927</b>	<b>5 778</b>	<b>149</b>	<b>97,5%</b>	-	-
Compensation of employees	4 368	-	-	4 368	4 219	149	96,6%	-	-
Goods and services	868	691	-	1 559	1 559	-	100,0%	-	-
<b>Payments for capital assets</b>	<b>64</b>	-	-	<b>64</b>	-	<b>64</b>	-	-	-
Machinery and equipment	64	-	-	64	-	64	-	-	-
<b>Total</b>	<b>5 300</b>	<b>691</b>	-	<b>5 991</b>	<b>5 778</b>	<b>213</b>	<b>96,4%</b>	-	-

Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
	2021/22					2020/21			
	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
<b>Sub programme</b>									
1. PROGRAMME MANAGEMENT FOR ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	2 964	(697)	-	2 267	2 265	2	99,9%	2 165	2 150
2. BROADBAND	476 697	(4 489)	-	472 208	227 987	244 221	48,3%	227 446	226 929
3. ICT SUPPORT	11 376	(3 767)	-	7 609	7 558	51	99,3%	8 253	5 739
4. BROADCASTING DIGITAL MIGRATION	1 269 406	8 953	3	1 278 362	1 275 145	3 217	99,7%	801 990	782 597
<b>Total for sub programmes</b>	<b>1 760 443</b>	<b>-</b>	<b>3</b>	<b>1 760 446</b>	<b>1 512 955</b>	<b>247 491</b>	<b>85,9%</b>	<b>1 039 854</b>	<b>1 017 415</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>468 721</b>	<b>(161)</b>	<b>-</b>	<b>468 560</b>	<b>221 450</b>	<b>247 110</b>	<b>47,3%</b>	<b>274 242</b>	<b>252 102</b>
Compensation of employees	38 435	-	-	38 435	35 143	3 292	91,4%	39 481	34 867
Salaries and wages	34 743	218	-	34 961	31 693	3 268	90,7%	35 675	31 327
Social contributions	3 692	(218)	-	3 474	3 450	24	99,3%	3 806	3 540
Goods and services	430 286	(161)	-	430 125	186 307	243 818	43,3%	234 761	217 235
Administrative fees	824	(552)	-	272	145	127	53,3%	114	114
Advertising	6 525	9 097	-	15 622	15 616	6	100,0%	17 064	1 093
Minor assets	135	(133)	-	2	2	-	100,0%	193	-
Audit costs: External	1 500	(1 464)	-	36	36	-	100,0%	-	-
Bursaries: Employees	494	(309)	-	185	113	72	61,1%	39	39

	Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
	2021/22					2020/21				
	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		
Catering: Departmental activities	175	119	-	294	204	90	69,4%	353	247	
Communication	1 145	(365)	-	780	775	5	99,4%	794	794	
Computer services	197 823	(2 299)	-	195 524	160 421	35 103	82,0%	201 081	201 081	
Consultants: Business and advisory services	208 260	1 838	-	210 098	1 878	208 220	0,9%	7 961	7 961	
Legal services	150	(150)	-	-	-	-	-	-	-	
Contractors	2 398	(2 361)	-	37	37	-	100,0%	873	873	
Agency and support / outsourced services	-	81	-	81	81	-	100,0%	2 161	1 654	
Entertainment	104	(81)	-	23	-	23	-	-	-	
Fleet services	1 554	(1 236)	-	318	318	-	100,0%	124	124	
Consumable supplies	111	(9)	-	102	101	1	99,0%	1	1	
Consumable: Stationery, printing and office supplies	490	(362)	-	128	1	127	0,8%	176	-	
Operating leases	246	(244)	-	2	2	-	100,0%	34	34	
Travel and subsistence	5 913	(311)	-	5 602	5 602	-	100,0%	3 017	2 972	
Training and development	319	(213)	-	106	62	44	58,5%	65	65	
Operating payments	684	(449)	-	235	235	-	100,0%	41	41	
Venues and facilities	1 077	(875)	-	202	202	-	100,0%	628	100	
Rental and hiring	359	117	-	476	476	-	100,0%	42	42	

Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
		2021/22					2020/21		
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	R'000
<b>Transfers and subsidies</b>									
Provinces and municipalities	161	3	1 291 476	1 291 476	-	100,0%	765 255	765 255	
Municipalities	-	3	3	3	-	100,0%	-	-	
Municipal bank accounts	-	3	3	3	-	100,0%	-	-	
Municipal agencies and funds	-	3	3	3	-	100,0%	-	-	
Departmental agencies and accounts	-	-	-	-	-	-	-	-	
Social security funds	-	-	-	-	-	-	-	-	
Departmental agencies	1 121 566	-	1 121 566	1 121 566	-	100,0%	500 421	500 421	
Higher education institutions	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	
Public corporations and private enterprises	169 746	-	169 746	169 746	-	100,0%	264 630	264 630	
Public corporations	169 746	-	169 746	169 746	-	100,0%	264 630	264 630	
Subsidies on products and production	-	-	-	-	-	-	-	-	
Other transfers to public corporations	169 746	-	169 746	169 746	-	100,0%	264 630	264 630	
Households	161	-	161	161	-	100,0%	204	204	
Social benefits	159	-	159	159	-	100,0%	202	202	

Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT											
2021/22											2020/21
	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		R'000
Other transfers to households	-	2	-	2	2	-	100,0%	2	2		2
<b>Payments for capital assets</b>	<b>410</b>	<b>-</b>	<b>-</b>	<b>410</b>	<b>29</b>	<b>381</b>	<b>7,1%</b>	<b>357</b>	<b>58</b>		<b>58</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-		-
Machinery and equipment	410	-	-	410	29	381	7,1%	266	58		58
Other machinery and equipment	410	-	-	410	29	381	7,1%	266	58		58
Intangible assets	-	-	-	-	-	-	-	91	-		-
<b>Total</b>	<b>1 760 443</b>	<b>-</b>	<b>3</b>	<b>1 760 446</b>	<b>1 512 955</b>	<b>247 491</b>	<b>85,9%</b>	<b>1 039 854</b>	<b>1 017 415</b>		<b>1 017 415</b>

5.1	PROGRAMME MANAGEMENT FOR ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
	2021/22					2020/21				
Economic classification	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	
<b>Current payments</b>	<b>2 964</b>	<b>(697)</b>	-	<b>2 267</b>	<b>2 265</b>	<b>2</b>	<b>99,9%</b>	<b>2 165</b>	<b>2 150</b>	
Compensation of employees	2 152	51	-	2 203	2 203	-	100,0%	2 150	2 135	
Goods and services	812	(748)	-	64	62	2	96,9%	15	15	
Interest and rent on land										
<b>Total</b>	<b>2 964</b>	<b>(697)</b>	-	<b>2 267</b>	<b>2 265</b>	<b>2</b>	<b>99,9%</b>	<b>2 165</b>	<b>2 150</b>	

5.2 BROADBAND	2021/22										2020/21	
	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	R'000	R'000	
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	
<b>Current payments</b>	<b>428 087</b>	<b>(4 462)</b>	-	<b>423 625</b>	<b>179 785</b>	<b>243 840</b>	<b>42,4%</b>	<b>227 193</b>	<b>226 927</b>			
Compensation of employees	17 881	(51)	-	17 830	17 806	24	99,9%	17 424	17 158			
Goods and services	410 206	(4 411)	-	405 795	161 979	243 816	39,9%	209 769	209 769			
Interest and rent on land												
<b>Transfers and subsidies</b>	<b>48 200</b>	<b>2</b>	-	<b>48 202</b>	<b>48 202</b>	-	<b>100,0%</b>	<b>2</b>	<b>2</b>			
Provinces and municipalities												
Departmental agencies and accounts	48 200	-	-	48 200	48 200	-	100,0%	-	-			
Households	-	2	-	2	2	-	100,0%	2	2			
<b>Payments for capital assets</b>	<b>410</b>	<b>(29)</b>	-	<b>381</b>	-	<b>381</b>	-	<b>251</b>	-			
Buildings and other fixed structures												
Machinery and equipment	410	(29)	-	381	-	381	-	160	-			
<b>Total</b>	<b>476 697</b>	<b>(4 489)</b>	-	<b>472 208</b>	<b>227 987</b>	<b>244 221</b>	<b>48,3%</b>	<b>227 446</b>	<b>226 929</b>			

5.3 ICT SUPPORT	2021/22										2020/21	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>11 376</b>	<b>(3 767)</b>	-	<b>7 609</b>	<b>7 558</b>	<b>51</b>	<b>99,3%</b>	<b>8 195</b>	<b>5 681</b>	<b>5 681</b>	<b>5 681</b>	<b>5 681</b>
Compensation of employees	5 437	-	-	5 437	5 386	51	99,1%	6 222	5 263	5 263	5 263	5 263
Goods and services	5 939	(3 767)	-	2 172	2 172	-	100,0%	1 973	418	418	418	418
Households	-	-	-	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>58</b>
Machinery and equipment	-	-	-	-	-	-	-	58	58	58	58	58
<b>Total</b>	<b>11 376</b>	<b>(3 767)</b>	<b>-</b>	<b>7 609</b>	<b>7 558</b>	<b>51</b>	<b>99,3%</b>	<b>8 253</b>	<b>5 739</b>	<b>5 739</b>	<b>5 739</b>	<b>5 739</b>

5.4 BROADCASTING DIGITAL MIGRATION	2021/22						2020/21		
	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
<b>Current payments</b>	<b>26 294</b>	<b>8 765</b>	-	<b>35 059</b>	<b>31 842</b>	<b>3 217</b>	<b>90,8%</b>	<b>36 689</b>	<b>17 344</b>
Compensation of employees	12 965	-	-	12 965	9 748	3 217	75,2%	13 685	10 311
Goods and services	13 329	8 765	-	22 094	22 094	-	100,0%	23 004	7 033
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 243 112</b>	<b>159</b>	<b>3</b>	<b>1 243 274</b>	<b>1 243 274</b>	<b>-</b>	<b>100,0%</b>	<b>765 253</b>	<b>765 253</b>
Provinces and municipalities	-	-	3	3	3	-	100,0%	-	-
Departmental agencies and accounts	1 073 366	-	-	1 073 366	1 073 366	-	100,0%	500 421	500 421
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	169 746	-	-	169 746	169 746	-	100,0%	264 630	264 630
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	159	-	159	159	-	100,0%	202	202
<b>Payments for capital assets</b>	<b>-</b>	<b>29</b>	<b>-</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>100,0%</b>	<b>48</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	29	-	29	29	-	100,0%	48	-
<b>Total</b>	<b>1 269 406</b>	<b>8 953</b>	<b>3</b>	<b>1 278 362</b>	<b>1 275 145</b>	<b>3 217</b>	<b>99,7%</b>	<b>801 990</b>	<b>782 597</b>

Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT											
2021/22											2020/21
Sub programme	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	R'000	R'000
1. PROGRAMME MANAGEMENT FOR ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	2 708	285	-	2 993	2 572	421	85,9%	2 225	1 465		
2. INFORMATION SOCIETY DEVELOPMENT	67 272	4 583	(5 300)	66 555	59 112	7 443	88,8%	63 284	39 004		
3. CAPACITY DEVELOPMENT	9 848	(4 868)	-	4 980	3 443	1 537	69,1%	9 890	9 355		
<b>Total for sub programmes</b>	<b>79 828</b>	<b>-</b>	<b>(5 300)</b>	<b>74 528</b>	<b>65 127</b>	<b>9 401</b>	<b>87,4%</b>	<b>75 399</b>	<b>49 824</b>		
<b>Economic classification</b>											
<b>Current payments</b>	<b>79 249</b>	<b>(14)</b>	<b>(5 300)</b>	<b>73 935</b>	<b>65 001</b>	<b>8 934</b>	<b>87,9%</b>	<b>75 131</b>	<b>49 642</b>		
Compensation of employees	45 420	-	-	45 420	41 944	3 476	92,3%	45 181	39 692		
Salaries and wages	39 402	52	-	39 454	37 377	2 077	94,7%	38 276	35 263		
Social contributions	6 018	(52)	-	5 966	4 567	1 399	76,6%	6 905	4 430		
Goods and services	33 829	(14)	(5 300)	28 515	23 057	5 458	80,9%	29 950	9 950		
Administrative fees	367	(130)	(53)	184	184	-	100,0%	62	62		
Advertising	565	592	-	1 157	1 157	-	100,0%	133	133		
Minor assets	171	(136)	-	35	-	35	-	-	-		
Bursaries: Employees	879	(568)	(94)	217	137	80	63,1%	57	57		
Catering: Departmental activities	876	(646)	(30)	200	150	50	75,0%	28	28		
Communication	540	506	-	1 046	968	78	92,5%	858	858		

	Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT											
	2021/22						2020/21					
	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			
Computer services	50	(50)	-	-	-	-	-	11	11			
Consultants: Business and advisory services	19 710	6 595	(4 700)	21 605	16 568	5 037	76,7%	20 912	912			
Contractors	500	(449)	-	51	51	-	100,0%	22	22			
Agency and support / outsourced services	4 342	(4 342)	-	-	-	-	-	-	-			
Entertainment	26	(14)	(10)	2	-	2	-	-	-			
Consumable supplies	40	(29)	-	11	11	-	100,0%	7	7			
Consumable: Stationery, printing and office supplies	625	(512)	(70)	43	13	30	30,2%	-	-			
Operating leases	640	(440)	-	200	200	-	100,0%	334	334			
Travel and subsistence	3 259	(419)	(8)	2 832	2 686	146	94,8%	1 024	1 024			
Training and development	753	(265)	(235)	253	253	-	100,0%	5 996	5 996			
Operating payments	15	(14)	-	1	1	-	100,0%	-	-			
Venues and facilities	471	303	(100)	674	674	-	100,0%	498	498			
Rental and hiring	-	4	-	4	4	-	100,0%	8	8			
<b>Transfers and subsidies</b>	-	<b>14</b>	-	<b>14</b>	<b>14</b>	-	<b>100,0%</b>	<b>63</b>	<b>63</b>			
Households	-	14	-	14	14	-	100,0%	63	63			
Social benefits	-	-	-	-	-	-	-	57	57			
Other transfers to households	-	14	-	14	14	-	100,0%	6	6			

Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT											
2021/22						2020/21					
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			R'000
<b>579</b>	-	-	<b>579</b>	<b>112</b>	<b>467</b>	<b>19,3%</b>	<b>205</b>	<b>119</b>			
<b>Payments for capital assets</b>											
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	579	-	579	112	467	19,3%	205	119			
Transport equipment	-	-	-	-	-	-	-	-	-	-	-
Other machinery and equipment	579	-	579	112	467	19,3%	205	119			
<b>Total</b>	<b>79 828</b>	<b>-</b>	<b>74 528</b>	<b>65 127</b>	<b>9 401</b>	<b>87,4%</b>	<b>75 399</b>	<b>49 824</b>			

6.1 PROGRAMME MANAGEMENT FOR ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	2021/22							2020/21	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 708</b>	<b>285</b>	-	<b>2 993</b>	<b>2 572</b>	<b>421</b>	<b>85,9%</b>	<b>2 175</b>	<b>1 465</b>
Compensation of employees	1 888	285	-	2 173	2 173	-	100,0%	2 150	1 440
Goods and services	820	-	-	820	399	421	48,7%	25	25
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	<b>63</b>	<b>63</b>
Households	-	-	-	-	-	-	-	63	63
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>50</b>	-
Machinery and equipment	-	-	-	-	-	-	-	<b>50</b>	-
<b>Total</b>	<b>2 708</b>	<b>285</b>	-	<b>2 993</b>	<b>2 572</b>	<b>421</b>	<b>85,9%</b>	<b>2 225</b>	<b>1 465</b>

6.2 INFORMATION SOCIETY DEVELOPMENT	2021/22							2020/21	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>66 693</b>	<b>4 571</b>	<b>(5 300)</b>	<b>65 964</b>	<b>58 988</b>	<b>6 976</b>	<b>89,4%</b>	<b>63 066</b>	<b>38 822</b>
Compensation of employees	40 734	(894)	-	39 840	36 364	3 476	91,3%	39 826	35 582
Goods and services	25 959	5 465	(5 300)	26 124	22 624	3 500	86,6%	23 240	3 240
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>100,0%</b>	<b>63</b>	<b>63</b>
Households	-	12	-	12	12	-	100,0%	63	63
<b>Payments for capital assets</b>	<b>579</b>	<b>-</b>	<b>-</b>	<b>579</b>	<b>112</b>	<b>467</b>	<b>19,3%</b>	<b>155</b>	<b>119</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	579	-	-	579	112	467	19,3%	155	119
<b>Total</b>	<b>67 272</b>	<b>4 583</b>	<b>(5 300)</b>	<b>66 555</b>	<b>59 112</b>	<b>7 443</b>	<b>88,8%</b>	<b>63 284</b>	<b>39 004</b>

6.3 CAPACITY DEVELOPMENT	2021/22							2020/21	
	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
<b>Current payments</b>	<b>9 848</b>	<b>(4 870)</b>	-	<b>4 978</b>	<b>3 441</b>	<b>1 537</b>	<b>69,1%</b>	<b>9 890</b>	<b>9 355</b>
Compensation of employees	2 798	609	-	3 407	3 407	-	100,0%	3 205	2 670
Goods and services	7 050	(5 479)	-	1 571	34	1 537	2,2%	6 685	6 685
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>2</b>	-	<b>2</b>	<b>2</b>	-	<b>100,0%</b>	<b>-</b>	<b>-</b>
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	2	-	2	2	-	100,0%	-	-
<b>Total</b>	<b>9 848</b>	<b>(4 868)</b>	-	<b>4 980</b>	<b>3 443</b>	<b>1 537</b>	<b>69,1%</b>	<b>9 890</b>	<b>9 355</b>

**NOTES TO THE APPROPRIATION STATEMENTS**

**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 economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
<b>Programme 1: Administration</b>	<b>257 431</b>	<b>228 371</b>	<b>29 060</b>	<b>11%</b>
<ul style="list-style-type: none"> <li>• Underspending in compensation of employees as a result of unfilled posts within the branch. The process of finalizing and developing the organizational structure has commenced.</li> <li>• Underspending under Payment for Capital Assets, mainly under software is because the Integrated Workflow management system was not procured due to reasons stated by SITA for requirement to deviate from IFMS project. The digital migration project commenced during the financial year but was not finalized at year- end.</li> <li>• Underspending impacted by less travel in the Branch as most meetings were held virtually.</li> </ul>				
<b>Programme 2: International Affairs and Trade</b>	<b>58 884</b>	<b>54 565</b>	<b>4 319</b>	<b>7%</b>
<ul style="list-style-type: none"> <li>• Underspending under goods and services is mainly under travel and subsistence as it is impacted by virtual webinar instead of workshop.</li> </ul>				
<b>Programme 3: Policy Development and Research</b>	<b>49 973</b>	<b>29 586</b>	<b>20 387</b>	<b>41%</b>
<ul style="list-style-type: none"> <li>• Underspending in compensation of employees is as a result of unfilled posts within the branch. The process of finalizing and developing the organizational structure has commenced</li> <li>• Underspending on Goods and Services is due to delays in drafting Bills and Policies due to change in direction of the Department.</li> <li>• Underspending on Goods and Services as a result of work from home strategy which caused a slow spending on Travelling and Subsistence and Advertising costs</li> </ul>				
<b>Programme 4: ICT Enterprise development and Public entity oversight</b>	<b>1 683 194</b>	<b>1 678 860</b>	<b>4 334</b>	<b>0%</b>
<ul style="list-style-type: none"> <li>• Underspending under goods and services is due to delays in drafting of the Bills for the State Digital Infrastructure Company (SDIC) and the State Digital Services Company (SDSC). The rationalisation project in the Department has taken a different direction, the funds will no longer be spent on the service provider as planned since the project is now led by legal unit.</li> </ul>				

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
NOTES TO THE APPROPRIATION STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

<b>Programme 5: ICT Infrastructure Support</b>	<b>1 760 446</b>	<b>1 512 955</b>	<b>247 491</b>	<b>14%</b>
<ul style="list-style-type: none"> <li>Underspending under good and services is mainly due to R200 million appropriated during adjustment estimates for Presidential Employment Stimulus not spent as the process to appoint BBI as a designated fund manager, for the Broadband Access Fund for which the funds have been allocated was not concluded at the end of the current financial year. The roll over request was submitted to National Treasury in this regard. The department is yet to formalise the appointment in line with due governance process</li> <li>The underspending is also due to request for deviation submitted to National Treasury to appoint CSIR as a strategic partner for hosting the Cybersecurity hub, the response from National Treasury was received in the new financial year.</li> <li>The underspending on SA Connect Phase 1 was due to non-payment of services that did not meet the service Level Agreement (SLA) Performance requirements, in line with contractual agreement between DCDT and the implementing agencies.</li> </ul>				
<b>Programme 6: Information Society and Capacity Development</b>	<b>74 528</b>	<b>65 127</b>	<b>9 401</b>	<b>13%</b>
<ul style="list-style-type: none"> <li>Underspending in compensation of employees as a result of unfilled posts within the branch. The process of finalizing and developing the organizational structure has commenced.</li> <li>Underspending on Goods and Services is due to Underspending on Goods and Services is due to delays in outstanding invoices for the National e-Government Portal.</li> </ul>				

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>Current payments</b>				
Compensation of employees	295 831	271 487	24 344	8%
Goods and services	594 745	310 801	283 944	48%
<b>Transfers and subsidies</b>				
Provinces and municipalities	125	16	109	87%
Departmental agencies	2 022 181	2 022 181	0	0%
Public corporations and private enterprises	922 116	922 116	0	0%
Foreign governments and international organisations	32 254	32 049	205	1%
Households	2 037	2 037	0	0%
<b>Payments for capital assets</b>				
Machinery and equipment	8 862	5 960	2 902	33%
Software and other intangible assets	6 244	2 756	3 488	56%
<b>Payments for financial assets</b>	61	61	0	0%

- Underspending in compensation of employees is as a result of unfilled posts within the Department. The process of finalizing and developing the organizational structure has commenced.
- Underspending under good and services is mainly due to R200 million appropriated during adjustment estimates for Presidential Employment Stimulus not spent as the process to appoint BBI as a designated fund manager, for the Broadband Access Fund for which the funds have been allocated was not concluded at the end of the current financial year. The roll over request was submitted to National Treasury in this regard. The department is yet to formalise the appointment in line with due governance process.
- The underspending is also due to request for deviation submitted to National Treasury to appoint CSIR as a strategic partner for hosting the Cybersecurity hub, the response from National Treasury was received in the new financial year.
- Underspending under Payment for Capital Assets, mainly under software is because the Integrated Workflow management system was not procured due to reasons stated by SITA for requirement to deviate from IFMS project. The digital migration project commenced during the financial year but was not finalized at year- end.

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2022

**STATEMENT OF FINANCIAL PERFORMANCE**

	<i>Note</i>	<b>2021/22</b> <b>R'000</b>	<b>2020/21</b> <b>R'000</b>
<b>REVENUE</b>			
Annual appropriation	1	3 884 456	3 280 928
Departmental revenue	2	1 499	105 728
<b>TOTAL REVENUE</b>		<b>3 885 955</b>	<b>3 386 656</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	271 487	270 637
Goods and services	4	310 801	305 146
<b>Total current expenditure</b>		<b>582 288</b>	<b>575 783</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	6	2 978 399	2 574 031
<b>Total transfers and subsidies</b>		<b>2 978 399</b>	<b>2 574 031</b>
<b>Expenditure for capital assets</b>			
Tangible assets	7	5 960	9 741
Intangible assets	7	2 756	5 002
<b>Total expenditure for capital assets</b>		<b>8 716</b>	<b>14 743</b>
Unauthorised expenditure approved without funding	9		
<b>Payments for financial assets</b>	5	61	68
<b>TOTAL EXPENDITURE</b>		<b>3 569 464</b>	<b>3 164 625</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>316 491</b>	<b>222 031</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds			
Annual appropriation		314 992	116 303
Departmental revenue and NRF Receipts	16	1 499	105 728
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>316 491</b>	<b>222 031</b>

**STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<i>Note</i>	<b>2021/22</b> <b>R'000</b>	<b>2020/21</b> <b>R'000</b>
<b>Current assets</b>		<b>326 026</b>	<b>116 805</b>
Unauthorised expenditure	8	4 741	4 741
Cash and cash equivalents	9	299 694	69 802
Prepayments and advances	11	9 225	41 684
Receivables	12	12 366	578
<b>Non-current assets</b>		<b>14 818 019</b>	<b>11 617 995</b>
Investments	13	14 789 372	10 238 242
Receivables	12	1 156	1 132
Loans	14	27 391	1 378 521
Other financial assets	10	100	100
<b>TOTAL ASSETS</b>		<b>15 144 045</b>	<b>11 734 800</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>326 740</b>	<b>117 706</b>
Voted funds to be surrendered to the Revenue Fund	15	314 992	116 303
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	16	170	605
Payables	17	11 578	798
<b>TOTAL LIABILITIES</b>		<b>326 740</b>	<b>117 706</b>
<b>NET ASSETS</b>		<b>14 817 305</b>	<b>11 617 094</b>
<b>Represented by:</b>			
Capitalisation reserve		14 816 763	11 616 763
Recoverable revenue		542	331
<b>TOTAL</b>		<b>14 817 305</b>	<b>11 617 094</b>

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2022

**STATEMENT OF CHANGES IN NET ASSETS**

	<i>Note</i>	<b>2021/22</b>	<b>2020/21</b>
<b>NET ASSETS</b>		<b>R'000</b>	<b>R'000</b>
<b>Capitalisation Reserves</b>			
Opening balance		11 616 763	11 616 763
Transfers:			
Movement in Equity		3 200 000	-
Closing balance		<b>14 816 763</b>	<b>11 616 763</b>
<b>Recoverable revenue</b>			
Opening balance		331	374
Transfers:		211	(43)
Debts recovered (included in departmental receipts)		(177)	(228)
Debts raised		388	185
Closing balance		<b>542</b>	<b>331</b>
<b>TOTAL</b>		<b>14 817 305</b>	<b>11 617 094</b>

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

**CASH FLOW STATEMENT**

	<i>Note</i>	<b>2021/22</b>	<b>2020/21</b>
		<b>R'000</b>	<b>R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>3 885 717</b>	<b>3 282 258</b>
Annual appropriated funds received	1.1	3 884 456	3 280 928
Departmental revenue received	2	316	268
Interest received	2.3	945	1 062
Net (increase)/decrease in working capital		31 451	(35 103)
Surrendered to Revenue Fund		(118 237)	(210 730)
Current payments		(582 288)	(575 783)
Payments for financial assets		(61)	(68)
Transfers and subsidies paid		(2 978 399)	(2 574 031)
<b>Net cash flow available from operating activities</b>	<b>18</b>	<b>238 183</b>	<b>(113 457)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Distribution/dividend received		63	103 759
Payments for capital assets	7	(8 716)	(14 743)
Proceeds from sale of capital assets	2.3	175	639
(Increase)/decrease in loans		1 351 130	-
(Increase)/decrease in investments		(4 551 130)	-
(Increase)/decrease in non-current receivables	12	(24)	155
<b>Net cash flows from investing activities</b>		<b>(3 208 502)</b>	<b>89 810</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		3 200 211	(43)
<b>Net cash flows from financing activities</b>		<b>3 200 211</b>	<b>(43)</b>
Net increase/(decrease) in cash and cash equivalents		229 892	(23 690)
Cash and cash equivalents at beginning of period		69 802	93 492
<b>Cash and cash equivalents at end of period</b>	<b>19</b>	<b>299 694</b>	<b>69 802</b>

## 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 comprises 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.

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. Operating lease payments received are recognised as departmental revenue.

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

#### 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. Finance lease payments received are recognised as departmental revenue.

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.

**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.

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 after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is reduced 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 Department 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**

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. TRANSFER OF FUNCTIONS**

Transfer 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.

Transfer of functions are accounted for by the transferor by de-recognising 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 de-recognising or removing assets and liabilities at their carrying amounts at the date of the merger.

**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:

	2021/22			2020/21		
	Final Appropria- tion	Actual Funds Received	Funds not requested/ not received	Final Appropria- tion	Appropria- tion received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	
Administration	257 431	257 431	-	260 262	260 262	-
International Affairs and Trade	58 884	58 884	-	63 114	63 114	-
ICT Policy Development and Research	49 973	49 973	-	52 368	52 368	-
ICT Enterprise Development and public Entity oversight	1 683 194	1 683 194	-	1 789 931	1 789 931	-
ICT Infrastructure Development and Support	1 760 446	1 760 446	-	1 039 854	1 039 854	-
ICT Information Society and Capacity Development	74 528	74 528	-	75 399	75 399	-
<b>Total</b>	<b>3 884 456</b>	<b>3 884 456</b>	<b>-</b>	<b>3 280 928</b>	<b>3 280 928</b>	<b>-</b>

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

	Note	2021/22 R'000	2020/21 R'000
<b>2. Departmental revenue</b>			
Sales of goods and services other than capital assets	2.1	71	95
Interest, dividends and rent on land	2.2	1 008	104 821
Sales of capital assets	2.3	175	639
Transactions in financial assets and liabilities	2.4	245	173
Total revenue collected		<b>1 499</b>	<b>105 728</b>
<b>Departmental revenue collected</b>		<b>1 499</b>	<b>105 728</b>

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.

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
NOTES TO THE APPROPRIATION STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

	Note 2	2021/22 R'000	2020/21 R'000
<b>2.1 Sales of goods and services other than capital assets</b>			
Sales of goods and services produced by the Department		71	95
Sales by market establishment		67	71
Administrative fees		4	24
<b>Total</b>		<b>71</b>	<b>95</b>

	Note 2	2021/22 R'000	2020/21 R'000
<b>2.2 Interest, dividends and rent on land</b>			
Interest		945	1 062
Dividends		63	103 759
<b>Total</b>		<b>1 008</b>	<b>104 821</b>

The decrease 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.

	Note 2	2021/22 R'000	2020/21 R'000
<b>2.3 Sale of capital assets</b>			
<b>Tangible assets</b>		<b>175</b>	<b>639</b>
Machinery and equipment	30	175	639
<b>Total</b>		<b>175</b>	<b>639</b>

	Note 2	2021/22 R'000	2020/21 R'000
<b>2.4 Transactions in financial assets and liabilities</b>			
Other Receipts including Recoverable Revenue		245	173
<b>Total</b>		<b>245</b>	<b>173</b>

	Note	2021/22 R'000	2020/21 R'000
<b>2.4.1 Donations received in-kind (not included in the main note or sub note)</b>			
Cape Town Jazz festival		-	2 000
Sponsor to provide IOON developing post COVID-19 strategy		-	427
Provide Fibre infrastructure for Covid 19 priority sites		-	163
Offer to connect Critical health sales		-	603
Sponsorship for 4 <sup>th</sup> Africa regional preparatory meeting (WRC)		-	7 900
Grant offered to conduct the feasibility study on the SA Connect Phase II		-	50 000
Samsung A72 handset		9	-
20 Tablets to Schools/ Institutions		35	-
20 Laptops to Schools /Institutions		280	-
Digital skills for decent jobs for Youth in South Africa		1 060	-
Huawei P smart phone		12	-
Drums		4	-
<b>Total</b>		<b>1 400</b>	<b>61 093</b>

In the financial year 2020/21 the Department has received donations in kind in support of connectivity during covid 19 lockdown.

**2.5 Cash received not recognised (not included in the main note) - 2021/22**

Name of entity	Amount received R'000	Amount paid to the revenue fund R'000	Balance R'000
Independent Communications Authority of South Africa (Spectrum)	1 833 615	1 833 615	
Universal Services and Access Agency of SA (USAASA)	12 000	12 000	
<b>Total</b>	<b>1 845 615</b>	<b>1 845 615</b>	<b>-</b>

**Cash received not recognised (not included in the main note) - 2020/21**

Name of entity	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	-
<b>Total</b>	<b>1 504 914</b>	<b>1 504 914</b>	<b>-</b>

A total of R2,091 billion was received from ICASA during the 2021/22 financial year of which, the R1,833 billion was surrendered to the National Revenue Fund and R258 million was surrendered to SARS. 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. The department received R12 million from USAASA and it was paid over to National Revenue Fund.

**3. Compensation of employees**

<b>3.1 Salaries and Wages</b>	<i>Note</i>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Basic salary		178 081	180 134
Performance award		1 431	2 245
Service Based		393	153
Compensative/circumstantial		2 267	2 029
Periodic payments		234	1 025
Other non-pensionable allowances		60 433	56 042
<b>Total</b>		<b>242 839</b>	<b>241 628</b>

Underspending in compensation of employees as a result of unfilled posts within the Department. The process of finalizing and developing the organizational structure has commenced. The department may pay R6 059 million for pay progression in the financial year 2022/23.

3.2 Social contributions	Note	2021/22 R'000	2020/21 R'000
<b>Employer contributions</b>			
Pension		22 766	23 136
Medical		5 847	5 838
Bargaining council		35	35
<b>Total</b>		<b>28 648</b>	<b>29 009</b>
<b>Total compensation of employees</b>		<b>271 487</b>	<b>270 637</b>
Average number of employees		315	330

The average number of employee figure represent the total number of officials in service as at 31 March 2022, the decrease is due to natural attrition.

4. Goods and services	Note	2021/22 R'000	2020/21 R'000
Administrative fees		746	537
Advertising		19 694	4 080
Minor assets	4.1	11	239
Bursaries (employees)		1 292	567
Catering		838	637
Communication		6 294	5 994
Computer services	4.2	179 479	207 218
Consultants: Business and advisory services	4.9	21 360	12 054
Legal services		6 855	1 744
Contractors		1 110	2 523
Agency and support / outsourced services		81	1 654
Entertainment		2	-
Audit cost – external	4.3	6 347	5 955
Fleet services		1 665	1 329
Inventory	4.4	-	342
Consumables	4.5	1 956	1 230
Operating leases		26 273	26 056
Property payments	4.6	15 526	14 766
Rental and hiring		712	320
Travel and subsistence	4.7	17 339	10 305
Venues and facilities		984	854
Training and development		1 394	6 476
Other operating expenditure	4.8	843	266
<b>Total</b>		<b>310 801</b>	<b>305 146</b>

- The increase in Advertising is due to the Broadcasting Digital Migration project. A deadline for the completion of the BDM was determined to be 31st March 2022 and the Department had to elevate the marketing and advertising interventions of the programme towards supporting the analogue switching off of analogue transmitters across the country. This was also necessitated by the implementation of the reviewed model and plan approved by Cabinet in September 2021.
- The increase in consultants is due to E-government project hosted by SITA.
- The increase in Travel and Subsistence is due the increased volume of traveling is because of the Go Digital Migration Project (BDM).

COMMUNICATIONS AND DIGITAL TECHNOLOGIES:  
NOTES TO THE APPROPRIATION STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4.1 Minor assets	Note	2021/22 R'000	2020/21 R'000
	4		
<b>Tangible assets</b>			
Machinery and equipment		11	239
<b>Total</b>		<b>11</b>	<b>239</b>
<b>4.2 Computer services</b>			
	Note	2021/22 R'000	2020/21 R'000
	4		
SITA computer services		93 687	64 572
External computer service providers		85 792	142 646
<b>Total</b>		<b>179 479</b>	<b>207 218</b>

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

4.3 Audit cost – External	Note	2021/22 R'000	2020/21 R'000
	4		
Regularity audits		6 347	5 740
Investigations		-	206
Computer audits		-	9
<b>Total</b>		<b>6 347</b>	<b>5 955</b>

The expenditure for audit is a reflection of a concluded audit by the AGSA.

4.4 Inventory	Note	2021/22 R'000	2020/21 R'000
	4		
Materials and supplies		-	342
<b>Total</b>		<b>-</b>	<b>342</b>

4.5 Consumables	Note	2021/22 R'000	2020/21 R'000
	4		
Consumable supplies		256	304
Uniform and clothing		9	-
Household supplies		194	221
Building material and supplies		-	4
IT consumables		53	9
Other consumables		-	70
Stationery, printing and office supplies		1 700	926
<b>Total</b>		<b>1 956</b>	<b>1 230</b>

The increase in stationery is due to officials that are back in the office and utilizing the office supplies.

4.6 Property payments	Note	2021/22 R'000	2020/21 R'000
	4		
Municipal services		5 516	4 691
Property management fees		276	235
Property maintenance and repairs		4	637
Other		9 730	9 203
<b>Total</b>		<b>15 526</b>	<b>14 766</b>

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 increase is due to utilization of municipal services as the officials are back in the office.

4.7 Travel and subsistence	Note	2021/22 R'000	2020/21 R'000
	4		
Local		15 404	9 281
Foreign		1 935	1 024
<b>Total</b>		<b>17 339</b>	<b>10 305</b>

The increased volume of traveling is because of the Go Digital Migration Project (BDM).

4.8 Other operating expenditure	Note	2021/22 R'000	2020/21 R'000
	6		
Professional bodies, membership and subscription fees		93	121
Resettlement costs		20	-
Other		730	145
<b>Total</b>		<b>843</b>	<b>266</b>

The increase in other operating expenditure is due to staff back who are back at the office utilizing the courier and delivery services.

4.9 Remuneration of members of a commission or committee <i>(Included in Consultants: Business and advisory services)</i>	Note	2021/22 R'000	2020/21 R'000
	6		
<b>Name of Commission / Committee</b>	<b>No. of members</b>		
Audit Committee Members	4	879	-
<b>Total</b>		<b>879</b>	<b>-</b>

Payments for audit committee members were appointed under financial year under review.

<b>5. Payments for financial assets</b>		<b>2021/22</b>	<b>2020/21</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Other material losses written off	5.1		
Debts written off		61	68
<b>Total</b>		<b>61</b>	<b>68</b>
<b>5.1 Debts written off</b>		<b>2021/22</b>	<b>2020/21</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
<b>Recoverable revenue written off</b>			
SILD conference		-	35
<b>Total</b>		<b>-</b>	<b>35</b>
<b>Other debt written off</b>			
Damages		17	-
Loss laptop		14	-
Salary overpayment		9	33
Leave without pay		21	-
<b>Total</b>		<b>61</b>	<b>68</b>
<b>Total debt written off</b>		<b>61</b>	<b>68</b>
<b>6. Transfers and subsidies</b>		<b>2021/22</b>	<b>2020/21</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Provinces and municipalities	34	16	19
Departmental agencies and accounts	<i>Annexure 1B</i>	2 022 181	1 566 655
Foreign governments and international organisations	<i>Annexure 1C</i>	32 049	39 458
Public corporations and private enterprises	<i>Annexure 1D</i>	922 116	962 478
Households	<i>Annexure 1E</i>	2 037	5 421
<b>Total</b>		<b>2 978 399</b>	<b>2 574 031</b>

The transfer and subsidies are paid as per approved schedule of 2021/22 financial year, the increase is due to distribution costs to South African Post Office relating to the Broadcasting Digital Migration.

<b>7. Expenditure for capital assets</b>		<b>2021/22</b>	<b>2020/21</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>			
Machinery and equipment	31	5 960	9 741
<b>Intangible assets</b>			
Software	32	2 756	5 002
<b>Total</b>		<b>8 716</b>	<b>14 743</b>

In the financial year 2020/21 the Department has purchased more laptops for all employees and less laptop were purchased in the current financial year.

7.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>5 960</b>		<b>5 960</b>
Machinery and equipment	5 960		5 960
<b>Intangible assets</b>	<b>2 756</b>		<b>2 756</b>
Software	2 756		2 756
<b>Total</b>	<b>8 716</b>		<b>8 716</b>

7.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000		Total R'000
<b>Tangible assets</b>	<b>9 741</b>		<b>9 741</b>
Machinery and equipment	9 741		9 741
<b>Intangible assets</b>	<b>5 002</b>		<b>5 002</b>
Software	5 002		5 002
<b>Total</b>	<b>14 743</b>		<b>14 743</b>

7.2 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds R'000		Total R'000
<b>Tangible assets</b>	<b>9 741</b>		<b>9 741</b>
Machinery and equipment	9 741		9 741
<b>Intangible assets</b>	<b>5 002</b>		<b>5 002</b>
Software	5 002		5 002
<b>Total</b>	<b>14 743</b>		<b>14 743</b>

8. Unauthorised Expenditure

8.1 Reconciliation of unauthorised expenditure	Note	2021/22 R'000	2020/21 R'000
Opening balance		4 741	4 741
Prior period error			
As restated		4 741	4 741
<b>Closing balance</b>		<b>4 741</b>	<b>4 741</b>

**Analysis of closing balance**

Unauthorised expenditure awaiting authorisation		4 741	4 741
<b>Total</b>		<b>4 741</b>	<b>4 741</b>

8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2021/22 R'000	2020/21 R'000
Transfers and subsidies	4 741	4 741
<b>Total</b>	<b>4 741</b>	<b>4 741</b>

**8.2 Analysis of unauthorised expenditure awaiting authorisation per type**

	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	4 741	4 741
<b>Total</b>	<b><u>4 741</u></b>	<b><u>4 741</u></b>

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.

**9. Cash and cash equivalents**

	<b>Note</b>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Consolidated Paymaster General Account		299 930	100 549
Disbursements		(301)	(30 812)
Cash on hand		65	65
<b>Total</b>		<b><u>299 694</u></b>	<b><u>69 802</u></b>

All cash and cash equivalent balances held by the Department is available for use.

The Department does not have any amounts of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

**10. Other Financial Assets**

	<b>Note</b>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
<b>Non-current</b>			
<b>Local</b>			
Municipality deposit		100	100
<b>Total Non-current other financial assets</b>		<b><u>100</u></b>	<b><u>100</u></b>

Municipality deposit.

**11. Prepayments and advances**

	<b>Note</b>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Travel and subsistence		86	-
Advances paid (Not expensed)	11.1	9 139	41 684
<b>Total</b>		<b><u>9 225</u></b>	<b><u>41 684</u></b>

The Department made prepayments and advances to SITA, DIRCO and GCIS in the 2020/21 financial year. Invoices were received from SITA, DIRCO & GCIS and expensed in the current financial year. In the current year prepayment and advances made to staff are R86 thousand.

11.1 Advances paid (Not expensed)

	<i>Note</i>	Balance as at 1 April 2021 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 2022 R'000
National departments	11	21 684	(17 253)	(383)	1 659	5 707
Public entities		20 000	(16 568)	-	-	3 432
Other entities		-	-	-	-	-
<b>Total</b>		<b>41 684</b>	<b>(33 821)</b>	<b>(383)</b>	<b>1 659</b>	<b>9 139</b>

	<i>Note</i>	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
<b>Advances paid (Not expensed)</b>						
National departments		5 239	(4 239)	-	20 684	21 684
Public entities		858	(858)	-	20 000	20 000
<b>Total</b>		<b>6 097</b>	<b>(5 097)</b>	<b>-</b>	<b>40 684</b>	<b>41 684</b>

11.2 Advances paid (Expensed)

	<i>Note</i>	Amount as at 1 April 2021 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 2022 R'000
Public entities		105 381	(105 381)	-	-	-
<b>Total</b>		<b>105 381</b>	<b>(105 381)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Included in the above, is the advance expensed made to BBI.

	<i>Note</i>	Amount as at 1 April 2021 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 2022 R'000
Public entities		128 700	(125 319)	-	102 000	105 381
<b>Total</b>		<b>128 700</b>	<b>(125 319)</b>	<b>-</b>	<b>102 000</b>	<b>105 381</b>

Included in the above, is the advance expensed made to GCIS, SITA & BBI.

12. Receivables	Note	2021/22		2020/21		Total R'000
		Current R'000	Non-current R'000	Current R'000	Non-current R'000	
Claims recoverable	12.1	527	-	387	-	387
Recoverable expenditure	12.3	23	-	-	2	2
Staff debt	12.4	227	192	148	187	335
Other receivables	12.5	11 589	964	43	943	986
<b>Total</b>		<b>12 366</b>	<b>1 156</b>	<b>578</b>	<b>1 132</b>	<b>1 710</b>

The amount of R 11 Million is a result the loan repaid by SABC in contravention of section 30 of the Exchequer Act. The money was surrendered to National Revenue Fund and need to be claimed by the Department and returned to SABC.

	<i>Note</i>	<b>2021/22</b>	<b>2020/21</b>
		<b>R'000</b>	<b>R'000</b>
<b>12.1 Claims recoverable</b>	<b>12</b>		
National departments		212	387
Public entities		315	-
<b>Total</b>		<b>527</b>	<b>387</b>
<b>12.2 Recoverable expenditure (disallowance accounts)</b>	<b>12</b>		
Disallowance Damage and Losses		23	2
<b>Total</b>		<b>23</b>	<b>2</b>
<b>12.3 Staff debt</b>	<b>12</b>		
Debt Account		418	335
Salary tax debt		1	-
<b>Total</b>		<b>419</b>	<b>335</b>
<b>12.4 Other receivables</b>	<b>12</b>		
(Group major categories, but list material items)			
Ex-employees		465	358
Non-employees		-	116
Suppliers		631	512
National Treasury		11 457	-
<b>Total</b>		<b>12 553</b>	<b>986</b>
<b>12.5 Impairment of receivables</b>	<b>Note</b>		
		<b>R'000</b>	<b>R'000</b>
Estimate of impairment of receivables		1 023	1 047
<b>Total</b>		<b>1 023</b>	<b>1 047</b>
<b>13. Investments</b>	<b>Note</b>		
<b>Non-Current</b>		<b>R'000</b>	<b>R'000</b>
<b>Shares and other equity</b>			
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
Broadband Infracore		1 351 130	-
SABC		3 200 000	-
<b>Total non-current</b>		<b>14 789 372</b>	<b>10 238 242</b>
<b>Analysis of non-current investments</b>		<b>2021/22</b>	<b>2020/21</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		10 238 242	10 238 242
Additions in cash		4 551 130	-
<b>Closing balance</b>		<b>14 789 372</b>	<b>10 238 242</b>

The increase in investment was due to SABC R3.2 billion contingent assets & BBI loan of R1.351 billion converted into equity.

13.1 Impairment of investments	<i>Note</i>	2021/22 R'000	2020/21 R'000
Estimate of impairment of impairment			8 164 116
<b>Total</b>		<u>-</u>	<u>8 164 116</u>

This amount relates to an impairment of investment in the South African Post Office. The Net Asset Value as at 31 March 2021 was less than the investment amount. SAPO has been fully impaired due to the negative net assets value at SAPO at the end of financial year.

14. Loans	<i>Note</i>	2021/22 R'000	2020/21 R'000
Public corporations		27 391	1 378 521
<b>Total</b>		<u>27 391</u>	<u>1 378 521</u>
<b>Analysis of Balance</b>			
Opening balance		1 378 521	1 378 521
New Issues		(1 351 130)	-
Repayments		-	-
Write-offs		-	-
<b>Closing balance</b>		<u>27 391</u>	<u>1 378 521</u>

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 SABC loan is interest bearing. The Department has received the approval to convert the BBI loan amounting to R 1,351 Billion into equity, The shares certificate is issued.

15. Voted funds to be surrendered to the Revenue Fund	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance	16.2	116 303	105 144
Prior period error			
As restated		116 303	105 144
Transfer from statement of financial performance (as restated)		314 992	116 303
Paid during the year		(116 303)	(105 144)
<b>Closing balance</b>		<u>314 992</u>	<u>116 303</u>

The closing balance represents the savings in the end of financial year.

**16. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Opening balance		605	463
Prior period error	17.1		
As restated		605	463
Transfer from Statement of Financial Performance (as restated)		1 499	105 728
Paid during the year		(1 934)	(105 586)
<b>Closing balance</b>		<b><u>170</u></b>	<b><u>605</u></b>

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. National Treasury owes the Department R14 million, as the payment received from SABC was surrendered to National Revenue Fund and it was not supposed to, since the Exchequer Act section 30 is not repealed.

**17. Payables – current**

	<i>Note</i>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Clearing accounts	18.1	121	798
Other payables		11 457	
<b>Total</b>		<b><u>11 578</u></b>	<b><u>798</u></b>

**17.1 Clearing accounts**

	<i>Note</i>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Description	18		
Salary Pension		8	166
Salary income Tax		113	632
<b>Total</b>		<b><u>121</u></b>	<b><u>798</u></b>

**17.2 Other payables**

	<i>Note</i>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
SABC loan	18	11 457	-
<b>Total</b>		<b><u>11 457</u></b>	<b><u>-</u></b>

SABC has paid the amount of R14 million to the Department in contravention of section 30 of the Exchequer Act, in lieu of 3 Million of arrear interest owed by SABC to the Department only R11 Million will be returned to the SABC after reimbursement by National Treasury.

**18. Net cash flow available from operating activities**

	<i>Note</i>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Net surplus/(deficit) as per Statement of Financial Performance		316 491	222 031
Add back non cash/cash movements not deemed operating activities		(78 308)	(335 488)
(Increase)/decrease in receivables		(11 788)	(223)
(Increase)/decrease in prepayments and advances		32 459	(35 582)
Increase/(decrease) in payables – current		10 780	702
Proceeds from sale of capital assets		(175)	(639)
Proceeds from sale of investments		(63)	(103 759)
Expenditure on capital assets		8 716	14 743
Surrenders to Revenue Fund		(118 237)	(210 730)
<b>Net cash flow generated by operating activities</b>		<b><u>238 183</u></b>	<b><u>(113 457)</u></b>

19. Reconciliation of cash and cash equivalents for cash flow purposes	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General account		299 930	100 549
Disbursements		(301)	(30 812)
Cash on hand		65	65
<b>Total</b>		<b><u>299 694</u></b>	<b><u>69 802</u></b>

20. Contingent liabilities and contingent assets		2021/22 R'000	2020/21 R'000
<b>20.1 Contingent liabilities</b>	<b>Note</b>		
<b>Liable to</b>	<b>Nature</b>		
Other guarantees	Annex 3A	123 028	132 013
Claims against the Department	Annex 3B	1 125	7 183
Intergovernmental payables (unconfirmed balances)	Annex 5	221	398
<b>Total</b>		<b><u>124 374</u></b>	<b><u>139 594</u></b>

The decrease on other Guarantees related to currency inflation between the Euro vs rand.

The following court cases are still pending, and the outcomes were unknown by 31 March 2022:

1. DoC vs Senior Official
2. USAASA vs CZ Electronics/Minister. Not received confirmation yet. Case remains same.
3. Minister of Communications vs Commission of inquiry into state capture.
4. DoC v Uniglobe Sunshine Travels.
5. Sekese vs DTPS\*

20.2 Contingent liabilities	Note	2021/22 R'000	2020/21 R'000
<b>Nature of contingent asset</b>			
Legal claim: Counter claim submitted		9 436	8 173
SABC Recapitalisation		-	3 200 000
<b>Total</b>		<b><u>9 436</u></b>	<b><u>3 208 173</u></b>

An amount of R3,2 billion allocated in the 2019/20 financial year for the recapitalization of South African Broadcasting Corporation. The allocation was made as payment for financial assets and thus will require that SABC issue shares to Government. The Department was granted an approval to convert into equity and share certificate was received 15 July 2021. The amount was converted into equity.

21. Capital commitments	Note	2021/22 R'000	2020/21 R'000
Machinery and equipment		14 558	14 663
Intangible assets		14	1 496
<b>Total</b>		<b><u>14 572</u></b>	<b><u>16 159</u></b>

The decrease in Capital commitments is due to the notebook and SITA orders not yet delivered.

<b>22. Accruals and payables not recognised</b>				<b>2021/22</b>	<b>2020/21</b>
<b>22.1 Accruals</b>				<b>R'000</b>	<b>R'000</b>
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>	
Goods and services	5 378	1 574	6 952	1 550	
<b>Total</b>	<b>5 378</b>	<b>1 574</b>	<b>6 952</b>	<b>1 550</b>	
		<i>Note</i>	<b>2021/22</b>	<b>2020/21</b>	
			<b>R'000</b>	<b>R'000</b>	
<b>Listed by programme level</b>					
Administration			2 642	890	
International Affairs and Trade			170	14	
ICT Policy Development and Research			1 178	216	
ICT Enterprise Development and Public Entity Oversight			84	222	
ICT Infrastructure Development and Support			1 093	99	
ICT Information Society and Capacity Development			1 785	109	
<b>Total</b>			<b>6 952</b>	<b>1 550</b>	

The reason for increase is due to services rendered and goods delivered, and invoices not received at the reporting date.

<b>22.2 Payables not recognised</b>				<b>2021/22</b>	<b>2020/21</b>
<b>22.2 Payables not recognised</b>				<b>R'000</b>	<b>R'000</b>
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>	
Goods and services	47	19	66	978	
<b>Total</b>	<b>47</b>	<b>19</b>	<b>66</b>	<b>978</b>	
		<i>Note</i>	<b>2021/22</b>	<b>2020/21</b>	
			<b>R'000</b>	<b>R'000</b>	
<b>Listed by programme level</b>					
Administration			8	937	
International Affairs and Trade			3	-	
ICT Policy Development and Research			2	3	
ICT Enterprise Development and Public Entity Oversight			-	-	
ICT Infrastructure Development and Support			49	-	
ICT Information Society and Capacity Development			4	38	
<b>Total</b>			<b>66</b>	<b>978</b>	
		<i>Note</i>	<b>2021/22</b>	<b>2020/21</b>	
			<b>R'000</b>	<b>R'000</b>	
<b>Included in the above totals are the following:</b>					
Confirmed balances with other departments		<i>Annex 5</i>	-	874	
<b>Total</b>			<b>-</b>	<b>874</b>	

23. Employee benefits	Note	2021/22 R'000	2020/21 R'000
Leave entitlement		17 127	21 573
Service bonus		5 544	5 891
Performance awards		-	1 521
Capped leave		3 652	3 571
Other		182	87
<b>Total</b>		<b>26 505</b>	<b>32 643</b>

Included in the leave entitlement is the negative leave credits amounting to R74,597.97 as at 31 March 2022. As per DPSA incentive policy framework 2019, performance bonuses is no longer provided, with effect from 01 April 2021 going forward.

## 24. Lease commitments

### 24.1 Operating leases

2021/22	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	26 735	367	27 102
Later than 1 year and not later than 5 years	58 379	490	58 869
<b>Total lease commitments</b>	<b>85 114</b>	<b>857</b>	<b>85 971</b>

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total 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
Later than five years			-	-	-
<b>Total lease commitments</b>			<b>110 336</b>	<b>383</b>	<b>110 719</b>

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.

**25. Irregular expenditure**

**25.1 Reconciliation of irregular expenditure**

	<b>Note</b>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
Opening balance		215 453	214 382
Prior period error			-
As restated		215 453	214 382
Add: Irregular expenditure – relating to prior year		15	-
Add: Irregular expenditure – relating to current year		-	1 071
<b>Closing balance</b>		<b>215 468</b>	<b>215 453</b>
<b>Analysis of closing balance</b>			
Current year		15	1 071
Prior years		215 453	214 382
<b>Total</b>		<b>215 468</b>	<b>215 453</b>

The department submitted to National Treasury the irregular expenditure cases amounting to R115 million during 2019/20 financial year, however they were not assessed. The department was requested to resubmit the cases to National Treasury and to date, irregular expenditure amounting R133 million were submitted. Other cases are awaiting court process to be finalized.

**25.2 Details of current and prior year Irregular expenditure – added current year (under determination and investigation)**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2021/22 R'000</b>
Deviation of SCM process	The matter has been referred to appeal committee	15
<b>Total</b>		<b>15</b>

**25.3 Details of irregular expenditures under assessment (not included in the main note)**

<b>Incident</b>	<b>2021/22 R'000</b>
Possible irregular on CSIR contract	12 144
Possible irregular on training and development	1 246
<b>Total</b>	<b>13 390</b>

During the financial year 2021/22 the R12 million CSIR was submitted to Legal Services for an opinion. The possible irregular on Training and Development is under assessment. The departmental policies on Training and Development is not align with SCM regulations of obtaining 3 quotations, we are in a process of quantifying the full extent of irregular.

<b>26. Fruitless and wasteful expenditure</b>		<b>2021/22</b>	<b>2020/21</b>
<b>26.1 Reconciliation of fruitless and wasteful expenditure</b>	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
Opening balance		9 253	9 253
Prior period error			-
As restated		9 253	9 253
Fruitless and wasteful expenditure – relating to current year		4	-
Less: Amounts recoverable	15.6	(3)	-
Less: Amounts written off		(648)	-
<b>Closing balance</b>		<b>8 606</b>	<b>9 253</b>

The decrease is due to the cases written off during the period under review.

**26.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2021/22 R'000</b>
Cell phone	None	4
<b>Total</b>		<b>4</b>

**26.3 Details of fruitless and wasteful expenditure recoverable**

<b>Incident</b>	<b>2021/22 R'000</b>
Cell phone	3
<b>Total</b>	<b>3</b>

**26.4 Details of fruitless and wasteful expenditure written off**

<b>Incident</b>	<b>2021/22 R'000</b>
Nkowankowa event: Mr Ngobeni	648
<b>Total</b>	<b>648</b>

**26.5 Details of fruitless and wasteful expenditures under investigation**

<b>Incident</b>	<b>2021/22 R'000</b>
Termination of 112 ECC: Security Services and Accommodation charges	7 563
112 ECC: sub-letting to Plan B	1 043
<b>Total</b>	<b>8 606</b>

The status of the cases under assessment were referred to State Attorney and awaiting feedback.

27. Related party transactions

	<i>Note</i>	2021/22 R'000	2020/21 R'000
<b>Payments made</b>			
Goods and services		160 025	197 739
<b>Total</b>		<b>160 025</b>	<b>197 739</b>
	<i>Note</i>	2021/22 R'000	2020/21 R'000
<b>Loans to / from related parties</b>			
Non-interest-bearing loans to/(from)		-	1 351 130
Interest bearing loans to/(from)		27 391	27 391
<b>Total</b>		<b>27 391</b>	<b>1 378 521</b>
	<i>Note</i>	2021/22 R'000	2020/21 R'000
<b>Other</b>			
Guarantees issued/received		279 927	300 371
<b>Total</b>		<b>279 927</b>	<b>300 371</b>
	<i>Note</i>	2021/22 R'000	2020/21 R'000
<b>In kind goods and services provided/received</b>			
<i>List in kind goods and services between the Department and the related party</i>			
Sentech: Connectivity for 20 Sites		-	2 000
<b>Total</b>		<b>-</b>	<b>2 000</b>

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 R1,3 billion non-interest-bearing loan is a loan made to BBI and was now converted into equity.

The Loan of R27 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\*R16,177976 = R279 million. Variance caused by currency fluctuation.

**28. Key management personnel**

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers (provide detail below)	2	4 287	4 215
Officials:			-
Level 15 to 16	10	12 565	12 455
Level 14 (incl CFO if at a lower level)	13	21 501	17 974
Level 13	3	2 869	2 406
<b>Total</b>		<b>41 222</b>	<b>37 050</b>

The increase in the total of Key Management Personnel in the 2021/22 financial year in comparison to the 2020/21 financial year is mainly due to cost of living adjustments, change in administration where the notches are higher than previous occupants, addition of performance bonuses and FOSAD representatives, secondments, and acting allowance payments.

**29. Non-adjusting events after reporting date**

Nature of event	2021/22 R'000
Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.	-
<b>Total</b>	<b>-</b>

The department is planning for the disestablishment of USAASA in the new financial year 2022/23 and is included in the APP of 2022/23 financial year.

**30. Movable Tangible Capital Assets**  
**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	73 058	7 126	5 687	74 497	
Transport assets	10 558	1 468	2 106	9 920	
Computer equipment	31 367	809	2 930	29 246	
Furniture and office equipment	17 014	41	246	16 809	
Other machinery and equipment	14 119	4 808	405	18 522	
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>73 058</b>	<b>-</b>	<b>7 126</b>	<b>5 687</b>	<b>74 497</b>

**Movable Tangible Capital Assets under investigation**  
**Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:**

Machinery and equipment

**Number**  
**Value**  
**R'000**

MCS standard has removed the S42 transfer note and is now part of additions or disposals of the main note of the movable tangible capital assets.

**30.1 Movement for 2020/21**  
**MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021**

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	78 012	34	9 741	14 729	73 058
Transport assets	13 940	34	-	3 416	10 558
Computer equipment	27 525		8 147	4 305	31 367
Furniture and office equipment	16 075		1 030	91	17 014
Other machinery and equipment	20 472		564	6 917	14 119
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>78 012</b>	<b>34</b>	<b>9 741</b>	<b>14 729</b>	<b>73 058</b>

Price increase for installation or capital enhancements should be capitalized in the financial year 2016/17 financial year for tow bar, bull bar and etc.

2020/21	
R'000	34
	34
	<b>34</b>

**Note**

**30.2 Prior period error  
 Nature of prior period error**

Relating to 2016/17 [affecting the opening balance]  
 Rubberising, tow bar and bull bar was supposed to be capitalised on the purchase price

**Total prior period errors**

**30.3 Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022**

	Machinery and equipment R'000
Opening balance	9 355
Additions	47
Disposals	758
<b>TOTAL MINOR ASSETS</b>	<b>8 644</b>

Total	R'000
	9 355
	47
	758
	<b>8 644</b>

	Machinery and equipment
Number of R1 minor assets	116
Number of minor assets at cost	3 618
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>3 734</b>

Total	
	116
	3 618
	<b>3 734</b>

**MINOR CAPITAL ASSETS UNDER INVESTIGATIONS**

**Number**

Machinery and equipment

Value  
R'000

81

Included in the opening balance is the amount of R81 thousand, are the items that are not recorded in the assets register and at this point the number of items are unknown.

**Minor Assets**  
**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	9 697	-	9 697
Prior period error	-	-	-	(34)	-	(34)
Additions	-	-	-	239	-	239
Disposals	-	-	-	547	-	547
<b>TOTAL MINOR ASSETS</b>	-	-	-	<b>9 355</b>	-	<b>9 355</b>

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Number of R1 minor assets	-	-	-	-	-	114
Number of minor assets at cost	-	-	-	3 832	-	3 832
<b>TOTAL NUMBER OF MINOR ASSETS</b>	-	-	-	<b>3 946</b>	-	<b>3 946</b>

**30.3 Prior period error**

**Nature of prior period error**

Relating to 2016/17 (affecting the opening balance)

Tow bar, bull bar and etc. was supposed to be capitalised on the purchase price

**Total**

2020/21  
R'000

(34)  
(34)  
(34)

Price increase for installation or capital enhancements should be capitalised in the financial year 2016/17 financial year for tow bar, bull bar and etc.

30.4 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	678	-	-	678
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>678</b>	<b>-</b>	<b>-</b>	<b>678</b>

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	392	-	-	392
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>392</b>	<b>-</b>	<b>-</b>	<b>392</b>

31. Intangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	8 332	2 756	2 118	8 970
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	369	-	-	369
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>8 701</b>	<b>2 756</b>	<b>2 118</b>	<b>9 339</b>

31.1 Movement for 2020/21  
MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	5 421	-	5 002	2 091	8 332
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	369	-	-	-	369
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>5 790</b>	<b>-</b>	<b>5 002</b>	<b>2 091</b>	<b>8 701</b>

31.2 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	18	-	-	18	-
Dwellings	-	-	-	-	-
Non-residential buildings	18	-	-	18	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSET</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>-</b>

32. Prior period errors

32.1 Correction of prior period errors

Note	2020/21 R'000	2020/21 R'000	2020/21 R'000
Assets:			
Loans	14 914	12 477	27 391
<b>Net effect</b>	<b>14 914</b>	<b>12 477</b>	<b>27 391</b>
<b>Other:</b>			
Machinery and equipment	73 024	34	73 058
Minor Assets	9 389	(34)	9 355
Related Party transaction	14 914	12 477	27 391
<b>Net effect</b>	<b>97 327</b>	<b>12 477</b>	<b>109 804</b>

Prior error is a result of reduction of SABC by 12,477 million in contravention of the Exchequer Act. Discussions are underway to resolve the issue.

**33. Inventories**

**Inventories for the year ended 31 March 2021**

	Insert major category of inventory R'000	TOTAL R'000			
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	342	-	-	-	-
Add: Additions – Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(342)	-	-	-	-
<b>Closing balance</b>	-	-	-	-	-

**33. Inventories**

**Inventories for the year ended 31 March 2021**

	Insert major category of inventory R'000	TOTAL R'000			
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	342	-	-	-	-
Add: Additions – Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(342)	-	-	-	-
<b>Closing balance</b>	-	-	-	-	-

34. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22					2020/21			
	GRANT ALLOCATION					TRANSFER			
	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 %	Division of Revenue Act R'000	Actual transfer R'000
City of Tshwane	-	-	-	-	16	-	-	-	19
<b>TOTAL</b>					<b>16</b>				<b>19</b>



**ANNEXURE 1A**  
**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2020/21		
	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	2020/21	
														R'000	R'000
City of Tshwane	-	-	-	-	16	-	-	-	-	-	-	-	-	-	19
<b>TOTAL</b>	-	-	-	-	<b>16</b>	-	-	-	-	-	-	-	-	-	<b>19</b>

**ANNEXURE 1B**  
**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21 Final Appropriation R'000
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Universal Service and Access Agency of South Africa: Operations	82 055	-	-	82 055	82 055	100%	261 385
Universal Service and Access Fund: Operations	64 165	-	-	64 165	64 165	100%	63 086
Universal Service and Access Fund: BDM project management	1 073 366	-	-	1 073 366	1 073 366	100%	500 421
National Electronic Media Institute of SA: Operations	50 219	-	-	50 219	50 219	100%	47 943
National Electronic Media Institute of SA: INESI	48 249	-	-	48 249	48 249	100%	49 505
Independent Communication Authority SA	508 190	-	-	508 190	508 190	100%	543 719
Film and Publication Board	100 937	-	-	100 937	100 937	100%	100 596
Universal Service and Access Agency of South Africa: Distribution cost for SAPO for Broadcasting Digital Migration	95 000	-	-	95 000	95 000	100%	-
<b>TOTAL</b>	<b>2 022 181</b>	<b>-</b>	<b>-</b>	<b>2 022 181</b>	<b>2 022 181</b>		<b>1 566 655</b>

**ANNEXURE 1C**  
**STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2020/21 Final Appropriation R'000
	Adjusted Appropriation 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	
<b>PUBLIC CORPORATIONS</b>									
<b>Transfers</b>	<b>922 116</b>	-	-	-	<b>922 116</b>	-	-	-	<b>962 478</b>
Sentech: Digitisation migration-Capital	69 746	-	-	-	69 746	-	-	-	60 586
Sentech: Dual Illumination Capital	100 000	-	-	-	100 000	-	-	-	204 044
South African Broadcasting Corporation: Channel Africa	64 617	-	-	-	64 617	-	-	-	63 399
South African Broadcasting Corporation: Programme productions	15 226	-	-	-	15 226	-	-	-	14 940
South African Broadcasting Corporation: Public broadcaster	129 872	-	-	-	129 872	-	-	-	127 424
SA Post Office Ltd Operations	542 655	-	-	-	542 655	-	-	-	492 085
Subsidies									
<b>TOTAL</b>	<b>922 116</b>	-	-	-	<b>922 116</b>	-	-	-	<b>962 478</b>

**ANNEXURE 1D**  
**STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2020/21 Final Appropriation R'000
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
<b>FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION</b>							
<b>TRANSFERS</b>							
*African Telecommunications Union (ATU)	1 320	-	-	1 320	1 117	85%	1 401
*Universal Postal Union (UPU)	8 875	-	-	8 875	7 388	83%	8 915
*Pan African Postal Union (PAPU)	1 353	-	-	1 353	1 204	89%	1 436
*International Telecommunications Union (ITU)	24 541	-	-	24 541	20 176	82%	24 651
*Commonwealth Telecommunication Organization (CTO)	575	-	-	575	-	0%	536
Organisation for Economic Cooperation and Development	233	-	-	233	199	85%	209
DONA Foundation	1 447	-	-	1 447	1 144	79%	1 386
Smart Africa Alliance	880	-	-	880	744	85%	924
Donation (FOGA)	-	-	-	-	77	-	-
<b>TOTAL</b>	<b>39 224</b>	<b>-</b>	<b>-</b>	<b>39 224</b>	<b>32 049</b>	<b>-</b>	<b>39 458</b>

**ANNEXURE 1E  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2020/21 Final Approp- riation R'000
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
<b>Transfers</b>							
H/H EMPL S/BEN: LEAVE GRATUITY	-	-	-	-	1 038		1 257
H/H: PMT/REFUND&REM-ACT/GRCE	-	-	-	-	98		82
H/H: CLAIMS AGAINST THE STATE (CASH)	-	-	-	-	100		100
H/H: DONATION GIFT AND SPONSORSHIPS	-	-	-	-	4		2
H/H EMPL S/BEN:PST RETIRMT BENEFIT	-	-	-	-	797		3 980
H/H EMPL S/BEN: SEVERANCE PACKAGE	-	-	-	-	-		-
H/H EMPL S/BEN: SOCIAL BENEFIT	-	-	-	-	-		-
<b>TOTAL</b>	-	-	-	-	<b>2 037</b>		<b>5 421</b>

**ANNEXURE 1F  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

<b>NAME OF ORGANISATION</b>	<b>NATURE OF GIFT, DONATION OR SPONSORSHIP</b>	<b>2021/22 R'000</b>	<b>2020/21 R'000</b>
<b>Received in kind</b>			
TELKOM	Samsung A72 handset	9	-
LIQUID INTELLIGENT TECHNOLOGIES	20 X Tablets donated to schools/ institutions	35	-
SITA	20 X Laptops donated to schools/ institutions	280	-
ILO DWT	To provide digital skills for decent jobs for Youth Programme in South Africa	1 060	-
HUAWEI	During Minister meet and greet with the CEO of Huawei, 3 Huawei P smart was donated	12	-
NEMISA	DRUMS	2	-
SENTECH	Connectivity for 20 sites	-	2 000
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
DBSA	Grant offered to conduct the feasibility study on the SA Connect Phase II	-	50 000
<b>Subtotal</b>		<b>1 398</b>	<b>61 093</b>
<b>TOTAL</b>		<b>1 398</b>	<b>61 093</b>

**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	% of shares held		Number of shares held		Cost of investment R'000		Net Asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed Yes/No
		2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	
<b>National/Provincial Public Entity</b>												
Universal Service and Access Agency of South Africa	3A	100%	100%	-	-	-	-	-	-	100 877	(3 873)	No
Universal Service and Access Fund	3A	100%	100%	-	-	-	-	-	-	1 183 811	97 086	No
Telkom SA Limited	2	41%	41%	207 038 058	207 038 058	2 070 381	2 070 381	9 209 053	-	17 071	17 071	No
South African Post Office Ltd	2	100%	100%	693 115 883	693 115 883	8 164 116	8 164 116	3 972 234	(2 457 257)	(1 813)	(1 813)	No
National Electronic Media Institute of South Africa	3A	100%	100%	-	-	-	-	-	-	13 315	(10 758)	No
Sentech (Pty) Ltd	3B	100%	100%	2 000	2 000	2	2	2 681 832	2 520 597	96 930	158 127	No
Vodacom Group Limited	2	0,004%	0,004%	63 658	63 658	3 743	3 743	10 185	-	-	8 770 132	No
Broadband Infraco SOC Limited	2	74%	74%	740 000	74	1 351 130	-	265 763	405 603	(139 976)	(129 217)	No
SITA		100%	100%	-	-	-	-	-	3 136 347	384 010	384 010	
SABC	3A	100%	100%	1 000	-	3 200 000	-	2 604 949	2 980 934	(377 706)	(630 175)	
<b>Subtotal</b>				900 960 599	900 219 673	14 789 372	10 238 242	14 771 782	13 015 715	(1 580 006)	8 750 590	
<b>TOTAL</b>				900 960 599	900 219 673	14 789 372	10 238 242	2 880 897	13 108 192	(420 752)	856 586	

**ANNEXURE 3A**  
**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2022 - FOREIGN**

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2021 R'000	Guarantees draw downs during the year R'000	Guarantees repaid/cancelled/reduced during the year R'000	Revaluation due to foreign currency movements R'000	Closing balance 31 March 2022 R'000	Revaluations due to inflation rate movements R'000	Accrued guaranteed interest for year ended 31 March 2022 R'000
Telkom SA Ltd	Société Générale export credit	279 927	132 013	-	-	(8 985)	123 028	-	3
<b>TOTAL</b>		<b>279 927</b>	<b>132 013</b>	<b>-</b>	<b>-</b>	<b>(8 985)</b>	<b>123 028</b>	<b>-</b>	<b>3</b>

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 Euro 17,302,963.46. 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 exchange rates that are communicated by National Treasury and are also published in our website.

Telkom Foreign guarantee @ Euro 17302963,46 \* R16,177976 = R279,926 Million Capital amount

Telkom Foreign guarantee: Opening Balance of R132 Million decreased to R123 Million of revaluation from foreign currency movements. The disclosed figure is based on estimate.

**ANNEXURE 3B**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022**

NATURE OF LIABILITY	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable	Closing Balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the Department</b>					
Total amount for possible legal claim	7 183	225	6 283	-	1 125
<b>TOTAL</b>	<b>7 183</b>	<b>225</b>	<b>6 283</b>	<b>-</b>	<b>1 125</b>

The following court cases are still pending, and the outcomes were unknown by 31 March 2022:

1. DoC vs Senior Official
2. USAASA vs CZ Electronics/Minister. Not received confirmation yet. Case remains same.
3. Minister of Communications vs Commission of inquiry into state capture
4. DoC v Uniglobe Sunshine Travels
5. Sekese v DTPS\*

ANNEXURE 3B (continued)

NATURE OF LIABILITIES RECOVERABLE	Opening Balance 1 April 2021		Details of Liability and Recoverability	Movement during year		Closing Balance 31 March 2022	
	R'000			R'000		R'000	
Possible legal claim	8 173		The Department issued summons against the company for amongst other arrears rental and the company filed the counter claim. The matter has been dormant in court and parties are now seeking to negotiate settlement.	1 263		9 436	
<b>TOTAL</b>	<b>8 173</b>			<b>1 263</b>		<b>9 436</b>	

**ANNEXURE 4  
CLAIMS RECOVERABLE**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22 *		
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	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	
<b>DEPARTMENTS</b>									
Department of Public Works	-	-	-	113	-	113	-	-	-
National Treasury	-	-	11 457	-	11 457	-	-	-	-
Gauteng Department of Education	-	63	-	-	-	63	-	-	-
DPME	-	-	77	-	77	-	06/04/2022	77	77
DSBD	-	-	134	-	134	-	06/04/2022	97	97
	-	63	11 668	113	11 668	176		174	174
<b>OTHER GOVERNMENT ENTITIES</b>									
USAASA	-	86	-	-	-	86	-	-	-
BRAND SA	-	125	-	-	-	125	-	-	-
Film and Publication Board	-	-	107	-	107	-	06/04/2022	108	108
Postbank	-	-	209	-	209	-	-	-	-
	-	211	316	-	316	211	-	282	282
<b>TOTAL</b>	-	<b>274</b>	<b>11 984</b>	<b>113</b>	<b>11 984</b>	<b>387</b>		<b>282</b>	<b>282</b>

**ANNEXURE 5  
INTER-GOVERNMENT PAYABLES**

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	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
<b>GOVERNMENT ENTITY</b>								
<b>DEPARTMENTS</b>								
<b>Current</b>								
Department of Public Works and Infrastructure	-	874	160	398	160	1 272		
Department of Public Service Administration	-	-	61	-	61	61		
<b>Subtotal</b>	<b>-</b>	<b>874</b>	<b>221</b>	<b>398</b>	<b>221</b>	<b>1 272</b>		<b>-</b>
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
SITA	-	-	5 346	-	5 346	-		
SABC			11 457		11 457			
Total Other Government Entities	-	-	<b>16 803</b>	-	<b>16 803</b>	-		<b>-</b>
<b>TOTAL INTER-GOVERNMENT PAYABLES</b>	<b>-</b>	<b>874</b>	<b>17 024</b>	<b>398</b>	<b>17 024</b>	<b>1 272</b>		<b>-</b>

**ANNEXURE 6  
INVENTORIES**

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022	Note	Insert major category of inventory	TOTAL			
		R'000	R'000	R'000	R'000	R'000
Opening balance		-	-	-	-	-
Add/(Less): Adjustments to prior year balances		-	-	-	342	342
Add: Additions/Purchases – Cash		-	-	-	-	-
Add: Additions - Non-cash		-	-	-	-	-
(Less): Disposals		-	-	-	(342)	(342)
(Less): Issues		-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	-	-	-	-
Add/(Less): Adjustments		-	-	-	-	-
<b>Closing balance</b>		-	-	-	-	-

**ANNEXURE 7**  
**INTER-ENTITY ADVANCES PAID (Note 11)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
<b>NATIONAL DEPARTMENTS</b>						
Department of International Relations and Co-operations	-	-	814	1 431	814	1 431
Government Communications and Information System	4 893	4 282	-	15 971	4 893	20 253
<b>Subtotal</b>	<b>4 893</b>	<b>4 282</b>	<b>814</b>	<b>17 402</b>	<b>5 707</b>	<b>21 684</b>
<b>PUBLIC ENTITIES</b>						
SITA	-	-	3 432	20 000	3 432	20 000
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>3 432</b>	<b>20 000</b>	<b>3 432</b>	<b>20 000</b>
<b>TOTAL</b>	<b>4 893</b>	<b>4 282</b>	<b>4 246</b>	<b>37 402</b>	<b>9 139</b>	<b>41 684</b>

**ANNEXURE 8**  
**COVID 19 RESPONSE EXPENDITURE**  
Per quarter and in total

Expenditure per economic classification	2021/22				2020/21	
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Goods and services</b>	<b>305</b>	<b>867</b>	<b>288</b>	<b>370</b>	<b>1 830</b>	<b>1 649</b>
<i>List all applicable SCOA level 4 items</i>						
Communication	148	189	176	173	686	379
Property payments	157	678	111	148	1 093	878
Consumable supplies	-	-	2	49	51	236
Minor assets	-	-	-	-	-	156
<b>TOTAL COVID 19 RESPONSE EXPENDITURE</b>	<b>305</b>	<b>867</b>	<b>288</b>	<b>370</b>	<b>1 830</b>	<b>1 649</b>





**DEPARTMENT OF COMMUNICATIONS AND DIGITAL  
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