



2023 / 2024 ANNUAL REPORT




communications &
digital technologies

Department:
Communications & Digital Technologies
REPUBLIC OF SOUTH AFRICA







VOTE
30

ANNUAL REPORT
FOR THE
2023/2024
FINANCIAL YEAR

TABLE OF CONTENT

PART A: GENERAL INFORMATION

1.	DEPARTMENTAL GENERAL INFORMATION	2
2.	LIST OF ABBREVIATIONS AND ACRONYMS	2
3.	FOREWORD BY THE MINISTER	3
4.	DEPUTY MINISTER'S STATEMENT	5
5.	REPORT OF THE ACCOUNTING OFFICER	8
6.	STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	19
7.	STRATEGIC OVERVIEW	20
8.	LEGISLATIVE AND OTHER MANDATES	21
9.	ORGANISATIONAL STRUCTURE	23
10.	ENTITIES REPORTING TO THE MINISTER	24

PART B: PERFORMANCE INFORMATION

1.	AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	28
2.	OVERVIEW OF DEPARTMENTAL PERFORMANCE	28
2.1	Service Delivery Environment	28
2.2	Service Delivery Improvement Plan	30
2.3	Organisational environment	30
2.4	Key policy developments and legislative changes	31
3.	ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	32
4.	INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	38
4.1	Programme 1: Administration	38
4.2	Programme 2: ICT International Relations and Affairs	51
4.3	Programme 3: ICT Policy Development and Research	55
4.4	Programme 4: ICT Enterprise Development and Public Entity Oversight	66
4.5	Programme 5: ICT Infrastructure Development and Support	77
4.6	Programme 6: ICT Information Society and Capacity Development	85

TABLE OF CONTENT

5.	TRANSFER PAYMENTS	98
5.1	Transfer payments to public entities	98
5.2	Transfer payments to all organisations other than public entities	102
6.	CONDITIONAL GRANTS	103
7.	DONOR FUNDS	103
8.	CAPITAL INVESTMENT	103

PART C: GOVERNANCE

1.	INTRODUCTION	105
2.	RISK MANAGEMENT	106
3.	FRAUD AND CORRUPTION	109
4.	MINIMISING CONFLICT OF INTEREST	110
5.	CODE OF CONDUCT	110
6.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	110
7.	PORTFOLIO COMMITTEES	111
8.	SCOPA RESOLUTIONS	120
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS	120
10.	INTERNAL CONTROL UNIT	122
11.	INTERNAL AUDIT AND AUDIT COMMITTEES	122
12.	AUDIT COMMITTEE REPORT	125
13.	BBBEE COMPLIANCE PERFORMANCE INFORMATION	128

PART D: HUMAN RESOURCE MANAGEMENT

1.	INTRODUCTION	130
2.	OVERVIEW OF HUMAN RESOURCES	130
3.	HUMAN RESOURCES OVERSIGHT STATISTICS	132

PART E: PFMA COMPLIANCE REPORT

1.	IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES	161
1.1	Irregular expenditure	162
1.2	Fruitless and wasteful expenditure	164
1.3	Unauthorised expenditure	166
1.4	Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))	167
2.	LATE AND/OR NON-PAYMENT OF SUPPLIERS	168
3.	SUPPLY CHAIN MANAGEMENT	168
3.1	Procurement by other means	168
3.2	Contract variations and expansions	169

PART F: FINANCIAL INFORMATION

1.	REPORT OF THE AUDITOR-GENERAL	171
2.	ANNUAL FINANCIAL STATEMENTS	178
	Appropriation Statement	179
	Notes to the Appropriation Statement	188
	Statement of Financial Performance	190
	Statement of Financial Position	191
	Statement of Changes in Net Assets	192
	Cash Flow Statement	193
	Notes to the Annual Financial Statements (including Accounting Policies)	194
	Annexures	225



a

**GENERAL
INFORMATION**

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS: iParioli Office Park
1166 Park Street
Hatfield, Pretoria

POSTAL ADDRESS: Private Bag X 860
Pretoria
0001

TELEPHONE NUMBER/S: +27 12 427 8000

FAX NUMBER: +27 12 427 8561

EMAIL ADDRESS: JLibago@dcdt.gov.za

WEBSITE ADDRESS: www.dcdt.gov.za

2. LIST OF ABBREVIATIONS AND ACRONYMS

AGSA	Auditor-General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
EU	European Union
HOD	Head of Department
MEC	Member of Executive Council
MTEF	Medium Term Expenditure Framework
PFMA	Public Finance Management Act, Act 1 of 1999
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
TR	Treasury Regulations

Foreword by the Minister



Hon. Mr. Solly Malatsi (MP)
Minister:
Communications and Digital Technologies

3. FOREWORD BY THE MINISTER

I am proud to present the Annual Report for the 2023/24 financial year. This period was marked by key achievements and some serious challenges. The Department has made substantial progress in aligning our priorities with the 2019-24 Medium-Term Strategic Framework. We have seen the expansion of broadband infrastructure, which has enhanced connectivity in remote areas, the rollout of digital skills programme, the expansion of e-government services, and the positioning of South Africa as a major force in the international community.

Our commitment to fostering a digital economy has led to the creation of innovative platforms that support Small, Medium and Micro enterprises (SMMEs). This has not only stimulated economic growth but also generated employment opportunities, particularly for women and youth.

As we join the rest of the country in celebrating 30 Years of Freedom, DCDT continues to navigate a landscape of technological innovation, shifting consumer behaviours, and regulatory changes. The ongoing digital transformation across various sectors has heightened the demand for reliable and accessible communication infrastructure, digital services, and information technology solutions. We have made major strides in rolling out Broadcasting Digital Migration, and SA Connect. These initiatives are propelling the nation's journey towards a more connected, inclusive, digitally empowered future. Despite these achievements, there were human and financial challenges that impacted on key projects such as Broadcasting Digital Migration, and SA Connect.

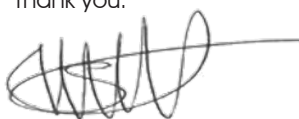
Looking ahead, our strategic focus remains steadfast. Over the medium to long term, we will continue to prioritize the expansion of digital infrastructure to ensure comprehensive connectivity across the nation. Our focus will also be on enhancing digital literacy and skills development, equipping our citizens with the necessary tools to thrive in a digital economy.

We will strengthen our regulatory frameworks to foster innovation while ensuring the growth of the ICT sector. We will pursue collaboration with both local and international partners to drive forward our agenda and position South Africa as a leader in the global digital landscape.

In terms of overall organizational performance, I am pleased to report that the Department achieved 82% of planned targets set out in the 2023/24 Annual Performance Plan. I want to extend my heartfelt gratitude to the Department's Management, staff, and partners whose support and collaboration have been invaluable. In addition, I want to commend by predecessor and currently Deputy Minister, Mondli Gungubele, for his role in achieving this success. Lastly, I express my appreciation to the citizens of South Africa for their trust and engagement as we work towards a digitally inclusive society.

In conclusion, despite the lack of resources and fiscal challenges, the Department has navigated the complexities in the sector and achieved major milestones. As we move forward, our focus will remain on leveraging the power of digital technologies to drive inclusive economic growth and job creation. Together, we will continue to build a digitally inclusive South Africa.

Thank you.



Hon. Solly Malatsi (MP)

Minister:

Communications and Digital Technologies

(Date)

Statement by the Deputy Minister



**Hon. Mondli Gungubele, (MP)
Deputy Minister
Communications and Digital Technologies**

4. STATEMENT BY THE DEPUTY MINISTER

I am honoured to present the 2023/24 Annual Report for the Department of Communications and Digital Technologies. This year has been distinguished by significant achievements and transformative initiatives that have profoundly strengthened our nation's digital landscape. Our efforts have advanced our commitment to a more connected and digitally inclusive society.

In the financial year under review, our Department has undertaken several key initiatives that have significantly contributed to the advancement of our digital landscape. We have launched an extensive Digital and Future Skills Strategy aimed at equipping our workforce with the skills necessary for the evolving digital economy. Through NEMISA educational institutions and industry leaders, we have provided training programs that have benefited thousands of individuals, preparing them for future opportunities in the ICT sector.

The Department played a pivotal role in coordinating the implementation of the Digital and Future Skills Programme, in alignment with the Digital and Future Skills Strategy. Digital skills are essential for enabling individuals to actively participate in the Digital Economy. During the 2023/24 reporting year, the Minister of Communications established the Digital Skills Forum (DSF), a government-led institutional mechanism designed to ensure the coordinated implementation of the digital skills programme across the country. The DSF comprises representatives from government, business, academia, and civil society. It is tasked with providing strategic direction for the implementation of the digital skills programme, prioritizing and coordinating key focus areas, and mobilizing resources in the form of expertise, funding, and institutional support. Additionally, the Forum monitors performance and advises on the reconceptualization and structuring of the digital skills development ecosystem to bolster digital skills building.

Addressing the cost of communicating has been a priority. We have implemented measures to reduce data costs and improve the affordability of communication services. These efforts have resulted in more competitive pricing, making digital access more affordable for all citizens and enhancing economic participation. These efforts of government have led to the process of data reduced to R5 for 1 GiG a day for prepaid subscribers. The department developed the Cost to Communicate Review Model. The purpose of the model is to further pursue policy initiatives that assist in reducing Cost to Communicate. The Department together with the regulator further reduced the call termination rates both for fixed and mobile prices.

To localize and grow local components within the ICT value chain there has been significant progress. By supporting local manufacturers and encouraging the development of homegrown technologies, we have not only created jobs but also fostered innovation within our borders.


In the implementation of the Digital Master plan the department also identifies opportunities for localisation, where certain local capabilities and natural resources exist in South Africa.

On the international front, we have strengthened our global partnerships and collaborations. Our participation in international forums and agreements has positioned South Africa as a key player in the global digital economy, enabling us to share knowledge and best practices while attracting foreign investment. The Department has made significant strides in advancing the national ICT priorities on multilateral platforms through active contributions and participation in strategic ICT activities. Notably, our efforts have been prominent in key forums such as the BRICS, the Universal Postal Union (UPU), and major events of the International Telecommunication Union (ITU), including the World Radiocommunication Conference (WRC)-23, among others. These global initiatives align with broader state and government objectives to foster digital transformation and enhance global cooperation in the ICT sector.

The SA Connect project, aimed at providing high-speed internet connectivity across the nation, has made remarkable strides. Phase II of the project has extended broadband access to remote and underserved areas, bridging the digital divide and empowering communities with the tools needed for socio-economic development.

The Broadcasting Digital Migration project has reached critical milestones, transitioning from analogue to digital broadcasting. This shift not only improves the quality of broadcast services but also frees up valuable spectrum for other uses, contributing to the overall efficiency of our communication infrastructure.

The DCDT has made substantial progress in enhancing cybersecurity. Key initiatives include the operations of the Cybersecurity hub, which provides real-time monitoring and response capabilities, and the rollout of comprehensive cybersecurity awareness campaigns targeting businesses, government entities, and the general public. These efforts collectively contribute to a more secure digital environment, safeguarding our national infrastructure and citizens from cyber risks.



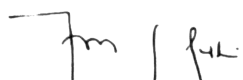
The accomplishments of 2023/24 financial year are a result of the dedicated efforts of our team at the Department of Communications and Digital Technologies. I extend my heartfelt gratitude to our officials, partners, and stakeholders whose hard work and collaboration have been instrumental in our success.

I also wish to acknowledge the vital support from the private sector, civil society, and our international partners. Your contributions have been crucial in driving our initiatives forward and achieving our shared vision.

Moreover, I am deeply appreciative of the citizens of South Africa for their engagement and support. Your participation and feedback are invaluable as we strive to create a more inclusive and connected digital society.

Reflecting on the achievements of the past year, we are reminded of the significant role digital technologies play in shaping our future. The progress we have made represents our collective commitment to innovation, inclusivity, and excellence. As we move forward, we will continue to leverage these advancements, ensuring that all South Africans benefit from the digital revolution.

Together, we are building a connected, secure, and prosperous digital future for everyone.



Hon. Mondli Gungubele

Deputy Minister:

Department of Communications and Digital Technologies

14 August 2024

Report of the Accounting Officer



Ms Nonkqubela Thathakahle Jordan-Dyani
Accounting Officer:
Department of Communications
and Digital Technologies

5. REPORT OF THE ACCOUNTING OFFICER

OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT:

The Department of Communications and Digital Technologies (DCDT) is dedicated to fostering South Africa's digital transformation, with the overarching goals of promoting digital inclusion and driving economic growth. Central to its mission is the creation of an enabling policy and regulatory environment conducive to these objectives. This mission is guided by the 2016 National Integrated Information and Communications Technology (ICT) Policy White Paper, which serves as a comprehensive framework for action. This document outlines strategies to engage a diverse range of stakeholders, ensuring that digital transformation is inclusive and participatory. It also emphasizes the importance of fostering competition and facilitating innovation across the ICT value chain. Moreover, the White Paper addresses key challenges and opportunities presented by ICT convergence, while establishing a new national postal policy framework. Through these provisions, the DCDT aims to address critical issues such as the digital divide, ensuring that all citizens have access to affordable digital services.

Additionally, the policy framework encompasses measures to tackle both supply-side challenges, including infrastructure rollout, and demand-side considerations to enhance inclusivity. By addressing these multifaceted issues comprehensively, the DCDT endeavours to pave the way for a more connected, inclusive, and digitally empowered South Africa.

Throughout the fiscal year 2023/24, DCDT has remained steadfast in its commitment to driving digital transformation and connectivity across the nation. Despite encountering various challenges along the way, the department has made significant progress in achieving its objectives and delivering impactful results.

One of the key focuses of the DCDT has been on promoting digital inclusion initiatives aimed at bridging the digital divide and ensuring equitable access to digital services for all citizens. This has involved efforts to expand broadband coverage to underserved areas, provide digital literacy programs, and promote affordable internet access. By prioritizing digital inclusion, the department has worked towards creating a more inclusive and digitally empowered society.

The DCDT's 2023/24 Annual Performance Plan was meticulously crafted in alignment with the Medium-Term Strategic Framework (MTSF) of the government. This overarching framework delineates specific outcomes and priorities aimed at addressing the persistent challenges of poverty, inequality, and unemployment within the nation.


Adhering closely to the mandate of the DCDT, our strategic priorities for the medium term centred on four key outcomes: (i) Enabling Digital Transformation Policies, Strategies, and Regulation; (ii) Increased Access to secure Digital Infrastructure and Services; (iii) Digitally Transformed Economy and Society; and (iv) High performing and sustainable portfolio to enable achievement of their respective mandates. These strategic priorities are strategically aligned with the broader goal of nurturing digitally enabled citizens, ensuring their access to secure and affordable digital services on a universal scale. Through the diligent pursuit of these priorities, the DCDT endeavours to make significant strides towards fostering a more digitally inclusive and empowered society, thereby contributing to the realisation of broader socioeconomic development objectives outlined in the MTSF.

To facilitate the execution of its 2023/24 legislative agenda, the Department has undertaken significant efforts towards the formulation and enhancement of various legislation and strategic frameworks, all aimed at advancing Outcome 1: Enabling Digital Transformation Policies, Strategies, and Regulation. These efforts include the development of a White Paper and Bill on Audio- and Audio-Visual Content Services and Online Safety, aimed at addressing the evolving landscape of digital media consumption and ensuring appropriate regulatory safeguards. Additionally, the Department has pursued the drafting of the Electronic Communications Amendment Bill (USAF), which seeks to modernize and adapt regulatory frameworks to the rapidly changing telecommunications landscape, thereby fostering innovation and competition.

Furthermore, the Department has updated and submitted for approval the Implementation Plan for the Digital Economy Masterplan, underscoring its commitment to executing long-term strategies for economic growth and digital inclusion. In line with the overarching goal of promoting data-driven innovation and governance, the Department has finalised, submitted, and obtained approval for the National Data and Cloud Policy, laying the groundwork for responsible data management and utilisation.

Moreover, the Department has developed a Cost-of-Communication Review Model, aimed at ensuring affordability and accessibility of communication services for all citizens, particularly in underserved areas. The Department has compiled a Coordination Report on projects aligned with the Strategic Implementation Plan, in accordance with the recommendations of the Presidential Commission on the Fourth Industrial Revolution (PC4IR), demonstrating its commitment to coherent and effective implementation strategies. These collective contributions underscore the Department's dedication to fostering a conducive regulatory environment and harnessing digital technologies for national development.

In accordance with Outcome 2 which refers to "Increased Access to Secure Digital Infrastructure and Services," the Department has directed its focus towards coordinating key initiatives aimed at advancing digital accessibility and security. Firstly, significant attention has been placed on coordinating the implementation of the SA Connect Model, and the revision thereof. This initiative is geared towards facilitating internet access for communities and government facilities, reflecting the Department's commitment to addressing the digital divide and ensuring equitable digital inclusion nationwide. Secondly, the Department has been actively overseeing the implementation of strategic national cybersecurity programs and services. By prioritizing cybersecurity, the Department aims to bolster the resilience of our digital infrastructure against evolving cyber threats, safeguarding critical data and systems. Additionally, efforts have been dedicated to formulating and obtaining approval for the Country Position for South Africa in preparation for the



World Radiocommunication Conference 2023 (WRC-23). This strategic positioning at multilateral forums ensures effective representation of national interests, particularly concerning spectrum allocation and regulation on the global stage. Moreover, the Department has successfully executed the Analogue Switch-off Plan, meticulously monitoring the distribution and installation of decoders. This transition to digital broadcasting signifies a significant advancement in broadcasting technology, enhancing transmission efficiency while optimizing spectrum usage.

Furthermore, ongoing monitoring of the Analogue switch-off process in the Eastern Cape, Western Cape, KwaZulu-Natal, and Gauteng provinces reflects the Department's commitment to ensuring a smooth transition for affected communities. This diligent oversight minimizes disruptions and facilitates the adoption of digital broadcasting technologies. Collectively, these contributions underscore the Department's dedication to expanding access to secure digital infrastructure and services, thereby fostering socio-economic development and digital empowerment across South Africa.

In relation to Outcome 3 which speaks to "Digitally transformed economy and society," the Department has undertaken several significant initiatives to enhance the digital landscape and promote a technologically advanced society. The Department has diligently monitored and facilitated the automation of e-Government Services on the e-portal. This entails streamlining and optimizing various government services and processes, making them more accessible, efficient, and user-friendly for citizens and businesses alike. Through the automation of these services, individuals can conduct transactions, access information, and engage with government agencies conveniently online, reducing bureaucracy and improving overall service delivery.

The Department has closely monitored the implementation of the Digital and Future Skills Strategy. This strategy aims to address the evolving needs of the workforce in an increasingly digital and technological environment. By identifying key skill gaps and providing targeted training and education programs, the strategy ensures that individuals are equipped with the necessary digital literacy and competencies to thrive in the digital economy. Through continuous monitoring and evaluation, the Department can assess the effectiveness of these initiatives and make informed adjustments to better meet the demands of the rapidly changing digital landscape.

Moreover, the Department has spearheaded the development and approval of a comprehensive National Artificial Intelligence (AI) Plan. This strategic roadmap outlines the government's vision and objectives for harnessing the potential of AI to drive innovation, economic growth, and societal development. By fostering research and development, promoting AI adoption across various sectors, and addressing ethical and regulatory considerations, the plan lays the foundation for a responsible and inclusive AI ecosystem. Through extensive consultation and collaboration with stakeholders, the Department ensures that the AI plan aligns with national priorities and aspirations, driving forward the agenda for a digitally transformed economy and society.

Overall, these initiatives reflect the Department's commitment to fostering a digitally inclusive society and leveraging technology as a catalyst for economic growth and social progress. By monitoring the automation of e-Government Services, implementing the Digital and Future Skills Strategy, and developing a National AI Plan, the Department is laying the groundwork for a more resilient, innovative, and prosperous future for all citizens.

Outcome 4 is focused on a "High Performing and Sustainable Portfolio to enable achievement of their respective mandates and policy objectives". Through strategic coordination and implementation efforts, the Department ensured that resources are utilized efficiently and that services are delivered effectively to the public. One of the key aspects of this outcome is the thorough analysis and submission of Service Delivery reports from State-Owned Enterprises (SOEs). These reports provide insights into the performance and compliance of SOEs, allowing the Department to identify areas for improvement and make informed decisions regarding resource allocation and strategic direction. By closely monitoring service delivery, the Department can uphold standards of excellence and accountability within the public sector.

Another important initiative is the implementation of the ICASA Councillors Performance Management System. As the regulatory authority for the communications sector, ICASA plays a crucial role in ensuring fair competition and protecting consumer interests. By monitoring the performance of ICASA councillors, the Department ensures that regulatory objectives are being met effectively and that the communications sector remains vibrant and competitive. Furthermore, facilitating the development of Shareholder compacts for Schedule 2 and 3B entities is another priority under Outcome 4. These compacts serve as agreements between the Department and its entities, outlining performance expectations, targets, and accountability measures. By fostering alignment between stakeholders and entities, Shareholder compacts promote transparency, accountability, and performance improvement across the portfolio.

Additionally, the Department oversees the post-acquisition integration of BBI into SENTECH. This process involves aligning systems, processes, and cultures to maximize synergies and enhance operational efficiency. By monitoring the integration process, the Department ensures a smooth transition and maximizes the value derived from the acquisition. Monitoring the implementation of strategic initiatives such as the SAPO Reposition Strategy and the Postbank strategy towards becoming a State Bank is also critical for achieving Outcome 4. These initiatives aim to position the postal and banking sectors for long-term sustainability and relevance in the digital age. By driving strategic transformation, the Department ensures that these sectors remain competitive and responsive to the evolving needs of consumers and businesses. The Department also closely monitors the implementation of the SABC Turnaround Plan. As a vital public broadcaster, the SABC plays a crucial role in providing information, education, and entertainment to the public. By supporting the implementation of the Turnaround Plan, the Department ensures that the SABC remains financially sustainable and continues to fulfil its public service mandate effectively.

Furthermore, this outcome encompasses a range of strategic initiatives aimed at optimizing performance, enhancing accountability, and promoting sustainability across the Department and its affiliated entities. Through careful monitoring

and coordination, the Department ensures that resources are effectively utilized and that services are delivered efficiently to the benefit of the public.

In addition to digital inclusion efforts, the DCDT has also been actively involved in advancing the rollout of 5G technology and enhancing digital infrastructure nationwide. This has included collaborating with industry stakeholders to facilitate spectrum allocation, streamlining regulatory processes, and incentivising investment in next-generation networks. By accelerating the deployment of 5G and enhancing digital infrastructure, the department contributes to laying the foundation for a more connected and digitally driven economy. Furthermore, cybersecurity has been a top priority for the DCDT in light of the increasing cyber threats facing the nation. The department has worked tirelessly to strengthen the country's cyber defences through the implementation of robust cybersecurity policies, awareness campaigns, and partnerships with both public and private sector entities. By enhancing cybersecurity measures, the department has sought to safeguard the nation's digital infrastructure and protect against cyber-attacks.

Despite the progress made, the DCDT has encountered challenges throughout the year, including limitations in digital infrastructure rollout, policy regulatory hurdles, and budgetary constraints to deliver on major projects such as the SA Connect. Addressing these challenges has required concerted efforts from both the public and private sectors to overcome barriers to connectivity and balance innovation with regulatory compliance. By tackling these challenges head-on, the department has demonstrated resilience and adaptability in navigating the complexities of the digital landscape.

Throughout the year, the DCDT has been involved in several significant events and projects that have contributed to its overarching objectives. These have included rolling out the Broadcasting Digital Migration project and implementing rural connectivity programs. Through these initiatives, the department has fostered collaboration, innovation, and progress in the digital sphere, laying the groundwork for continued growth and development in the years to come.

In conclusion, DCDT has played a pivotal role in driving the nation's digital transformation agenda in the fiscal year 2023/24. By promoting digital inclusion, advancing digital infrastructure, enhancing cybersecurity, and spearheading innovative initiatives, the department has made tangible strides toward building a more connected, inclusive, and resilient digital future for all citizens. As the digital landscape continues to evolve, the DCDT remains committed to addressing challenges, seizing opportunities, and driving positive change in the digital era.

During the 2023/24 reporting period, the Department committed to achieve 35 annual targets outlined in its Annual Performance Plan (APP). DCDT successfully accomplished 82% of these targets, demonstrating a commendable level of execution. Financially, the Department expended R3.280 billion, which constituted 99% of the adjusted budget set at R3.312 billion. This resulted in a marginal underspend of R32.5 million (1%), primarily attributed to vacant positions that were not filled during the year under review due to the Department not having an approved organisational structure and the cost containment measures introduced by National Treasury during the financial year. The variance between target achievement and budget expenditure reflects the allocation of funds towards business and operational plans, alongside the fulfilment of monthly administrative obligations. Notably, the Department disbursed R1.663 billion, covering 100% of transfer payments to entities, which accounts for 51% of the total allocated budget.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:

• Departmental receipts

Departmental receipts	2023/2024			2022/2023		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	61	73	(12)	62	71	(9)
Interest, dividends and rent on land	1 995	7 507	(5 512)	5 482	5 628	(146)
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	400	9 089	(8 689)	200	321	(121)
TOTAL	2 456	16 669	(14 213)	5 744	6 020	(276)

The reason for the over collection is mainly due to the increase in the "Interest, dividends and rent on land" and "Financial transactions in assets and liabilities". The increase in "Interest, dividends and rent on land" is attributed to an increase in the interest earned from the bank account balance.

The increase in "Financial transactions in assets and liabilities" was due to approval by the Accounting Officer to write off fruitless and wasteful expenditure amounting to R6,9 million from a total of R8,605 million. This fruitless and wasteful expenditure relates to the closure of the 112 Emergency Call Centre during the 2009/10 financial year. The transaction increased the recoverable revenue as it related to prior financial year expenditure which then affected the "Financial transactions in assets and liabilities".

- **Programme Expenditure**

Programme Name	2023/2024			2022/2023		
	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	262 910	249 504	13 406	274 804	225 778	49 026
ICT International Affairs and Trade	75 010	74 026	984	68 585	64 553	4 032
ICT Policy Development and Research	36 386	27 658	8 728	45 323	34 005	11 318
ICT Enterprise Development and Public Entity Oversight	1 648 771	1 648 771	-	4 306 957	4 300 616	6 341
ICT Infrastructure Development and Support	1 217 463	1 213 859	3 604	544 472	533 340	11 132
ICT Information Society and Capacity Development	71 645	65 837	5 808	87 636	63 050	24 586
TOTAL	3 312 185	3 279 655	32 530	5 327 777	5 221 342	106 435

The Department of Communications and Digital Technologies had a total adjusted appropriation of R3.312 billion for 2023/24 financial year. The adjusted allocation was decreased by R2 billion or (38%) as compared to the previous financial year allocation of R5.328 billion. Of the total adjusted budget, goods and services amount to R1.335 billion (40%), Transfers and subsidies amount to R1.663 billion (50%). These transfers were mainly to the departmental agencies and account as well an allocation for digital broadcasting migration.

The allocation for compensation of employees amounted to R301,4 million (9%), while R5,6 million was allocated for payment for capital assets and payment for financial assets amount to R6.9 million (0.2%).

The spending for 2023/24 financial year amounted to R3.280 billion (99%) of the adjusted budget of R3.312 billion resulting to an underspending of R32,5 million (1%). The underspending was due to the vacant posts that were not filled during the year under review due to the Department not having an approved organisational structure and the cost containment measures introduced by National Treasury during the financial year.

THE SPENDING TRENDS PER PROGRAMME ARE OUTLINED BELOW:

PROGRAMME 1: ADMINISTRATION

The programme had a final budget of R263 million and expenditure amounted to R249.5 million (94.9%) in the current year, compared to R225.8 million expenditure in the 2022/23 financial year.

PROGRAMME 2: ICT INTERNATIONAL AFFAIRS AND TRADE

The programme had a final budget of R75 million and expenditure amounted to R74 million (98.7%) in the current year, compared to R64.6 million expenditure in the 2022/23 financial year.

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

The programme had a final budget of R36.4 million and the spending totalled R27.7 million (76%) in the current financial year, compared to R34 million expenditure in the 2022/23 financial year.

PROGRAMME 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT

The programme had a final budget of R1.649 billion and expenditure amounted to R1.649 billion (100%) in the current year, compared to R4.3 billion expenditure in the 2022/23 financial year. The decrease was due to additional funds received during the second adjustment budget process of R2.4 billion as a recapitalisation for the South African Post Office (SAPO) during 2022/23.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

The programme had a final budget of R1.217 billion and expenditure amounted to R1.214 billion (99.7%) in the 2023/24 financial year as compared to expenditure of R533 billion in the 2022/23 financial year. The net increase during the year under review was due to the budget increase of the SA Connect rollout for phase 2 amounting to R1.1 billion.

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

The programme had a final budget of R71.6 million and expenditure amounted to R65.8 million (91.9%) in the 2023/24 financial year as compared to expenditure of R63.1 million in the 2022/23 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 the amount appropriated under that main division.

A total net amount of R19.874 million was viremented from other programmes to Programmes 2 and 4 to defray excess expenditure. Funds amounting to R3.2 million, R13.1 million, R2.8 million, and R748 thousand from programmes 3,5,6 and 1 were transferred respectively to Programmes 2,4, and 5 to defray excess expenditure. Programme 2 overspent under goods and services, Programme 4 overspent under transfers and subsidies due to more interest and financial assistance transferred to SABC and payment for financial assets to write off fruitless and wasteful expenditure.

No roll-over during the year under review.

A DESCRIPTION OF THE REASONS FOR UNAUTHORISED, FRUITLESS AND WASTEFUL EXPENDITURE AND THE AMOUNTS INVOLVED AS WELL AS STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE.

The Department recorded unauthorised expenditure amounting to R4,741 million for the 2013/14 financial year. In the Second report of the Standing Committee on Public Accounts (SCOPA) on the unauthorised expenditure dated 14 February 2024, SCOPA recommended that the unauthorised expenditure should be financed as a reduction of the Department's future allocation in terms of section 34(1)(b) of the PFMA, 1999.

Fruitless and wasteful expenditure for the 2023/24 financial year amounted to R48 thousand as compared to the 2022/23 financial year amount of R61 thousand. The Loss Control Committee adjudicated on the cases which were all related to No Shows and concluded that R5 thousand was recoverable from officials and R43 thousand was deemed irrecoverable and should be written off.

Fruitless and wasteful expenditure cases are either recovered from the officials or written off as adjudicated by the Loss Control Committee depending on the merits of the case.

The Department has incurred irregular expenditure amounting to R22 thousand in the year under review of which the Loss Control Committee adjudicated. The Department dealt with all outstanding legacy irregular expenditure cases which were all finalised by the Loss Control Committee by the 31 March 2024, ensuring that consequence management was also applied where required, all cases were done in accordance with the 2022, PFMA Compliance and Reporting Framework.



STRATEGIC FOCUS OVER THE SHORT TO MEDIUM TERM PERIOD

Over the medium-term, the Department will continue implementing its mandate of facilitating the 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) Digitally transformed economy and society and (4) 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, inclusive and competitive economy and society".

These strategic focal points are geared towards realizing the overarching goal of fostering a digitally enabled, inclusive, and competitive economy and society.

In the forthcoming short to medium-term, the Department will prioritise its pertinent objectives as committed to in the Medium-Term Strategic Framework (MTSF), which delineates specific outcomes and priorities aimed at mitigating the challenges of poverty, inequality, and unemployment. With regards to fostering *"Enabling Digital Transformation Policies, Strategies, and Regulation,"* the Department's primary focus will be on establishing a supportive policy environment. This will involve the development and review of policies, legislation, and strategies, aimed at promoting digital inclusion and economic growth. Specifically, the Department will pursue the submission of the Audio and Audio-Visual Content Services and Online Safety Bill to the Cluster and Cabinet for approval, with the intention to introduce it in Parliament. The purpose of this legislation is to regulate and ensure the safety of audio and audio-visual content services in the digital sphere, enable a seamless evolution from traditional broadcasting to digital content innovation and development as well as introduce a supportive regime for local content creators. Moreover, in the medium term, the Department will concentrate on implementing the Audio-Visual Content Services and Online Safety Act, which aims to safeguard users and promote responsible digital content consumption. Additionally, efforts will be directed toward monitoring the implementation of the Digital Economy Masterplan, which seeks to leverage digital technologies to stimulate economic growth and job creation, facilitate and strengthen SMME growth and sustainability to support economic growth and job creation.

Furthermore, the Department will be engaged in approving, monitoring, and evaluating the National Data and Cloud Policy Implementation Plan. This plan is designed to enable South Africans to access data and cloud services for socio-economic benefits that include innovation and development of digitally tradable goods and services, enable interoperable government systems and data-sharing to assist government towards integrated service delivery, the development of evidence-based policies, promotion of inclusive policy and legislative development, leverage cloud services to enable online access to government services while reinforcing usage of digital technologies with accompanying data protection and security practices.

On the international front, the Department will actively engage in developing Country Positions to advocate for and support the National ICT priorities. These positions will be prepared for submission at prominent forums including BRICS, WTSA (World Telecommunication Standardization Assembly), WTDC (World Telecommunication Development Conference), the Global Digital Compact (GDC), UPU Congress, and the ITU-PP (ITU Plenipotentiary Conference). These strategic engagements on the global stage aims to ensure that South Africa's ICT interests are effectively represented and advanced in the international arena, thereby contributing to the country's digital transformation agenda and fostering collaboration on key global ICT initiatives.


To achieve the outcome of *"Increased Access to Secure Digital Infrastructure and Services,"* the Department will dedicate efforts to monitor the implementation of the revised SA Connect Model. This initiative targets enhanced internet access across various sectors including government, community, and household connectivity, as well as connectivity for public schools, health facilities, and traditional authority sites. Concurrently, the Department will oversee the implementation of strategic national cybersecurity programs and services, aligning with the overarching goal of bolstering digital security measures.

As part of the ongoing Broadcasting Digital Migration initiative, the Department will closely monitor the distribution and installation of decoders across all nine provinces to ensure seamless migration to digital television broadcasting via digital terrestrial transmission (DTT) and direct to home (DTH). Additionally, efforts will be directed towards monitoring the Analogue Switch-off of transmitters operating below the 694 MHz frequency band. These activities are geared towards modernising broadcasting infrastructure and optimizing spectrum usage in alignment with national objectives.

In addition to the aforementioned outcomes, a significant aim for this financial year is the realisation of a *"Digitally Transformed Economy and Society."* This entails a concerted effort towards monitoring the automation of e-Government services on the e-Portal. The purpose of this project is to enhance the efficiency and accessibility of government services through digital means, ultimately contributing to the broader goal of fostering a digitally advanced society.

The Department will also assume responsibility for coordinating and executing Digital and Future Skills programmes. These initiatives aim to equip individuals with the necessary skills and competencies to thrive in an increasingly digitalized world. The main purpose is to bridge the digital skills gap and empower citizens to participate fully in the digital economy, thus driving societal and economic transformation.

To fulfil the Outcome of establishing a *"High performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives,"* the Department and its portfolio organisations will collaborate closely to streamline strategic coordination, ensuring efficient delivery of respective mandates. As part of this initiative, DCDT will give priority to the development of an e-Claims System and a Data Analytics System within the medium-term. Additionally, the



Department will concentrate on the development of a Disaster Management Programme. This project aims to establish a comprehensive framework for managing and mitigating disasters effectively. By developing a structured program, the department intends to enhance preparedness, response, and recovery efforts in the face of various types of emergencies and disasters. The purpose is to safeguard lives, protect property, and minimize the socio-economic impact of disasters on communities and the nation as a whole. Once the Disaster Management Programme is developed, it is crucial to monitor its implementation to ensure that it is effectively executed as planned. This involves tracking the progress of various initiatives, assessing their impact, identifying any challenges or bottlenecks, and making necessary adjustments to optimize outcomes. The purpose of this monitoring effort is to ensure that the strategies and measures outlined in the program are being carried out efficiently and effectively, thereby enhancing the overall resilience of the nation to disasters.

Furthermore, the Department will ensure timely payment of Invoices. Timely payment of invoices is essential for maintaining good relationships with vendors, promoting trust and reliability in business transactions, and avoiding disruptions to essential services or supplies. By committing to paying 100% of valid invoices within 30 days from the date of receipt, the department aims to foster a conducive business environment, support small and medium enterprises, and uphold financial discipline. The purpose is to promote transparency, accountability, and efficiency in financial management while contributing to the overall economic stability and growth of the country.

DCDT will also focus on coordinating the implementation of Integrated Plan of Action in Support of the National Strategic Plan (NSP) on Gender-Based Violence (GBV). This initiative seeks to strengthen the Department's contribution to combating gender-based violence (GBV) by implementing an integrated plan of action aligned with the National Strategic Plan (NSP) on GBV. By coordinating efforts to increase the implementation rate by 80% for the 2024/25 financial year and by 100% for the 2025/26. The Department aims to enhance its support for victims of GBV, improve prevention strategies, and promote gender equality and social justice. The purpose is to contribute to a safer and more inclusive society by addressing the root causes of GBV and ensuring comprehensive and coordinated responses at national, provincial, and local levels.

Moreover, the Department will also develop Monitoring Reports on the participation of Women, Youth, and Persons with Disabilities in Procurement, SMME Development, and Employment Equity in the ICT Sector. This initiative will focus on promoting diversity, inclusion, and equal opportunities within the ICT sector by monitoring and reporting on the participation of underrepresented groups, including women, youth, and persons with disabilities. The Department aims to assess progress, identify gaps, and implement targeted interventions to enhance the representation and empowerment of these groups in procurement processes, SMME development initiatives, and employment equity practices. The purpose is to foster a more inclusive and equitable ICT sector that harnesses the full potential of diverse talents and perspectives, thereby driving innovation, competitiveness, and sustainable growth.

Coordinating the Implementation of District Development Model (DDM) Plan in the prioritized Districts/Metros will also be a strategic focus over the short to medium-term period. The purpose of this project is to facilitate coordinated efforts in implementing the DDM Plan within the prioritized districts/metros. By coordinating the implementation of this plan, the Department aims to promote integrated and participatory development approaches that address the specific needs and challenges of local communities. This includes aligning resources, mobilizing stakeholders, and monitoring progress towards achieving developmental goals and objectives at the grassroots level. The purpose is to foster inclusive and sustainable development, enhance service delivery, and empower local authorities and communities to drive their own socio-economic transformation agendas.

The Department will further continue with a stringent and proactive oversight role on its State-Owned Entities (SOEs) to ensure performance and compliance reports and facilitate the tabling of submitted Annual Performance Plans of Public Entities in line with the MTSF. Furthermore, Department will focus on coordinating its Integrated Plan of Action Implemented in Support of the National Strategic Plan (NSP) on Gender-Based Violence (GBV). This initiative seeks to strengthen the Department's contribution to combating gender-based violence (GBV) by implementing an integrated plan of action aligned with the National Strategic Plan (NSP) on GBV. The Department aims to enhance its support for victims of GBV, improve prevention strategies, and promote gender equality and social justice. The purpose is to contribute to a safer and more inclusive society by addressing the root causes of GBV and ensuring comprehensive and coordinated responses at both national and local levels.

The department will also focus on monitoring the implementation of the SAPO Reposition Strategy, Postbank strategy towards State Bank, SABC Turnaround Plan and developing the monitoring report for both SITA Repurposing and USAASA disestablishment.

PUBLIC PRIVATE PARTNERSHIPS

None

DISCONTINUED KEY ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

None

NEW OR PROPOSED KEY ACTIVITIES

None

SUPPLY CHAIN MANAGEMENT

The Department did not have unsolicited bid proposals during the year under review. Irregular, Fruitless and Wasteful, Unauthorised Expenditure has been dealt with in line with the 2022. PFMA Compliance and Reporting Framework as guided by National Treasury. The Supply Chain Management (SCM) policy and SCM delegations have been put in place to ensure more stringent controls to prevent irregular expenditure.

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

DONOR	REASON FOR DONATION	AMOUNT DONATED R,000
EOH	9th BRICKS ministerial meeting	175
MTN Group	Post budget vote event	200
SAB Breweries	9th BRICKS ministerial meeting (Beverage's sponsorship)	20
SEACOM	9th BRICKS ministerial meeting	50
SOFTWARE AG	Post budget vote event	100
HUAWEI	Budget vote and Gala dinner	150
ZA CENTRAL REGISTRY	9th BRICKS ministerial meeting (Business-to-Business Dialogue and Gala Events)	100
HUAWEI	Portfolio performance review	50
HUAWEI	9th BRICKS ministerial meeting	300
Multichoice	Post budget vote event	307
SEACOM	Portfolio performance review	50
SEACOM	Post budget vote event	100
WITU	9th BRICKS ministerial meeting	6
SOFTWARE AG	20 Laptops towards the Ministerial Back to School Programme	198
GIZ	Sponsorship towards the National Digital Skills Conference	599
Honor Technologies Africa	Sponsorship towards Deputy Minister's ICT Stakeholder Engagement	25
Altron	Production and Dev environment using enterprise grade equipment for 5 schools towards the Ministerial Back-to-School Programme	838
AWS	Sponsorship towards the National Digital Skills Conference	100
Honor Technologies	1000 School Bags towards the Ministerial Back-to-School Programme	399
Cell C	250 School Bags towards the Ministerial Back-to-School Programme	50
EOH	20 Laptops towards the Ministerial Back to School Programme	198

DONOR	REASON FOR DONATION	AMOUNT DONATED R,000
SOFTWARE AG	10 Laptops towards DM outreach events in Northern Cape 2024	99
SOFTWARE AG	10 Laptops towards DM outreach events in Western Cape 2024	99
US Department of State Bureau (CDP)	Economy class return flights, Accommodation, meals, and transport.	0
Digital Skills for Jobs and Income (DS4JI)	Registration fee, Economy class return flights, and accommodation	0
Digital Skills for Jobs and Income (DS4JI)	Registration fee, Economy class return flights, and accommodation	0
GIZ	Economy class return flights, Accommodation, and daily allowance of 44 Euro per day	0
Marshall European centre for security studies	Economy class return flights, accommodation, meals, and transport.	0
International Training centre of the international labour organisation (ITCILO)	Training costs and accommodation	0
Software Engineering Institute & US Department of Cyber and Digital Policy bureau	Economy class return flights and accommodation	0
African Union in partnership with GiZ	Economy class return flights and accommodation	0
Universal Postal Union (UPU)	Economy class return flights, accommodation, lunch, and daily allowance of 50 US\$ per day	0
GSMA	Registration fee	0
Cyberspace Administration of the People's Republic of China	Accommodation and meals	0
TOTAL		4 213

EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

The Department did not receive any deviations from National Treasury.

EVENTS AFTER THE REPORTING DATE

National Treasury has issued the instruction for Rand Merchant Bank to dematerialise 63 658 remaining Vodacom Shares in its Brokerage Account.

Based on the latest share statement from Rand Merchant Bank that the National Treasury has obtained as at 30 April 2024, the remaining shares are valued at R10,2 million.

The cost of the shares is R3,743 million included in the annual financial statements.

OTHER

None



ACKNOWLEDGEMENT/S OR APPRECIATION

I would like to express my sincere gratitude to the Minister and the Deputy Minister for their invaluable strategic leadership and guidance throughout the financial year. Their unwavering commitment to advancing our department's mission has been instrumental in our achievements.

Furthermore, I extend my heartfelt appreciation to the dedicated employees of the department, as well as the governance committees and executive team, for their tireless efforts and unwavering dedication during the period under review. Their hard work and commitment have been pivotal in driving our department's agenda forward.

I also wish to extend my appreciation to our Parliamentary Oversight Committee for their diligent oversight role, which has contributed to ensuring accountability and transparency in our operations. Additionally, I would like to thank our State-Owned Entities (SOEs) for their steadfast support and contribution towards realizing the government's planned outcomes.

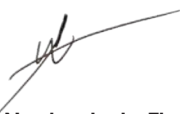
Moreover, I am grateful for the ongoing partnership with the ICT Industry, which plays a crucial role in driving innovation and economic growth. Together, we will continue to work collaboratively to increase the sector's contribution to the GDP and foster socio-economic growth and development in our country.

CONCLUSION

Throughout the reporting period, I am assured that our collective efforts, under the strategic guidance of our Political Principals, coupled with the dedication of our staff and the steadfast commitment of our stakeholders and State-Owned Enterprises (SOEs), have positioned us well to advance our predetermined priorities. With a clear focus on implementing our mandate in alignment with the Medium-Term Strategic Framework, I am confident in our ability to achieve our targets and realize our envisioned impact and outcomes.

As we move forward, let us remain steadfast in our resolve to drive positive change and make meaningful contributions to the socio-economic development of our nation. Together, we will continue to work collaboratively, leveraging our collective strengths and expertise to overcome challenges and seize opportunities, ultimately shaping a brighter future for all.

Approval and sign off



Ms Nonkqubela Thathakahle Jordan-Dyani

Accounting Officer:

Department of Communications and Digital Technologies

Date: 31 August 2024

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

.....

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2024.

Yours faithfully



Ms Nonkqubela Thathakahle Jordan-Dyani

Accounting Officer

Date: 31 August 2024



7. STRATEGIC OVERVIEW

7.1 VISION

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

7.2 MISSION

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

7.3 VALUES

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

8. LEGISLATIVE AND OTHER MANDATES

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

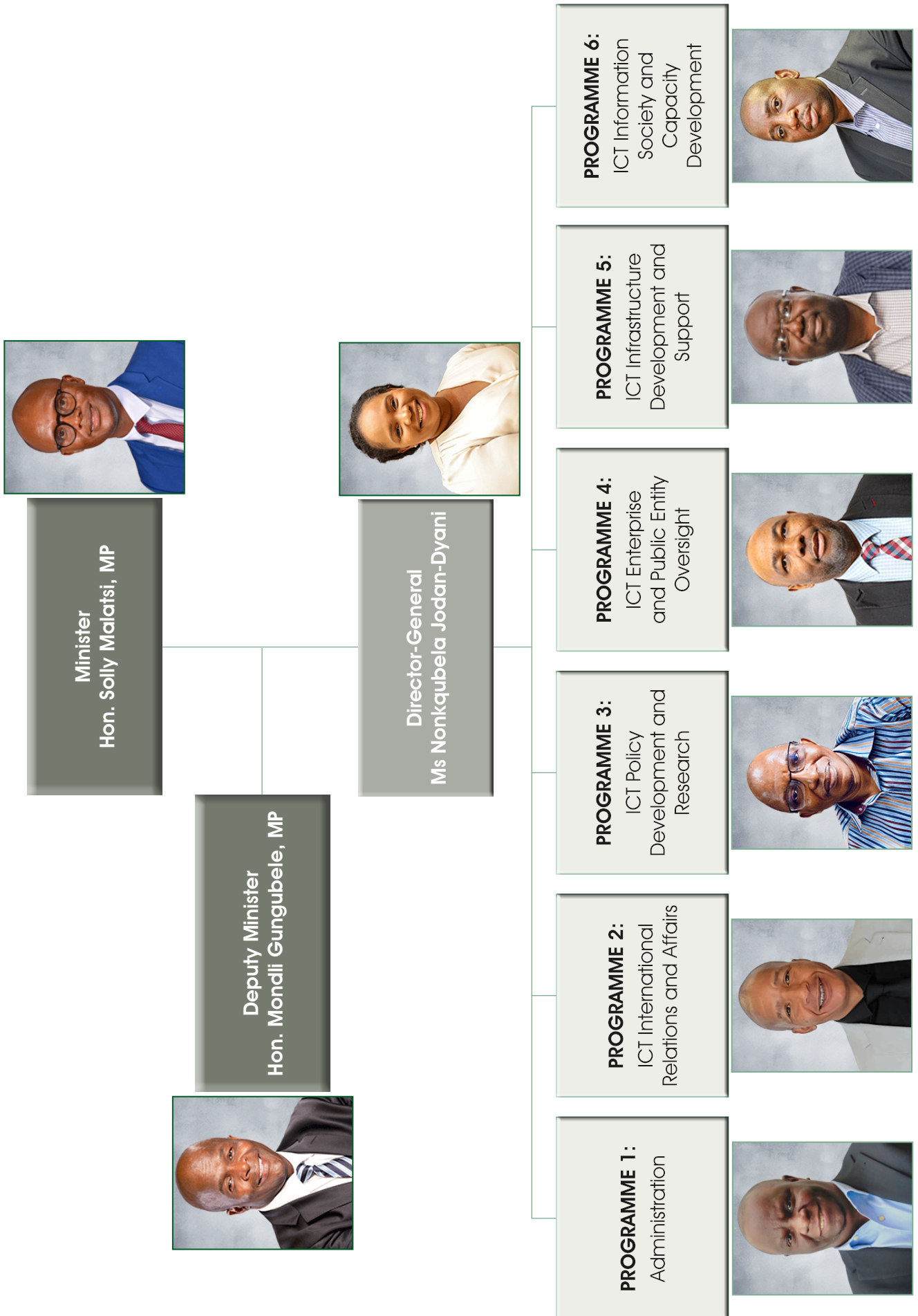
Name of Act Purpose	Purpose
Sentech Act, 1996 (Act No. 63 of 1996)	To provide for the transfer of all the shares of the South African Broadcasting Corporation in Sentech (Pty) Ltd. to the State; for the conversion of Sentech (Pty) Ltd. from a private to a public company - Sentech Ltd; for the control of Sentech Ltd; and for matters connected therewith.
Former States Posts and Telecommunications Act, 1996 (Act No. 5 of 1996)	To provide for the integration of the Departments of Posts and Telecommunications of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei with Telkom SA Limited and the South African Post Office Limited; the transfer of the postal and telecommunications enterprises by those departments, as well as certain land used by them for that purpose, to the said companies; and to provide for matters connected therewith.
Former States Broadcasting Reorganisation Act, 1996 (Act No. 91 of 1996)	To provide for the integration of the Departments of Posts and Telecommunications of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei with Telkom SA Limited and the South African Post Office Limited; the transfer of the postal and telecommunications enterprises by those departments, as well as certain land used by them for that purpose, to the said companies; and to provide for matters connected therewith.
Former States Broadcasting Reorganisation Act, 1996 (Act No. 91 of 1996)	To provide for the integration of the Departments of Posts and Telecommunications of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei with Telkom SA Limited and the South African Post Office Limited; the transfer of the postal and telecommunications enterprises by those departments, as well as certain land used by them for that purpose, to the said companies; and to provide for matters connected therewith.
Postal Service Act, 1998 (Act No. 124 of 1998)	To make new provision for the regulation of postal services; the operational functions of the postal company, including its universal service obligations structural matters relating to postal services, as well as the operation of the Postbank and National Savings Certificates; and to consolidate certain provisions relating to the postal company and amend or repeal others; and to provide for matters connected therewith.
Department of Communications Rationalisation Act, 1998 (Act No. 10 of 1998)	To provide for the rationalisation of the Department of Communications; and matters connected therewith.
Electronic Communications and Transactions Act, 2002 (Act No. 25 of 2002)	To provide for the facilitation and regulation of electronic communications and transactions; the development of a national e-strategy for the Republic; to promote universal access to electronic communications and transactions and the use of electronic transactions by Small, Medium and Micro-sized Enterprises (SMMEs); to provide for human resource development in electronic transactions; to prevent abuse of information systems; to encourage the use of e-Government services; and to provide for matters connected therewith.
Electronic Communications Act, 2005 (Act No. 36 of 2005)	To promote convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting services; to provide for the granting of new licenses and new social obligations; to provide for the control of the radio frequency spectrum; to provide for the continued existence of the Universal Service Agency and the Universal Service Fund; and to provide for matters incidental thereto.

Name of Act Purpose	Purpose
Independent Communications Authority of South Africa, 2000 (Act No. 13 of 2000)	In so far as the Independent Communication Authority may make recommendations to the Minister on policy matters and amendments to the Electronic Communications Act, No. 36 of 2005 and the Postal Services Act, No. 124 of 1998, which accord with the objectives of these Acts to promote development in the electronic transactions, postal and electronic communications sectors. Furthermore, in so far as policy made, and policy directions issued, by the Minister in terms of the Postal Services Act, No 124 of 1998, the Electronic Communications Act, No 36 of 2005 and any other applicable law.
South African Post Bank Limited Act, 2010 (Act No. 9 of 2010)	To provide for the incorporation of the Postbank Division of the South African Post Office; to provide for the transfer of the enterprise of that Division to the Postbank company; to provide for the governance and functions of the Postbank company; and to provide for matters connected therewith.
South African Post Office SOC Ltd Act, 2011 (Act No. 22 of 2011)	To provide for the continued corporate existence of the South African Post Office and its subsidiaries; to provide for its governance and staff; and to provide for matters connected therewith.
State Information Technology Agency Act, 1998 (Act No. 88 of 1998)	To provide for the establishment of a company that will provide information technology, information systems and related services to, or on behalf of, participating departments and in regard to these services, act as an agent of the South African Government; and to provide for matters connected therewith.
Broadband Infraco Act, No. 33 of 2007.	To provide for the main objectives and powers of Broadband Infraco (Proprietary) Limited; to provide for the borrowing powers of Broadband Infraco (Proprietary) Limited; to provide for servitudes and additional rights in favour of Broadband Infraco (Proprietary) Limited; to provide for the expropriation of land or any right in land by the Minister on behalf of Broadband Infraco (Proprietary) Limited; to provide for the conversion of Broadband Infraco (Proprietary) Limited; into a public company having a share capital incorporated in terms of the Companies Act, 1973; and to provide for matters connected therewith.

IN EXECUTING ITS ROLE, THE DEPARTMENT IS ALSO GUIDED BY THE FOLLOWING LEGISLATION, AMONGST OTHERS:

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

9. ORGANISATIONAL STRUCTURE




10. ENTITIES REPORTING TO THE MINISTER

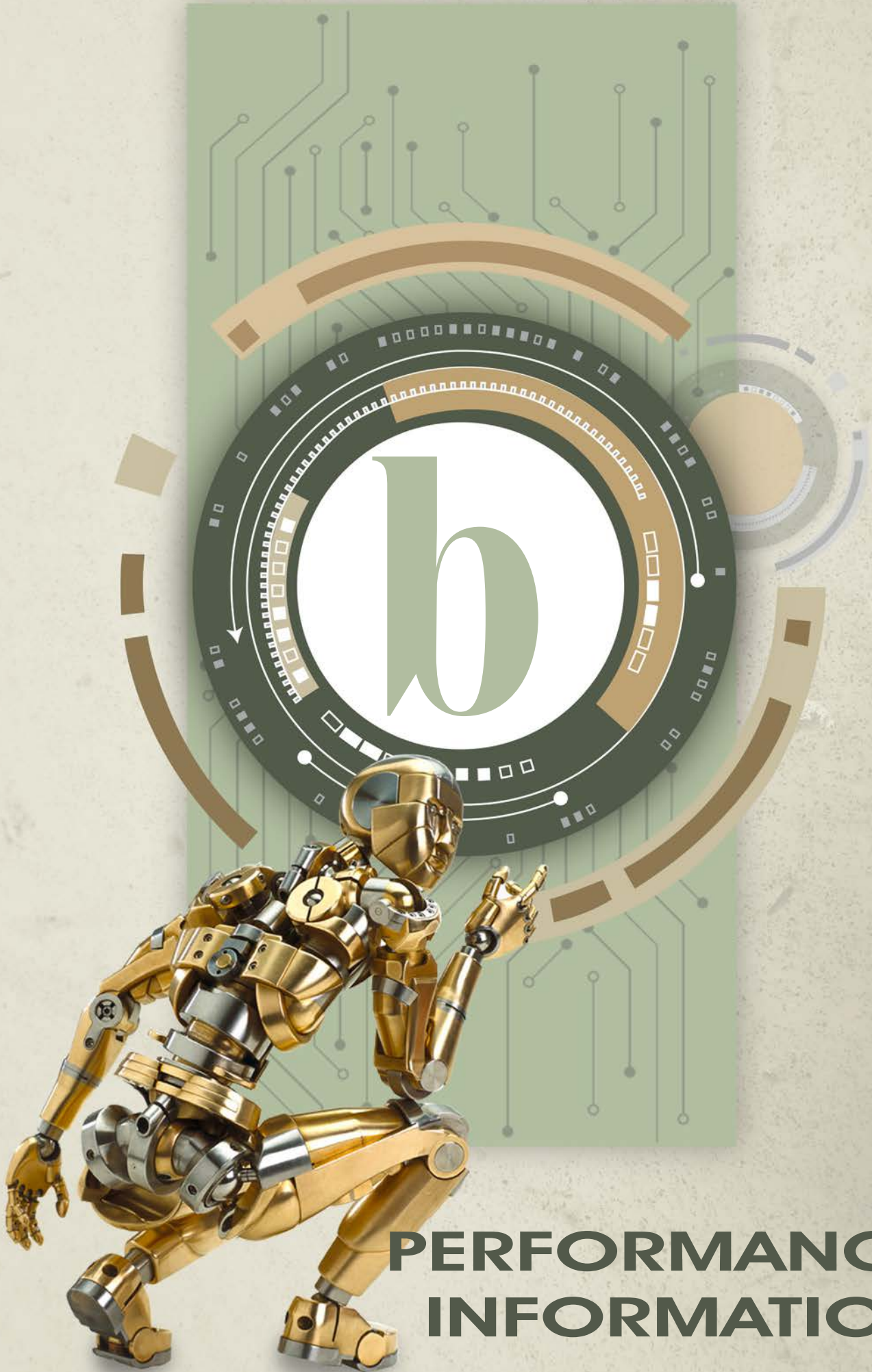
The table below indicates the entities that report to the Minister.

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

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
BBI	<p>Broadband Infraco's legislative mandate is set out in the Broadband Infraco Act no. 33 of 2007. The main objectives as set out in the Broadband Infraco Act are to expand the availability and affordability of access to electronic communications:</p> <ol style="list-style-type: none"> 1. Including but not limited to under-developed and under-serviced areas; 2. In support of projects of national interests; 3. In accordance with the Electronic Communications Act and commensurate with international best practice and pricing; and 4. Through the provision of electronic communications network services and electronic communications services. 	Self-funded	<p>Ensures that the high-capacity connectivity and bandwidth requirements for specific projects of national interests are met. BBI is a Tier-1 Shareholder in the WACS under-sea cable that provides international internet broadband connectivity via the West Coast of Africa to Portugal and London.</p> <p>The company also plays a crucial role in providing connectivity to other companies in the neighbouring countries (SADC)</p>
SENTECH	<p>Sentech was licensed through the Telecommunications Amendment Act (2001) as a state-owned enterprise to provide common carrier broadcasting signal distribution services to licensed broadcasters in South Africa.</p>	Transfer of funds	<p>Provides signal distribution services in the broadcasting industry.</p>
SABC	<p>The mandate of the South African Broadcasting Corporation SOC Limited (SABC) as a public broadcaster is defined in terms of the following statutes:</p> <ul style="list-style-type: none"> • The Constitution of the Republic of South Africa, No. 108 of 1996; • The Broadcasting Act No. 4 of 1999, as amended; • The Independent Communications Authority of South Africa Act No. 13 of 2002, as amended; • The Electronic Communications Act No. 36 of 2005, as amended. 	Mixture of government funding and self-funding	<p>Providing public broadcasting and commercial services, whether by analogue or digital means, and providing radio and TV programmes of information, education and entertainment funded by advertising, subscription, sponsorship, licence fees or any other means of finance</p>



Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
ICASA	The Independent Communications Authority of South Africa was established by the Independent Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The regulator's mandate is defined in the Electronic Communications Act (2005) as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act (1998) as regulating the postal services sector	Transfer of funds	Monitors licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.
FPB	The Film and Publications Board was established in terms of Films and Publications Act of 1996 to Regulate the creation, production, possession, and distribution of certain publications and certain films by means of classification, the imposition of age restrictions, and giving of consumer advice.	Transfer of funds	Ensures protection of children against premature exposure to adult experiences and harmful materials; provides consumer advice to enable adults to make informed viewing, reading, and gaming choices, for themselves and for children in their care; as well as criminalising child pornography.



**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 172 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Throughout the reporting period, the Department executed the 2023/24 Annual Performance Plan aligned to the Medium-Term Strategic Framework (MTSF) of the government. This plan delineates precise outcomes and priorities aimed at fully realising the mandate of the DCDT, notwithstanding budget reductions and fiscal constraints. Concurrently, over the course of the 2023/24 financial year, the government persistently realigned its budget priorities. The DCDT operates within a dynamic and rapidly evolving service delivery environment characterized by a myriad of opportunities and challenges.

During the reporting period, the DCDT continued to navigate a landscape defined by technological innovation, shifting consumer behaviors, and regulatory changes. The ongoing digital transformation across various sectors has heightened the demand for reliable and accessible communication infrastructure, digital services, and information technology solutions. As such, the Department has remained focused on advancing its mandate to facilitate universal access to communication services, promote digital inclusion, and foster innovation in the digital economy.

The Department has continued implementing the Broadcasting Digital Migration Project and the SA Connect (Broadband Connectivity) Project which represent pivotal initiatives aimed at advancing the nation's digital infrastructure and connectivity landscape. The Broadcasting Digital Migration Project endeavors to transition the country from analog to digital broadcasting, a move designed to enhance the efficiency and quality of television broadcasting while freeing up valuable spectrum for other telecommunications services. This ambitious undertaking seeks to ensure that all citizens have access to digital television services, thereby fostering greater inclusivity and improving the overall broadcasting experience.

Concurrently, the SA Connect Broadband Connectivity Project is focused on expanding access to high-speed internet connectivity, particularly in underserved and rural areas. By deploying broadband infrastructure and promoting affordable internet access, this initiative aims to bridge the digital divide and unlock economic opportunities in sectors reliant on robust digital infrastructure.

Both projects represent critical pillars of South Africa's digital transformation agenda, aligning with broader national objectives of socio-economic development, job creation, and enhanced service delivery. Through strategic investment, collaboration with stakeholders, and innovative approaches, these initiatives are poised to catalyze the nation's journey towards a more connected, inclusive, and digitally empowered future.

Amidst these opportunities, the DCDT encountered several challenges in delivering its services effectively. These challenges include the need to address infrastructure gaps, particularly in underserved and remote areas, and to ensure equitable access to communication networks and digital technologies. Additionally, the Department faced constraints related to budgetary limitations, which necessitated strategic allocation of resources to prioritize key initiatives and optimize service delivery outcomes.

To address these challenges, DCDT has implemented interventions aimed at enhancing the efficiency, effectiveness, and inclusivity of its service delivery mechanisms. This includes initiatives to leverage public-private partnerships, streamline regulatory processes, and invest in infrastructure development projects aimed at bridging the digital divide.

For the Broadcasting Digital Migration Project, challenges have included logistical complexities in transitioning from analogue to digital broadcasting, such as the need for widespread consumer education, the coordination of equipment distribution, installation, and the management of spectrum allocation related to this initiative. Additionally, technical issues and delays in infrastructure rollout have posed obstacles to the project's timely completion. The DCDT has implemented corrective measures to address these challenges, including intensifying public awareness campaigns to educate citizens about the benefits and process of digital migration, enhancing collaboration with industry stakeholders to streamline implementation processes, and strengthening project management mechanisms to ensure effective coordination and oversight.

Similarly, the SA Connect Broadband Connectivity Project has faced challenges related to infrastructure deployment in remote and underserved areas, regulatory hurdles, funding constraints, and disparities in internet accessibility across different regions.

In response, the DCDT has taken proactive steps to overcome these challenges, including accelerating infrastructure deployment through public-private partnerships, revising regulatory frameworks to incentivize investment in broadband infrastructure, leveraging innovative financing mechanisms to secure funding for project expansion, and prioritizing interventions to address connectivity gaps in marginalized communities.

By addressing these challenges head-on and implementing strategic corrective measures, the DCDT is working towards ensuring the successful implementation of both the Broadcasting Digital Migration and SA Connect projects, thereby advancing South Africa's digital transformation agenda and fostering greater inclusivity, connectivity, and socio-economic development across the nation.

Externally, the Department has been impacted by significant developments that have shaped the demand for its services and its ability to deliver on its mandate. These developments include shifts in consumer preferences towards digital communication channels, advancements in emerging technologies such as 5G, artificial intelligence, and the Internet of Things, as well as regulatory reforms aimed at fostering competition and innovation in the telecommunications and digital sectors.

In navigating this complex service delivery environment, the DCDT remains committed to driving forward its strategic objectives, fostering collaboration with stakeholders, and leveraging innovation to meet the evolving needs of citizens and businesses in the digital age.

According to the assessment of its 2023/24 Annual Performance Plan, the Department set out to achieve 34 targets. Out of these targets, it successfully achieved 28, representing an attainment rate of 82%. This performance is visually represented in the accompanying graphs below:

Figure 1: DCDT 2023/24 APP Performance

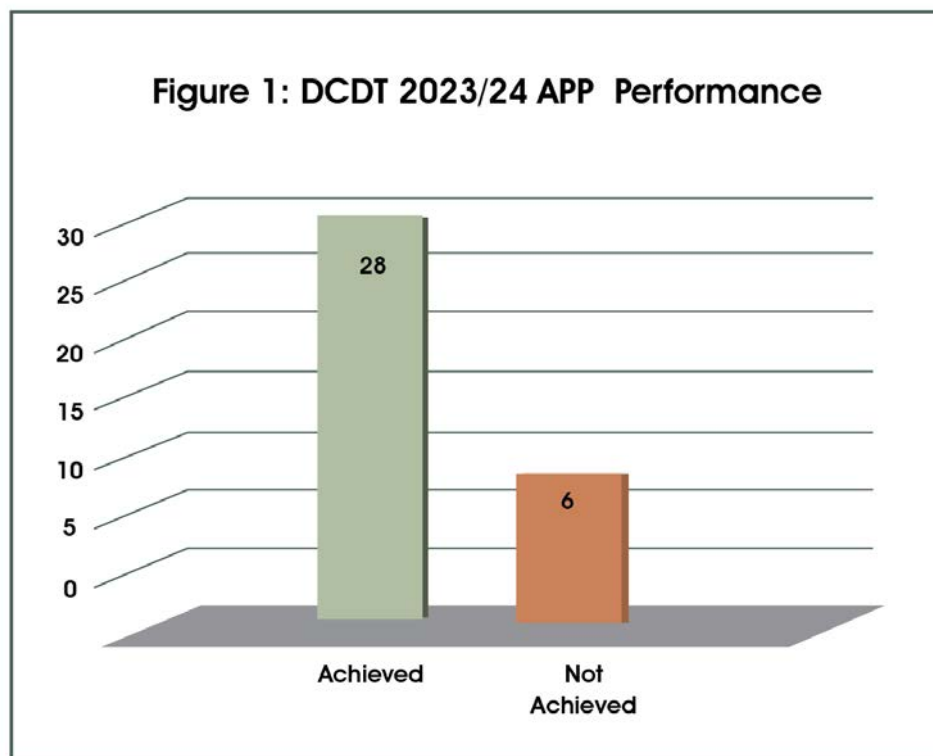
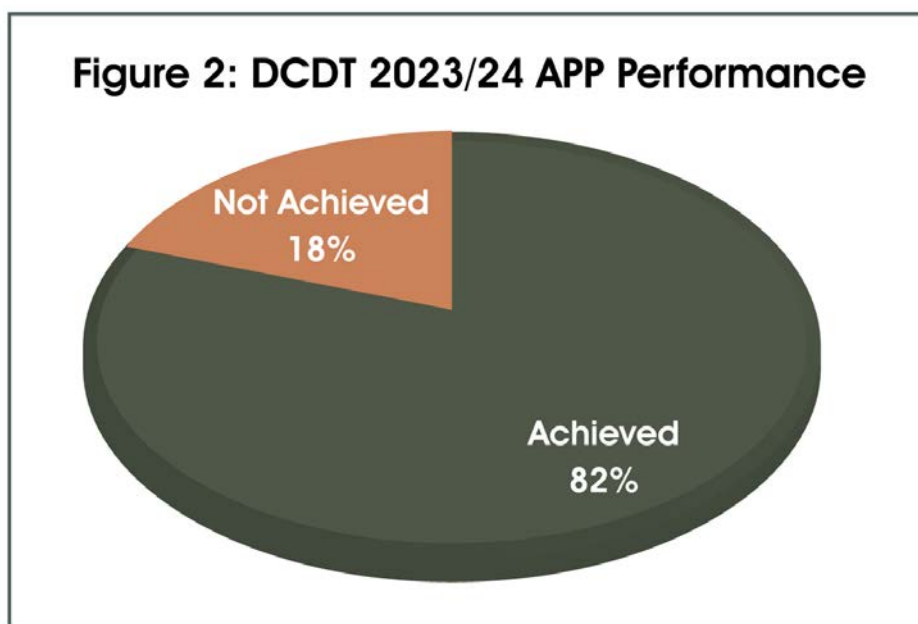


Figure 2: DCDT 2023/24 APP Performance



2.2 SERVICE DELIVERY IMPROVEMENT PLAN

Throughout the 2023/24 reporting period, the Department operated under a startup structure, with the development of the organisational structure still underway. During the 2024/25 financial year, the DCDT will finalise and approve the Service Delivery Improvement Plan (SDIP), outlining core services and standards, subsequent to the approval of the organisational structure.

2.3 ORGANISATIONAL ENVIRONMENT

During the 2023/24 financial year, the Department pursued the objectives outlined in its 2020-2025 Strategic Plan and the corresponding 2023/24 Annual Performance Plan. Throughout this period, operations proceeded under an interim organisational structure, as efforts were directed towards crafting a structure that fully aligns with the mandate of the DCDT. The Department has embarked on the organisational structure review and reconfiguration process, which is now at an advanced stage, preparing for the consultation process with the Minister for Public Service and Administration (MPSA) and the Minister of Finance on the proposed organisational structure for concurrence. A detailed project plan, supported by the change and stakeholder engagement and communication plans, is in place to guide the organisational structure review and reconfiguration process.

The finalisation and subsequent implementation of the reconfigured organisational structure is slated for the forthcoming 2024/25 financial year. Concurrently, operations persisted under the start-up structure, with ongoing efforts dedicated to refining the organisational structure for eventual deployment in the 2024/25 financial cycle.

The organisational review and reconfiguration process is guided by the Service Delivery Model (SDM) that has been reviewed to inform the new service delivery approach. The revised SDM defines the adopted decentralization model to drive the delivery of its mandate, as well as the support and core services, which are programs, the service recipients, the internal service, and delivery channels and key considerations to be managed.

The proposed organisational structure requirements encompass enhanced and new functional areas that would require upskilling and reskilling of employees in specific areas in line with the strategic imperatives, as well as acquiring relevant skills where required critical skills do not exist internally. In terms of building the appropriate skills to deliver on its mandate, the DCDT has an approved Workplace Skills Plan (WSP) aimed at capacitating employees with requisite skills aligned to the mandate and strategy.

With regard to staff establishment status, as of the end of March 2024, the Department had a total headcount of 337 staff on its establishment. Out of these posts, 274 were filled, and 63 were vacant and funded, equating to an 18,69% vacancy rate. The Department was allocated a total adjusted and exclusively earmarked amount of R302 042 million for compensation of employees in the 2023/24 financial year. At the end of March 2024, the Department had spent R270

655 million of its COE budget. The main reason for the underspending was the non-filling of vacancies due to the lack of an approved organisational structure and the implementation of the DPSA's Directive on the Implementation of Control Measures aimed at assisting Executive Authorities in Managing Fiscal Sustainability during the process of creating and filling of vacant posts in Departments.

Despite the limitations mentioned above, the Department was able to fill critical positions such as the Director-General, Chief Director: Communications and Marketing, Chief Director: Integrated Strategic Planning and Monitoring, Chief Financial Officer and the Chief Director: Human Resource Management. The position of Chief Director: Legal Services was advertised, and the appointment approval processes are underway.

Approval was also granted to advertise thirty-four (34) posts on the non-SMS level, and as a result, the Department was able to fill twenty-three (23) of the thirty-four (34) vacancies. This process enabled the Department to address the long drought of promotion opportunities for internal staff. This in general, lifted the overall morale amongst staff members in the Department.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

During the period under review, the Department witnessed significant developments in policies and legislation that directly impacted on its operations. The finalization of the National Data and Cloud Policy represents another significant milestone during this period. This policy sets guidelines and frameworks for the management, storage, and utilisation of data and cloud services at a national level. Such policies often have far-reaching implications for government Departments, especially in terms of data security, privacy, and interoperability. Compliance with these policies may require the Department to adapt its data management practices, invest in new technologies or infrastructure, or undergo training programs to ensure staff understanding and adherence.

With regard to the Rapid Deployment Policy, the implementation of a Rapid Deployment Policy is aimed at streamlining procedures for the deployment of telecommunications infrastructure, such as mobile networks and broadband services. For the Department, this policy shift would entail adjusting regulatory processes, ensuring compliance with new standards, and possibly facilitating faster approval for infrastructure projects.

Changes in Spectrum Policy have wide-ranging effects, particularly in the telecommunications sector. This policy governs the allocation and usage of radio frequencies, which are crucial for wireless communication services. The specifics of the changes, impose the need for the Department to adapt its spectrum management practices, coordinate with stakeholders for spectrum allocation, or revise regulatory frameworks.

The enactment of the Postbank Amendment Act will bring about changes in the regulatory framework governing postal banking services. This could have implications for the Department if it oversees or collaborates with postal banking institutions. Compliance with new regulatory requirements and alignment of operational practices would be necessary. Furthermore, the (South African Post Office) SAPO Amendment Bill, indicates legislative changes concerning postal services. The Department's operations may be affected by amendments related to mail delivery, postal infrastructure, or other postal service provisions. Adapting to these changes would involve ensuring alignment with updated regulations and possibly restructuring operational processes.

It is essential for the Department to closely monitor and respond to these policy developments and legislative changes to maintain compliance, optimize operations, and effectively serve its constituents.

In summary, the Department has driven significant policy developments and legislative changes during the specified period, including the finalisation of the National Data and Cloud Policy, updates to Spectrum Policy, the implementation of a Rapid Deployment Policy, and amendments to both the Postbank Act and the SAPO Bill. These changes have wide-ranging implications for the Department's operations, necessitating adjustments in data management strategies, spectrum allocation practices, regulatory procedures for infrastructure deployment, compliance frameworks for postal banking services, and operational processes related to postal services. The Department will closely monitor these developments, ensure compliance, and adapt its operations accordingly to effectively serve its constituents and maintain operational efficiency in the evolving regulatory landscape.

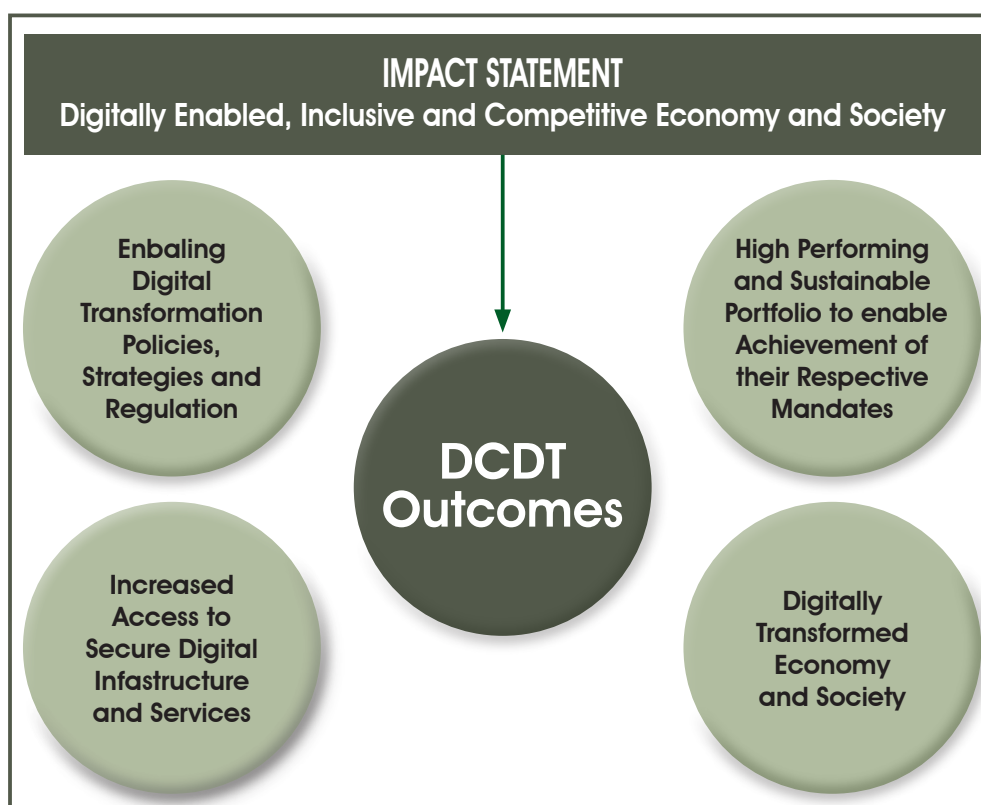
3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department of Communications and Digital Technologies (DCDT) is dedicated to fostering a Digitally Enabled, Inclusive, and Competitive Economy and Society. Through this overarching Impact Statement, the Department underscores the critical significance of universal access to digital technologies. Such access is indispensable, empowering citizens to engage in work, social interactions, access government services, participate in economic activities, and exercise accountability over those in positions of authority. Central to our mission is the recognition that access to digital resources must be both secure and affordable for all individuals, regardless of their race, socioeconomic status, or geographic location. The Department is committed to advancing a vision of a digitally inclusive society, wherein every citizen can realise the benefits of technology without barriers.

In pursuit of this vision, the Department actively strives to promote a digitally enabled, inclusive, and competitive landscape. Key to this goal is the facilitation of secure and affordable universal access to digital technologies and services. By prioritizing accessibility and affordability, we aim to catalyze socio-economic growth and foster a more equitable and prosperous future for all.

THE FOLLOWING DIAGRAM ILLUSTRATES THE IMPACT STATEMENT OF DCDT AND OUTCOMES AS PER THE STRATEGIC PLAN.

The following outlines the progress achieved towards the realization of the strategic plan's five-year targets, with a focus on outcome indicators that underscore significant milestones. These achievements are instrumental in advancing DCDT contributions toward the objectives outlined in the 2019-2024 Medium-Term Strategic Framework.



3.1 ENABLING DIGITAL TRANSFORMATION POLICIES, STRATEGIES, AND REGULATION

The Department has been actively engaged in the formulation and implementation of policies, strategies, and regulatory frameworks aimed at driving digital transformation across ICT various sectors. Throughout the reporting periods, significant milestones have been achieved, marking progress towards a more digitally enabled society.

Throughout the MTSF period, the Department undertook a series of strategic initiatives aimed at advancing digital transformation within the country. Among these initiatives, notable actions were taken to strengthen postal services, exemplified by the submission of the South African Post Office SOC Ltd Amendment Bill to Cabinet for approval. In parallel, concerted efforts were directed towards overseeing the progress of the Postbank Amendment Bill through the parliamentary process, with particular emphasis on expediting banking licensing applications to enhance financial inclusion. The President assented to amendments to the South African Postbank SOC Limited Act on 27 September 2023 and His Excellency further issued a proclamation of the Postbank Amendment Act which came into effect on 19 February 2024.

Despite encountering challenges along the way, significant strides were achieved across various fronts. While the submission of the Audio-Visual White Paper to Cabinet for approval faced obstacles, significant progress has been made to the extent that this draft policy is currently under Executive review. Similarly, the submission of the SABC Bill to Cabinet underscored the Department's ongoing commitment to fortifying the media landscape and ensuring its resilience in an evolving digital environment.

During the 2023/24 reporting period, the National Cloud Computing Policy was replaced with the National Data and Cloud Policy which was finalised and approved by Cabinet. The National Data and Cloud Policy serves as a foundational document aimed at guiding and regulating the management, utilization, and protection of data and cloud computing resources nationally. Its primary purpose is to establish a coherent framework that promotes the responsible and efficient use of data and cloud technologies across public and private sectors. By outlining guidelines for data governance, security standards, interoperability, and access, the policy aims to foster innovation, enhance efficiency, and drive economic growth in a digital-first environment.

Moreover, this policy seeks to address critical issues such as data privacy, sovereignty, and the equitable distribution of digital resources, ensuring that all citizens can benefit from the opportunities presented by data-driven technologies. Ultimately, the National Data and Cloud Policy aims to create a conducive ecosystem that enables organisations to leverage data and cloud solutions effectively while safeguarding individual rights and national interests. Going forward, the Department planned to approve the National Data and Cloud Policy Implementation Plan in the 2024/25 financial year.

Integral to the digital transformation agenda is the development of strategic frameworks. The Digital Economy Masterplan, approved during the 2020/21 reporting period, lays a foundation for future growth and innovation. Efforts to coordinate the implementation of priority areas outlined in the Masterplan have also been undertaken, with reports generated and approved. During the 2022/23 period, the Department encountered challenges in executing the Digital Economy Masterplan. However, in the subsequent fiscal year of 2023/24, significant efforts were made to address these obstacles. The Implementation Plan of the Digital Economy Masterplan underwent thorough review and updating to align with current priorities and emerging trends. Subsequently, the updated plan was diligently prepared and submitted for approval, reflecting a renewed commitment to advancing digital transformation initiatives. With a clear intention to monitor and track progress, the Department aims to ensure effective implementation of the Masterplan, thereby driving sustainable growth and innovation within the digital economy landscape. Looking ahead to the fiscal year 2024/25, the Department remains steadfast in its dedication to monitoring the ongoing implementation of the Digital Economy Masterplan, reaffirming its pivotal role in advancing the nation's digital agenda and fostering sustainable economic growth.

On the international stage, the Department has actively advocated for South Africa's interests in digital development. Through participation in forums such as the ITU-WRC-23 and regional consultation meetings, efforts have been made to shape global policies on spectrum management and digital technologies. Position papers for international organisations such as the UPU and PAPU have been developed and approved, further solidifying South Africa's stance on key ICT issues. Looking forward to the fiscal year 2024/25, the Department aims to further solidify its international engagement strategy. To this end, plans are in place to develop a comprehensive Draft WRC-23 Outcomes report, aimed at informing the revision of the 2025 National Radio Frequency Plan (NRFPP). This proactive approach underscores the Department's commitment to advocating for South Africa's interests on the global stage and ensuring alignment with emerging international standards and regulations.

In alignment with the imperatives of the Fourth Industrial Revolution (4IR), the Department has taken the lead in spearheading the development of a comprehensive Country Report and Strategic Implementation Plan (SIP). Through extensive consultation conducted at both provincial and national levels, the Department has ensured inclusivity and stakeholder engagement in the planning process. Building upon these foundational efforts, significant strides were made in advancing the 4IR agenda in the fiscal year 2023/24. The coordination and development of the PC4IR Strategic Implementation Plan signify a concerted effort to align projects with the strategic objectives outlined in the PC4IR Recommendations. Furthermore, a Coordination Report was developed to provide insights into the progress of projects related to the Strategic Implementation Plan, reaffirming the Department's dedication to driving tangible outcomes and realizing the transformative potential of the Fourth Industrial Revolution. Looking ahead to the 2024/25 financial year, the Department will continue to coordinate the PC4IR Strategic Implementation Plan, ensuring ongoing progress and alignment with strategic goals.

Through strategic partnerships and focused policy initiatives, the Department remains steadfast in its mission to create an enabling environment for digital transformation. As efforts continue to evolve, the Department remains dedicated to driving inclusive growth and competitiveness in the digital era. Through strategic partnerships and policy initiatives, the Department not only navigates but also pioneers the ever-evolving landscape of digital transformation. By forging alliances with both public and private entities, it fortifies its position as a catalyst for progress in the digital realm. With a keen eye on the future, the Department's commitment to innovation and adaptability remains unwavering. As technology continues to reshape industries and societies, the Department stands at the forefront, championing inclusive growth and fostering a competitive edge for the nation in the digital era. With steadfast determination, it remains dedicated to ushering in a future where opportunities abound and where every citizen can thrive in the digital age.

3.2 INCREASES ACCESS TO SECURE DIGITAL INFRASTRUCTURE

The Department has made significant strides in increasing access to secure digital infrastructure, laying the groundwork for widespread connectivity and technological advancement across South Africa. In the 2020/21 reporting period, the Department concluded the SA Connect Feasibility Study, a pivotal step towards facilitating broadband connectivity to government facilities. Moreover, a revised SA Connect implementation plan was approved by the Cabinet in the following reporting period, setting a robust agenda to connect the nation within three years. Despite funding challenges, the Department has remained resilient, securing state capital funding of R2.5 billion to support the revised model, aiming to achieve an ambitious target of 80% broadband access by 2024. The establishment of the Project Management Office for SA Connect Phase 2 showcased the Department's commitment to efficient implementation.

Concurrently, efforts have been directed towards coordinating the roll-out of subsidized digital television installations and the Switch-off of analogue television transmitters, aligning with revised implementation targets approved by the Cabinet. Additionally, the Department has made strides in the realm of spectrum management, conducting preliminary studies and developing draft positions for WRC-23, while also advancing policies for 5G deployment and monitoring social obligations for new spectrum license holders. Looking ahead, the Department remains dedicated to its mandate, focusing on the distribution of decoders, analogue switch-off coordination, and ongoing monitoring of strategic national cybersecurity programs. These initiatives, centred on broadband connectivity, broadcasting digital migration, and spectrum allocation, directly contribute to the overarching goal of increasing access to secure digital infrastructure, paving the way for inclusive growth and prosperity in the digital era. In the 2023/24 reporting period, the Department monitored the implementation of the revised SA Connect Model towards internet access for communities and Government facilities. Furthermore, in 2024/25, the Department continues to monitor the implementation of the revised SA Connect Model, with a focus on expanding internet access to Government, community and household connectivity, as well as public schools, health facilities, and traditional authority sites connectivity.

3.3 DIGITALLY TRANSFORMED ECONOMY AND SOCIETY

In pursuit of a digitally transformed economy and society, the Department has played a pivotal role in facilitating the implementation of the National e-Government Strategy and Roadmap, a cornerstone initiative aimed at advancing the digitalization of government services. Central to this goal the DCDT has ensured the establishment of a robust National e-Government Programme Governance Structure, providing a framework for effective oversight and coordination. Throughout the reporting period of 2022/23, the Department has diligently coordinated the implementation of the National e-Government Strategy and Roadmap, with particular emphasis on the development of a Single Portal for prioritized government services. Looking ahead, the Department's focus will remain on monitoring the automation of e-Government services on the e-Portal, with the overarching aim of empowering citizens to transact with the government in real-time, from the safety and convenience of their homes. This strategic approach underscores the Department's commitment to fostering greater accessibility, efficiency, and responsiveness in the delivery of public services, thereby driving inclusive growth and societal advancement in the digital age.

The Department has played a pivotal role in coordinating and reporting on Partnership Programmes initiatives aimed at bolstering the Digital Economy. In an effort to identify priority programmes, internal engagements were conducted with key branches including ICT Policy Development and Research, as well as ICT Information Society and Capacity Development. The Department played a key role in coordinating the implementation of the Digital and Future Skills Programme, in line with the Digital and Future Skills Strategy enabling people to become active participants in the Digital Economy. In the reporting year (2023/24), the Minister of Communications and Digital Technologies established the National Digital Skills Forum, a government-led institutional mechanism that will ensure a coordinated implementation of the digital skills programme in the country. The Digital Skills Forum (DSF) is comprised of representatives from government, business, academia, and civil society. The Forum is to provide strategic direction to the implementation of the digital skills programme, prioritise and coordinate areas of focus, mobilise resources in the form of expertise, funding, and institutional support, and monitor performance. The DSF will also advise on the reconceptualisation and structuring of the digital skills development ecosystem in support of digital skills building.

Stakeholders for partnerships were meticulously identified, with engagements conducted with Foreign Embassies to solidify agreements on identified programmes. A comprehensive status report on the implementation of identified partnership programmes was subsequently developed. Continuing this momentum into the 2022/23 reporting period, the Department diligently coordinated the implementation of international programmes geared towards supporting digital economy initiatives and developed a detailed Status report on the implementation of Identified international programmes, further strengthening transparency and accountability. Additionally, the Department's support and contribution to the SA Investment Conference were noteworthy, particularly in advancing ICT investment initiatives. The Outcomes report developed and approved during the 2021/22 reporting period stands as a testament to the Department's commitment to fostering strategic partnerships and driving tangible outcomes in the realm of digital investment and economic growth.

To further contribute to transforming to a digital society, the Department focused on including four (4) Artificial Intelligence (AI) Centres of Excellence in collaboration with the Artificial Intelligence Institute of South Africa (AIIISA) network and implemented priority programmes, in line with the recommendations stemming from the Report of the Presidential Commission on the Fourth Industrial Revolution (4IR). The Department will also further facilitate the Digttech Products and services for adoption by the Government.

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. Going forward the focus is on monitoring the Automation of e-Government services on the e-Portal.

In the fiscal year 2023/24, the Department has taken significant strides in advancing the nation's technological landscape by developing the National Artificial Intelligence (AI) Plan. This comprehensive initiative reflects the government's commitment to harnessing the transformative potential of AI to drive innovation, economic growth, and societal progress. Through extensive research, stakeholder consultations, and expert input, the Department has formulated a strategic roadmap that outlines clear objectives, priorities, and action plans for the responsible and effective deployment of AI technologies across various sectors. By fostering collaboration between government, industry, academia, and civil society, the National AI Plan aims to position South Africa as a global leader in AI innovation and adoption, while also addressing ethical, legal, and socio-economic considerations. As the country moves towards a digital future, this milestone initiative underscores the Department's proactive approach to leveraging cutting-edge technologies for the benefit of all citizens. Looking forward to the 2024/25 financial year, the focus will be to develop a Draft National Artificial Intelligence (AI) Policy.

3.4 HIGH PERFORMING AND FINANCIALLY SUSTAINABLE PORTFOLIO TO ENABLE ACHIEVEMENT OF THEIR RESPECTIVE MANDATES AND POLICY OBJECTIVES.

To ensure high performing and sustainable portfolio and for the portfolio organisations to achieve their respective mandates and policy objectives, 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. The implementation of the Digital Transformation Strategy activities continued in 2023/24 financial year to ensure that the Department is digitised and becomes a paperless environment, the Department focused on developing and implementing the e-Submission System.

In alignment with the approved Strategic Plans and Annual Performance Plans (APPs) of State-Owned Enterprises (SOEs), the Department continues its rigorous analysis of Quarterly SOE Performance Reports, ensuring timely submission of these reports to the Minister. Additionally, the Department conducts comprehensive assessments of quarterly performance reports submitted by SOEs, as well as scrutinizes their submitted APPs, Strategic Plans, and Corporate Plans. Moreover, the Department meticulously reviews the Shareholder Compacts of Schedule 2 and 3B entities, ensuring adherence to established objectives and benchmarks.

In terms of Performance Management Systems for Independent Communications Authority of South Africa (ICASA) Councillors, significant progress was made during the 2021/22 financial year. The Department presented the Performance Management System for ICASA Councillors to Parliament, setting a foundation for effective governance and oversight. Subsequently, during the 2022/23 reporting period, the Department facilitated the monitoring and evaluation of this system. Despite a delay in Parliament's approval of the Performance Management System for ICASA Councillors, the endorsement was ultimately secured during the 2023/24 financial year, solidifying governance mechanisms for ICASA's leadership.

The District Development Model (DDM) represents a holistic and integrated approach to local development in South Africa. It aims to address the complex socio-economic challenges faced by various districts and metros across the country by fostering collaboration and coordination among different spheres of government, as well as with various stakeholders including communities, businesses, and civil society organizations. At its core, the DDM seeks to empower districts and metros to drive their development agendas while aligning them with national priorities and strategies. By focusing on localized solutions and interventions, the model aims to ensure that development efforts are tailored to the specific needs and realities of each area. In compliance with government mandates, the Department coordinates the Implementation Plan for the District Development Model. This involves formulating strategies and initiatives to support the implementation of the DDM in targeted districts and metros.

Building on this groundwork, key stakeholders collaborate to identify priority areas for intervention, develop action plans, and mobilize resources to support implementation. This coordinated effort enables districts and metros to address pressing challenges such as unemployment, poverty, infrastructure deficits, and service delivery gaps more effectively.

The Department upheld its commitment to promoting inclusivity and equity by closely monitoring Gender, Disability, Youth, and Children (GDYC) Responsiveness programs within both the Department and State-Owned Companies (SOCs). This adherence to national targets underscores the Department's dedication to fostering social empowerment and inclusion. Incorporating data from the Gender and Disability Mainstreaming Monitoring System and Youth Mainstreaming Monitoring System, the Department continuously evaluates the effectiveness of GDYC programs. This monitoring ensures alignment with broader national objectives aimed at promoting gender equality, disability rights, and youth empowerment.

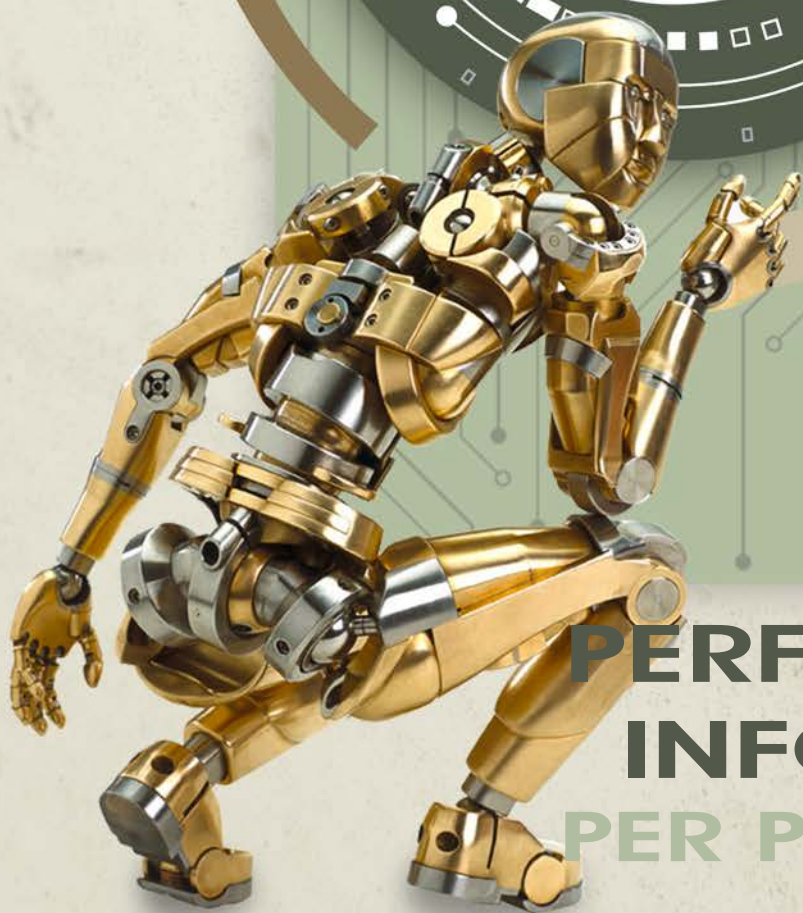
Furthermore, the Department collaborates with SOCs to implement GDYC initiatives, recognizing the pivotal role these entities play in driving socio-economic development. By integrating GDYC considerations into their operations, SOCs contribute to building a more inclusive and equitable society, in line with national imperatives. Through these concerted efforts, the Department not only fulfils its mandate to promote GDYC responsiveness but also contributes to the broader agenda of social transformation and empowerment in South Africa.

The DCDT spearheaded the integration of a comprehensive action plan in support of the National Strategic Plan (NSP) on gender-based violence. This initiative, focusing on Prevention, Reporting, and Economic Empowerment Pillars, was rolled out across Provinces and District Municipalities in collaboration with SOCs. The National Stakeholder Engagement and Evaluation Workshop was convened, facilitating collaboration and knowledge exchange among stakeholders from various sectors. This forum served as a platform to assess progress, identify challenges, and chart a collective path forward in addressing gender-based violence.

The finalization of the DCDT organisational structure, a critical process aligned with the mandate and strategy, as well as the digitization of processes and systems, represents a pivotal step towards establishing a high-performing organisation. However, this process encountered challenges, particularly in terms of extensive consultation, which necessitated thorough deliberation and collaboration among stakeholders. Despite these hurdles, the Department remains steadfast in its commitment to ensuring that the organisational structure reflects the evolving needs and objectives of the Department. Anticipated to be finalised and approved in the 2024/25 financial year, the organisational structure will serve as a blueprint for optimized operations and streamlined service delivery.

The Department remains committed to upholding rigorous and proactive oversight over its State-Owned Entities (SOEs), ensuring adherence to performance standards and regulatory compliance. This commitment extends to facilitating the timely tabling of submitted Annual Performance Plans of Public Entities, aligning with the Medium-Term Strategic Framework (MTSF) objectives. The Department will maintain vigilant monitoring of the performance of ICASA Councillors, in accordance with the established Performance Management System. This oversight serves to uphold accountability and effectiveness within the telecommunications sector. Additionally, the Department will prioritize the facilitation of shareholder compacts for Schedule 2 and 3B entities, underscoring its commitment to enhancing governance and performance across SOEs.

Furthermore, key focus areas include monitoring the implementation of strategic initiatives such as the South African Post Office (SAPO) Reposition Strategy, the Postbank strategy towards State Bank transformation, and the South African Broadcasting Corporation (SABC) Turnaround Plan. Additionally, the Department will undertake the development of monitoring reports for the State Information Technology Agency (SITA) Repurposing and the disestablishment of the Universal Service and Access Agency of South Africa (USAASA). Through these concerted efforts, the Department aims to drive efficiency, accountability, and strategic alignment across the spectrum of its oversight responsibilities, ultimately contributing to the broader national development agenda.



**PERFORMANCE
INFORMATION
PER PROGRAMME**

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

- High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

Programme 1: Administration outcome focuses on “High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives”. The Department in this regard, successfully developed an e-Submission system, streamlining and modernizing the submission processes for various reports and documents. This initiative not only enhanced efficiency but also fostered transparency and accessibility in DCDT operations. Gender Significant progress was made in coordinating a Gender Responsive Annual Performance Plan, aligning departmental strategies with gender equality objectives. This effort reflects the Department’s commitment to promoting inclusivity and addressing gender disparities in its policies and practices.

The Department achieved the target of paying all valid invoices within 30 days from the date of receipt, ensuring timely and fair compensation for goods and services rendered. This accomplishment underscores the Department’s adherence to financial regulations and its commitment to fostering trust and reliability in its transactions. Disaster Risk Identification was conducted: Successfully, laying the groundwork for proactive risk management and mitigation strategies. This initiative strengthens the Department’s resilience and preparedness in the face of potential crises, safeguarding both public assets and community well-being.

The Department encountered challenges in producing monitoring reports on the participation of women, youth, and persons with disabilities in procurement, SMME development, and employment equity within the ICT sector. Despite concerted efforts, constraints such as data availability and resource limitations impeded the fulfilment of this target. With regards to the District Development Model (DDM) Plan, the Department faced setbacks in coordinating the implementation of the District Development Model (DDM) Plan in prioritized districts and metros. Factors such as coordination complexities and resource constraints hindered progress in executing this strategic initiative effectively.

With regards to the contributions to Departmental outcomes, the achievement of these targets underscores the Department’s dedication to advancing digital transformation and promoting inclusive development. By developing the e-Submission system and coordinating a Gender Responsive Annual Performance Plan, the Department has not only enhanced operational efficiency but also advanced gender equality objectives. Timely payment of invoices and proactive disaster risk identification further demonstrates the Department’s commitment to financial integrity and community resilience. Despite encountering challenges in monitoring and implementing certain initiatives, the Department remains steadfast in its pursuit of fostering equitable opportunities and sustainable development.

In line with government priorities, the Department has prioritized the inclusion of women, youth, and persons with disabilities in its service delivery environment. Programme 1 has ensured the mainstreaming of critical issues related to designated groups through the Chief Directorate: Gender, Disability, Youth and Children (GDYC). This Unit also ensured that all Departmental programme, policies, and processes are inclusive of issues related to such designated groups and monitor the Departmental and SOCs Gender, Disability, Youth and Children Responsiveness programmes in line with National targets. Efforts have been made to ensure accessibility, representation, and empowerment across programmes and initiatives. However, challenges have been encountered in effectively addressing the diverse needs of these designated groups, including resource constraints, capacity limitations, and coordination complexities. To address these challenges, the Department has taken corrective steps such as capacity-building initiatives, stakeholder engagement, and the review of policies and procedures to enhance inclusivity and overcome barriers to participation and representation. Through ongoing collaboration and innovation, the Department remains committed to fostering an inclusive and enabling environment where all citizens can thrive and contribute to national development.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (*ACTUAL ACHIEVEMENT 2023/2024 UNTIL DATE OF RE-TABLING)

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Digitised workflow management systems (e-submission, e-claims & data analytics) Digital Transformation strategy initiatives	Digitised Workflow management system	Collaboration platform rollout plan was developed, approved, implemented, and monitored during the reporting period.	Department did not achieve the target of implementing the digital transformation strategy (Workflow management system).	e-Submission System developed.	The Department achieved the planned target. The e-Submission System was developed.	-	-	-
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Gender Responsive Annual Performance Plan	Implemented Gender Responsive Annual Performance Plan in line with the GRBPMEA Framework	The Departmental and Children (GDYC) Re-sponsiveness Programmes was monitored in line with National targets.	The Department monitored the Departmental and SOCs GDYC Re-sponsiveness Programmes in line with National targets focusing on the Pillars in the Framework on GRBPMEA.	Gender Responsive Annual Performance Plan coordinated	The Department achieved the planned target. Gender Responsive Annual Performance Plan was coordinated	-	-	-

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	DCDT Integrated Plan of Action on Combatting Gender Based Violence (GBV)	Percentage (%) increase of DCDT Integrated Plan of Action implemented in support of the NSP on GBV	DCDT integrated action plan in support of the NSP on combating GBVF was developed, however, approval was still pending.	The DCDT Integrated Plan of Action in support of National Strategic Plan (NSP) on gender-based Violence, focusing on Prevention,	60% increase of DCDT integrated Plan of Action implemented in support of the NSP on GBV	The Department achieved the planned target: 60% increase of DCDT Integrated Plan of Action was implemented in support of the NSP on GBV.	-	-	-
				Reporting and Economic Power Pillars was implemented in Provinces and Districts Municipalities working with SOC's focusing on women, youth, Persons with Disabilities Children, Survivors and Victims of Gender Based Violence. National stakeholder engagement and evaluation workshop was also hosted during the reporting period.			-	-	-

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Participation of Women, Youth and Persons with Disabilities in SMME Development and Employment Equity in the ICT Sector	Number of monitoring reports on the participation of Women, Youth and Persons with Disabilities in procurement, SMME Development and Employment Equity in the ICT Sector	-	-	4 Monitoring reports on the participation of women, youth, and persons with disabilities in participation in procurement, SMME Development and Employment Equity in the ICT Sector.	The Department did not achieve the planned target of monitoring reports on the participation of women, youth, and persons with disabilities in participation in procurement, SMME Development and Employment Equity in the ICT Sector.	The monitoring reports that were developed did not cover the participation of women, youth, and persons with disabilities in participation in procurement, SMME Development.	Lack of availability of consolidated information to support the achievement of the target.	-
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	District Development Model Plan	Implemented District Development Model	Implementation Plan for District Development Model aligned with COGTA was developed and coordinated.	During the reporting period the Department implemented the DDM Plan focusing on the priority projects across Districts/ Metros.	Implementation of DDM Plan in the prioritized Districts/ Metros coordinated	The Department did not achieve the planned target on coordinating the implementation of DDM Plan in the prioritized Districts/ Metros.	Implementation of DDM Plan in the prioritized Districts/ Metros was not coordinated in quarter 1 and 2 as the process to develop the plan was underway. The coordination started in quarter 3.	There were delays in finalising the DDM implementation plan before coordination could commence.	-

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Valid invoices paid within 30 days	Percentage (%) of valid invoices paid within 30 days from date of receipts	<p>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.</p> <ul style="list-style-type: none"> The Department achieved the annual target of 100% of valid invoices paid within 30 days from date of receipt. 	Coordination and monitoring progress report regarding the implementation of the DDM plan was developed.	100% of valid invoices paid within 30 days from date of receipt	The Department has achieved the planned target. 100% valid invoices were paid within 30 days from date of receipt.	None	-	-

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
			<ul style="list-style-type: none"> Monthly exceptions report on 30-day payments during the reporting period was submitted to National Treasury on time. No late submissions were made, and all payments were made within 30 days. 						

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Disaster Management Plan	Implemented Disaster Management Plan	-	-	Implementation of Disaster Management Plan monitored.	The Department did not achieve the planned target on the implementation of Disaster Management Plan was not monitored as planned.	Implementation of Disaster Management Plan was not monitored	The Department of Cooperative Governance is responsible for the development of the Disaster Management Plan.	The responsibility for the development and implementation of disaster management plan lies with the Department of Cooperative Governance. The DCDT could concentrate on developing the Disaster Management Programme within the Department and its Portfolio.

*Actual achievements reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (**ACTUAL ACHIEVEMENT 2023/2024)

Programme 1: Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Digitised workflow management systems (e-submission, e-claims & data analytics) Digital Transformation strategy initiatives	Digitised workflow management system.	Collaboration platform rollout plan was developed, approved, implemented, and monitored during the reporting period.	Department did not achieve the target of implementing the digital transformation strategy (Workflow Management system).	e-Submission System developed.	The Department has achieved the planned target. e-Submission system was developed.	-	-
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Gender Responsive Annual Performance Plan	Implemented Gender Responsive Annual Performance Plan in line with the GRBPME Framework	The Departmental and SOCs Gender, Disability, Youth and Children (GDYC) Programmes were monitored in line with National targets.	The Department monitored the Departmental and SOCs GDYC Responsiveness Programmes in line with National targets focusing on the Pillars in the Framework on GRBPME	Gender Responsive Annual Performance Plan coordinated	The Department has achieved the planned target. Gender Responsive Annual Performance Plan was coordinated during the reporting period	-	-

Programme 1: Administration							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024
High Performing and sustainable Portfolio to enable achievement of their respective Mandates and policy objectives	DCDT Integrated Plan of Action on Combatting Gender Based Violence (GBV)	Percentage (%) increase of DCDT integrated Plan of Action implemented in support of the NSP on GBV	DCDT integrated action plan in support of the NSP on combating GBVF was developed, however, approval was still pending.	The DCDT Integrated Plan of Action in support of National Strategic Plan (NSP) on gender-based Violence, focusing on Prevention, Reporting and Economic Power Pillars was implemented in Provinces and Districts Municipalities working with SOCs focusing on women, youth, Persons with Disabilities Children, Survivors and Victims of Gender Based Violence. National stakeholder engagement and evaluation workshop was also hosted during the reporting period.	60% increase of DCDT integrated Plan of Action implemented in support of the NSP on GBV	The Department has achieved the planned target: 60% increase of DCDT integrated Plan of Action was implemented in support of the NSP on GBV.	-
							-

Programme 1: Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Participation of Women, Youth and Persons with Disabilities in procurement, SMME Development and Employment Equity in the ICT Sector	Number of monitoring reports on the participation of Women, Youth and Persons with Disabilities in procurement, SMME Development and Employment Equity in the ICT Sector	-	-	4 Monitoring reports on the participation of women, youth, and persons with disabilities in procurement, SMME Development and Employment Equity in the ICT Sector	The Department did not achieve the planned target of monitoring reports on the participation of women, youth, and persons with disabilities in participation in procurement, SMME Development and Employment Equity in the ICT Sector .	The Department was unable to develop the monitoring reporting during the period due to inadequate relevant information focusing of the SMME Development.	Lack of availability of consolidated information to support the achievement of the target.
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	District Development Model Plan	Implemented District Developmental Model	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 Geir Sibande Districts. Implementation plan was monitored in Waterberg, eThekweni, and OR Tambo.	During the reporting period the Department implemented the DDM Plan focusing on the priority projects across Districts/ Metros. Coordination and monitoring progress report regarding the implementation of the DDM plan was developed.	Implementation of DDM Plan in the prioritized Districts / Metros coordinated	The Department did not achieve the planned target of coordinating the implementation of DDM Plan in the prioritized Districts/ Metros.	Implementation of DDM Plan in the prioritised Districts/ Metros was not fully coordinated	There were delays in finalising the DDM plan before coordination could commence.

Programme 1: Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Valid invoices paid within 30 days	Percentage (%) of valid invoices paid within 30 days from date of receipts	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 was submitted to National Treasury on time. No late submissions were made, and all payments were made within 30 days.	-	100% of valid invoices paid within 30 days from date of receipt	The Department achieved the planned target. 100% valid invoices were paid within 30 days from date of receipt.	-	-
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Disaster Management Programme	Implemented Disaster Management programme	-	-	Disaster risks identification conducted	The Department achieved the planned target. Disaster risk identification was conducted, and mitigation strategies were developed and approved	-	Addition to conducting Disaster risks identification, mitigation strategies were developed and approved.

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

LINKING PERFORMANCE WITH BUDGETS

Spending was R249.5 million in 2023/24 financial year as compared to R225.8 million in 2022/23 financial year. Spending under goods and services increased from R97.1 million in 2022/23 to R112.7 million in 2023/24 financial year. Spending in travel and subsistence also increased from R17.4 million to R24.6 million in the 2023/24 financial year. Spending rate under Programme 1 is at 94.9%.

SUB-PROGRAMME EXPENDITURE

Sub- Programme Name	2023/2024			2022/2023		
	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	5 357	4 910	447	4 697	4 556	141
Departmental Management	67 871	60 585	7 286	63 914	49 342	14 572
Internal Audit	7 781	7 781	-	8 660	5 227	3 433
Corporate Services	93 980	93 980	-	100 639	88 069	12 570
Financial Management	53 752	48 079	5 673	63 527	45 484	18 043
Office Accommodation	34 169	34 169	-	33 367	33 100	267
Total	262 910	249 504	13 406	274 804	225 778	49 026

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

The Department acknowledges its areas of under-performance related to the target the following targets, With regards to the Monitoring Reports on Women, Youth, and Persons with Disabilities Participation. Despite challenges in producing monitoring reports on the participation of designated groups in procurement, SMME development, and employment equity within the ICT sector, the Department is committed to addressing this underperformance. To overcome this challenge, the following strategies will be implemented. Firstly, the Department will prioritize the enhancement and collection of relevant data on the participation of women, youth, and persons with disabilities in procurement, SMME development, and employment equity. This may involve establishing partnerships with relevant stakeholders, leveraging existing databases, and conducting targeted surveys to gather comprehensive and accurate information. Secondly, capacity-building initiatives will be undertaken to equip staff with the necessary skills and knowledge to effectively monitor and report on the participation of designated groups. Training sessions, workshops, and knowledge-sharing platforms could be organised to enhance understanding of relevant methodologies, tools, and best practices in data collection and analysis. Thirdly, the Department will engage with key stakeholders in the ICT sector, including women's organisations, youth groups, disability advocacy groups, and relevant government agencies, to foster collaboration and cooperation in monitoring and promoting the participation of designated groups. By soliciting input, feedback, and support from stakeholders, the Department aims to ensure inclusivity and transparency in its monitoring efforts.

Regarding the under-performance related the implementation of DDM Plan in prioritized districts/metros. While facing challenges in coordinating the implementation of the District Development Model (DDM) Plan in prioritized districts and metros, the Department remains committed to overcoming this underperformance. To address this issue, the following strategies will be employed. The Department will strengthen coordination mechanisms with relevant stakeholders, including other government Departments, local authorities, community organisations, and development partners, to facilitate the effective implementation of the DDM Plan. Regular meetings, joint planning sessions, and information-sharing platforms will be established to ensure alignment of efforts and resources. Efforts will be made to mobilize additional resources, both financial and human, to support the implementation of the DDM Plan in prioritized districts and metros. This may involve reallocating existing resources, seeking funding opportunities from external sources, and engaging in public-private partnerships to leverage expertise and resources. Furthermore, robust monitoring and evaluation mechanisms will be put in place to track progress, identify challenges, and measure the impact of the DDM Plan implementation. Key performance indicators, milestones, and targets will be established to enable regular assessments of progress and facilitate adaptive management approaches to address emerging issues.

PART B: Performance Information

By implementing these strategies, the Department aims to overcome areas of underperformance and ensure the effective realisation of its planned targets. Through proactive measures, collaboration with stakeholders, and a commitment to continuous improvement, the Department seeks to enhance its impact and contribute meaningfully to national development priorities.

PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS

Not Applicable for DCDT

4.2 PROGRAMME 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS

PURPOSE:

To position South Africa as a digital technological infrastructure and innovation hub leading on digital transformation to contribute to the digital economy

SUB-PROGRAMME:

- **International Affairs** leads South Africa's ICT interests and advances strategic programmes in Africa bilateral forums and the BRICS forum.
- **ICT Trade/Partnership** leads South Africa's ICT interests and advances strategic programmes in multilateral forums.
- **Programme Management for International Relations and Affairs** strengthens the capacity of the Department to manage the International Relations and Affairs function and honour international obligations.

INSTITUTIONAL OUTCOMES

- Enabling Digital Transformation Policies, Strategies and Regulation.
- Digitally Transformed Economy and Society

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

The Department in its effort to implement the outcome of Enabling Digital Transformation Policies, Strategies and Regulation has made significant strides in advancing the National ICT priorities at the multilateral platforms through contributions and participation on strategic ICT activities. The most prominent and focused one are; BRICS Formation, Universal Postal Union (UPU), and International Telecommunication Union (ITU) major events such as World Radio Conference (WRC)-23 amongst others. These global strides and efforts are aligned with broader state and government objectives in fostering adoption of digital transformation and influencing the global cooperation in the ICT sector.

In developing countries ICT position papers assisted and served to guide the Department in aligning government priorities. In this year three (3) Country Positions papers were created to support and secure the National ICT Priorities within the ICT global discourse which is characterised by competing aspirations. The position papers were set-up to influence the BRICS, UPU, and ITU WRC-2023 frameworks. These positions papers served a role in protecting and representing the South Africa's interests. These papers ensured the promotion and collaboration on key global ICT debates. The most prominent achievements is the successful hosting of the BRICS ICT 2023 Ministerial Meetings and Technical Working Groups meetings. This event provided a platform and place for South Africa on a global agenda at the high-level discussions. The main outcome on these strategic engagements was to foster South Africa ICT priorities among BRICS member states and served in the advancement of mutual ICT goals and fostering partnerships for global innovation and development.

In driving the Departmental outcome of a "Digitally Transformed Economy and Society", the Programme ensured the achievement and securing international programs within the Digital Economy Initiatives which were achieved through the facilitation of best practices and ICT knowledge exchange, capacity building, and resource mobilization to accelerate the adoption of digital technologies and promote inclusive growth path.

The achievement of Programme targets has significantly contributed to the Department's outcomes and bolstering our country's position in the global ICT landscape, fostering international collaboration, and driving digital innovation. Participating and leading in BRICS, UPU, and WRC-23 events and initiatives, ICT relations within multilateral platforms have strengthened diplomatic relations, promoted knowledge sharing, and advanced our national interests on the global stage. These efforts align with the strategic priorities of the government, particularly in harnessing ICT for socio-economic development, promoting digital inclusion, and positioning our country as a leader in the digital economy.

In service delivery environment related to ICT International Relations, the Department remains committed to prioritizing and empowering women, youth, and persons with disabilities to ensure inclusivity and equal access to opportunities. This programme has ensured the participation of youth in international fora, working with ICT SMMEs are exposed to international environment and opportunities.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

Programme 2: ICT International Relations and Affairs							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024
Enabling Digital Transformation Policies, strategies, and Regulation	Country Positions to support the National ICT priorities	Number of approved Country Positions to support the National ICT priorities	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. WTDC Position paper was developed and informed the Department's participation in WTDC.	The Department developed and approved 3 Country positions to support the National ICT priorities focused on BRICS, ITU-PP 22 and WTDC. Reports on key outcomes of WTDC, BRICS and ITU-PP22 was developed.	3 Country Positions approved to support the National ICT priorities focused on BRICS, UPU and WRC-23	The Department achieved the planned target. 3 Country Positions were approved to support the National ICT priorities focused on BRICS, UPU and WRC-23	-
Enabling Digital Transformation Policies, Strategies and Regulation	BRICS ICT 2023 Ministerial meetings	Hosted BRICS ICT 2023 Ministerial meetings	-	-	BRICS ICT 2023 Ministerial meetings hosted	The Department achieved the planned target. BRICS ICT 2023 Ministerial Meetings was hosted.	-

Programme 2: ICT International Relations and Affairs							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024
Digitally Transformed Economy and Society	International programmes	Number of International programmes	Partnership Programmes to support the Digital Economy initiatives were coordinated during the reporting period.	The Department coordinated the implementation of identified international programmes to support the digital economy initiatives.	Implementation of two (2) International programs to support the digital economy coordinated initiatives	The Department achieved the planned target. Implementation of two (2) International programs to support the digital economy initiatives was coordinated	-
			Stakeholders for partnerships for the implementation of programmes, were identified as planned.	Status report on the implementation of identified international programmes was developed.			
				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.			

**Actual achievement reported in relation to the performance information reflected in the original Annual Performance Plan, during the reporting period, no amendments were made to Programme 2.*

LINKING PERFORMANCE WITH BUDGETS

Spending was R74 million in 2023/24 financial year as compared to R64.6 million in 2022/23 financial year. Spending under goods and services increased from R6.4 million in 2022/23 to R13.1 million in 2023/24 financial year. Spending in travel and subsistence increased from R4.8 million in 2022/23 to R5.8 million in the year under review, contractors increased from R30 thousand to R2.9 million in 2023/24 and venues and facilities increased from R553 thousand to R3.2 million in the year under review. Spending rate under Programme 2 is at 98.7%.

SUB-PROGRAMME EXPENDITURE

Sub-Programme Name	2023/2024			2022/2023		
	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 International Relations and Affairs	1 898	915	983	3 710	3 005	705
International Affairs	17 748	17 747	1	10 084	9 753	331
ICT Trade/ Partnership	55 364	55 364	-	54 791	51 795	2 996
Total	75 010	74 026	984	68 585	64 553	4 032

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.

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 the accelerated and shared growth of the economy. Develop strategies that create the uptake and usage of ICT by the majority of the South African population, thus bridging the digital divide.

SUB-PROGRAMME:

- **ICT Policy Development** drafts legislation, regulations, policy, strategies and guidelines that govern the telecommunications, postal and IT sectors.
- **Economic and Market Analysis** conducts economic and market analysis of the telecommunications, audio-visual, postal and IT sectors.
- **Small, Medium and Micro Enterprise** facilitates the growth and development of Digital SMMEs
- **Research** conducts research to inform development of legislation, regulations, policy, strategies, and guidelines. Undertakes policy impact assessment and monitors and evaluates the implementation of legislation, regulations, policy, strategies and guidelines.
- **Broadcasting Policy** drafts legislation, regulations, policy, strategies, and guidelines that govern audio-visual media sectors.
- **Presidential Commission on 4IR** coordinates, monitors and evaluates multi-sectoral initiatives, to position South Africa as a globally competitive player in 4IR.
- **Programme Management for ICT Policy Development and Research** strengthens the capacity of the Programme to develop ICT Policies and conduct research.

INSTITUTIONAL OUTCOMES:

- Enabling Digital Transformation Policies, Strategies and Regulation.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

With regards to the Outcome: Enabling Digital Transformation Policies, Strategies and Regulation, the programme was able to develop strategies, policies, and legislations. The Department has made significant strides in advancing the digital transformation, thereby contributing to the broader outcomes of economic growth, social inclusion, and technological innovation. This output indicator aimed to enhance the regulatory framework for electronic communications, fostering an environment conducive to innovation and investment. The successful development of the Electronic Communications Amendment Bill signifies progress towards achieving this indicator. Furthermore, the development of a Cost-of-Communication Review Model is important in addressing affordability challenges within the telecommunications sector. This output directly impacts accessibility and affordability for citizens, particularly marginalized communities. The finalization of the National Data and Cloud Policy represents a significant milestone in modernizing data management practices and leveraging cloud technologies for efficient service delivery and innovation.

These achievements collectively contribute to the Department's overarching outcome of fostering a digitally inclusive society and advancing national competitiveness in the digital economy. By enhancing regulatory frameworks, promoting affordability, and modernizing data management practices, the Department's efforts align closely with government priorities aimed at driving economic growth, empowering citizens, and promoting innovation.

Despite notable achievements, certain targets were not met within the ICT Policy Development and Research Programme. Challenges such as resource constraints, regulatory complexities, and stakeholder coordination issues have impeded the timely submission and implementation of key initiatives, including the White Paper on Audio- and Audio-Visual Content Services and Online Safety, the monitoring of the Implementation of Digital Economy Masterplan and the coordination of PC4IR Strategic Implementation Plan. In response, the Department will undertake comprehensive reviews of its operational processes, strengthen interdepartmental collaboration, and allocate additional resources to expedite the implementation of pending initiatives. These corrective steps aim to address bottlenecks and ensure the effective delivery of the Department's mandate, particularly in advancing digital transformation and promoting inclusivity for all citizens.

In response to prioritising Women, Youth and people with disabilities, the programme ensured that during the consultations on policies, more than 50% participant were women, youth and persons with disabilities. By prioritizing women, youth, and persons with disabilities and addressing challenges proactively, the Department remains committed to advancing digital development and fostering an inclusive, resilient society. This the programme ensured that during the consultations on policies, participants were inclusive of women, youth and persons with disabilities.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (*ACTUAL ACHIEVEMENT 2023/2024 UNTIL DATE OF RE-TABLING)

Programme 3: ICT Policy Development and Research									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Enabling Digital Transformation Policies, Strategies and Regulation	Audio- and Audio-Visual Content Services and Online Safety Act	Implemented Audio- and Audio-Visual Content Services and Online Safety Act	Public consultations/ hearings on the Draft Audio- and Audio-Visual Content Services White Paper were conducted. The inputs have been incorporated into the White Paper on Audio and Audio-Visual White Paper.	The Department was unable to achieve the planned target. However, the Audio-Visual White Paper was submitted to Minister for Consideration.	White Paper and the Bill on the Audio- and Audio-Visual Content Services and Online Safety submitted to Cabinet for approval	The Department did not achieve the planned target of submitting White Paper and the Bill on the Audio- and Audio-Visual Content Services and Online Safety to Cabinet for approval.	Draft White Paper on the Audio- and Audio-Visual Content Services and Online Safety was not submitted to Cluster and Cabinet for approval.	The Draft White Paper on Audio- and Audio-Visual Content Services and Online Safety was still on the last stage of consultation through the gazette.	The annual target was revised due to the uncertainties of the calendar and timeous approval of the White Paper by the Cluster and the Cabinet.

Programme 3: ICT Policy Development and Research									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Enabling Digital Transformation Policies, Strategies and Regulation	Electronic Communications Amendment Bill (USAF)	Approved Electronic Communications Amendment Bill (USAF)	-	During the reporting period, the Department submitted Cabinet Memo on the dis-establishment of USAASA. The dis-establishment plan was finalised and submitted for the Minister's approval. Report on the implementation of the dis-establishment plan was developed.	Electronic Communications Amendment Bill (USAF) submitted to Cluster and Cabinet for public consultation approval	The Department did not achieve the planned target of submitting Electronic Communications Amendment Bill (USAF) to Cluster and Cabinet for public consultation approval.	SEIAS report sign-off for the Electronic Communications Amendment Bill was not obtained from Presidency and Precedence legal opinion was not obtained from Office of the Chief Justice	There was a delay in getting the new strategic direction required from Minister on institutional form for USAF.	The annual target was revised due to the uncertainties of the calendar and timeous approval of the ECA Bill (USAF) by the Cluster and the Cabinet.
Enabling Digital Transformation Policies, Strategies and Regulation	Digital Economy Framework and Strategy	Implemented Digital Economy Framework and Strategy	Implementation of Digital Economy Masterplan was coordinated and integrated report on Digital Economy programmes was developed and submitted to Director-General for processing by Minister.	During the reporting period the Department was unable to achieve the implementation of the Digital Economy Masterplan as planned.	Digital Economy Framework and Strategy submitted to Cluster and Cabinet for approval.	The Department did not achieve the planned target of submitting Digital Economy Framework and Strategy to Cluster and Cabinet for approval.	Digital Economy Framework and Strategy was not submitted to Cluster and Cabinet for approval.	There was a need for updating and monitoring the feedback on the Framework and Strategy going forward	The annual target was revised since approval was previous given which necessitated the updating and monitoring the implementation of the Digital Economy Master Plan.

Programme 3: ICT Policy Development and Research									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Enabling Digital Transformation Policies, Strategies and Regulation	Government Cloud Computing Policy	Implemented Government Cloud Computing Policy	Data and Cloud Policy was developed, and Cabinet Memo submitted to Minister for approval.	Draft National Cloud Computing Policy was submitted to Minister for approval.	Government Cloud Computing Policy finalised	The Department achieved the planned target. Government Cloud Computing Policy was finalised.	-	-	The annual target was reprioritized over the finalisation of National Data and Cloud Policy target.
Digitally Transformed Economy and Society	Policy directive on the data and lowered mobile broadband cost	Implemented policy directive on the data and lowered mobile broadband cost	-	The Department was unable to achieve the planned target. However, the Research study on the cost to Communicate was conducted but recommendations were not yet implemented.	Policy Directive issued to ICASA for households to receive data and lower the mobile broadband cost	The Department did not achieve the planned target of issuing Policy Directive to ICASA for households to receive data and lower the mobile broadband cost.	Draft Policy was not developed incorporating various modes/ SEIAs/ strategies to enable free data to households.	Budget constraints and delays in finalising SEIAs to inform the development of draft policy directive.	Inadequate funding to appoint an External Service Provider to assist the Department with a feasibility study to inform the development of draft policy.

Programme 3: ICT Policy Development and Research								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	Cost-of-Communication Review Model	Implemented Cost-of-Communication Review Model	-	The Department was unable to achieve the planned target. However, the Research study on the cost to communicate was conducted but recommendations were not yet implemented.	Cost-of-Communication Review Model developed	The Department achieved the planned target. Cost to Communicate Review Model was developed.	-	-
Enabling Digital Transformation Policies, Strategies and Regulation	PC4IR Strategic implementation plan	Implemented PC4IR Strategic implementation plan	<ul style="list-style-type: none"> Stakeholder consultation was conducted on PC4IR Strategic Implementation Plan 	-	PC4IR Strategic implementation plan coordinated	The Department did not achieve the planned target of coordinating PC4IR Strategic implementation plan.	The Integrated Implementation Plan did not entail which activities will be coordinated within the fourth quarter in line with the recommendations which makes it difficult to measure the achievement of all activities planned in the fourth quarter.	<p>The Integrated Implementation plan to be adequately documented to assist the department in tracking progress against the planned activities.</p> <p>The quarterly targets were revised to align with the annual target.</p>

Programme 3: ICT Policy Development and Research									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	* Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
			<div><div>• Stakeholder consultation was con- cluded, and inputs were incorporated into PC4IR Strategic Implementa- tion Plan</div><div>• PC4IR Stra- tegic Imple- mentation Plan sub- mitted was submitted to Minister for approval.</div></div>						

*Actual achievements reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (**ACTUAL ACHIEVEMENT 2023/2024)

Programme 3: ICT Policy Development and Research								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	Audio- and Audio-Visual Content Services and Online Safety Act	Implemented Audio- and Audio-Visual Content Services and Online Safety Act	Public consultations/ hearings on the Draft Audio- and Audio-Visual Content Services White Paper were conducted. The inputs have been incorporated into the White Paper on Audio and Audio-Visual White Paper.	The Department was unable to achieve the planned target. However, the Audio-Visual White Paper was submitted to Minister for consideration.	White Paper on Audio- and Audio-Visual Content Services and Online Safety submitted to Minister for approval.	The Department did not achieve the planned target of submitting White Paper on Audio- and Audio-Visual Content Services and Online Safety to Minister for approval.	SEIAS for the Audio- and Audio-Visual Content Services and Online Safety was not submitted for pre-certification and as a result the White Paper on Audio- and Audio-Visual Content Services and Online Safety was not submitted to Minister for approval.	Further research done brought up new issues that needed more discussions and updating of the White Paper. Furthermore, there were delays in the procurement of a writer in finalising the write-up of the final white paper.

Programme 3: ICT Policy Development and Research							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024
Enabling Digital Transformation Policies, Strategies and Regulation	Electronic Communications Amendment Bill (USAF)	Approved Electronic Communications Amendment Bill (USAF)	-	During the reporting period, the Department submitted Cabinet Memo on the disestablishment of USAASA. The disestablishment plan was finalised and submitted for the Minister's approval. Report on the implementation of the disestablishment plan was developed.	Electronic Communications Amendment Bill (USAF) developed	The Department achieved the planned target. Electronic Communications Amendment Bill (Digital Development Challenge Fund) was developed.	-
Enabling Digital Transformation Policies, Strategies and Regulation	Digital Economy Masterplan	Implemented Digital Economy Masterplan	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.	During the reporting period the Department was unable to achieve the implementation of the Digital Economy Masterplan as planned.	Implementation of Digital Economy Masterplan monitored	The Department did not achieve the planned target of monitoring the implementation of the Digital Economy Masterplan.	Implementation Plan of the Digital Economy Masterplan was not monitored Monitoring of the Implementation Plan of the Digital Economy Masterplan could only be conducted upon receipt of the approved plan.

Programme 3: ICT Policy Development and Research								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	Cost-of- Communication Review Model	Implemented Cost-of- Communication Review Model	-	The Department was unable to achieve the planned target. However, the Research study on the cost to communicate was conducted but recommendations were not yet implemented.	Cost-of- Communication Review Model developed	The Department achieved the planned target. Cost-of-Communication Review Model was developed	-	-
Enabling Digital Transformation Policies, Strategies and Regulation	National Data and Cloud Policy	Implemented National Data and Cloud Policy	Data and Cloud Policy was developed, and Cabinet Memo submitted to Minister for approval.	Draft National Cloud Computing Policy was submitted to Minister for approval.	National Data and Cloud Policy finalised	The Department achieved the planned target. National Data and Cloud Policy was finalised.	-	-

Programme 3: ICT Policy Development and Research							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to actual achievement for 2023/2024
Enabling Digital Transformation Policies, Strategies and Regulation	PC4IR Strategic implementation plan	Implemented PC4IR Strategic plan	Stakeholder consultation was conducted on PC4IR Strategic Implementation Plan Stakeholder consultation was concluded, and inputs were incorporated into PC4IR Strategic Implementation Plan PC4IR Strategic Implementation Plan submitted to Minister for approval.	-	PC4IR Strategic implementation plan coordinated	The Department did not achieve the planned target of coordinating PC4IR Strategic implementation plan.	The Integrated Implementation Plan does not entail which activities will be coordinated within the fourth quarter in line with the recommendations which makes it difficult to measure the achievement of all activities planned in the fourth quarter.
							The Integrated Implementation Plan to be adequately documented to assist the department in tracking progress against the planned activities.

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

LINKING PERFORMANCE WITH BUDGETS

Spending was R27.7 million in 2023/24 financial year and R34 million in 2022/23 financial year. Spending under goods and services decreased from R7.9 million in 2022/23 to R5.9 million in 2023/24 financial year. Spending in consultants: business and advisory decreased R2.9 million to R0 in the year under review. Spending rate under Programme 3 is at 76%.

SUB-PROGRAMME EXPENDITURE

Sub- Programme Name	2023/2024			2022/2023		
	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	1 567	1 109	458	2 504	1 642	862
ICT Policy Development	10 395	9 899	496	12 437	12 403	34
Economic And Market Analysis	4 197	4 097	100	4 856	2 463	2 393
Research	7 517	4 711	2 806	7 284	4 820	2 464
Small, Medium and Micro Enterprise	1 406	-	1 406	1 261	1	1 260
Broadcasting Policy	6 776	6 412	364	8 607	6 426	2 181
Presidential Commission on 4IR	4 528	1 430	3 098	8 374	6 250	2 124
Total	36 386	27 658	8 728	45 323	34 005	11 318

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

Despite concerted efforts, the submission of the White Paper on Audio- and Audio-Visual Content Services and Online Safety to the Minister for approval was not achieved within the specified timeframe. The monitoring of the Implementation of the Digital Economy Masterplan faced challenges, resulting in underperformance against the set target and coordination of the PC4IR Strategic Implementation Plan encountered obstacles, leading to the target not being met as planned.

To address the underperformance in these areas, the Department will devise a comprehensive strategy aimed at enhancing efficiency, addressing bottlenecks, and accelerating progress towards meeting set targets. Implementing streamlined project management processes to enhance coordination and accountability across all stages of project development and implementation. This includes establishing clear timelines, delineating responsibilities, and instituting regular progress tracking mechanisms to ensure timely submission of deliverables. Strengthening stakeholder engagement and collaboration mechanisms to facilitate smoother approval processes and garner support for initiatives. This involves proactive communication with relevant stakeholders, including government agencies, industry partners, and civil society organisations, to align objectives, address concerns, and leverage collective expertise towards common goals. Furthermore, optimizing resource allocation and capacity building efforts to address skill gaps, enhance expertise, and bolster operational capacity within the Department. This may include leveraging external expertise through strategic partnerships to bolster project management capabilities and technical expertise. Implementing robust risk management frameworks and contingency plans to anticipate and mitigate potential challenges that may arise during project implementation. This involves conducting comprehensive risk assessments, identifying potential obstacles, and developing proactive mitigation strategies to minimize disruptions and ensure continuity of operations. Furthermore, enhancing performance monitoring and evaluation mechanisms to enable real-time tracking of progress, identify areas of underperformance, and facilitate timely intervention. This includes conducting regular performance reviews and instituting feedback mechanisms to enable agile decision-making and course correction as needed.

By adopting these strategies, the Department aims to overcome areas of underperformance and accelerate progress towards achieving its targets, thereby advancing its mandate of promoting digital development and fostering inclusive growth and innovation.

PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS

Not applicable for DCDT.

4.4. PROGRAMME 4: ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT

PURPOSE:

Oversee and manage government's shareholding interest in the ICT public entities and state-owned companies.

SUB-PROGRAMME:

- **Regulatory Institutions** monitors the implementation of policies and provides guidance in, and oversight of the governance matters of regulatory institutions.
- **Universal Service and Access** monitors the implementation of policies and provides guidance in, and oversight of the governance matters of relevant State-Owned Entities.
- **ICT Skills Development** monitors the implementation of policies and provides guidance in, and oversight of the governance matters of the National Electronic Media Institute for the provisions on skills development programmes.
- **State owned Entity Governance and Support** strengthens the capacity of the Department and that of its State-owned entities to effectively deliver on their mandate.
- **Programme Management for ICT Enterprise and Public Entity Oversight** strengthens the capacity of the Department and that of its state-owned entities to effectively deliver on their mandates.

INSTITUTIONAL OUTCOMES:

- High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

The achievement has been made with regards to the Outcome of "High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives". The ICT Enterprise & Public Entities Oversight programme of the Department has made significant strides in fostering high performance and financial sustainability across its portfolio. These achievements are instrumental in enabling the attainment of their respective mandates and policy objectives, thereby contributing to the broader outcomes of economic growth, innovation, and effective governance. Facilitating the development of Shareholder Compacts for Schedule 2 and 3B entities ensures clarity of objectives, expectations, and performance metrics, thereby promoting accountability, transparency, and alignment with strategic priorities.

Monitoring the implementation of the ICASA Councillors Performance Management System enhances governance effectiveness and regulatory oversight within the telecommunications sector, ensuring that regulatory objectives are met, and public interest is safeguarded. Monitoring the post-acquisition integration of BBI into SENTECH ensures seamless transition and optimization of resources, capabilities, and operations, thereby maximizing synergies and enhancing service delivery. Furthermore, monitoring the development of the SAPO Business Rescue Plan is critical for stabilizing operations, restoring financial viability, and safeguarding the provision of essential postal services to citizens and businesses. The business rescue plan was developed by SAPO joined by Business Rescue Practitioners and published on 23 November 2023 for comments. It was voted for and adopted by the majority of SAPO creditors on 07 December 2023 in line with the Companies Act requirements.

Monitoring the implementation of the SABC Turnaround Plan is essential for revitalizing the public broadcaster, enhancing governance structures, and ensuring the provision of quality content and services to diverse audiences. Generating monitoring reports on the repurposing of SITA facilitates strategic alignment, efficiency gains, and service optimization within the public sector ICT landscape and generating monitoring reports on the disestablishment of USAASA supports rationalization efforts, cost savings, and streamlining of resources within the universal service and access fund domain.

These achievements collectively contribute to the Department's overarching outcome of fostering high-performing and financially sustainable entities, thereby enabling the attainment of their respective mandates and policy objectives. By promoting accountability, enhancing governance effectiveness, and ensuring strategic alignment, the Department's efforts directly support government priorities related to efficient service delivery, regulatory excellence, and economic resilience.

The Department recognises the importance of prioritising women, youth, and persons with disabilities in its service delivery environment. Efforts have been made to ensure inclusivity in the entities are aligned in terms of gender representation and compliance with the framework on gender, responsiveness, budgeting, planning monitoring, evaluation and auditing.

However, challenges persist in achieving equitable representation and participation, particularly in leadership positions and decision-making forums. To address these challenges, the Department is committed to implementing targeted recruitment strategies, mentorship programs, and accessibility enhancements in its engagement platforms. Moreover, partnerships with relevant stakeholders and continuous stakeholder engagement are integral to overcoming barriers and ensuring inclusivity in oversight and development initiatives.

While significant progress has been made in achieving targets, certain challenges have been encountered in the oversight and development of public entities. These include resource constraints, organisational complexities, and stakeholder coordination issues. In response, the Department has undertaken corrective measures, including streamlining processes, enhancing stakeholder engagement, and deploying additional resources where necessary. Furthermore, regular monitoring and evaluation mechanisms have been instituted to track progress, identify areas of improvement, and facilitate timely interventions. These corrective steps aim to address underperformance and ensure the effective oversight and development of entities within the Department's purview.

By prioritizing inclusivity, addressing challenges proactively, and implementing corrective measures, the Department remains committed to fostering high performance and financial sustainability across its portfolio of entities, thereby contributing to the realization of government's strategic priorities and advancing the nation's digital transformation agenda.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (*ACTUAL ACHIEVEMENT 2023/2024 UNTIL DATE OF RE-TABLING)

Programme 4: ICT Enterprise And Public Entity Oversight									
Outcomes	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output / Output indicators/ Annual Targets
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Analysis Report of SOEs performance	Analysed SOEs Performance Reports	Implementation of quarterly recommendations from analysis of SOE Performance Reports was successfully coordinated.	The Department coordinated the Implementation of recommendations of Departmental and Public Entities Analysis Reports through analysis of quarterly report submitted by Entities.	Service Delivery of SOEs on received performance and compliance reports analysed and submitted	The Department achieved the planned target. Service Delivery of SOEs on received performance and compliance reports were analysed and submitted	-	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Performance Management System for ICASA Councilors	Implemented Performance Management System for ICASA Councilors	The Department conducted consultation with ICASA on the Performance Management System for ICASA Councilors. Inputs from ICASA were incorporated and submitted before tabling for approval.	The Department was unable to achieve the planned target of facilitating the monitoring and evaluation of the Performance Management System for ICASA Councilors.	Implementation of the ICASA Councilors Performance Management System monitored.	The Department achieved the planned target. The implementation of the ICASA Councilors Performance Management System was monitored.	-	-	-

Programme 4: ICT Enterprise And Public Entity Oversight									
Outcomes	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Target Annual Target 2023/2024	* Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output / Output indicators/ Annual Targets
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Shareholder compacts of Schedule 2 and 3B entities	Approved Shareholder compacts by the Entities' Boards	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.	-	Development of Shareholder compacts of Schedule 2 and 3B entities facilitated.	The Department achieved the planned target. Development of Shareholder compacts of Schedule 2 and 3B entities was facilitated.	-	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Rationalisation Plan	Implemented Rationalisation Plan	-	-	Post-acquisition integration of BBI into SENTECH monitored	The Department has achieved the target as planned. Post-acquisition integration of BBI into SENTECH was monitored.	-	-	-

Programme 4: ICT Enterprise And Public Entity Oversight									
Outcomes	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output / Output indicators/ Annual Targets
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives	SAPO Reposition Strategy	Implemented SAPO Reposition Strategy	-	-	Implementation of SAPO Reposition Strategy monitored	The Department achieved the planned target. The implementation of SAPO Reposition Strategy was monitored.	-	-	The Output/ Output Indicator and target were revised to align with the indicator in the Minister's PA on resolving SAPO provisional liquidation.
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Postbank corporatisation	Implemented Postbank Strategy	-	-	Implementation of the Postbank strategy towards State Bank monitored	The Department achieved the planned target. Implementation of the Postbank strategy towards State Bank was monitored.	-	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	SABC Turnaround Plan	Implemented SABC Turnaround Plan	-	-	Implementation of the SABC Turnaround Plan monitored	The Department achieved the planned target. Implementation of the SABC Turnaround Plan was monitored.	-	-	-

Programme 4: ICT Enterprise And Public Entity Oversight									
Outcomes	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output / Output indicators/ Annual Targets
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	SITA Repurposing Reports	Number of SITA Repurposing monitoring reports	-	-	4 SITA Repurposing monitoring reports	The Department achieved the planned target. 4 SITA repurposing monitoring reports were developed.	-	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	USAASA Disestablishment reports	Number of USAASA Disestablishment monitoring reports	-	During the reporting period, the Department submitted Cabinet Memo on the disestablishment of USAASA. The disestablishment plan was finalised and submitted for the Minister's approval. Report on the implementation of the disestablishment plan was developed.	4 USAASA Disestablishment monitoring reports	The Department achieved the planned target. 4 USAASA Disestablishment monitoring reports were developed.	-	-	-

*Actual achievements reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (**ACTUAL ACHIEVEMENT 2023/2024)

Programme 4: ICT Enterprise Development & Public Entities Oversight								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Analysis Report of SOEs performance	Analysed SOEs Performance Reports	Implementation of quarterly recommendations from analysis of SOE Performance Reports was successfully coordinated.	The Department coordinated the Implementation of recommendations of Departmental and Public Entities Analysis Reports through analysis of quarterly report submitted by Entities.	Service Delivery of SOEs on received performance and compliance reports analysed and submitted	The Department achieved the planned target. Service Delivery of State-Owned Enterprises (SOEs) on received performance and compliance reports were analysed and submitted.	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Performance Management System for ICASA Councilors	Implemented Performance Management System for ICASA Councilors	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.	The Department was unable to achieve the planned target of facilitating the monitoring and evaluation of the Performance Management System for ICASA Councilors.	Implementation of the ICASA Councilors Performance Management System monitored.	The Department achieved the planned target. The implementation of the ICASA Councilors Performance Management System was monitored.	-	-

Programme 4: ICT Enterprise Development & Public Entities Oversight								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Shareholder compacts of Schedule 2 and 3B entities	Approved Shareholder compacts by the Entities' Boards	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.	-	Development of Shareholder compacts of Schedule 2 and 3B entities facilitated.	The Department achieved the planned target. Development of Shareholder compacts of Schedule 2 and 3B entities was facilitated.	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Rationalisation Plan	Implemented Rationalisation Plan	-	-	Post-acquisition integration of BBI into SENTECH monitored	The Department achieved the planned target. Post-acquisition integration of BBI into SENTECH was monitored.	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	SAPO Business Rescue Plan	Implemented SAPO Business Rescue Plan	-	-	Development of SAPO Business Rescue Plan monitored.	The Department achieved the planned target. Development of SAPO Business Rescue Plan was monitored.	-	-

Programme 4: ICT Enterprise Development & Public Entities Oversight								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	Postbank corporatisation	Implemented Postbank Strategy	-	-	Implementation of the Postbank strategy towards State Bank monitored	The Department achieved the planned target. Implementation of the Postbank strategy towards State Bank was monitored.	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	SABC Turnaround Plan	Implemented SABC Turnaround Plan	-	-	Implementation of the SABC Turnaround Plan monitored	The Department achieved the planned target. Implementation of the SABC Turnaround Plan was monitored.	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	SITA Repurposing Reports	Number of SITA Repurposing monitoring reports	-	-	4 SITA Repurposing monitoring reports	The Department achieved the planned target. 4 SITA repurposing monitoring reports were developed.	-	-

Programme 4: ICT Enterprise Development & Public Entities Oversight							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives.	USAASA Disestablishment reports	Number of USAASA Disestablishment monitoring reports	-	During the reporting period, the Department submitted Cabinet Memo on the disestablishment of USAASA. The disestablishment plan was finalised and submitted for the Minister's approval. Report on the implementation of the disestablishment plan was developed.	4 USAASA Disestablishment monitoring reports	The Department has achieved the planned target: 4 USAASA Disestablishment monitoring reports were developed.	-
							Reasons for deviations

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

LINKING PERFORMANCE WITH BUDGETS

Spending was R1.649 billion in 2023/24 financial year and R4.3 billion in 2022/23 financial year, the decrease was mainly in the Payment for Financial Assets due to additional funds received during second adjustment budget process of R2.4 billion as a recapitalisation for South African Post Office (SAPO) during 2022/23 financial year. However, spending under goods and services increased from R2.1 million in 2022/23 to R3.7 million in 2023/24 financial year. Spending in advertising increased from R10 thousand to R1.7 million in the year under review. Spending rate under programme 4 is at 100%.

SUB-PROGRAMME EXPENDITURE

Sub- Programme Name	2023/2024			2022/2023		
	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	3 705	3 705	-	3 429	3 299	130
Regulatory Institutions	577 817	577 817	-	877 744	872 598	5 146
Universal Services and Access	962 897	962 897	-	3 318 047	3 317 987	60
ICT Skills Development	98 428	98 428	-	102 121	102 121	-
SOE Governance and Support	5 924	5 924	-	5 616	4 611	1 005
Total	1 648 771	1 648 771	-	4 306 957	4 300 616	6 341

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.

4.5. PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

PURPOSE:

Facilitate the provision of robust, reliable, secure and affordable ICT Infrastructure that supports universal access to applications and services

SUB-PROGRAMME:

- **Broadband** is responsible for developing and facilitating the implementation of the Broadband Policy and Strategy
- **ICT Support** is responsible for projects related to authentication, digital object architecture and internet governance.
- **Broadcasting Digital Migration** manages the transition from analogue to digital broadcasting in order to enhance the digital broadcasting platform and subsequently release dividend spectrum for mobile broadband applications.
- **Programme Management for ICT Infrastructure Development and Support** strengthens the capacity of the Department to Facilitate the provision of robust, reliable, secure and affordable ICT Infrastructure

INSTITUTIONAL OUTCOMES:

- Increased Access to Secure Digital Infrastructure and Services.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

The Department's Programme 5: ICT Infrastructure Development and Support has made significant progress in enhancing access to secure digital infrastructure and services, thereby contributing to the Department's overarching outcome of Increased Access to Secure Digital Infrastructure and Services. By achieving targets related to internet access, cybersecurity, spectrum management, and digital migration, the Programme has played a crucial role in advancing the government's strategic priorities of promoting digital transformation, economic growth, and social development. Most importantly, monitoring the implementation of the revised SA Connect Model has facilitated the expansion of internet access to communities and government facilities. This output directly contributes to improving connectivity and digital inclusion, particularly in underserved areas, thus fostering socio-economic development and empowering citizens through access to information and online services.

Monitoring the implementation of strategic national cybersecurity programmes and services has been paramount in safeguarding digital infrastructure and protecting critical information assets against cyber threats. This output ensures the resilience of digital ecosystems, promotes trust and confidence in online activities, and strengthens national security in the digital domain.

The development of South Africa's final approved position in preparation for the World Radiocommunication Conference 2023 (WRC-23) is essential for effective spectrum management and allocation. The Department led a delegation comprising public and private sector stakeholders to the WRC-23, culminating with adopting the WRC-23 Final Acts, an international treaty governing the use of spectrum internationally. This output facilitates the efficient use of radio frequency spectrum, supports the deployment of wireless technologies, and enables innovative services, thus driving digital innovation and economic competitiveness.

Regarding the Broadcasting Digital Migration (BDM) project, in June 2023, after finalising consultation with stakeholders, the Minister issued a gazette outlining the revised approach to implement the Broadcasting Digital Migration programme, setting 31 July 2023 as the date to effectively clear broadcasting services in the frequencies above 694 MHz. All analogue and digital broadcasting services were required to migrate and operate on frequencies below 694 MHz. Furthermore, 31 December 2024 was set as the end of the dual illumination period and the date when all remaining analogue broadcasting services below the 694 MHz frequency will be switched off.

Programme 5 monitored household migration (the distribution and installation of set-top boxes) and analogue transmitter switch-off, successfully clearing broadcasting services in the frequencies above 694 MHz. This output made spectrum available for telecommunication operators to expand broadband services coverage and capacity, including in underserved and rural areas. In addition, the broadcasting digital migration programme has enabled viewers to access more and clearer television channels. The Department recognizes the importance of prioritising women, youth, and persons with disabilities in its service delivery environment. Through its implementing entities, the BDM programme has empowered women, youth, and persons with disabilities by ensuring their participation as set-top box installers.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (*ACTUAL ACHIEVEMENT 2023/2024 UNTIL DATE OF RE-TABLING)

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators / Annual Targets
Increased Access to Secure Digital Infrastructure & Services	Revised SA Connect Model	Coordinated revised SA Connect Model	Broadband services to 970 connected sites were sustained.	Implementation of the revised SA Connect Model on the funded sites was coordinated.	Implementation of revised SA Connect Model towards internet access for communities and government facilities coordinated	The Department did not achieve the planned target of coordinating the implementation of the revised SA Connect Model towards internet access for communities and government facilities.	Implementation of the revised SA Connect Model towards internet access for communities and government facilities was not coordinated in line with the required portfolio of evidence to support achievement.	The supporting evidence provided had discrepancies to support achievement.	The output indicator and quarterly targets were revised to adhere to SMART principle, addressing the concerns raised by the AGSA on measurability.
Increased Access to Secure Digital Infrastructure & Services	Strategic national cybersecurity programmes and services	Implemented strategic national Cybersecurity programmes and services	-	Implementation of strategic national cybersecurity programmes and services was monitored.	Implementation of strategic National cybersecurity programmes and services monitored	The Department achieved the planned target. Implementation of strategic National cybersecurity programmes and services was coordinated.	-	-	The targets for Implementation of strategic National cybersecurity programmes were revised only to focus on monitoring addressing the concerns raised by the AGSA on measurability.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators / Annual Targets
Increased Access to Secure Digital Infrastructure & Services	Country Position in Preparation for WRC-23	Approved Country Position in preparation for WRC-23	The Department conducted preliminary technical and regulatory studies to inform draft SA's Position for Work Radio Conference-23 (WRC-23). First draft preliminary position in preparation of WRC- 23 was developed based on views or recommendations from ITU-R Working Groups.	Second Draft SA Preliminary Positions for WRC-23 was developed.	Final approved position for South Africa developed, in preparation for WRC-23	The Department achieved the planned target. Final approved position for South Africa was developed, in preparation for WRC-23.	-	-	-
	Revised Analogue Switch off plan	Implemented Analogue Switch off Plan	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.	Household Migration and Analogue Switch off for the Broadcasting Digital Migration for households registered after 31 October 2021 was coordinated.	Distribution and installation of decoders coordinated	The Department did not achieve the planned target of coordinating distribution and installation of decoders.	Distribution and installation of decoders was not coordinated in line with the required portfolio of evidence to support achievement.	The supporting evidence provided had discrepancies to support achievement.	The annual target was revised to only focus on monitoring the distribution and installation of decoders and switch off in 4 provinces to address the concerns raised by the AGSA on measurability.

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators / Annual Targets
			<p>However, by the end of quarter 4, 41 SABC Analogue services were switched off in the following provinces namely Free- State, Northern Cape, North West, Mpumalanga and Limpopo.</p> <p>Bringing the total number of SABC Analogue transmitters that were switched off in the reporting period to 141, leading to a total of 163 Analogue Transmitters switched off across the country.</p>		<p>Analogue switch off in the four provinces of WC, EC, KZN and GP coordinated.</p>	<p>The Department achieved the planned target. Analogue switch off in the four provinces of WC, EC, KZN and GP was coordinated.</p>	-	-	

*Actual achievements reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (**ACTUAL ACHIEVEMENT 2023/2024)

Programme 5: ICT Infrastructure Development and Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Increased Access to Secure Digital Infrastructure & Services	Revised SA Connect Model	Implemented revised SA Connect Model	Broadband services to 970 connected sites were sustained.	Implementation of the revised SA Connect Model on the funded sites was coordinated.	Implementation of revised SA Connect Model towards internet access for communities and government facilities monitored	The Department achieved the planned target. Implementation of revised SA Connect Model towards internet access for communities and government facilities was monitored.	-	-
Increased Access to Secure Digital Infrastructure & Services	Strategic national cybersecurity programmes and services	Implemented strategic national cybersecurity programmes and services.	-	Implementation of strategic national cybersecurity programmes and services was monitored.	Implementation of strategic national cybersecurity programmes and services monitored	The Department achieved the planned target. Implementation of strategic national cybersecurity programmes and services was monitored.	-	-

Programme 5: ICT Infrastructure Development and Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Increased Access to Secure Digital Infrastructure & Services	Country Position in Preparation for WRC-23	Approved Country Position in preparation for WRC-23	The Department conducted preliminary technical and regulatory studies to inform draft SAs Position for Work Radio Conference-23 (WRC-23) First draft preliminary position in preparation of WRC- 23 was developed based on views or recommendations from ITU-R Working Groups.	Second Draft SA Preliminary Positions for WRC-23 was developed.	Final approved position for South Africa developed, in preparation for WRC-23	The Department has achieved the planned target. Final approved position for South Africa was developed, in preparation for WRC-23.	-	-
	Revised Analogue Switch off plan	Implemented Analogue Switch off Plan	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.	Household Migration and Analogue Switch off for the Broadcasting Digital Migration for households registered after 31 October 2021 was coordinated.	Distribution and installation of decoders monitored Analogue switch off in the four provinces of EC, WC, KZN and Gp monitored	The Department achieved the planned target. Distribution and installation of decoders was monitored. The Department achieved the planned target. Analogue switch-off in the four provinces of EC, WC, KZN and Gp was monitored.	-	-

Programme 5: ICT Infrastructure Development and Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
			However, by the end of quarter 4, 41 SABC Analogue services were switched off in the following provinces namely 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, leading to a total of 163 Analogue Transmitters switched off across the country.					

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

LINKING PERFORMANCE WITH BUDGETS

Spending was R1.2 billion in 2023/24 financial year and R533.3 million in 2022/23 financial year. Spending under goods and services increased from R438.5 million in 2022/23 to R1.173 billion in 2023/24 financial year, mainly in computer services for SA connect phase 2. The spending rate under Programme 5 is 99.7%.

SUB-PROGRAMME EXPENDITURE

Sub-Programme Name	2023/2024			2022/2023		
	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 Infrastructure Development and Support	3 479	3 474	5	3 282	3 175	107
Broadband	1 182 714	1 182 013	701	436 751	435 240	1 511
ICT Support	6 104	6 104	-	9 457	5 748	3 709
Broadcasting Digital Migration	25 166	22 268	2 898	94 982	89 177	5 805
Total	1 217 463	1 213 859	3 604	544 472	533 340	11 132

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

Not applicable as all planned targets were achieved within Programme 5.

PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS

Not applicable for DCDT.

4.5. PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

PURPOSE:

Facilitate the development and implementation of interventions that increase the adoption and use of digital technologies to promote digital transformation.

SUB-PROGRAMME:

- **Information Society Development** supports the promotion of the digital society through facilitating the uptake and usage of digital technologies.
- **Capacity Development** facilitates capacity building interventions related to digital and future skills development towards a digital society.
- **Programme Management for ICT Information Society and Capacity Development** strengthens the capacity of the Programme to develop the digital society.

INSTITUTIONAL OUTCOMES:

- Digitally transformed Economy and Society

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

The Departments' Programme 6 contributed to the Outcome of Digitally transformed Economy and Society. In this regard, the output indicator aimed to enhance the efficiency and accessibility of government services through automation on the e-government portal. Monitoring the automation process ensures seamless service delivery and user experience. Furthermore, the target of monitoring the implementation of the Digital and Future Skills Strategy is essential for ensuring the development of a skilled workforce equipped to thrive in the digital economy. This output indicator tracks progress in skill development initiatives and workforce readiness.

The development and approval of the National Artificial Intelligence (AI) Plan signify a strategic approach to harnessing AI technologies for economic growth, innovation, and societal benefit. Facilitating partnership agreements with industry stakeholders is crucial for driving innovation and supporting the development and adoption of digital technologies and services. These partnerships enhance collaboration, resource sharing, and market access for DigiTech products and services.

Regarding Programme 6 contribution to the Department's Outcomes and the Government's Strategic Priorities the achievements contributed significantly to the overarching outcome of a digitally transformed economy and society. By monitoring the automation of e-government services, implementing digital skills strategies, developing an AI Plan, and facilitating partnerships with industry stakeholders, the Department is advancing digital transformation, enhancing digital literacy, fostering innovation, and promoting economic competitiveness. These efforts align closely with government priorities aimed at harnessing the potential of digital technologies to drive economic growth, improve service delivery, and enhance citizen well-being.

The Department recognizes the importance of prioritizing women, youth, and persons with disabilities in its service delivery environment within the ICT Information Society and Capacity Development programme. Efforts have been made to ensure inclusivity through targeted outreach, capacity-building initiatives, and accessibility enhancements in digital services. Challenges encountered include addressing barriers to access, overcoming digital literacy gaps, and promoting equal opportunities for participation. To address these challenges, the Department is implementing gender-responsive and disability-inclusive policies on an ongoing basis, engaged with relevant stakeholders, and provided tailored support and resources to marginalized groups. Furthermore, partnerships with civil society organisations and community-based networks are established to amplify the voices and address the needs of underrepresented communities.

Programme 6 ensured that training programmes provided by the entities were aligned in terms of gender representation and compliance with the framework on gender, responsiveness, budgeting, planning, monitoring, evaluation and auditing. While significant progress has been made in achieving targets, challenges remain in fully addressing the needs of women, youth, and persons with disabilities within the ICT Information Society and Capacity Development programme. These challenges include resource constraints, limited access to technology, and entrenched social barriers. To overcome these challenges, the Department will undertake corrective steps, including expanding access to digital infrastructure, enhancing digital literacy programmes, and mainstreaming gender and disability considerations into policy development and service delivery. Additionally, partnerships with relevant stakeholders and continuous stakeholder engagement are integral to overcoming barriers and ensuring inclusivity in the digital sphere. By addressing these challenges proactively, the Department remains committed to advancing digital inclusion and fostering an inclusive, resilient society.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (*ACTUAL ACHIEVEMENT 2023/2024 UNTIL DATE OF RE-TABLING)

Programme 6: ICT Information Society and Capacity Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Digitally transformed economy and society	e-Government Services	Number of automated e-Government services	The Department Developed and approved the 3-Year Implementation Plan of the National e-Government Programme. Establishment of National e-Government Programme. Governance Structure. Re-design of National e-Services Portal implemented, and monitoring reports developed.	Implementation of the National e-Government Strategy and Roadmap, with a focus on a single portal for prioritized government services was coordinated.	Automation of the e-Government services on the e-Portal monitored.	The Department achieved the planned target. Automation of the e-Government services on the e-Portal was monitored.	-	-	The Output Indicator was revised to adhere to SMART principle and measurability.

Programme 6: ICT Information Society and Capacity Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tableting	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
			Prioritised key public facing Services identified for automation and monitoring reports were developed as well as National e-services portal re-designed and monitored. Implementation of key public-facing services was prioritised for automation (Integrating AI and Big Data interventions) was monitored.						

Programme 6: ICT Information Society and Capacity Development							
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tableting	Deviation from planned target to actual achievement for 2023/24
Digitally transformed economy and society	Digital and Future Skills programme	Coordinated Digital and Future Skills programme	<p>The Department facilitated and monitored the implementation of the Digital and Future Skills Programme through:</p> <ul style="list-style-type: none"> training which was conducted by NEMISA on pre-entry Digital skills. <p>NEMISA conducted training for young people through the Co-Labs and various training providers on the following courses.</p> <ul style="list-style-type: none"> Introduction to Cyber Attacks; Programming for Everybody (Getting Started with Python); 	Digital and Future Skills training programmes through local and international Public and Private partnerships was coordinated.	Digital and Future Skills programmes coordinated through multi-stakeholder partnerships.	The Department achieved the planned target. Digital and Future Skills programmes was coordinated through multi-stakeholder partnerships.	-
							<p>The annual target was revised to only focus on monitoring the implementation of Digital and Future Skills programme to address concerns raised by the AGSA about measurability.</p>

Programme 6: ICT Information Society and Capacity Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
			<ul style="list-style-type: none"> • Introduction to MongoDB, Technical Support Fundamentals • The Bits and Bytes of Computer Networking • Introduction to Business Analytics. • Technical Support Fundamentals • Data Scientist™'s Toolbox, Foundations of Project Management, A Crash Course in Data Science, Introduction to Data Analytics. 						

Programme 6: ICT Information Society and Capacity Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tableting	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Digitally transformed economy and society	AI centres of excellence	Number of AI centre of excellence in supporting Alisa	<ul style="list-style-type: none"> Managing 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 	The Establishment of the Artificial Intelligence (AI) Institute was coordinated, and AI Strategy was developed	4 AI centres of excellence included in the Artificial Intelligence Institute of South Africa (Alisa) network.	The Department achieved the planned target. 2 AI centres of excellence were included in the Artificial Intelligence Institute of South Africa (Alisa) network.	-	-	The annual target was reprioritized and moved to the Business Plan. The Minister requested that the target of the National Artificial Intelligence (AI) Plan be in the APP.
			-						

Programme 6: ICT Information Society and Capacity Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to actual achievement for 2023/24	Reasons for deviations	Reasons for revisions to the Output/ Output indicators/ Annual Targets
Digitally transformed economy and society	Local Digital Product and Services	Developed Local Digital Products and Services	-	Furthermore, the Department together with University of Johannesburg, and Tshwane University of Technology on the 30 November 2022 launched the Artificial Intelligence Institute of South Africa (AIISA).	Four (4) partnership agreements with industry to support Digitech products and services facilitated.	The Department did not achieve the planned target. The Department managed to facilitate at least two (2) partnership agreements with industry to support Digitech products and services.	The Department signed two (2) partnership agreements as opposed to 4 that was planned.	There were delays in approval of the two (2) MOUs as they were to be vetted by the multinational companies' legal units which were based overseas	The Output Indicator was revised to focus on the number of partnership agreements with industry to support Digitech Products and Services which is aligned to the target.
			-						

*Actual achievements reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS (**ACTUAL ACHIEVEMENT 2023/2024)

Programme 6: ICT Information Society and Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Digitally transformed economy and society	e-Government Services	Automated e-Government Services	The Department Developed and approved the 3-year Implementation Plan of the National e-Government Programme Establishment of National e-Government Programme Governance Structure. Re-design of National e-Services Portal implemented, and monitoring reports were developed.	Implementation of the National e-Government Strategy and Roadmap, with a focus on a single portal for prioritized government services was coordinated.	Automation of e-Government Services on the e-portal monitored.	The Department achieved the planned target. Automation of e-Government Services on the e-portal was monitored.	-	-

Programme 6: ICT Information Society and Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Digitally transformed economy and society	Digital and future skills strategy	Implemented Digital and Future Skills Strategy	The Department facilitated and monitored the implementation of the Digital and Future Skills Programme through: <ul style="list-style-type: none">• training which was conducted by NEMISA on pre-entry Digital skills.	Digital and Future Skills training programmes through local and international Public and Private partnerships was coordinated.	Implementation of Digital and Future Skills Strategy monitored.	The Department achieved the planned target. Implementation of Digital and Future Skills Strategy was monitored.	-	-
			Prioritised key public facing Services identified for automation and monitoring reports were developed as well as National e-services portal re-designed and monitored. Implementation of key public facing services was prioritised for automation (Integrating AI and Big Data interventions) was monitored.					

Programme 6: ICT Information Society and Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
			<ul style="list-style-type: none"> NEMISA conducted training for young people through the Co-Labs and various training providers on the following courses. 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. 					

Programme 6: ICT Information Society and Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
			<ul style="list-style-type: none">• Technical Support Fundamentals Data Scientist™'s Toolbox, Foundations of Project Management, A Crash Course in Data Science, Introduction to Data Analytics Managing 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.					

Programme 6: ICT Information Society and Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Digitally transformed economy and society	National Artificial Intelligence (AI) Plan	Implemented National Artificial Intelligence (AI) Plan	-	The Establishment of the Artificial Intelligence (AI) Institute was coordinated, and AI Strategy was developed. Furthermore, the Department together with University of Johannesburg, and Tshwane University of Technology on the 30 November 2022 launched the Artificial Intelligence Institute of South Africa (AISA).	National Artificial Intelligence (AI) Plan developed and approved	The Department achieved the planned target. National Artificial Intelligence (AI) Plan was developed and approved.	-	-
Digitally transformed economy and society	DigiTech products and services	Number of partnership agreements with industry to support DigiTech Products and Services	-	-	Four (4) partnership agreements with industry to support DigiTech products and services facilitated.	The Department did not achieve the planned target. The Department managed to facilitate at least two (2) partnership agreements with industry to support DigiTech products and services.	There were delays in approval of the two (2) MoUs as they were to be vetted by the multinational companies' legal units which were based overseas.	There were delays in approval of the two (2) MoUs as they were to be vetted by the multinational companies' legal units which were based overseas.

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

LINKING PERFORMANCE WITH BUDGETS

Spending was R65.8 million in 2023/24 financial year and R63.1 million in 2022/23 financial year. Spending under goods and services increased from R20.9 million in 2022/23 to R25 million in 2023/24 financial year. Spending in training and development increased from R135 thousand to R7.2 million in the year under review. Spending rate under Programme 6 is at 91.9%.

SUB-PROGRAMME EXPENDITURE

Sub- Programme Name	2023/2024			2022/2023		
	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	3 238	3 238	-	3 008	2 763	245
Information Society Development	64 712	58 904	5 808	74 102	56 761	17 341
Capacity Development	3 695	3 695	-	10 526	3 526	7000
Total	71 645	65 837	5 808	87 636	63 050	24 586

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

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

PERFORMANCE IN RELATION TO STANDARDISED OUTPUTS AND OUTPUT INDICATORS FOR SECTORS WITH CONCURRENT FUNCTIONS

Not applicable for DCDT.

5. TRANSFER PAYMENTS

5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
FPB	<p>Percentage (%) Approved Human Capital Business Improvement strategy (HCBIS) Implemented.</p> <ul style="list-style-type: none"> Review the OCR Classification System. % of program implementation on online prohibited and harmful content focusing on vulnerable groups. Number of prioritized research projects concluded to support regulatory development. Regulatory Instruments Implemented. % of prioritized regulatory instruments developed. % of the approved Regulator of the future Proposal Plan Implemented. % of online distributors applications concluded (Self - classification). The increase in % of self-generated revenue over total revenue. <p>% of the prioritized training programme on the FPB Expanded mandate implemented.</p>	R103 860 million	R129.999 million	<p>60% completion of the HCBIS implementation plan.</p> <ul style="list-style-type: none"> Conclusion of the OCR report. Accreditation framework report. Full Programme implementation (50%) on online prohibited and harmful content focusing on vulnerable groups. Implementation of the FP Amendment Act developed. 30% Implementation of the prioritized training programme on the FPB Expanded Mandate.
ICASA	<ul style="list-style-type: none"> Organisational service delivery maintained. Process to assign Broadband Spectrum completed. Radio Frequency Migration plan implemented. IMT roadmap implemented. Processed licence applications / registrations within turn-around time 	R473 947 million	R509 514 million	<ul style="list-style-type: none"> 50% of the process to issue radio frequency spectrum licenses to successful bidders for the IMT spectrum auction. 100% of EDRMS roll out plan implemented. 99% of license fees collected.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
NEMISA	<ul style="list-style-type: none"> • Corporate governance excellence • Technology Management • Collaborations and partnerships established. • Creative media training programmes provided. • Digital literacy training programmes provided. • Training programmes in digital technologies provided. • Technical ICT training programmes provided. • New learning content provided through Multi-Media Production house 	R98 428 000	R163 861 000	Repetitive audit findings <ul style="list-style-type: none"> • Borad evaluation conducted • 2 collaborative MoUs signed. • Partnership Performance Report for 2023/23 was completed. • 1017 learners trained in multimedia short courses and 180 in learnerships • 86 664 citizens trained in basic digital literacy • 11 513 SMMEs trained in digital entrepreneurship. 3 469 learners trained in digital technologies. • 276 learners trained in ICT training programmes. • 4 learning content productions, 2 programmes reviewed, 5 new programmes were developed and completed.
	Hosting of the Digital skills summit and colloquium, and consolidated research agenda reports produced			Summit and Colloquium successfully hosted, and the research report produced.
	<ul style="list-style-type: none"> • Monitoring and Evaluation reports provided. • Impact evaluations reports provided 			<ul style="list-style-type: none"> • 4 Quarterly Monitoring and evaluation report developed • 1 Impact report developed
USAASA	Provision of universal access and universal service in South Africa.	R82.655 million	R87.628 million	Payments in USAASA are for administration with the bulk being Salaries and Wages, ICT, S&T, Rental and Legal Services.
USAF	Roll-out of Broadband Connectivity and implementation of BDM projects in OR Tambo District Municipality at Nyandeni local Municipality, and at Nyandeni local municipality at OR Tambo District and Harry Gwala District Municipality in KZN.	R64.303 million	R363.430 million	The deployment of broadband services for phase-1 (412 sites in OR Tambo and Pixley ka Seme districts) and phase-2 (200 sites in Harry Gwala and Nyandeni) was completed.

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
SABC	<ul style="list-style-type: none"> The Government funding made it possible for the SABC to deliver the following educational programmes to the citizens of South Africa through Radio and Television: Curriculum content for learners & Educators within a formal education environment (Early Childhood Development, Primary and Secondary Schools, Further Education and Training and Adult Basic Education) 	R266.636 million	SABC – Public Broadcaster <ul style="list-style-type: none"> TV and Radio Education Programs = R161.168m 	SABC's educational programmes enjoy a significant audience share in the market and are amongst some of the most watched television programmes in South Africa. The same is true of SABC Education radio programmes scheduled in the public broadcasting service (PBS) network which has which has continually maintained a steady growth in its listenership.
	Non-formal content for learners outside of a formal learning environment. (Children at home).		<ul style="list-style-type: none"> SABC – Programme Productions = R0.901m 	The SABC's Youth Development programme called Skeem Saam, initially conceptualised as a radio drama, is one of the most watched television programmes in South Africa. For the period July 2023, the introduction of Season 12, saw Skeem Saam become the 2nd most watched soapy on the SABC Network. It was also a winner for the 2023 Gen Next - Coolest Local Programme/Series
	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.)		<ul style="list-style-type: none"> Channel Africa = R41.410m 	One of SABC Education's flagship programme, Words and Numbers won a SAFTA award in the Best Children's category at the 2023 SAFTA's awards. It was also selected as the one the best children's show for viewing purpose at the Japan Prize Awards 2023 in Asia.
	The SABC also delivered Nation Building programmes to assist in building and strengthening a young democratic South Africa		<ul style="list-style-type: none"> Elections Coverage = R2.135m 	SABC Education programmes are available on SABC + as video-on-demand (VOD) and are also packed into digital and outreach campaigns and delivered across the country including various villages.

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
			Totals = R205.614m	<p>SABC Education programmes provided much needed curriculum support to matriculants during 2023-year end exam scheduled on the DTT platform. Additionally, together with the Department of Basic Education, SABC Education developed a USSD service and a digital application which allows matriculants to access their matric results immediately as and when they become available. Through the career optioning programme, The Chair, some 26 learners were assisted with finding jobs whilst the sister programme, 48 Hours, helped a further 23 students with job shadowing opportunities including internships thereby staying true to the mantra of the department: Enriching Mind and Enriching Lives.</p> <p>The station had a successful Africa Month, Youth Month, Mandela Month and Women's month content. The station successfully covered the Zimbabwe elections, BRICS and AU Summit Channel Africa received its first advertisement a milestone for the station, as never had the station had an advert in the history of Channel Africa. 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.</p> <p>SABC Education entered 16 programmes for the SAFTA</p>
SAPO	Provision of Universal Postal Service	R524.270 million	R524.270 million	Provision of and maintenance of universal postal services obligations for post office branches and postal services to the 448 USO post office branches

***Note: For entities that recorded overspending, the shortfall was covered from the cumulative reserves from the previous years.

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 International Organisations and are reflected in the table below.

THE TABLE BELOW REFLECTS THE TRANSFER PAYMENTS MADE FOR THE PERIOD 1 APRIL 2023 TO 31 MARCH 2024

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (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)	Foreign government and international organisation	Membership fees		1 326		
Universal Postal Union (UPU)	Foreign governments and international organisations	Membership fees		9 087		
Pan African Postal Union (PAPU)	Foreign governments and international organisations	Membership fees		1 403		
International Telecommunications Union (ITU)	Foreign governments and international organisations	Membership fees		26 588		
Organisation for Economic Cooperation and Development	Foreign governments and international organisations	Membership fees		232		
DONA Foundation	Foreign governments and international organisations	Membership fees		1 568		
Smart Africa Alliance	Foreign governments and international organisations	Membership fees		912		
Pan African Postal Union (PAPU)	Foreign governments and international organisations	Membership fees		-		

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 Plans.

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 Supply Chain Management processes. New assets are barcoded, updated on the asset register, allocated to asset users 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 the DTT project. The number of asset losses due to theft were relatively low. All losses and disposals were removed from the asset register after authorization was obtained from the Accounting Officer as follows:

Service and maintenance	R416 592.07
Acquisitions Tangible	R4 587 345.06
Acquisitions Intangible	R982 000.00
Disposal Intangible	R43 962.90
Losses	R42 279.90

97% of the book value of the disposed assets has reached their useful life cycle.

The Department has implemented an asset management strategy which acts as a guideline to acquire, utilise, maintain, and replace assets. The disposals of intangible assets and lost assets were low during the reporting period. There were no transfers, auctioning, donating and scrapping during the reporting period. However, there are a number of assets that will be disposed of in the new financial year.

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.

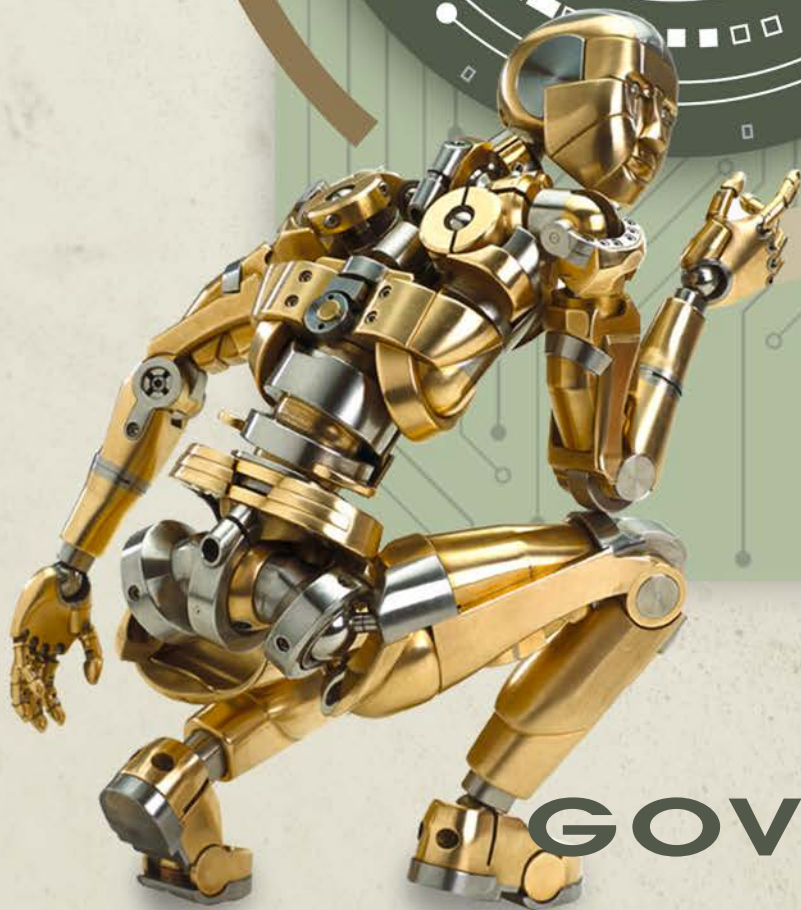
The Department undertook monthly, quarterly, and annual asset reconciliation to ensure that the quarterly and annual financial statements and all asset acquisitions and disposals were accounted for correctly.

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:	12%
Bad condition:	8%

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



GOVERNANCE

1. GOVERNANCE INTRODUCTION

- a) The leadership is committed to the delivery of the Department's mandate. Its mandate 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 a well-established and approved Governance Framework and Structures aimed at institutionalising effective governance systems and processes. The following principles are key to the Governance Framework and Structures:
 - 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 premised 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 to foster integration which should be evident at the business process level, policies, and standard operating procedures.

THE FOLLOWING ARE THE INSTITUTIONALIZED AND FUNCTIONAL DCDT MANAGEMENT STRUCTURES:

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 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. Eight (08) MinEXCO meetings were held during the 2023/24 financial year.

Executive Committee (EXCO). EXCO membership comprise 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, Chief of Staff, Head: DM's Office, EPMO and Chief Director: Communications attend EXCO meetings as ex-officio members. EXCO provides strategic direction, make policy decisions while practicing ethical and effective leadership towards the achievement of the Department's mandate. EXCO monitors implementation of the Department's strategy and priority projects as well as identifying and unblocking challenges relating to implementation. Fifteen (15) EXCO meetings were held during the 2023/24 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 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. Eleven (11) MANCO meetings were held during the 2023/24 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 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. Six (6) GCC meetings were held during the 2023/24 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 (Chief Risk Officer and Deputy Director: IT Governance) attend as ex-officio members. One (1) BCC meeting was held during the 2023/24 financial year.

- c) 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.
 - iv. 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 to identify, assess, manage, and report on all significant risks and related mitigation plans. Risk Management Policy, practices, Strategy and reporting protocols are consistently used to support the top down approach. 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 a 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.

Internal risk awareness workshops are conducted throughout the Department to ensure that all employees are aware and take responsibility for their sections risk exposures. Executives (EXCO), Senior Management (SMS), Audit Committee (AC), Risk and Ethics Management Directorate, and Risk and Ethics Committee (REC) members attend various external training on risk, ethics and governance management to ensure that they keep abreast of developments and improve the way they manage risks within their respective roles.

The Department has monitored the implementation of some improvement plans that were identified to improve the risk management maturity level. Monitoring is aiming at maturing the risk management to the next level in the financial years 2024/2025 and 2025/2026. Key improvement action plans implemented which will assist in improving the current maturity level include:

- 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, detective, 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 experienced challenges with regards to the implementation of some risk mitigation action plans with a low overall implementation rate at strategic risk level by the end of the 2023/24 financial year. This will be addressed

through closer monitoring and alignment of the risk mitigation action plans with available human capital and financial requirements, consideration of dependencies as well as the continued efforts to embed and enhance the overall risk management culture in the Department.

THERE ARE VARIOUS PROCESSES TO ENSURE AWARENESS AND COMMITMENT OF THE ENTIRE DEPARTMENT, SUCH AS:

- a) Risk Management awareness programmes (workshops, internal communications, etc);
- b) Induction of new employees;
- c) Risk management posters and brochures in all the Department's office blocks;
- d) Quarterly risk monitoring and reporting; and
- e) Uploading of risk management enabling documents into the Department's intranet for ease of access by all employees.

2.4 RISK MANAGEMENT STRUCTURE.

Risk Management Directorate comprises two posts: Director (filled, also seconded to USAASA) and Deputy Director (vacant). As a result, the Directorate did not operate on 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 and disaster management, governance and compliance, anti-fraud and corruption, combined assurance and ethics coordination.

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. 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. Internal Audit is assisting with combined assurance while Legal Services Chief Directorate is assisting with compliance matters including compliance with POPIA.

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 based on the Department's risk appetite and tolerance levels.

The 2023/24 strategic risk assessments were completed with relevant reports presented to the Risk and Ethics Committees (REC) for consideration and approval, Audit Committee (AC) for noting 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 Risk and Ethics Committee (REC) and Audit Committee (AC). The Department has introduced Control Self-Assessment (CSA) process which is a tool used to measure/assess the implementation of risk mitigation plans.

STRATEGIC RISK MANAGEMENT.

Twenty-seven (20) strategic risks were identified and monitored during the 2023/24 financial year. Five (5) risks were managed within acceptable risk level (appetite). Fifteen (15) risks 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 and budget cuts.
- b) Delays in finalisation of the structure which affected human and financial resources to effectively implement the risk mitigation action plans.
- c) Root causes that are outside the control of the Department.
- d) Dependencies on external stakeholders and entities for delivery of the Department's projects.
- e) Lack of presence in Provincial and District Municipalities.
- f) Inadequate capacity in some mandated entities.
- g) Undocumented processes in some areas (lack/delays in finalising standard operating procedures).
- h) Lack of risk management software.

- i) Slow implementation of risk mitigation strategies.
- j) 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 2023/24 operational and project risk assessments were aligned to the audit action plan to ensure seamless monitoring and mitigation of the key operational risks and root causes.

These risks were reported to REC and escalated to EXCO for further engagements and implementation of the identified risk mitigation plans. The risks were monitored at both risk management and audit action plan levels. Operational risks that remained outside the acceptable levels were due to the following key challenges/weaknesses:

- a) Delays in the implementation of integrated action plan and operational risk mitigation plans.
- b) Inadequate capacity (financial and human resources).
- c) Delays in the approval of the organizational structure.
- d) Inadequate quality checks by relevant DDGs on performance information and supporting evidence provided.
- e) Inadequate monitoring and evaluation of projects emanating from insufficient human capital in the project management office.

2.7 VALUE ADD.

Risk Management systems and processes have assisted the Department in the achievement of most of its outputs and outcomes by ensuring that the following are considered during the 2023/2024. Risk Management was introduced during the strategic planning and risks were consistently managed during strategy execution:

- 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 is also the case when the Department revises 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 – identification of these risks assist the with the process of ensuring that the annual performance plan includes the relevant and current risk mitigations/interventions that are commensurate and assisting to address the 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), operational 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 consist of nine (9) members, of which one (1) is an independent non-executive member and eight (8) internal senior management members. The Committee has been formally appointed by the Accounting Officer with a blend of skills and knowledge required to address all Departmental risks and ethics.

Standing invitees that attend as ex- officio include the Chief Audit Executive and representatives from Legal Services and Human Resource Management Chief Directorates.

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
Dr P. Dala	Independent Non-Executive Chairperson	4 of 3	-
Mr L. Ndlovu	Internal Member (Chief Information Officer)	3 of 3	Presented apology in one meeting.
Ms N Sihlahla	Internal member (D: Capacity Development)	3 of 3	Presented apology in one meeting.
Ms P Tsolo	Internal member (CD: SOE Governance and Support)	3 of 3	Presented apology in one meeting.
Mr K Mabe	Internal member (CD: Broadband)	3 of 3	Presented apology in one meeting.
Mr L Mottlatla	Internal member (D: IT Policy)	3 of 3	Presented apology in one meeting.
Mr Z Masilela	Internal Member (D: ICT Bilateral South-South & BRICS)	2 of 3	Presented apology in one meeting.
Mr Justice Libago	Internal member (CD: Strategic Planning and Monitoring)	3 of 3	Presented apology in one meeting.
Ms R Mafolo	Internal Member (Chief Financial Officer)	1 of 3	Presented apology in one meeting.

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. 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:

- 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.
- Monitoring and reporting on the implementation of the Fraud Prevention Plan to the Risk and Ethics Committee on a quarterly basis.
- 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.
- The Risk and Ethics Committee (REC) provides oversight over the effectiveness of fraud prevention systems and processes.
- Progress on investigations conducted and/or sanctions taken are reported to REC on a quarterly basis for independent professional advice.
- 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.
- b) 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 has an approved Financial Disclosure 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 financial disclosure requirements.

An awareness has been provided throughout the Department to ensure that all officials are aware of their responsibilities regarding financial disclosures including the content to be disclosed, the period for the disclosures and the consequences of incomplete or non-disclosure of all or some financial interests. 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 financial disclosure noncompliance matters when identified. 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

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. 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.

An awareness has been provided throughout the Department to ensure all officials are aware of their responsibilities regarding ethics and integrity, and code of conduct. The awareness programme implemented included workshops held throughout the Department.

The Ethics Officer conducts the relevant investigations on ethics, and integrity noncompliance matters when identified. Ethics, integrity, and code of conduct reports are compiled on a regular basis and presented or submitted to the relevant governance structures (REC, EA, PSC and DPSA) for proper monitoring.

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 Health and Safety Committee has been established to ensure that health and safety matters in the Department are attended to. The Health and Safety Committee Terms of Reference have been finalised and approved. The Department has allocated an official as a Health and Safety Officer. First Aiders and Fire Marshals have been appointed. Quarterly SHERQ meetings are being held.

7. PORTFOLIO COMMITTEES

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
02/05/2023	Briefing by DCDT and entities on the 2023/24 Annual Performance Plans (APPs).	<ul style="list-style-type: none"> The Committee requested an overview briefing of the 2023/24 annual performance plans in respect of the DCDT and its entities. The Committee expressed concern that many entities had overlapping mandates. It suggested that some of these entities be integrated to work smartly, effectively, and efficiently. 	<ul style="list-style-type: none"> There were 36 DCDT APP targets for the year under review: eight under Outcome One: Enabling Digital Transformation Policies, Strategies and Regulations, five under Outcome Two: Increased Access to Secure Digital Infrastructure and Services, six under Outcome Three: Digitally Transformed Economy and Society and 16 under Outcome Four: High Performing and Sustainable Portfolio to Enable the Achievement of Respective Mandates. The BBI collaborated with Sentech, and regular meetings were conducted while the two also utilised each other's personnel. The entities were occupying the same premises and the unions had been regularly engaged about the merger and were supportive. The Department was still deciding where best to position the Universal Service and Access Agency of South Africa (USAASA) and was considering transferring the Universal Service and Access fund to the Postbank. This was not yet finalised.
16/05/2023	Briefing by the DCDT and entities on the impact of loadshedding	Members sought clarification from the Department on implementing mitigation measures to ensure that the Department and its entities cope with loadshedding.	<p>The DCDT was doing its best to address the challenges associated with loadshedding through various meetings with different sectors.</p> <p>Mitigation measures included the following:</p> <ul style="list-style-type: none"> With regard to the Broadcasting Digital Migration Programme, some installers travelled with generators to test if what they had installed worked. The Department continuously engaged with the Minister of Electricity and government departments. To mitigate the challenge of loadshedding, NEMISA had generators that had the capacity to support its physical premises in Johannesburg. NEMISA also procured Uninterrupted Power Supply Units to be used by employees on its premises and off campus, when necessary. This enabled further mitigation of the negative impact of loadshedding. A plan had been put in place to implement a solar energy solution in the financial year 2023/24 by NEMISA. SITA also worked with industry partners to ensure that security measures were put in place to monitor hotspots to curb vandalism and theft, where possible. SITA engaged with Eskom to exempt key sites from loadshedding to minimise the potential impact on Government.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
			<ul style="list-style-type: none"> • SITA implemented the following to mitigate against the challenges brought by loadshedding to keep Government's IT systems available: • Made investments to maintain, upgrade, modernise and build further levels of redundancy in infrastructure to respond to the extreme pressure on infrastructure as best as possible. This included generators, uninterrupted power supplies, switchgear equipment, core network, and internet links. • Made investments into real-time monitoring and effective source of diesel through contracts. This ensured that generators that provide backup power to all switching and data centres have adequate and timeous diesel supply. • SITA worked with industry partners to ensure that they take similar measures as mentioned above to ensure their infrastructure remained available and resilient.
30/05/2023	Briefing by DCDT and entities on 2024 Elections and state of readiness	Members requested clarity on the funding or underfunding of the SABC's mandate and deployment of its resources for the 2024 Elections	The SABC assured the Committee that, although funding was constrained, it was ready to cover the Elections. The Department had allocated the SABC R35-million. This budget will be apportioned as per the SABC's operational planning. It will also be used for election capital expenditure and minor capital expenditure. The SABC further assured Members that, with its over 600 permanent employees and over 300 freelancers, it had the capacity to deliver on its Elections mandate. It has also partnered with the Independent Electoral Commission (IEC) in Tshwane and across all provinces to ensure that capacity is not compromised.
06/06/2023	Update on SAPO and the BDM process as well as an Introductory briefing on the SA Post Office (SAPO) Amendment Bill	Members requested an update and progress made thus far on saving the Post Office.	<p>Following SAPO being placed under provisional liquidation, Government resolved to instead place it under business rescue. An application had thus been made to Court for the SA Post Office to be placed under business rescue. It was envisaged that the business rescue would afford the entity the time required to stabilise the business, implement revenue improvement measures as well as cost optimisation actions, modernisation, and implement the SA Post Office of Tomorrow Strategy.</p> <p>Upon Cabinet approval to place SA Post Office into business rescue, an application was lodged with the Court on 30 May 2023. On 31 May 2023, the liquidators of the SA Post Office instituted an application requesting an order that the date for Rule Nisi (01 June 2023) be extended to 01 November 2023.</p> <p>On 01 June 2023, the High Court extended the provisional liquidation return date from 01 June 2023 to 30 October 2023. Unless the Court issued a directive for a different date, the application for business rescue will be heard on 04 July 2023.</p> <p>The plan, approved by Cabinet, was centred on cutting 7 000 of the Post Office's roughly 11 000 staff to save around R1.5-billion a year in employee costs. SAPO has incurred losses of more than R2-billion a year for the past three years. Of its 1 108 branches, only 193 made a profit. It owed hundreds of millions of rands to creditors, landlords, medical aid funds, and pension fund.</p>

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
13/06/2023	Briefing by the Department on the Broadcasting Digital Migration (BDM) programme update and SA Post Office (SAPO) Amendment Bill	<ul style="list-style-type: none"> The Committee requested a status update on the Broadcasting Digital Migration (BDM) Analogue Switch Off. The Committee requested a briefing on the SAPO Amendment Bill 	<ul style="list-style-type: none"> The Minister alluded to the productive engagements and consultations with stakeholders, as directed by the Constitutional Court in its ruling. The Minister explained the implementation of Analogue Switch Off in an agreed two-phase approach, namely: Phase 1 involved switching off analogue frequencies above the 694-Megahertz (MHz) band immediately to release spectrum for other telecommunications use by July 2023. Phase 2 entailed terminating analogue services below the 694 MHz band by 31 December 2024. The Department had also decided to accept risks posed by original equipment manufacturers, who were no longer keen to produce analogue equipment. Following due process, Cabinet approved the SAPO Amendment Bill on 13 November 2022. The main objectives of the SAPO Amendment Bill is to amend the South African Post Office SOC Ltd Act, 2011, so as to: <ul style="list-style-type: none"> Revise duties and expand on the mandate of the South African Post Office, as provided for in the SAPO Act and the Postal Services Act, 1998 for SAPO to remain relevant and competitive in the rapidly evolving digital age through innovative technology solutions such as online portals and mobile applications, as well as enhancing the efficiency of existing postal services; Legally empower and repurpose the Post Office infrastructure to provide diversified and expanded services and exploit the infrastructure capacity to extract value and forge partnerships with other stakeholders; Serve as a facilitator for the provision of Government services and digital hub for businesses and communities; and Deal with other governance provisions of the Act that were identified as problematic during implementation to ensure accountability by executives. The DCDT spent 73 percent of its adjusted budget in the third quarter and 98 percent of its adjusted budget in the fourth quarter. In terms of the overall performance for both quarters, eight of 28 targets were not achieved. Broadband Infraco SOC (BBI) - in the third quarter, 14 of 20 targets were achieved, an overall target performance of 70 percent. There were 16 audit findings of which eight were resolved and eight unresolved. In the fourth quarter, 15 of 20 targets were achieved, an overall target performance of 75 percent. There were 16 audit findings of which nine were resolved and seven remained unresolved. Film and Publications Board (FPB) - In the third quarter, 10 of 12 targets were achieved, an overall performance of 83 percent. There were five audit findings of which four were resolved. In the fourth quarter, 11 of 12 targets were achieved, an overall performance of 92 percent. There were five audit findings which were all resolved.
05/09/2023	Briefing by the DCDT on its and its entities' Quarter 3 and Quarter 4 performance and expenditure for 2022/23 financial year.	<ul style="list-style-type: none"> The Committee requested for a briefing on the DCDT and entities' Quarter 3 and Quarter 4 performance and expenditure. Concerns were raised about the high staff expenditure at the South African Post Office (SAPO). Members also noted that its branches were being closed and asked about unpaid salaries and medical aid contributions. They also asked about the business rescue process 	

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
			<ul style="list-style-type: none"> • Independent Communications Authority of South Africa (ICASA) - In the third quarter, 22 of 24 targets were achieved, an overall performance of 92 percent. In the fourth quarter, 40 of 45 targets were achieved, an overall performance of 89 percent. There were 54 audit findings for the two quarters. Thus far, 41 findings were resolved and 13 remained unresolved. • National Electronic Media Institute of South Africa (NEMISA) - In both the third and fourth quarters, 12 of 15 targets were achieved, an overall performance of 80 percent. In the third quarter, there were 12 audit findings of which four were resolved. In the fourth quarter, ten of 12 audit findings were resolved. • Postbank - Four of 12 targets were achieved in the third quarter, an overall performance of 33 percent. There were 140 audit findings of which 31 were resolved and 109 remained unresolved. In the fourth quarter, only two of 14 targets were achieved. The overall target performance was 14 percent. There were 140 audit findings of which 38 were resolved and 102 remained unresolved. • South African Post Office (SAPO) - Four of 13 targets were achieved in the third quarter, an overall target performance of 31 percent. Only two of 13 targets were achieved in the fourth quarter, an overall performance of 15 percent. For the two quarters, there were 165 audit findings of which 69 were resolved and 96 remained unresolved. • Sentech - In the third quarter, nine of 15 targets were achieved, an overall performance of 60 percent. In the fourth quarter, 12 of 15 targets were achieved, an overall performance of 80 percent. For both quarters, there were 18 audit findings of which 11 were resolved. • South African Broadcasting Corporation (SABC) - In each of the third and fourth quarters, 15 of 24 targets were achieved, an overall performance of 38 percent. In the third quarter, there were 92 audit findings of which 63 were resolved. In the fourth quarter, there were 92 audit findings of which 81 were resolved. • State Information Technology Agency (SITA) - Eight of 17 targets were achieved in the third quarter, an overall performance of 47.1 percent. There were 171 audit findings of which 39 were resolved and 132 remained unresolved. Eight of 18 targets were achieved in the fourth quarter, an overall performance of 44.4 percent. There were 171 audit findings of which 78 were resolved and 93 remained unresolved. • Universal Service and Access Agency of South Africa (USAASA) - Three of five targets were achieved in the third quarter, an overall performance of 60 percent. There were 87 audit findings of which 34 were resolved and 53 remained unresolved. Four of five targets were achieved in the fourth quarter, an overall performance of 80 percent. There were 71 audit findings of which 55 were resolved and 16 remained unresolved.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
			<ul style="list-style-type: none"> • Universal Service Fund South Africa (USAF) - Three of four targets were achieved in the third quarter, an overall performance of 75 percent. There were 48 audit findings of which 22 were resolved and 26 remained unresolved. Two of four targets were achieved in the fourth quarter, an overall performance of 50 percent. There were 51 audit findings of which 42 were resolved and nine remained unresolved. • za Domain Name Authority (ZADNA) - In the third quarter, 12 of 14 targets were achieved, an overall performance of 86 percent. In the fourth quarter, 11 of 13 targets were achieved, an overall performance of 85 percent. ZADNA received a clean audit. • Mr. Omega Shelembe stated that SAPO business rescue process was underway. SAPO was placed in provisional liquidation in February 2023. The provisional liquidation was turned into business rescue after a court application by the Minister on 10 July 2023. Business rescue practitioners had already been nominated, confirmed and appointed by the court. At a meeting on 24 July 2023, creditors voted in favour of the business rescue practitioners. The Department was monitoring the business rescue process.
10/10/2023	DCDT audit outcomes and briefing on its annual report as well as that of ICASA, FPB, SITA, NEMISA, BBI, Sentech, USAF, USAASA and ZADNA 2022/23 annual report	The Committee requested an overview of the DCDT and the ICASA, FPB, SITA, NEMISA, BBI, Sentech, USAF, USAASA and ZADNA 2022/23 annual reports	<p>The FPB, NEMISA and Sentech received unqualified audit opinions with no findings for the 2022/23 financial year, resulting in clean audits. They submitted financial statements that were credible, reliable and free from material misstatements. They complied with key legislation in conducting day-to-day operations. The DCDT, ICASA, BBI and USAASA received unqualified audits with findings. The DCDT and the entities produced financial statements that could be corrected. SITA and USAF received qualified audits with findings. They could not produce credible and reliable financial statements. Postbank, SAPO and the SABC received disclaimers of audit opinion. They could not provide evidence for amounts and disclosures in the financial statements.</p> <p>The SABC achieved 32 percent of its targets. The DCDT achieved 77 percent. Sentech achieved 87 percent. ICASA achieved 88 percent. Postbank achieved 20 percent. SAPO achieved 18 percent. USAASA achieved 100 percent. USAF achieved 25 percent while SITA achieved 44 percent of its targets</p>
24/10/2023	South African Post Office SOC LTD Amendment Bill finalisation	The Committee requested for the DCDT's response to public submissions made on the South African Post Office SOC LTD Amendment Bill (SAPO Amendment Bill)	<p>The Department agreed that the Stamp Advisory Committee's term of office should be amended to be not more than five years. It said the SAPO Amendment Bill already made provision for fair representation on the Stamp Advisory Committee. The Bill also made provision for SAPO to be a one-stop shop providing multiple services.</p> <p>The Department noted that the issues raised during the public hearings were about service delivery, and the business rescue practitioners were dealing with this.</p>

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
31/10/2023	Briefing by the DCDT on the SABC Bill and SA Post Office Amendment Bill	The Committee requested for an overview on the South African Broadcasting Corporation SOC Ltd Bill.	<p>The department provided an overview of the South African Broadcasting Corporation SOC Ltd Bill. Over time the SABC has faced various governance challenges which the Bill also seeks to address. In summary:</p> <ul style="list-style-type: none"> • The SABC Bill seeks to repeal the outdated Broadcasting Act of 1999 and to position the SABC to compete in the digital era where the broadcasting landscape has significantly changed. People are now consuming content everywhere, such as their mobile devices and online. • The Bill also seeks to separate the public service mandate from the commercial mandate and calls for the establishment of the Public Commercial Board. It provides mechanisms on the composition of this Board and who is responsible for appointing it. The proposal is that the SABC Board, which is appointed by Parliament, must appoint this Board. • Further, the Bill articulates matters such as the length of the term of office of the Board. • The SABC Bill will replace the TV licence with a household levy which had been deemed constitutionally sound by the Chief State Law Advisor. • The SABC Bill will repeal the Broadcasting Act of 1999 and provide the SABC with a new funding model. The high evasion rate of TV licence payments prompted the development of the SABC Bill.
12/12/2023	Briefing by the DCDT on the Audio-Visual White Paper and SAPO Business Rescue Plan	The Committee requested for an overview of the South African Post Office (SAPO) situation	<ul style="list-style-type: none"> • The Minister outlined the business rescue process, progress made and emphasised the importance of stabilising the Post Office. He highlighted the risk of liquidation and the entity's current challenges. • The Department addressed concerns regarding the legal process and fiscal framework. The business rescue practitioners explained the creditor-driven process, the compromise reached, and the importance of partnerships. They presented three achievable options for the Post Office, subject to receiving the necessary support and funding. • The meeting concluded with the practitioners providing insights into the creditors' meeting, emphasising the commitment to the approved plan's proper implementation, statutory obligations, and the focus on saving the company through business rescue.
06/02/2024	Briefing by the DCDT and entities on the revised 2023-24 Annual Performance Plan and Update on the SABC Bill	The Committee requested an overview on the DCDT, Broadband Infraco (BBI), Sentech, the Universal Service and Access Agency of South Africa (USASA) and the Universal Service and Access Fund (USAF), on the revised 2023/24 Annual Performance Plans	<p>The reason for the revisions of the DCDT annual performance plan (APP) included the following:</p> <ul style="list-style-type: none"> • Aligning the APP with the Minister's Performance Agreement with the President, which was signed after the tabling of the APP. • Cost containment measures which were issued by the National Treasury. • Aligning to the recommendations by the DPME on issues of disaster management. • Addressing issues raised by the AGSA on the high-level review.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
20/02/2024	Briefing by the DCDT and entities on the Quarter 1 and Quarter 2 2023/24 Performance	The Committee requested for an overview of the DCDT and SOE First and Second Quarter Expenditure and Financial Reports 2023/24	<p>BBI had revised its targets for the SA Connect project. Initially, 50 000 households had to be connected but it had been reduced to 10 000 households. It had to sign a service-level agreement with Sentech to ensure speedy delivery of the project, which had been extended to a three-year period. There were supposed to be 9 000 hotspots but this had been reduced to 3 000 hotspots.</p> <p>The key performance indicators for Sentech had been reduced from 14 to 11. The two key performance indicators for the satellite launch readiness plan had been removed and a third key performance indicator for the finalised state-owned company (SOC) rationalisation had been removed and placed under strategic projects to be monitored. The key performance indicator for the financial outcome had been amended from R410-million for earnings before interest, tax depreciation and amortisation, to R376-million. The key performance indicators for the analogue switch-off had also been amended to switch off all transmitters with frequencies above 694 MHz</p> <p>USASA's target included a roadmap in response to the national strategy plan on gender-based violence and femicide. USAF's targets included 80% verification of the broadcasting digital migration project at qualifying households.</p> <p>DCDT: In Quarter 1, the Department had a 69 percent performance rate against the spending of 19 percent of the Department's budget. In Quarter 2, the Department had a 58 percent performance rate against the spending of 44 percent of the department's budget. In Quarter 3, the Department had a 79 percent performance rate.</p> <p>The Department committed to achieving all of its targets and highlighted areas of significant achievement.</p> <p>For 2023/24, the Department was given a budget of R3.512-billion. Compensation of employees accounted for R302-million, goods and services accounted for R1.545-billion, transfers and subsidies accounted for R1.653-billion and payment for capital assets accounted for R10-million.</p> <p>BBI achieved 16 of its 19 targets with two financial sustainability targets not being met.</p> <p>The Film and Publications Board (FPB) delivered all 18 targets in Quarter 1 but two targets were not achieved in Quarter 2.</p> <p>ICASA managed to achieve 25 out of its 29 targets in Quarter 1 and 22 out of the 26 targets in Quarter 2. The non-achieved areas were outlined.</p>

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
12/03/2024	Update on the BDM project and turnaround strategy of SITA	The Committee requested for a progress update on the Broadcasting Digital Migration (BDM) programme	<p>NEMISA achieved 9 out of the 11 targets for Quarter 1 and 69 percent of its targets in Quarter 2.</p> <p>Postbank's performance was more concerning. It achieved only 20 percent of targets in Quarter 1 and 14 percent in Quarter 2. The delay in the IT modernisation project caused the non-achievement.</p> <p>SAPO achieved 38 percent and 27 percent of its performance targets in Quarter 1 and Quarter 2, respectively.</p> <p>The SABC achieved 65 percent and 42 percent of its performance targets in Quarter 1 and Quarter 2, respectively.</p> <p>Sentech achieved 58 percent and 61.5 percent of its performance targets in Quarter 1 and Quarter 2, respectively.</p> <p>SITA achieved 50 percent and 57.1 percent in its performance targets in Quarter 1 and Quarter 2 respectively. Its quarter one performance was a regression.</p> <p>USAASA achieved 80 percent of its targets in both quarters. The Universal Service Access Fund (USAF) achieved 40 percent of targets in both quarters.</p> <p>ZADNA achieved 87 percent and 88 percent in its performance targets in Quarters 1 and 2, respectively.</p> <ul style="list-style-type: none"> • The second phase of ongoing industry consultations led to securing commitments by key role-players. • Funding was also secured from the National Treasury for programme implementation toward the conclusion of BDM. • Service level agreements with State-Owned Entities and broadcasters were also concluded. • A decoder supply service provider was appointed, and an order was placed for an additional 200 000 decoder kits for installation of the outstanding registered households. SITA services were secured and ready to launch an online registration application system for indigent households.

DATE	PORTFOLIO COMMITTEE ON COMMUNICATIONS AGENDA	MATTERS RAISED	RESPONSE
			<ul style="list-style-type: none"> • SITA concluded an in-principle agreement with the broadcasters for phase two of the analogue switch-off (ASO), covering the phases and sequence to switch off the outstanding 195 analogue services. • The Department reported that the implementation of the ASO process, with its preceding precursor activities, was fully reliant on the full collaboration of internal and external stakeholders, including public and private broadcasters. To mitigate the risk, state-owned entities and broadcasters carry out continuous engagements, planning coordination, and implementation to limit deviations from the planned final ASO. The ASO implementation plan was agreed upon by stakeholders and free-to-air broadcasters, ensuring confidence that the December 2024 ASO deadline would be met.
19/03/2024	Postbank ICT Modernisation	The Committee requested for an update on the Postbank	<p>The Minister highlighted Postbank's compliance challenges, particularly concerning information technology (IT) vulnerabilities and security breaches. The Chief Executive Officer of Postbank provided a detailed update on the project's progress, highlighting efforts to meet compliance conditions and the extension granted by the South African Reserve Bank (SARB) to address outstanding issues.</p> <p>The Minister addressed questions regarding the resignation of the board and ongoing investigations related to the KPMG report. He said the report comprised a series of findings, some of which had been reported to law enforcement agencies, while others had undergone internal disciplinary processes. The Minister highlighted the appointment of an Administrator to oversee the Postbank's affairs. He outlined the intricate process involved in appointing a new board and addressed concerns about the potential for future disruptions.</p>
28/03/2024	SAPO/Business Rescue Plan Implementation Plan	The Portfolio Committee requested for briefings on the South African Broadcasting Corporation's (SABC's) corporate plan and progress on its stop-gap measures, and to be updated by the oversight task team on the implementation of the Business Rescue Plan for the South African Post Office (SAPO)	<p>The committee was apprised on the financial challenges faced by the SABC and the revenue loss of almost R1-billion it had incurred in the last financial year. This significant loss underscored the severity of the financial challenges facing the SABC. The projected loss of R580-million for the 2023/24 financial year. Looking ahead to 2024/25, the SABC anticipated a loss of approximately R240-million.</p> <p>Regarding the South African Post Office (SAPO), it was reported that ongoing discussions with the Minister of Finance to secure resources to implement the Business Rescue Plan.</p> <p>An overview of the work conducted by the oversight task team on the SAPO/BRP (South African Post Office/Business Rescue Practitioner) was presented.</p>

8. SCOPA RESOLUTIONS

The Department presented the Unauthorised Expenditure to the amount of R4,7 million on the 19th of September 2023 to SCOPA. In the Second report of the Standing Committee on Public Accounts (SCOPA) on the Unauthorised Expenditure dated 14 February 2024, SCOPA recommended that the Unauthorised Expenditure should be financed as a reduction of the Department's future allocation in terms of section 34(1)(b) of the PFMA, 1999. The Finance Bill is still awaited in this regard.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department has developed and implemented an Integrated Audit Action Plan (IAAP), which is under the leadership of the Chief Financial Officer. The IAAP reflects findings, root causes, milestones required to resolve such findings, deadlines as well as responsible managers. The Internal Audit Unit verifies the progress quarterly and this process has resulted in significant progress being made on the resolution of matters.

Even though the Department received an Unqualified Audit with material misstatements outcome in 2022/23 financial year, it keeps on improving on internal controls in order to achieve an improved audit opinion during the 2023/24 financial year audit.

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
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.	2020/21, and 2021/22	The role of DCDT and the implementing agencies was clarified and separated. DCDT's APP does not have the number of installations as that is the role of Sentech and as such the numbers are reflected in Sentech's performance. Sentech reports performance against the APP to the Department on a quarterly basis. This assist to monitor the progress on the implementation of the project and ensuring proper interventions to fast-track the project are implemented. In resolving the BDM listing, several meetings were held with relevant stakeholders including the project managers and entities responsible to implement the BDM.
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.	2021/22	The APP was subjected to verification and audit processes to ensure that the targets are SMART.
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	2021/22	
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.	2020/21, and 2021/22	A team has been appointed that is currently coordinating the investigations and determining the appropriate disciplinary steps or consequence management actions to be taken as well as recommending some matters for condoning and/or write-off by the relevant authorities.
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.	2021/22	During the financial year 2023/24 all irregular expenditure cases were dealt with, determination tests were conducted, cases were referred to Disciplinary Management and Consequence Management was done to all the cases. By the end of the financial year all processes were done and cases were to be send to National Treasury to Condone and some cases were Removed by the Accounting Officer, as guided by the 2022, National Treasury Compliance and Reporting Framework.

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
<p>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.</p>	<p>2021/22</p>	<p>Enforcement of adherence to policy and escalation of matters to the relevant structures.</p> <p>Indicating reasons for deviation in the deviation requests and register in circumstances where deviation is approved as a procurement strategy.</p> <p>The deviations are kept at a minimal by creating awareness through SCM circulars and enforcement of SCM policy, there is only one case of irregular expenditure recorded for the 2023/24 financial year.</p>
<p>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.</p>	<p>2021/22</p>	<p>Compliance checks are conducted to ensure that procurement processes are followed and that all relevant documents are included.</p>

10. INTERNAL CONTROL UNIT

Management has commissioned a number of initiatives to fast-track improvements following the 2022/23 financial year audit. The following could serve as examples of such initiatives:

- a) The Department has developed and implemented an Integrated Audit Action Plan to address matters raised in the 2022/23 financial year. A dedicated official has been assigned the responsibility to continuously monitor the implementation of the agreed interventions. The Internal Audit Unit assesses the portfolio of evidence on quarterly basis to ensure successful resolution of previous findings.
- b) The Department has established a governance and management structure to monitor and track progress on addressing unauthorized, irregular expenditure, and fruitless and wasteful expenditure. In the 2023/24 financial year, the Department managed to present all the 124 legacy irregular expenditure cases to the tune of R233 million on its Irregular Register to the Loss Control Committee. Where applicable, all cases were also referred to the Labour Relations Officer to implement consequence management in line with the 2022 National Treasury Framework. By 31 March 2024, all correspondence was routed to the Accounting Officer to approve removal of cases from the Irregular Register and referral to National Treasury for condonement. Two new cases were reported in the 2023/24 financial year and were also finalised by 31 March 2024.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

DCDT Internal Audit's mandate is to strengthen the Department's ability to create, protect and sustain value by providing the audit committee and management with independent, risk based and objective assurance, advice, insight, and foresight. It carries out the mandate by bringing a system discipline approach to evaluate and improve the adequacy and effectiveness of Governance, Risk Management and Control processes.

DCDT INTERNAL AUDIT (DCDT: IA) ENHANCES THE DEPARTMENT'S:

- a) Successful achievement of its outputs, outcomes, and impact statement.
- b) Governance, risk management and control processes.
- c) Decision- making and oversight.
- d) Ability to serve the public interest.

DCDT: IA is established in line with the PFMA and Treasury Regulations as a key component or structure of good corporate governance. The DCDT: IA 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 'Global Internal Audit Standards.

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 strategy, articulated in the Five-Year Strategic Plan and Annual Performance Plans. It also plays a critical role in enhancing the Department's ability to serve the public interest.

ASSESS AND MAKE APPROPRIATE RECOMMENDATIONS FOR IMPROVING THE GOVERNANCE PROCESS FOR:

- a) Making strategic and operational decisions.
- b) Overseeing risk management and control.
- c) Promoting appropriate ethics and values within the Department.
- d) Ensuring effective Departmental performance management and accountability.
- e) Communicating risk and control information to appropriate areas of the Department.
- f) 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:

- a) Achievement of the Department's outputs and outcomes.
- b) Reliability and Integrity of financial and operational information.
- c) Effectiveness and efficiency of operations and programs.
- d) Compliance with laws, regulations, policies, and contracts.

DCDT: IA developed the risk based Internal Audit Plan 2023/2024, which was approved by the Audit Committee in the second quarter of the financial year, however audit engagements rolled over from the prior year as well as specific audit engagements were approved by the Audit Committee for first quarter of the financial year. The Internal Audit Plan was finalized in the second quarter of the financial year because of a strategic decision made to allocate in the first quarter all the Internal Audit Resources to conduct the verification of installations in the Broadcasting Digital Migration (BDM). BDM is one of the priority strategic programs of the Department. The DCDT: IA conducted the verification excellently, and engagement results were presented to Executive Management and relevant Governance Structures with qualitative recommendations for implementation.

The Internal Audit Plan 2023/2024 had a total of 18 Internal Audit Engagements, which included 1 Internal Quality Assurance Engagement. DCDT: IA finalized 8 internal audit engagements by the 31st of March 2024, one in April 2024. Four were at final reporting phase and the five deferred to the new financial year 2024/2025. The delivery of the Internal Audit Plan was engulfed with challenge hence the overall completion was 44%. The following challenges were experienced: a) lack of an enabling control environment that necessitated extended consultation sessions with management in order to finalize audits and reports; b) stakeholder availability at key phases; c) lack of enforcement of service level agreement, accommodating management not issuing the scope limitation; d) specifically in relation to the execution of the IT Audits due to procurement delays; e) Lack of capacity for certain critical task that Internal Audit was required to perform which impacted the delivery of the Internal Audit Plan.

DCDT: IA was held accountable by the Audit Committee; an Intervention Plan was presented to address the challenges and its implementation has commenced to ensure completion of the audit plan going forward.

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

No	Internal Audit Engagement	Internal Audit Comment
1.	Quarterly Performance Report 2022/23 Q4	Finalised
2.	Broadcasting Digital Migration	Finalised
3.	Quarterly Performance Report 2023/24 Q1	Finalised
4.	Review of Q3 Quarterly Performance Report 2023/24	Finalised
5.	Follow up on Integrated Action plans (Q1)	Finalised
6.	Review of Q2 Quarterly Performance Report 2023/24	Finalised
7.	DCDT Annual Performance Plan 2024/2025	Finalised
8.	SA Connect	Finalised
9.	DCDT Annual Internal Audit Plan 2024/2025 (Interim Audit Plan)	Finalised
10.	Broadcasting Digital Migration	Finalised
11.	Irregular Expenditure Management	Finalised
12.	Follow Up on Integrated Action Plans (Q2 & Q3)	Finalised
13.	ICT Enterprise and Public Entity Oversight Transfer Payment Monitoring	Finalised
14.	Pro-Active Controls Adequacy Assessment: Risk 20 (SOEs reposiotion/turnaround Strategies)	Deferred
15.	Disruption of IT services	Deferred

No	Internal Audit Engagement	Internal Audit Comment
16.	Unauthorized access to IT systems.	Deferred
17.	Pro-Active Controls Adequacy Assessment: Risk 18 - Financial Management	Deferred
18	Internal Quality Assurance Review	Deferred

11.1 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 reporting responsibility of the Internal Audit Function.
- External audit process executed by the Auditor General of South Africa (AGSA).
- Departmental financial and non-financial management processes including – Quarterly and Annual Financial Reporting (AFS) and Quarterly and Annual Performance Information Reporting (APR).
- Management discharging it's responsibility pertaining to AGSA management and audit report.
- Departmental Risk Management.
- ICT Governance.
- Human Resource Management Governance.
- Legal, Ethics and Forensic/Other investigations.
- Overall effective governance of the Department by Senior Management

12.1 Audit Committee Membership:

11.2 AUDIT COMMITTEE MEMBERSHIP:

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date Resigned	No. of Meetings attended
Adv Johannes Collen Weapond (Chairperson)	Bachelor of Commerce (Hons) Information Systems Bachelor of Law (B. Iuris) Bachelor of Laws (LLB) BTech Policing Diploma Compliance Management National Diploma in Education Diploma in Business Management	External	N/A	30/04/2021	N/A	11
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	11

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date Resigned	No. of Meetings attended
Dr Pritish Dala (Member)	PhD (Information Technology) Masters (Information Technology) BSc Hons (Computer Science) Bachelor of Information Technology Certified Information Systems Auditor (CISA) Certified Information Security Manager (CISM) Certified Information Systems Security Professional (CISSP) Lead Auditor ISO 27001 (LA ISO 27001) Certified in the Governance of Enterprise Information Technology (CGEIT) Certified in Risk and Information Systems Control (CRISC) Certified Ethical Hacker (CEH) Computer Hacking Forensic Investigator (CHFI).	External	N/A	30/04/2021	N/A	11
Ms Rachel Kalidass (Member)	Bachelor of Accounting (Honours) Bachelor of Accounting Science Senior Certificate	External	N/A	30/04/2021	N/A	11

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2024.

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 that there were control deficiencies identified in certain areas that requires improvement. Management have developed corrective measures to address the risks associated with control deficiencies.

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

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

The Committee would like to emphasize that the Internal Audit findings should be addressed timely to establish an effective system of internal controls.

The Committee noted that the priority programmes/projects requires enhancements regarding design of the oversight processes, effectively ensuring timely monitoring and delivery. To ensure reliability and integrity of the information reported by the Implementing Entities, proper insurance processes should be in place.

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 for the year under review. The Audit Committee made recommendations to Management to improve and adequately manage irregular expenditure and consequence management, which resulted in resulted in the better management of the irregular expenditure.

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 performance information to be included in the annual report.

INTERNAL AUDIT

The Audit Committee reviewed and approved the DCDT: IA's risk-based three-year rolling and annual internal audit plan for 2023/24. 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 dissatisfied that the DCDT: IA did not complete the Annual Internal Audit Plan 2023/2024 and as a result robust engagement was held with the Chief Audit Executive in relation to effectively managing the delivery of the Annual Internal Audit Plan. An Intervention Plan was presented to the Audit Committee, and will be monitored to ensure completion of the audit plan going forward. Management was also engaged to support the delivery of the AIAP going forward.

We are commending the work that the DCDT: IA had performed in relation to the internal audit reports that were presented to the Audit Committee. The internal audit reports presented value adding recommendations, and their implementation is monitored. The work performed has enabled the Committee to fulfil its duties around Compliance, Financial Management and Performance information. It has also enabled the Committee to ensure that Management addresses concerns in the control environment by presenting qualitative oversight recommendations.

We are satisfied with the content and quality of quarterly reports prepared and issued by the DCDT: IA during the year under review, it enabled an effective functional accountability of the IAA.

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 commends the Director-General, Executives, Senior Management and staff of DCDT for achieving a clean audit (unqualified, with no material findings) which should be maintained as well as for the continued support during the year under review.


Adv JC Weapond

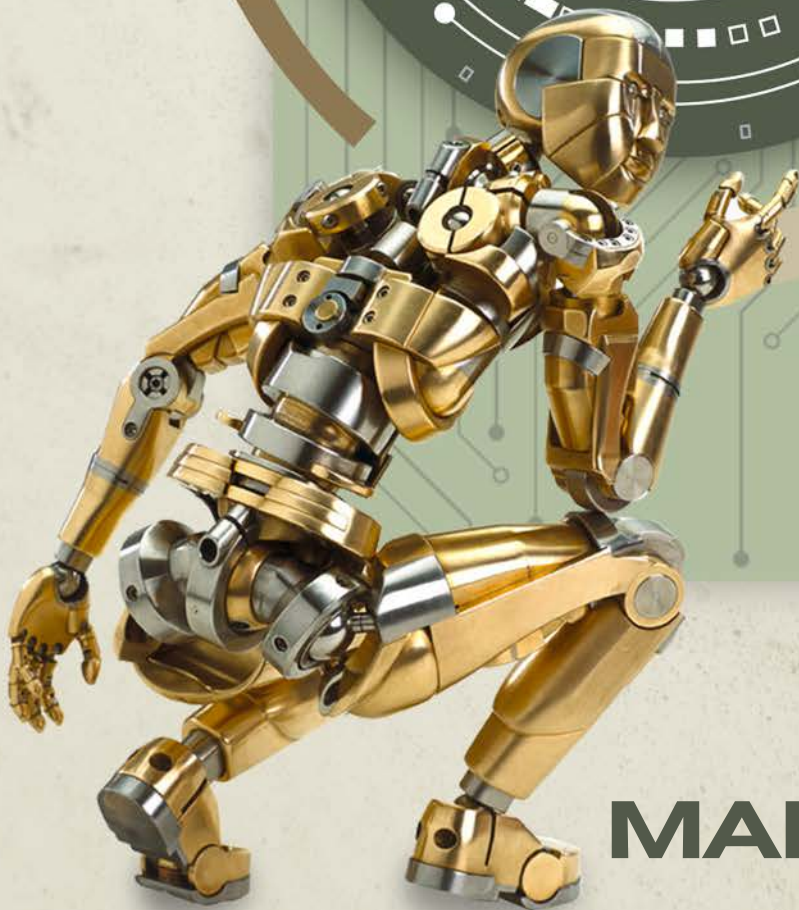
Chairperson of the Audit Committee

Department of Communications and Digital Technologies

13. BBBEE 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 / Public Entity applied any relevant Code of Good Practice (BBBEE 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 the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	
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 R2000.00 and above. 80/90 represents points for price and 20/10 represent points for preference/ BEE.</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?	N/A	
Developing criteria for entering into partnerships with the private sector?	N/A	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	



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.

During the 2023/24 Financial year, the Department continued to function under an interim organisational structure, as efforts were directed towards crafting a structure that fully aligns with the mandate of the Department of Communications and Digital Technologies (DCDT). The Department has embarked on the organizational structure review and reconfiguration process, which is now at an advanced stage, preparing for the consultation process with the Minister for Public Service and Administration (MPSA) and the Minister of Finance on the proposed organizational structure for concurrence, after the consultation with the relevant internal structures including, consultation with the employees and organised labour. A detailed project plan, supported by the change and stakeholder engagement and communication plans, is in place to guide the organizational structure review and reconfiguration process.

The finalisation and subsequent implementation of this organisational model are slated for the forthcoming 2024/25 financial year. Concurrently, operations persisted under the Start-up structure, with ongoing efforts dedicated to refining the organisational structure for eventual deployment in the 2024/25 financial cycle.

The organizational review and reconfiguration process is guided by the Service Delivery Model that has been reviewed to inform the new service delivery approach. The SDM defines the adopted decentralization model to drive the delivery of its mandate, as well as the support and core services, which are programs, the service recipients, the internal service, and delivery channels and key considerations to be managed.

The proposed organisational structure requirements encompass enhanced and new functional areas that would require upskilling and reskilling of employees in specific areas in line with the strategic imperatives, as well as acquiring relevant skills where required critical skills do not exist internally. In terms of building the appropriate skills to deliver on its mandate, the DCDT has an approved Workplace Skills Plan (WSP) aimed at capacitating employees with requisite skills aligned to the mandate and strategy.

With regard to staff establishment status, as of the end of March 2024, the Department of Communications and Digital Technologies had a total of 337 funded posts on its establishment. 274 of these posts were filled, and 63 posts were vacant and funded, equating to an 18,69% vacancy rate. The Department was allocated a total adjusted and exclusively earmarked amount of R302 042 million for compensation of employees in the 2023/24 financial year and at the end of March 2024, the Department had spent R270 655 million of its COE budget. The main reason for the underspending was the non-filling of vacancies as a result of the lack of the approved organisational structure, (the department is currently operating with the approved Start-up structure) and the implementation of the DPSA's

Directive on the Implementation of Control Measures aimed at assisting Executive Authorities in Managing Fiscal Sustainability during the process of creating and filling of vacant posts in Departments.

Despite the limitations mentioned above, the Department was able to fill critical positions such as the Director-General, Chief Director: Communications and Marketing, Chief Director: Integrated Strategic Planning and Monitoring, Chief Financial Officer and the Chief Director: Human Resource Management. The position of Chief Director: Legal Services was advertised, and the appointment approval processes are underway.

Approval was also granted to advertise thirty-four (34) posts on the non-SMS level, and as a result, the Department was able to fill twenty-three (23) of the thirty-four (34) vacancies. This process enabled the Department to address the long drought of promotion opportunities for internal staff. This in general, lifted the overall morale amongst staff members in the Department.

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

- Filling of critical vacancies – The vacancy rate of the Department was above the set standard of 10% by the Department of Public Service and Administration (DPSA) i.e. 18,69%.
- 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.
- Updating DCDT HRM policies developed after the NMOG process in 2019/20.

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

- The Department was able to fill critical positions such as the Director-General, Chief Director: Communications and Marketing, Chief Director: Integrated Strategic Planning and Monitoring, Chief Financial Officer and the Chief Director: Human Resource Management. The position of Chief Director: Legal Services was advertised, and the appointment approval processes are underway.
- Approval was also granted to advertise thirty-four (34) posts on the non-SMS level, and as a result, the Department was able to fill twenty-three (23) of the thirty-four (34) vacancies. This process enabled the Department to address the long drought of promotion opportunities for internal staff. This in general, lifted the overall morale amongst staff members in the Department.
- The Workplace Skills Plan was implemented to ensure a skilled workforce.

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 Agreements and Performance Appraisal process. 2022/23 Annual Assessments for SMS and non-SMS members were finalised and approved by the Director-General and Executive Authority for implementation. Subsequently, employees were rewarded with pay progression according to their level of achievement of targets. Annual PMDS workshops were conducted for all branches in February 2024.

Employee wellness programmes

The Department continued to render wellness support through an Employee Assistance Programme (EAP) to employees and their immediate family members. Employees inclusive of their respective immediate family members were encouraged to utilise the psycho-social interventions whenever required, that are rendered by the appointed service provider ICAS (Independent Counselling and Advisory Services). Health related information received from ICAS were periodically circulated through the Department's Internal Communication mechanism to promote wellness and physical well-being among employees.

A Wellness Day was held at CSIR on 1 December 2023 which was a remarkable occasion that not only commemorated World Aids Day but also emphasized the importance of physical well-being and interpersonal connections among employees. During the event, various entities within the Department's portfolio were invited, which served as a platform for participants to engage in a range of sporting activities including netball, soccer and aerobics.

The choice of the date was symbolic and impactful, aligning with World Aids Day, which underlines the global commitment to fighting HIV/AIDS and supporting those affected by it. By coinciding with this significant day, the interconnectedness of physical health, wellness, and major health observances was highlighted, thereby fostering a more inclusive and health-conscious community.

Sporting activities such as netball and soccer were not just for entertainment but also promoted teamwork and camaraderie among employees from different entities. These activities provided a fun, competitive environment that encouraged collaboration and communication beyond the usual professional settings. Aerobics sessions added a refreshing change to the day's events, focusing on individual health and fitness, essential for maintaining an energetic and productive workforce.

Furthermore, the event played a crucial role in allowing employees from the department and entities within the portfolio to interact in a less formal context, which led to better understanding and cooperation in professional settings. Such interactions are vital as they help in building a cohesive organizational culture.

Overall, the Wellness Day was a well-thought-out initiative that not only provided a day of health-focused activities but also aligned with a significant global health observance, enhancing its relevance and impact. This event likely left

lasting impressions on the participants, inspiring them to prioritize their health and value their community within and beyond the workplace.

Employee Relations

One disciplinary hearing was finalized, and a settlement agreement was reached and implemented. Grievances were dealt within the required timeframes as set out by the applicable prescripts. Ongoing training is provided to managers and supervisors.

ACHIEVEMENTS AND CHALLENGES

Achievements

- HRM policies developed in the 2021/22 financial year were implemented in the 2022/23 financial year and the following HRM policies were approved and implemented in the 2023/24 financial year:
 - Retention Strategy
 - Career Management
 - Bursary
 - ETD
 - Financial Disclosure Policy
 - SOPs for Bursary and ETD Policies
- Reporting to the Department of Labour took place on 9 January 2024, 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 2023 to 31 December 2023.
- Training was implemented that aligned with the respective areas of work and/or Personal Development Plans (PDP's) of employees which contributed to upskilling and re-skilling in the Department in line with its mandate and functions. 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. 2022/23 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 pay progression according to their level of achievement of targets. Annual PMDS workshops were conducted for all branches in February 2024.
- 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.

Challenges

- The review of the organisational structure in line with the mandate of the Department, had an impact on the filling of vacancies in the Department. Only six (6) critical SMS positions could be advertised and filled as well as some non-SMS positions which were earmarked for promotion purposes of internal applicants. This 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 thirty-nine percent (39%) 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.
- Late submission of performance documents by some officials.

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 2024 to 2026.
- Advertising and filling of critical vacancies.
- To identify and implement further interventions to improve the climate and culture in the Department.
- Prioritisation of the appointment of female employees in vacant and funded Senior Management positions in the Department to reach the 50% target, the prioritisation will be institutionalized through the Employment Equity Plan.
- Prioritisation of the appointment of male employees in vacant and funded non-SMS positions in the Department to reach the 50% target, the prioritisation will be institutionalized through the Employment Equity Plan.
- Continued to implement skills development programmes 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 annual assessments for the 2023/24 financial year.
- Facilitate the Moderation Committee meetings for the 2023/24 financial year.
- Facilitate the process of submission of performance agreements for the 2024/25 financial year.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The department must provide the following key information on its human resources. All the financial amounts must agree with the amounts disclosed in the annual financial statements. Provide reasons for any variances.

Please note that it is very important to follow the format and standards prescribed, to enable collation and comparison of information. **If subheadings/tables are not applicable to the department, it should be stated that there is nothing to report on. Numbering of tables must not be changed and should be maintained as in the guidelines.**

Include any other tables for HR if considered necessary by the department and required by any specific government oversight body. These additional tables must be included at the end of the standardised HR information.

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 2023 and 31 March 2024

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	249 504	129 717	578	0	52	806
Programme 2: ICT International Relations & Affairs	74 026	19 643	0	0	27	1 511
Programme 3: ICT Policy Development and Research	27 658	21 457	51	0	78	1 022
Programme 4: ICT Enterprise Development and Public Entity Oversight	1 648 771	25 229	142	0	1.5	1 147
Programme 5: ICT Infrastructure Development and Support	1 213 859	34 186	221	0	2.8	1 068
Programme 6: ICT Information Society and Capacity Development	65 837	40 423	151	0	61	919
Total	3 279 655	270 655	1 143	0	8.3	924

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024

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)	0	0	0	0
Skilled (level 3-5)	5 510	2	25	220
Highly skilled production (levels 6-8)	38 959	14.4	84	464
Highly skilled supervision (levels 9-12)	91 993	34	116	793
Senior and Top management (levels 13-16)	134 193	49.6	105	1 278
Total	270 655	100	330	820

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1: Administration	88 301	68	1 200	0.9	1 545	1.2	2 995	2.3
Programme 2: International Relations and Affairs	9 940	51	54	0.3	325	1.7	473	2.4
Programme 3: ICT Policy Development and Research	14 919	70	6	0.03	190	0.9	395	1.8
Programme 4: ICT Enterprise Development and Public Entity Oversight	17 023	67	0	0	261	1	500	2
Programme 5: ICT Infrastructure Development and Support	23 575	69	45	0.1	449	1.3	512	1.5
Programme 6: ICT Information Society and Capacity Development	27 025	67	55	0.1	560	1.4	1 063	2.6
Total	180 783	66.8	1 360	0.5	3 330	1.2	5 938	2.2

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024

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)	0	0	0	0	0	0	0	0
Skilled (level 3-5)	3 590	65.2	21	0.4	229	4.2	247	4.5
Highly skilled production (levels 6-8)	27 803	71.4	549	1.4	1 453	3.7	2 809	7.2
Highly skilled supervision (levels 9-12)	65 187	70.9	790	0.9	809	0.9	1 912	2.1
Senior management (level 13-16)	84 203	62.7	0	1	839	2.5	970	0.7
Total	180 783	66.8	1 360	0.5	3 330	1.2	5 938	2.2

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	186	148	20.4	13
Programme 2: International Relations and Affairs	16	13	18.8	0
Programme 3: ICT Policy Development and Research	23	18	21.7	3
Programme 4: ICT Enterprise Development and Public Entity Oversight	28	22	21.4	0
Programme 5: ICT Infrastructure Development and Support	33	31	6.1	1
Programme 6: ICT Information Society and Capacity Development	51	44	13.7	0
Total	337	276	18.1	17

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

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	0
Skilled (3-5)	16	11	31.3	1
Highly skilled production (6-8)	97	74	23.7	1
Highly skilled supervision (9-12)	106	92	13.2	4
Senior management (13-16)	97	78	19.6	11
Contract (Levels 1- 2)	0	0	0	0
Contract (Levels 3 - 5)	8	8	0	0
Contract (Levels 6 - 8)	0	0	0	0
Contract (Levels 9 -12)	6	6	0	0
Contract (Levels 13 - 16)	7	7	0	0
Total	337	276	18.1	17

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration Clerks	8	8	0	1
Administration and Governance Policy Management	8	7	12.5	2
Administrative Related	3	0	100	0
Chief Financial Officer	1	1	0	0
Chief Information Officer	1	1	0	0
Communication and Marketing Manager	2	2	0	1
Communication Coordinator	2	2	0	0
Compliance Officer	3	3	0	2
Contract Manager	1	1	0	0
Filing and Registry Clerk	5	5	0	0
Financial Accountant	8	8	0	0
Finance and Related Professionals	9	0	100	0
Finance Clerk	6	6	0	0
Financial Clerks and Credit Controllers	1	0	100	0
Finance Manager	1	1	0	1
Food Trade Assistant	2	2	0	1
Graphic Designer	2	2	0	0
Heads of National Departments	1	1	0	0
Human Resources and Organisational Development Related Professionals	2	0	100	0
Human Resource Clerk	6	5	16.7	0
Human Resource Manager	4	4	0	0
Human Resource Practitioner	3	3	0	0
ICT Systems Analyst	2	2	0	0
Information Services Manager	1	1	0	0
Information Technology Systems Manager	2	2	0	0
Internal Audit Manager	2	2	0	0
Internal Auditor	2	2	0	0
Legal Related Manager	3	2	33.3	0
Library Mail and Related Clerks	3	0	100	0
Logistical Support Personnel	1	0	100	0
Messenger	5	5	0	0
Middle Manager: Human Resource & Organisational Development Relations	7	4	42.9	0
Middle Manager: Administrative Related	45	42	6.7	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Middle Manager: Finance and Economics Related	7	7	0	0
Middle Manager: Information Technology Related	7	7	0	0
Middle Manager: Internal Audit Related	2	2	0	0
Middle Manager: Legal Related	2	2	0	0
Middle Manager: Communications and Information Related	3	3	0	0
Office Cleaner	4	4	0	0
Other Administrative and Related Clerks and Organisers	4	0	100	0
Other Clerical Support Workers	27	25	7.4	0
Other Information Technology Personnel	3	0	100	0
Other Occupations	4	4	0	0
Personal Assistant	21	20	4.8	1
Policy and Planning Manager	1	1	0	0
Policy Analyst	2	2	0	0
Professionals not elsewhere classified	1	1	0	0
Receptionist (General)	2	2	0	0
Regulatory, Compliance and Enforcement Manager	55	49	11	3
Risk and Integrity Manager	1	1	0	0
Safety/Health/Environment/Quality (SHE&Q) Practitioner	3	2	33.3	0
Secretaries and Other Keyboard Clerks	3	0	100	0
Secretary (General)	2	2	0	0
Senior Management	10	0	100	0
State Owned Entities & Oversight Manager	3	3	0	0
Strategy/Monitoring & Evaluation Manager	4	3	25	4
Supply Chain Clerk	9	9	0	0
Switchboard Operator	1	1	0	0
Technical (ICT) Support Services Manager	2	1	50	0
Training Development Professional	1	0	100	0
Transport Clerks	1	1	0	0
Total	337	276	18.1	17

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available, or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 2024

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 Level 16 (including Director-General, Minister, Deputy-Minister and Special Advisors)	5	5	100	0	0
Salary Level 15	6	4	66.7	2	33.3
Salary Level 14	34	35	103	6	17.6
Salary Level 13	59	52	88.1	11	18.6
Total	104	96	92.3	19	18.3

Please note:

The ninety-six (96) employees include eleven (11) employees that are appointed additional to the establishment.

Table 3.3.2 SMS post information as on 30 September 2023

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 Level 16 (including Director-General, Minister, Deputy-Minister and Special Advisors)	5	5	100	0	0
Salary Level 15	6	4	66.7	2	33.3
Salary Level 14	34	29	85.3	10	29.4
Salary Level 13	59	53	89.8	9	15.3
Total	104	91	87.5	21	20.2

Please note:

The ninety-one (91) employees include seven (7) employees that are appointed additional to the establishment.

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024

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
Salary Level 16 (including Director-General, Minister, Deputy-Minister and Special Advisors)	0	0	0
Salary Level 15	0	0	0
Salary Level 14	3	0	0
Salary Level 13	0	0	0
Total	3	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
<ul style="list-style-type: none"> Organizational Structure of Department is still in development phase. Cost containment measures in Public Service and moratorium was placed on the filling of vacancies. Only critical vacancies were advertised. Changes in administration affected appointment processes.
Reasons for vacancies not filled within twelve months
<ul style="list-style-type: none"> Organizational Structure of Department is still in development phase. Cost containment measures in Public Service and moratorium was placed on the filling of vacancies. Only critical vacancies were advertised. Changes in administration affected appointment processes.

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 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
<ul style="list-style-type: none"> None. The fact that positions were not advertised were outside the control of HRM.
Reasons for vacancies not filled within six months
<ul style="list-style-type: none"> None. The fact that positions were not advertised were outside the control of HRM.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A (1) or (2) of the Public Service Act.

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 2023 and 31 March 2024

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)	24	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	97	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	112	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
Total	337	0	0	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Compliance Officer	1	9	10	<ul style="list-style-type: none"> Employees moving from one level to another due to Grade Progression.
Filing and Registry Clerk	1	5	6	
Financial Accountant	3	9	10	
Middle Manager: Administrative Related	1	11	12	
Middle Manager: Human Resource & Organisational Development Related	1	11	12	
Middle Manager: Information Technology Related	2	11	12	
Other Clerical Support Workers	2	7	8	
Personal Assistant	1	7	8	
Supply Chain Clerk	1	7	8	
Technical (ICT) Support Services Manager	1	9	10	
Communication Coordinator	1	8	9	<ul style="list-style-type: none"> Ministerial appointments.
Graphic Designer	2	8	10	
Middle Manager: Human Resource & Organisational Development Related	2	11	12	
Information Services Manager	1	8	9	
Transport Clerk	1	5	6	
Other Clerical Support Workers	7	5	6	<ul style="list-style-type: none"> It was determined by the DPSA, after an analysis of information submitted by the Department, that the functions performed by some of these positions do not justify a grading of posts at Assistant-Director level. Furthermore, the analysis conducted on some of these posts indicated that functions performed are production of nature. These are functions expected to be performed by officers occupying administration officers' posts: If necessary, the Department may create a proper supervisory post, if justifiable from organisational and functional decomposition.
	2	7	8	
				<ul style="list-style-type: none"> DPSA Circular on benchmark job descriptions and grading levels and implementation guidelines for jobs of Clerks dated 12 December 2012.

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Personal Assistant	6	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.
	2	7	9	
	1	7	11	
Total number of employees whose salaries exceeded the level determined by job evaluation				39
Percentage of total employed				13.3

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 2023 and 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	22	2	2	5	31
Male	5	0	1	2	8
Total	27	2	3	7	39
Employees with a disability	0	0	0	0	0

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 2023 and 31 March 2024

Salary band	Number of employees at beginning of period 1 April 2023	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)	12	0	0	0
Highly skilled production (Levels 6-8)	78	1	4	5.1
Highly skilled supervision (Levels 9-12)	98	0	9	9.2
Senior Management Service Bands A (Level 13)	51	1	3	5.9
Senior Management Service Bands B (Level 14)	25	4	2	8
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)	2	0	0	0
Contract (Levels 1-2)	0	0	0	0

Salary band	Number of employees at beginning of period 1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Contract (Levels 3-5)	6	7	3	50
Contract (Levels 6-8)	4	2	5	125
Contract (Levels 9-12)	13	3	5	38.5
Contract (Band A) (Level 13)	4	3	4	100
Contract (Band B) (Level 14)	2	7	2	100
Contract (Band C) (Level 15)	0	0	0	0
Contract (Band D) (Level 16 including DG, Minister, Deputy Minister and Special Advisors)	0	2	0	0
Total	300	*30	**37	12.3

*The thirty (30) appointments include ten (10) appointments additional to the establishment.

**The thirty-seven (37) terminations include eleven (11) appointments additional to the establishment.

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical occupation	Number of employees at beginning of period April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	69	3	6	8.7
Cleaners in Offices, Workshops, Hospitals, etc.	4	2	2	50
Communication and Information Related	2	0	0	0
Financial Clerks and Credit Controllers	4	2	1	25
Finance and Related Professionals	13	0	1	7.7
Food Services Aids and Waiters	3	1	1	33.3
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	7	0	2	28.6
Information Technology Related	4	0	1	25
Language Practitioners, Interpreters and other Communication Related	3	0	0	0
Library Mail and Related Clerks	3	1	0	0
Light Vehicle Driver	2	0	0	0
Logistical Support Personnel	11	1	2	18.2
Messengers, Porters and Deliverers	3	0	0	0
Other Administrative and Related Clerks and Organisers	54	0	7	13

Critical occupation	Number of employees at beginning of period April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Other Occupations	2	0	0	0
Secretaries and other Keyboard Clerks	22	3	3	13.6
Senior Management	85	17	11	13
TOTAL	300	*30	**37	12.3

*The thirty (30) appointments include ten (10) appointments additional to the establishment.

**The thirty-seven (37) terminations include eleven (11) appointments additional to the establishment.

NOTES

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 2023 and 31 March 2024

Termination Type	Number	% of Total Resignations
Death	1	2.7
Resignation	12	32.4
Expiry of contract	18	48.6
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	4	10.8
Transfer to other Public Service Departments	1	2.7
Other: Secondment came to an end	1	2.7
Total	37	100
Total number of employees who left as a % of total employment	12.3	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Employees 1 April 2023	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	2	2.9	39	56.5
Cleaners in Offices, Workshops, Hospitals, etc.	4	0	0	0	0
Communication and Information Related	2	0	0	1	50
Financial Clerks and Credit Controllers	4	1	25	1	25
Finance and Related Professionals	13	3	23.1	13	100
Food Services Aids and Waiters	3	0	0	2	66.7
Head of Department	0	0	0	0	0
Human Resources and Organisational Development	7	0	0	3	42.9
Human Resource Clerks	2	0	0	1	50
Human Resource Related	7	0	0	4	57.1
Information Technology Related	4	2	50	4	100
Language Practitioners, Interpreters and Other Communication Related	3	0	0	1	33.3
Library Mail and Related Clerks	3	0	0	1	33.3
Light Vehicle Driver	2	0	0	0	0
Logistical Support Personnel	11	1	9.1	5	45.5
Messengers, Porters and Deliverers	3	0	0	2	66.7
Other Administrative and Related Clerks and Organisers	48	0	0	16	33.3
Other Information Technology Related	6	1	16.7	4	66.7
Other Occupations	2	0	0	0	0
Secretaries and Other Keyboard Clerks	22	0	0	8	36.4
Senior Management	85	1	1.2	53	62.4
TOTAL	300	11	3.7	158	52.7

Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Employees 1 April 2023	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)	18	0	0	4	22.2
Highly skilled production (Levels 6-8)	82	3	3.7	37	45.1
Highly skilled supervision (Levels 9-12)	111	7	6.3	64	57.7
Senior Management (Level 13-16)	89	1	1.1	53	59.6
Total	300	11	3.7	158	52.7

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 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	44	2	2	4	37	1	5	1	96
Professionals	45	0	0	4	44	3	1	5	102
Technicians and associate professionals	17	2	1	0	46	4	3	2	75
Clerks	8	0	0	0	10	2	0	0	20
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	114	4	3	8	137	10	9	8	293
Employees with disabilities	2	0	0	0	1	1	1	1	6

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	6	0	0	0	2	0	1	0	9
Senior Management	38	2	2	4	35	1	4	1	87
Professionally qualified and experienced specialists and mid-management	45	0	0	4	44	3	1	5	102

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	17	2	1	0	46	4	3	2	75
Semi-skilled and discretionary decision making	8	0	0	0	10	2	0	0	20
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	114	4	3	8	137	10	9	8	293

Table 3.6.3 Recruitment for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	1	0	2
Senior Management	5	0	0	0	10	0	0	0	15
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	1	0	0	2	3
Semi-skilled and discretionary decision making	2	0	0	0	5	0	0	0	7
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	10	0	0	0	17	0	1	2	30
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2023 to 31 March 2024

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	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	5	0	0	0	2	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	3	0	0	0	3
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	6	0	0	0	5	0	0	0	11
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2023 to 31 March 2024

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	6	0	0	0	4	1	0	0	11
Professionally qualified and experienced specialists and mid-management	6	0	0	0	6	0	0	2	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	5	1	0	1	9
Semi-skilled and discretionary decision making	0	0	0	0	3	0	0	0	3

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	14	0	0	0	18	2	0	3	37
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Settlement agreement reached at disciplinary hearing	0	0	0	0	1	0	0	0	1
TOTAL	0	0	0	0	1	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2023 to 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	45	2	2	4	38	0	4	0	95
Professionals	8	0	0	0	9	0	1	2	20
Technicians and associate professionals	3	0	0	0	9	0	0	0	12
Clerks	15	1	1	0	32	3	2	3	57
Total	71	3	3	4	88	3	7	5	184
Employees with disabilities	2	0	0	0	0	0	1	0	3

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2023

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 (Level 16)	1	0	0	0
Salary Level 15	6	4	4	100
Salary Level 14	34	26	25	96.2
Salary Level 13	59	52	51	98.1
Total	100	83	81	97.6

NOTES

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2024.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2023

Reasons
<ul style="list-style-type: none"> Two employees were seconded to Entities and despite several requests and reminders sent to the officials, only one official submitted his performance agreement in August 2023.

NOTES

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2023

Reasons
The employees were served with written warnings for failure to submit the Performance Agreements.

NOTES

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

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 2023 to 31 March 2024

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	0	0	0	0	0
Female	0	0	0	0	0
Asian					
Male	0	0	0	0	0
Female	0	0	0	0	0
Coloured					
Male	0	0	0	0	0
Female	0	0	0	0	0
White					
Male	0	0	0	0	0
Female	0	0	0	0	0
Total	0	0	0	0	0

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024

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	0	0	0	0	0
Highly skilled production (level 6-8)	0	0	0	0	0	0
Highly skilled supervision (level 9-12)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 to 31 March 2024

Critical occupation	Beneficiary Profile		% of total within occupation	Cost	
	Number of beneficiaries	Number of employees		Total Cost (R'000)	Average cost per employee
Total	0	0	0	0	0

NOTES

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - e) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024

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	0	0	0	0	0	0
Band B	0	0	0	0	0	0
Band C	0	0	0	0	0	0
Band D	0	0	0	0	0	0
Total	0	0	0	0	0	0

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 2023 and 31 March 2024

Salary band	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Total	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024

Major occupation	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Total	0	0	0	0	0	0

3.10 LEAVE UTILISATION

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

Table 3.10.1 Sick leave for the period 1 January 2023 to 31 December 2023

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)
Skilled (levels 3-5)	58	81	7	4.2	8	60
Highly skilled production (levels 6-8)	301	73.1	48	28.6	6	561
Highly skilled supervision (levels 9 -12)	465	75.5	66	39.3	7	1 510
Top and Senior management (levels 13-16)	266	85.3	43	25.6	6	1 355
Contract (Levels 6-8)	11	81.8	2	1.2	6	15
Contract (Levels 9-12)	2	100	1	0.6	2	4
Contract (Levels 13-16)	17	100	1	0.6	17	72
Total	1 120	77.9	168	100	7	3 578

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

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)
Highly skilled production (Levels 6-8)	188	100	3	60	63	411
Highly skilled supervision (Levels 9-12)	233	100	1	20	233	632
Contract (Levels 6-8)	54	100	1	20	54	87
Total	475	100	5	100	95	1 130

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 2023 to 31 December 2023

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Skilled Levels 3-5)	232	12	19
Highly skilled production (Levels 6-8)	2 078	83	25
Highly skilled supervision (Levels 9-12)	2 561	101	25
Senior management (Levels 13-16)	1 986	83	24
Contract (Levels 3-5)	41	11	4
Contract (Levels 6-8)	19	3	6
Contract (Levels 9-12)	68	10	7
Contract (Levels 13-16)	101	17	6
Total	7 086	320	22

Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2023

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 2023
Skilled Levels 3-5)	0	0	0	29
Highly skilled production (Levels 6-8)	0	0	0	13
Highly skilled supervision (Levels 9-12)	0	0	0	10
Senior management (Levels 13-16)	0	0	0	41
Total	0	0	0	23

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

Table 3.10.5 Leave payouts for the period 1 April 2023 and 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Discounting with Resignation (workdays)	828	15	55
Annual – Discounting; Contract Expiry (workdays)	537	14	38
Annual – Gratuity: Death/Retirement/Medical Retirement (workdays)	32	1	32
Capped – Gratuity: Death/Retirement/Medical Retirement (workdays)	0	0	0
Total	1 397	30	47

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
The department arranged a screening session for employees to enable them to know their status.	Preventative measures such as male and female condoms are made available for employees and contractors.

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 J Stephens Director: Employee Relations, OD & EWHP
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		Three employees R130 000.00 annually
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		<ul style="list-style-type: none"> • Psychosocial counselling services • Life Management services • Managerial referral services • Legal advisory services • Financial advisory services • Family care advisory service • Musculoskeletal Health Management
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.	Yes		<ul style="list-style-type: none"> • Ms R Mafole: CFO • Ms M Motsei: CD: HR • Mr P Davhana: Physical Security • Mr E Netshiombo: Security • Ms M Monyetswale: OHS • Mr T Shakwane: Wellness Management
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		<ul style="list-style-type: none"> • Sports and Recreation Policy • HIV and AIDS and TB Management Policy • Employee Wellness Management Policy • Funeral and Bereavement Policy Policies are due for review in 2024-25.
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		<ul style="list-style-type: none"> • Screening services provided by GEMS or Dept of Health are discreet and results are kept confidential.

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		<ul style="list-style-type: none"> Seventeen (17) male employees tested. Twenty-nine (29) female employees tested. One (1) employee tested positive for HIV in the past financial year. Three (3) employees are on ARV treatment.
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 reports from the service provider are obtained and perused as per Service Level Agreement.

3.12 LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 1 April 2023 and 31 March 2024

Total number of Collective agreements	None
----------------------------------------------	-------------

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	1	100
Total	1	100

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Type of misconduct	Number	% of total
Unauthorised absenteeism	1	100
Total	1	100

Table 3.12.4 Grievances lodged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	2	100
Number of grievances not resolved	0	0
Total number of grievances lodged	2	100

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2023 and 31 March 2024

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed or settled	2	100
Total number of disputes lodged	2	100

Table 3.12.6 Strike actions for the period 1 April 2023 and 31 March 2024

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 2023 and 31 March 2024

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 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	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	37	0	56	37	93
	Male	52	0	50	34	84
Professionals	Female	60	0	15	15	30
	Male	51	0	11	12	23
Technicians and associate professionals	Female	58	0	7	7	14
	Male	24	0	1	2	3
Clerks	Female	12	0	38	20	58
	Male	6	0	16	2	18
Sub Total	Female	167	0	116	79	195
	Male	133	0	78	50	128
Total		300	0	194	129	323

Table 3.13.2 Training provided for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	37	0	48	21	69
	Male	52	0	59	31	90
Professionals	Female	60	0	23	8	31
	Male	51	0	11	6	17
Technicians and associate professionals	Female	58	0	10	5	15
	Male	24	0	2	1	3
Clerks	Female	12	0	63	11	74
	Male	6	0	32	3	35
Sub Total	Female	167	0	144	45	189
	Male	133	0	104	41	145
Total		300	0	248	86	334

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 2023 and 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	1	100

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 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Conduct desktop research on the Digital and Future Skills Training Landscape in South Africa	1	30	186 667
Hosting and strategic support for the Cyber Security Hub	1	365	1 207 835

Total number of projects	Total individual consultants	Total duration (Work days)	Total contract value in Rand
2	2	395	1 394 501

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Conduct desktop research on the Digital and Future Skills Training Landscape in South Africa	100	100	1
Hosting and strategic support for the Cyber Security Hub	N/A	N/A	N/A

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

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

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

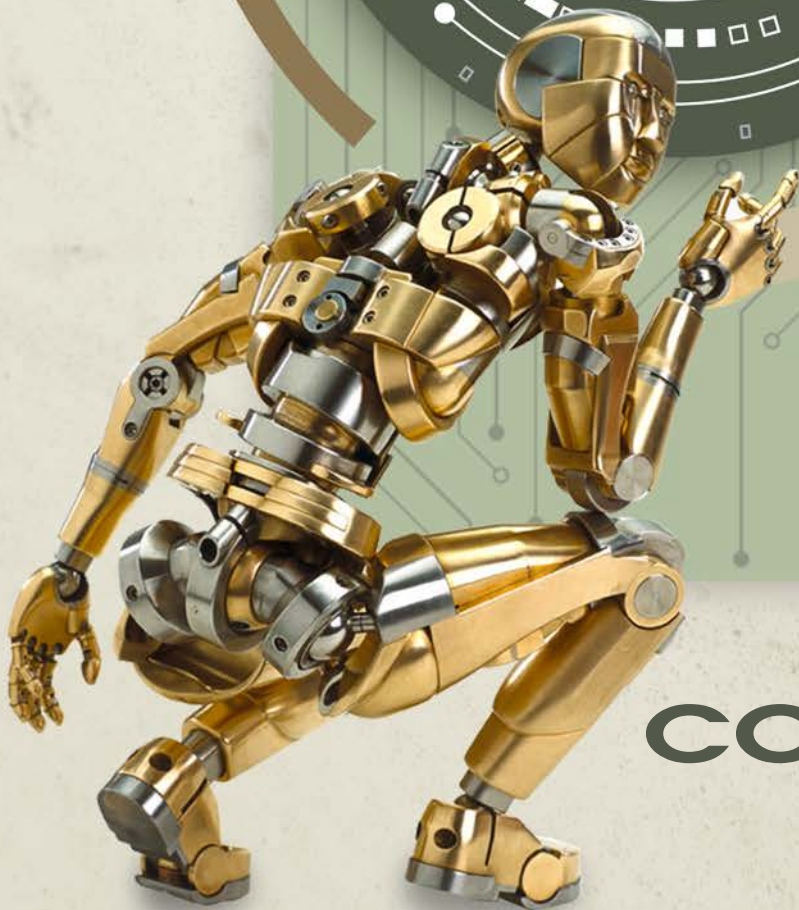
Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

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

3.16 SEVERANCE PACKAGES

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2023 and 31 March 2024

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



PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 IRREGULAR EXPENDITURE

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	215 647	233 004
Prior Period error	-	-
As restated	-	-
Add: Irregular expenditure confirmed	22	178
Less: Irregular expenditure condoned	(169)	(17 535)
Less: Irregular expenditure not condoned and removed	(32 439)	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	183 061	215 647

The Department's Loss Control Committee adjudicated all the legacy irregular expenditure cases that made up the R215 million opening balance, of which R169 thousand was Condoned and R32 million was removed by the Accounting Officer.

The closing balance of R183 million are irregular expenditure cases have been finalized by the Loss Control Committee by the end of the financial year with the following status:

- Cases to the amount of R91 million was referred to National Treasury to be Condoned and were not yet finalized by National Treasury at the reporting date.
- Cases to the amount of R91 million were referred to Legal Services by the Department's Loss Control Committee for legal opinion on recovery and further advice or recovery, these cases were not finalized at the reporting date.
- The remainder of the cases of about R1, 5 million were returned to Loss Control Committee for review or correction after adjudication.

RECONCILING NOTES

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2022/23 and identified in 2023/24	-	25
Irregular expenditure for the current year	22	153
Total	22	178

Irregular expenditure for the 2023/24 financial year had been dealt with in line with the 2022, PFMA Compliance and Reporting Framework. Of the recorded irregular expenditure of R47 thousand, R25 thousand was removed from the Register by the end of the reporting period. Regarding the remaining R22 thousand, all internal processes were concluded, including consequence management, and condonement is awaited from the office of the Chief Procurement Officer, National Treasury.

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	-	-

c) Details of current and previous year irregular expenditure condoned.

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	169	17 535
Total	169	17 535

The amount of R169 thousand was Condoned by National Treasury during the current financial year. As at the end of the financial year, the Department had sent other requests to National Treasury to Condone but these were not finalised at the reporting period.

d) Details of current and previous year irregular expenditure removed - (not condoned).

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	32 439	-
Total	32 439	-

The amount of R32 million was removed by the Accounting Officer, after all due processes were followed as per the 2022, PFMA Compliance and Reporting Framework during the current financial year.

e) Details of current and previous year irregular expenditure recovered.

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

f) Details of current and previous year irregular expenditure written off (irrecoverable).

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

ADDITIONAL DISCLOSURE RELATING TO INTER-INSTITUTIONAL ARRANGEMENTS

- a) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
N/A
Total

- b) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2023/2024	2022/2023
	R'000	R'000
Total	-	-

- c) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Consequence management is being processed with regard to a new case that was reported in the 2023/24 financial year. Consequence management was also undertaken for all legacy irregular expenditure cases during the financial year, following the Loss Control Committee processes that referred the cases for consequence management.

1.2 FRUITLESS AND WASTEFUL EXPENDITURE

- a) Reconciliation of fruitless and wasteful expenditure.

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	8 605	8 606
Add: Fruitless and wasteful expenditure confirmed	48	61
Less: Fruitless and wasteful expenditure written off	(6 946)	(60)
Less: Fruitless and wasteful expenditure recoverable	(5)	(2)
Closing balance	1 702	8 605

The opening balance of R8,605 million includes one case to the value of R8,605 million that related to, fruitless & wasteful expenditure of prior financial years, in respect of the 112 Emergency Call Centre. The case was finalised by Loss Control Committee in prior years and write off was recommended which got approved by the Accounting Officer during the current year. The R8,605 million was taken on as a recoverable revenue, and only R6,902 million could be written off with available funding.

The Fruitless and wasteful expenditure written off includes the R6,902 million as explained above, and R43 thousand refers to "No show and damages" that the Loss Control Committee recommended write off.

The amount recoverable of R5 thousand was recommended by the Loss Control Committee.

The closing balance of the fruitless and wasteful consist of the balance remainder between R8,605 million and write off, of R6,902 million which is R1,703 million which will be written off in the next financial year.

RECONCILING NOTES

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	48	61
Total	48	61

Fruitless and wasteful expenditure for the 2023/24 financial year amounting to R48 000 had been fully resolved by the end of the reporting period and the Fruitless and Wasteful Expenditure Register had a zero balance at 31 March 2024.

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation).

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment (##)	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

(##) During the year ended March 2023, an amount of R3000 was identified as Fruitless expenditure incurred in 2022/23 financial year but was under assessment in the 2022/23 financial year, the assessment was finalised in the 2023/24 financial year and the amount was written off.

c) Details of current and previous year fruitless and wasteful expenditure recovered.

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recovered	5	2
Total	5	2

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off.

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	6 946	60
Total	6 946	60

The total amount written off, consists of R6,902 million which relates to previous financial year's fruitless & wasteful expenditure that was deemed irrecoverable after all processes were exhausted and R43 000 of current financial year, that the Loss Control Committee recommended that it was irrecoverable.

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
N/A
Total is Zero

1.3 UNAUTHORISED EXPENDITURE

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	4 741	4 741
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off	-	-
Closing balance	4 741	4 741

The Department recorded unauthorised expenditure amounting to R4,741 million for the 2013/2014 financial year. In the Second report of the Standing Committee on Public Accounts (SCOPA) on the unauthorised expenditure dated 14 February 2024, recommended that the unauthorised expenditure should be financed as a reduction of the Department's future allocation in terms of section 34(1)(b) of the PFMA, 1999

RECONCILING NOTES

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	-	-
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

1.4 ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 40(3)(B)(I) &(III))

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

c) Other material losses recovered.

Nature of losses	2023/2024	2022/2023
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

d) Other material losses written off.

Nature of losses	2023/2024	2022/2023
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	10 777	1 310 361
Invoices paid within 30 days or agreed period	10 777	1 310 361
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	-	-
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	-	-

3. SUPPLY CHAIN MANAGEMENT

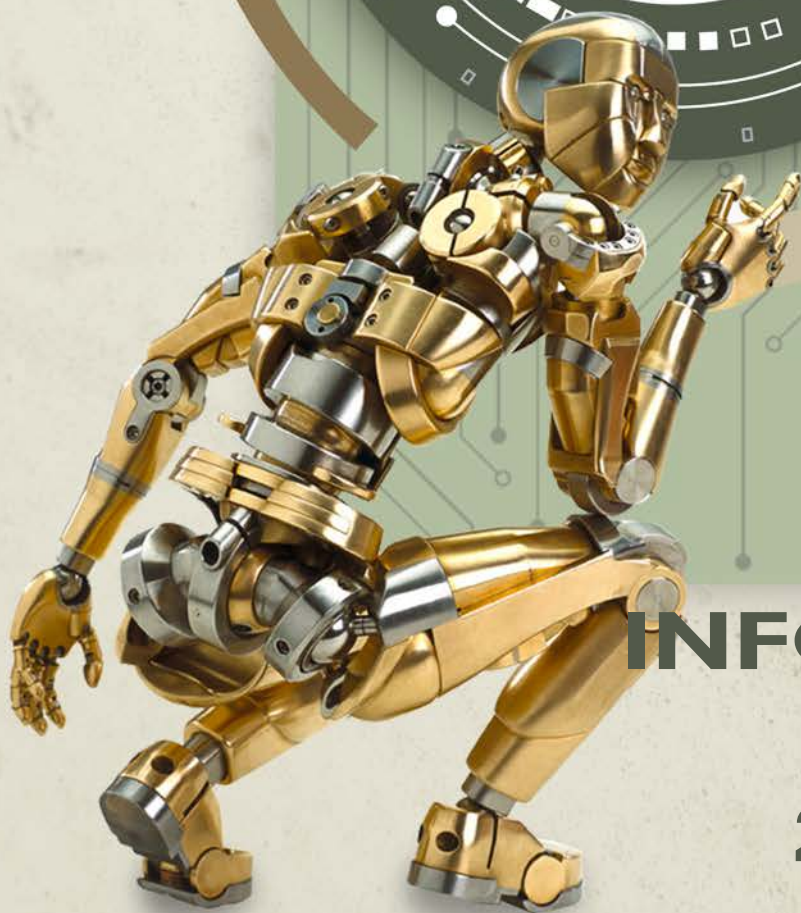
3.1 PROCUREMENT BY OTHER MEANS

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT R'000
TRAINING	UNIVERSITY OF CAPE TOWN	SOLE SOURCE	SUNDRY	6
TRAINING	UNIVERSITY OF CAPE TOWN	SOLE SOURCE	SUNDRY	6
RENEWAL OF LICENCE	WOLTERS KLUWER TAX & ACCOUNTING	SOLE SOURCE	OR-014165	56
TRAINING	PUBLIC SECTOR ACCOUNTANCY AND AUDIT ACADEMY	SOLE SOURCE	OR-014167	52
OFFICE CHAIR	ERGO THERAPY SOLUTIONS	SOLE SOURCE	OR-14169	10
MEMBERSHIP FEES	THE INSTITUTE OF DIRECTORS SOUTH AFRICA	SOLE SOURCE	SUNDRY	4
TRAINING	MINDEX SYSTEMS	SOLE SOURCE	OR-014186	12
TRAINING	USB EXECUTIVE DEVELOPMENT	SOLE SOURCE	OR-014198	114
CATERING	UKUKHANYE KWEZWE	URGENT CASE	OR-014227	9
CATERING	UKUKHANYE KWEZWE	URGENT CASE	OR-014217	3
MEMBERSHIP FEES	SOUTH AFRICAN INSTITUTE OF ELECTRICAL ENGINEERS	SOLE SOURCE	SUNDRY	3
TRAINING	TSHWANE UNIVERSITY OF TECHNOLOGIES	SOLE SOURCE	SUNDRY	11
CATERING	F J'S TRADING ENTERPRISE	URGENT CASE	OR-014230	11
TRAINING	NATIONAL OCCUPATIONAL SAFETY & HEALTH	SOLE SOURCE	OR-014237	70
MEMBERSHIP FEES	PUBLIC RELATIONS INSTITUTE OF SOUTHERN AFRICA	SOLE SOURCE	SUNDRY	4
CATERING	THAGISHO	URGENT CASE	OR-014239	7
MICROSOFT LICENCE	MICROSOFT IRELAND	SOLE SOURCE	SUNDRY	4 926
MEMBERSHIP FEES	THE INSTITUTE OF INTERNAL AUDITOR	SOLE SOURCE	OR-014244	15

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT R'000
RENEWAL OF LICENCE	MINDEX SYSTEMS	SOLE SOURCE	OR-014251	150
CONFERENCE FEE	SAAPAM	SOLE SOURCE	OR-014263	6
CONFERENCE FEE	PSYCHOLOGICAL SOCIETY OF SOUTH AFRICA	SOLE SOURCE	OR-014264	9
CONFERENCE FEE	THE INSTITUTE OF INTERNAL AUDITOR	SOLE SOURCE	OR-014265	45
MEMBERSHIP FEES	ENGINEERING COUNCIL OF SOUTH AFRICA	SOLE SOURCE	SUNDRY	5
CONFERENCE FEE	JUTA & CO	SOLE SOURCE	OR-014293	10
MAINTENANCE OF SOFTWARE LICENCE	ESRI SA	SOLE SOURCE	OR-014284	338
MEMBERSHIP FEES	ENGINEERING COUNCIL OF SOUTH AFRICA	SOLE SOURCE	SUNDRY	4
CATERING	MARIBELO	URGENT CASE	SUNDRY	58
TRAINING	COMMERCE EDGE SOUTH AFRICA	SOLE SOURCE	OR-014304	74
MEMBERSHIP FEES	THE INSTITUTE OF INTERNAL AUDITOR	SOLE SOURCE	OR-014334	3
SECURITY SERVICES	PRIME AFRICAN SECURITY	URGENT CASE	OR-014349	56
MEMBERSHIP FEES	SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS	SOLE SOURCE	SUNDRY	5
MEMBERSHIP FEES	INSTITUTE OF PEOPLE MANAGEMENT	SOLE SOURCE	SUNDRY	11
CATERING	FJ'S TRADING ENTERPRISE	URGENT CASE	OR-014376	15
CATERING	MODIFHO FELA	URGENT CASE	OR-014375	6
SUBSCRIPTION FEE	MARKETWORKS DATA MONITOR (OMDIA)	SOLE SOURCE	OR-014373	995
HOSTING & STRATEGIC SUPPORT FOR THE CYBERSECURITY HUB	CSIR	SOLE SOURCE	SUNDRY	1 208
ABLUTION FACILITIES	KAMVAELIHLE HOLDINGS	URGENT CASE	OR-014266	17
CATERING	CIRCLE SEVEN TRADING 762	URGENT CASE	OR-014274	62

3.2 CONTRACT VARIATIONS AND EXPANSIONS

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
N/A						
Total						



**FINANCIAL
INFORMATION
YEAR
2023/2024**

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 178 to 223, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Communications and Digital Technologies as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

BASIS FOR 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 responsibilities of the auditor-general 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 224 to 241 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 and 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.

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE FINANCIAL STATEMENTS

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always 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. This description, which is located at page 175, forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 3: ICT policy development and research	55	Develop ICT policies and legislation that support the development of an ICT sector that creates favourable conditions for the accelerated and shared growth of the economy. Develop strategies that create the uptake and usage of ICT by the majority of the South African population, thus bridging the digital divide
Programme 5: ICT infrastructure development and support	77	Facilitate the provision of robust, reliable, secure and affordable ICT Infrastructure that supports universal access to applications and services
Programme 6: ICT information society and capacity development	85	Facilitate the development and implementation of interventions that increase the adoption and use of digital technologies to promote digital transformation

14. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected programmes.

OTHER MATTERS

18. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or underachievement's.
20. The following tables provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 56 to 96.

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH

Revised targets achieved: 50%

Budget spent: 76%

Key indicator not achieved	Planned target	Reported achievement
Implemented Audio- and Audio-Visual Content Services and Online Safety Act	White Paper on Audio- and Audio-Visual Content Services and Online Safety submitted to Minister for approval	The Department did not achieve the planned target of submitting White Paper on Audio- and Audio-Visual Content Services and Online Safety to Minister for approval.
Implemented Digital Economy Masterplan	Implementation of Digital Economy Masterplan monitored	The Department did not achieve the planned target of monitoring the implementation Plan of the Digital Economy Masterplan.
Implemented PC4IR Strategic plan	PC4IR Strategic implementation plan coordinated	The Department did not achieve the planned target of coordinating PC4IR Strategic implementation plan.
Implemented policy directive on the data and lowered mobile broadband cost	Policy Directive issued to ICASA for households to receive data and lower the mobile broadband cost	The Department did not achieve the planned target of issuing Policy Directive to ICASA for households to receive data and lower the mobile broadband cost.

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

Targets achieved: 75%

Budget spent: 92%

Key indicator not achieved	Planned target	Reported achievement
Developed Local Digital Products and Services	Four (4) partnership agreements with industry to support DigiTech products and services facilitated.	The Department did not achieve the planned target. The Department managed to facilitate at least two (2) partnership agreements with industry to support DigiTech products and services.

REPORT ON COMPLIANCE WITH LEGISLATION

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

OTHER INFORMATION IN THE ANNUAL REPORT

25. The accounting officer is responsible for the other information included in the annual report. The other information referred to 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 this auditor's report.
26. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. I do not have anything to report in this regard.

INTERNAL CONTROL DEFICIENCIES

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
30. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria

31 July 2024



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

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 programmes and on the department's compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

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
- conclude on the appropriateness of the 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.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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.

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

Selected legislation and regulations		Sections or regulations
1	Public Finance Management Act No.1 of 1999 (PFMA)	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(iii); 38(1)(d) Section 38(1)(h)(iii); 38(1)(j); 39(1)(a); 39(2)(a) Section 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4) Section 44(1); 44(2); 45(b);
2	Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b) Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1 Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1 Regulation 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2 Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a) Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b) Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5 Regulation 16A6.6; 16A7.1; 16A7.3; 16A7.6 Regulation 16A7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii) Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2 Regulation 16A9.2(a)(ii); 16A9.2(a)(iii); 17.1.1; 18.2 Regulation 19.8.4
3	Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
4	Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
5	Construction Industry Development Board Regulations , 2004	Regulation 17; 25(7A)
6	Division of Revenue Act 5 of 2023	Section 16(1)
7	National Health Act 61 of 2003	Section 13
8	Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
9	Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
10	Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3 Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2;
11	State Information Technology Agency Act 88 of 1998	Section 7(3)
12	Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
13	Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
14	National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
15	National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
16	National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4

Selected legislation and regulations		Sections or regulations
17	National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
18	National Treasury Instruction No 7 of 2017/18	Paragraph 4.3
19	PFMA National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.17; 7.2 Paragraph 7.6
20	National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
21	National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
22	Practice Note 11 of 2008/9	Paragraph 2.1; 3.1(b)
23	Practice Note 5 of 2009/10	Paragraph 3.3
24	Practice Note 7 of 2009/10	Paragraph 4.1.2

TABLE OF CONTENT
.....

Appropriation Statement	179
Notes to the Appropriation Statement	188
Statement of Financial Performance	190
Statement of Financial Position	191
Statement of Changes in Net Assets	192
Cash Flow Statement	193
Notes to the Annual Financial Statements (including Accounting Policies)	194
Annexures	225

APPROPRIATION PER PROGRAMME									
	2023/24						2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
PROGRAMME									
1. ADMINISTRATION	263 658	-	(748)	262 910	249 504	13 406	94,9%	274 804	225 778
2. ICT INTERNATIONAL RELATIONS AND AFFAIRS	71 651	-	3 359	75 010	74 026	984	98,7%	68 585	64 553
3. ICT POLICY DEVELOPMENT AND RESEARCH	39 550	-	(3 164)	36 386	27 658	8 728	76,0%	45 323	34 005
4. ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	1 632 346	-	16 425	1 648 771	1 648 771	-	100,0%	4 306 957	4 300 616
5. ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	1 230 562	-	(13 099)	1 217 463	1 213 859	3 604	99,7%	544 472	533 340
6. ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	74 418	-	(2 773)	71 645	65 837	5 808	91,9%	87 636	63 050
Subtotal	3 312 185	-	-	3 312 185	3 279 655	32 530	99,0%	5 327 777	5 221 342

	2023/24		2022/23	
	Final Budget R'000	Actual Expenditure R'000	Final Budget R'000	Actual Expenditure R'000
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	16 669		6 020	
Actual amounts per statement of financial performance (Total revenue)	3 328 854		5 333 797	
Actual amounts per statement of financial performance (Total expenditure)		3 279 655		5 221 342

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1 660 193	(6 405)	(17 575)	1 636 213	1 603 732	32 481	98,0%	937 912	838 086
Compensation of employees	302 042	(588)	(57)	301 397	270 655	30 742	89,8%	313 536	264 964
Goods and services	1 358 151	(5 817)	(17 518)	1 334 816	1 333 077	1 739	99,9%	624 376	573 122
Transfers and subsidies	1 664 109	2 196	17 086	1 663 391	1 663 384	7	100%	1 963 488	1 960 476
Provinces and municipalities	32	-	-	32	25	7	78,1%	38	23
Departmental agencies and accounts	823 193	-	-	823 193	823 193	-	100,0%	1 186 638	1 186 638
Foreign governments and international organisations	41 116	-	-	41 116	41 116	-	100,0%	38 401	35 406
Public corporations and private enterprises	777 906	-	13 000	790 906	790 906	-	100,0%	735 355	735 355
Households	1 862	2 196	4 086	8 144	8 144	-	100,0%	3 056	3 054
Payments for capital assets	7 883	(231)	(2 041)	5 611	5 569	42	99,3%	13 483	9 886
Machinery and equipment	4 394	2 276	(2 041)	4 629	4 587	42	99,1%	9 552	8 254
Software and other intangible assets	3 489	(2 507)	-	982	982	-	100,0%	3 931	1 632
Payments for financial assets	-	4 440	2 530	6 970	6 970	-	100,0%	2 412 894	2 412 894
Total	3 312 185	-	-	3 312 185	3 279 655	32 530	99,0%	5 327 777	5 221 342

PROGRAMME 1: ADMINISTRATION									
	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R000	R000	R000	R000	R000	R000	%	R000	R000
Sub programme									
1. Ministry	5 574	(217)	-	5 357	4 910	447	91,7%	4 697	4 556
2. Departmental Management	61 751	6 119	1	67 871	60 585	7 286	89,3%	63 914	49 342
3. Internal Audit	8 145	(364)	-	7 781	7 781	-	100,0%	8 660	5 227
4. Corporate Services	95 381	(719)	(682)	93 980	93 980	-	100,0%	100 639	88 069
5. Financial Management	59 118	(5 299)	(67)	53 752	48 079	5 673	89,4%	63 527	45 484
6. Office Accommodation	33 689	480	-	34 169	34 169	-	100,0%	33 367	33 100
Total for sub programmes	263 658	-	(748)	262 910	249 504	13 406	94,9%	274 804	225 778
Economic classification									
Current payments	257 023	(487)	(745)	255 791	242 393	13 398	94,8%	261 969	215 258
Compensation of employees	143 667	(552)	-	143 115	129 717	13 398	90,6%	141 960	118 173
Goods and services	113 356	65	(745)	112 676	112 676	-	100,0%	120 009	97 086
Transfers and subsidies	1 431	651	(4)	2 078	2 071	7	99,7%	1 389	1 373
Provinces and Municipalities	26	-	(4)	22	15	7	68,2%	33	18
Households	1 405	651	-	2 056	2 056	-	100,0%	1 356	1 355
Payments for capital assets	5 204	(231)	-	4 973	4 972	1	100,0%	11 029	8 729
Machinery and equipment	1 715	2 276	-	3 991	3 990	1	100,0%	7 098	7 097
Software and other intangible assets	3 489	(2 507)	-	982	982	-	100,0%	3 931	1 632
Payments for financial assets	-	67	1	68	68	-	100,0%	417	417
Total	263 658	-	(748)	262 910	249 504	13 406	94,9%	274 804	225 778

PROGRAMME 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS									
	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Management for International Relations and Affairs	5 060	(2 746)	(416)	1 898	915	983	48,2%	3 710	3 005
2. International Affairs	13 147	378	4 223	17 748	17 747	1	100,0%	10 084	9 753
3. ICT Trade/Partnership	53 444	2 368	(448)	55 364	55 364	-	100,0%	54 791	51 795
Total for sub programmes	71 651	-	3 359	75 010	74 026	984	98,7%	68 585	64 553
Economic classification									
Current payments	30 003	(38)	3 776	33 741	32 757	984	97,1%	29 778	28 988
Compensation of employees	20 885	(36)	(223)	20 626	19 643	983	95,2%	22 553	22 552
Goods and services	9 118	(2)	3 999	13 115	13 114	1	100,0%	7 225	6 436
Transfers and subsidies	41 134	38		41 172	41 172	-	100,0%	38 409	35 414
Foreign Governments and International Organisations	41 116	-	-	41 116	41 116	-	100,0%	38 401	35 406
Households	18	38	-	56	56	-	100,0%	8	8
Payments for capital assets	514	-	(417)	97	97	-	100,0%	398	151
Machinery and equipment	514	-	(417)	97	97	-	100,0%	398	151
Total	71 651	-	3 359	75 010	74 026	984	98,7%	68 585	64 553

PROGRAMME 3: ICT POLICY DEVELOPMENT AND RESEARCH									
	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Management for ICT Policy Development and Research	2 767	(1 200)	-	1 567	1 109	458	70,8%	2 504	1 642
2. ICT Policy Development	9 419	1 626	(650)	10 395	9 899	496	95,2%	12 437	12 403
3. Economic and Market Analysis	5 492	(595)	(700)	4 197	4 097	100	97,6%	4 856	2 463
4. Research	7 762	169	(414)	7 517	4 711	2 806	62,7%	7 284	4 820
5. Small, Medium and Micro Enterprise	1 406	-	-	1 406	-	1 406	-	1 261	1
6. Broadcasting Policy	7 726	-	(950)	6 776	6 412	364	94,6%	8 607	6 426
7. Presidential Commission on 4IR	4 978	-	(450)	4 528	1 430	3 098	31,6%	8 374	6 250
Total for sub programmes	39 550	-	(3 164)	36 386	27 658	8 728	76,0%	45 323	34 005
Economic classification									
Current payments	39 234	(6)	(3 164)	36 064	27 377	8 687	75,9%	44 556	33 545
Compensation of employees	29 107			29 107	21 457	7 650	73,7%	31 457	25 570
Goods and services	10 127	(6)	(3 164)	6 957	5 920	1 037	85,1%	13 099	7 975
Transfers and subsidies	177	6	-	183	183	-	100,0%	417	417
Households	177	6	-	183	183	-	100,0%	417	417
Payments for capital assets	139	-	-	139	98	41	70,5%	350	43
Machinery and equipment	139	-	-	139	98	41	70,5%	350	43
Total	39 550	-	(3 164)	36 386	27 658	8 728	76,0%	45 323	34 005

PROGRAMME 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT									
Sub programme	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Programme Management for ICT Enterprise and Public Entity Oversight	4 091	(374)	(12)	3 705	3 705	-	100,0%	3 429	3 299
2. Regulatory institutions	579 924	(1 989)	(118)	577 817	577 817	-	100,0%	877 744	872 598
3. Universal Services and Access	944 978	1 306	16 613	962 897	962 897	-	100,0%	3 318 047	3 317 987
4. ICT Skills Development	98 428	-	-	98 428	98 428	-	100,0%	102 121	102 121
5. Governance and Support State Owned Enterprises	4 925	1 057	(58)	5 924	5 924	-	100,0%	5 616	4 611
Total for sub programmes	1 632 346	-	16 425	1 648 771	1 648 771	-	100,0%	4 306 957	4 300 616
Economic classification									
Current payments	30 384	(1 500)	10	28 894	28 894	-	100,0%	31 437	25 192
Compensation of employees	25 063	-	166	25 229	25 229	-	100,0%	29 285	23 070
Goods and services	5 321	(1 500)	156	3 665	3 665	-	100,0%	2 152	2 122
Transfers and subsidies	1 601 212	1 500	17 086	1 619 798	1 619 798	-	100,0%	1 862 733	1 862 733
Departmental agencies and accounts	823 193	-	-	823 193	823 193	-	100,0%	1 127 232	1 127 232
Public corporations and private enterprises	777 906	-	13 000	790 906	790 906	-	100,0%	735 355	735 355
Households	113	1 500	4 086	5 699	5 699	-	100,0%	146	146
Payments for capital assets	750	-	(671)	79	79	-	100,0%	310	214
Machinery and equipment	750	-	(671)	79	79	-	100,0%	310	214
Payments for financial assets	-	-	-	-	-	-	100,0%	2 412 477	2 412 477
Total	1 632 346	-	16 425	1 648 771	1 648 771	-	100,0%	4 306 957	4 300 616

PROGRAMME 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Management for ICT Infrastructure Development and Support	3 172	307	-	3 479	3 474	5	99,9%	3 282	3 175
2. Broadband	1 196 056	2 242	(15 584)	1 182 714	1 182 013	701	99,9%	436 751	435 240
3. ICT Support	9 031	(2 927)	-	6 104	6 104	-	100,0%	9 457	5 748
4. Broadcasting Digital Migration	22 303	378	2 485	25 166	22 268	2 898	88,5%	94 982	89 177
Total for sub programmes	1 230 562	-	(13 099)	1 217 463	1 213 859	3 604	99,7%	544 472	533 340
Economic classification									
Current payments	1 230 003	(4 374)	(15 229)	1 210 400	1 206 796	3 604	99,7%	483 678	473 009
Compensation of employees	37 089	-	-	37 089	34 186	2 903	92,2%	40 489	34 499
Goods and services	1 192 914	(4 374)	(15 229)	1 173 311	1 172 610	701	99,9%	443 189	438 510
Transfers and subsidies	57	1	4	62	62	-	100,0%	59 778	59 777
Provinces and municipalities	6	-	4	10	10	-	100,0%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	59 406	59 406
Households	51	1	-	52	52	-	100,0%	367	366
Payments for capital assets	502	-	(403)	99	99	-	100,0%	1 016	554
Machinery and equipment	502	-	(403)	99	99	-	100,0%	1 016	554
Payments for financial assets	-	4 373	2 529	6 902	6 902	-	100,0%	-	-
Total	1 230 562	-	(13 099)	1 217 463	1 213 859	3 604	99,7%	544 472	533 340

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
APPROPRIATION STATEMENT
 for the year ended 31 March 2024

PROGRAMME 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT									
	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R000	R000	R000	R000	R000	R000	%	R000	R000
Sub programme									
1. Programme Management for ICT Information Society and Capacity Development	2 859	411	(32)	3 238	3 238	-	100,0%	3 008	2 763
2. Information Society Development	64 793	437	(518)	64 712	58 904	5 808	91,0%	74 102	56 761
3. Capacity Development	6 766	(848)	(2 223)	3 695	3 695	-	100,0%	10 526	3 526
Total for sub programmes	74 418	-	(2 773)	71 645	65 837	5 808	91,9%	87 636	63 050
Economic classification									
Current payments	73 546	-	(2 223)	71 323	65 515	5 808	91,9%	86 494	62 093
Compensation of employees	46 231	-	-	46 231	40 423	5 808	87,4%	47 792	41 100
Goods and services	27 315	-	(2 223)	25 092	25 092	-	100,0%	38 702	20 993
Transfers and subsidies	98	-	-	98	98	-	100,0%	762	762
Households	98	-	-	98	98	-	100,0%	762	762
Payments for capital assets	774	-	(550)	224	224	-	100,0%	380	195
Machinery and equipment	774	-	(550)	224	224	-	100,0%	380	195
Total	74 418	-	(2 773)	71 645	65 837	5 808	91,9%	87 636	63 050

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2024

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

Detail of these transactions can be viewed in note 6 (Transfers and Subsidies), and Annexures (1A - 1E) of 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 can be viewed in note 5 (Payments for financial assets) to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):**4.1 Per programme**

Programme	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Administration	262 910	249 504	13 406	5%
ICT International Affairs and Trade	75 010	74 026	984	1%
ICT Policy Development and Research	36 386	27 658	8 728	24%
ICT Enterprise Development and Public Entity Oversight	1 648 771	1 648 771	-	0%
ICT Infrastructure Development and Support	1 217 463	1 213 859	3 604	0%
ICT Information Society and Capacity Development	71 645	65 837	5 808	8%
Total	3 312 185	3 279 655	32 530	1%

4.2 Per economic classification

Economic classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Current payments	1 636 213	1 603 732	32 481	2%
Compensation of employees	301 397	270 655	30 742	10%
Goods and services	1 334 816	1 333 077	1 739	0%
Transfers and subsidies	1 663 391	1 663 384	7	0%
Provinces and municipalities	32	25	7	22%
Departmental agencies and accounts	823 193	823 193	-	0%
Public corporations and private enterprises	790 906	790 906	-	0%
Foreign governments and international organisations	41 116	41 116	-	0%
Households	8 144	8 144	-	0%

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2024

Economic classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Payments for capital assets	5 611	5 569	42	0,7%
Machinery and equipment	4 629	4 587	42	1%
Intangible assets	982	982	-	0%
Payments for financial assets	6 970	6 970	-	0%
Total	3 312 185	3 279 655	32 530	1%

Underspending on Compensation of Employees is due to the following reasons:

- *The organisational structure not finalised.*
- *The cost containment measures introduced during this current financial year, which necessitated for the Department to obtain concurrence for any positions to be filled.*
- *Several promotions were effected internally which did not reduce the number of vacancies.*

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
REVENUE			
Annual appropriation	1	3 312 185	5 327 777
Departmental revenue	2	16 669	6 020
TOTAL REVENUE		3 328 854	5 333 797
EXPENDITURE			
Current expenditure			
Compensation of employees	3	270 655	264 964
Goods and services	4	1 333 077	573 122
Total current expenditure		1 603 732	838 086
Transfers and subsidies			
Transfers and subsidies	6	1 663 384	1 960 475
Total transfers and subsidies		1 663 384	1 960 475
Expenditure for capital assets			
Tangible assets	7	4 587	8 255
Intangible assets	7	982	1 632
Total expenditure for capital assets		5 569	9 887
Payments for financial assets	5	6 970	2 412 894
TOTAL EXPENDITURE		3 279 655	5 221 342
SURPLUS/(DEFICIT) FOR THE YEAR		49 199	112 455
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		32 530	106 435
Annual appropriation		32 530	106 435
Departmental revenue and NRF receipts	15	16 669	6 020
SURPLUS/(DEFICIT) FOR THE YEAR		49 199	112 455

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
ASSETS			
Current assets		39 095	2 544 681
Cash and cash equivalents	8	35 020	134 627
Prepayments and advances	10	1 538	9 643
Receivables	11	2 537	2 400 411
Non-current assets		17 297 047	14 894 960
Investments	12	17 265 262	14 865 262
Prepayments and advances	10	3 000	880
Receivables	11	1 294	1 327
Loans	13	27 391	27 391
Other financial assets	9	100	100
TOTAL ASSETS		17 336 142	17 439 641
LIABILITIES			
Current liabilities		47 576	2 551 084
Voted funds to be surrendered to the Revenue Fund	14	32 530	106 435
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	8 620	47
Payables	16	6 426	2 444 602
TOTAL LIABILITIES		47 576	2 551 084
NET ASSETS		17 288 566	14 888 557
Represented by:			
Capitalisation reserve		17 292 653	14 892 653
Recoverable revenue		654	645
Unauthorised expenditure		(4 741)	(4 741)
TOTAL		17 288 566	14 888 557

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
Capitalisation reserves			
Opening balance		14 892 653	14 892 653
Transfers			
Movement in equity		2 400 000	-
Closing balance		17 292 653	14 892 653
Recoverable revenue			
Opening balance		645	542
Transfers:		9	103
Irrecoverable amounts written off	5.2	(13)	-
Debts recovered (included in departmental revenue)		(463)	(163)
Debts raised		485	266
Closing balance		654	645
Unauthorised expenditure			
Opening balance		(4 741)	(4 741)
Closing Balance		(4 741)	(4 741)
TOTAL		17 288 566	14 888 557

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

CASH FLOW STATEMENT

for the year ended 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3 328 806	2 933 739
Annual appropriation funds received	1.1	3 312 185	2 927 777
Departmental revenue received	2	9 162	392
Interest received	2.2	7 459	5 570
Net (increase)/decrease in net working capital		(34 317)	43 681
Surrendered to Revenue Fund		(114 531)	(321 135)
Current payments		(1 603 732)	(838 086)
Payments for financial assets		(6 970)	(12 894)
Transfers and subsidies paid		(1 663 384)	(1 960 475)
Net cash flow available from operating activities	17	(94 128)	(155 170)
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		48	58
Payments for capital assets	7	(5 569)	(9 887)
(Increase)/ decrease in investments		(2 400 000)	-
(Increase)/decrease in non-current receivables	11	33	(171)
Net cash flow available from investing activities		(2 405 488)	(10 000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		2 400 009	103
Net cash flows from financing activities		2 400 009	103
Net increase/(decrease) in cash and cash equivalents		(99 607)	(165 067)
Cash and cash equivalents at beginning of period		134 627	299 694
Cash and cash equivalents at end of period	18	35 020	134 627

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
ACCOUNTING POLICIES
 for the year ended 31 March 2024

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1. **Basis of preparation**

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

2. **Going concern**

The financial statements have been on a going concern basis.

3. **Presentation currency**

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

4. **Rounding**

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

5. **Foreign currency translation**

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

6. **Comparative information**

6.1 **Prior period comparative information**

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

6.2 **Current year comparison with budget**

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

7. **Revenue**

7.1 **Appropriated funds**

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

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

Appropriated funds are measured at the amounts receivable.

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.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

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

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

ACCOUNTING POLICIES

for the year ended 31 March 2024

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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

8.3 **Accruals and payables not recognised**

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value 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.

OR

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

the fair value of the leased asset; or if lower, the present value of the minimum lease payments.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

ACCOUNTING POLICIES

for the year ended 31 March 2024

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.

CARA Funds are recognised when receivable and measured at the amounts receivable.

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.

< The Department recognises a prepayment or an advance in the statement of financial performance if the prepayment or the advance paid is material and was budgeted for as an expense in the year in which the actual prepayment or advance was made. >

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. Receivables older than 3 years without movement will be impaired.

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.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

ACCOUNTING POLICIES

for the year ended 31 March 2024

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.

A capital asset shall be removed from the financial statements on disposal or when no future economic benefits or service potential are expected from its use or disposal.

16.3 Intangible capital 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.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

ACCOUNTING POLICIES

for the year ended 31 March 2024

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 measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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

Unauthorised expenditure recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- Unauthorised incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

21. Changes in accounting policies, estimates and errors

Changes in accounting policies are applied in accordance with MCS requirements.

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.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

ACCOUNTING POLICIES

for the year ended 31 March 2024

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. Departures from the MCS requirements

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

24. 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 Revenue Fund when the underlying asset is disposed and the related funds are received.

25. 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 Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

26. Related party transactions

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

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

27. 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.

28. 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.

29. Employee benefits

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

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

30. 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 derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

31. Mergers

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

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

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

PART B: EXPLANATORY NOTES**1. Annual Appropriation****1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for Department of Communications and Digital Technologies- Vote 30:

	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	262 910	262 910	-	279 391	279 391	-
ICT International Affairs and Trade	75 010	75 010	-	63 999	63 999	-
ICT Policy Development and Research	36 386	36 386	-	45 396	45 396	-
ICT Enterprise Development and Public Entity Oversight	1 648 771	1 648 771	-	4 304 498	1 904 498	2 400 000
ICT Infrastructure Development and Support	1 217 463	1 217 463	-	544 398	544 398	-
ICT Information Society and Capacity Development	71 645	71 645	-	90 095	90 095	-
Total	3 312 185	3 312 185	-	5 327 777	2 927 777	2 400 000

All the funds as at 31 March 2024 were requested and received.

2. Departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services other than capital assets	2.1	73	71
Interest, dividends and rent on land	2.2	7 507	5 628
Transactions in financial assets and liabilities	2.3	9 089	321
Total revenue collected		16 669	6 020
Total		16 669	6 020

The increase in "Financial transactions in assets and liabilities" was due to an approval by the Accounting Officer to write off fruitless and wasteful expenditure amounting to R8,605 million. This fruitless and wasteful expenditure relates to the closure of the 112 Emergency Call Centre during the 2009/10 financial year.

Transaction was recorded against Recoverable Revenue as it related to prior year expenditure hence this increases revenue to be payable to the NRF to correct that expenditure that was never disallowed in prior years.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

2.1 Sales of goods and services other than capital assets

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services produced by the department		73	71
Administrative fees		2	3
Other sales		71	68
Total	2	73	71

2.2 Interest, dividends and rent on land

	Note	2023/24 R'000	2022/23 R'000
Interest		7 459	5 570
Dividends		48	58
Total	2	7 507	5 628

The significant increase is due to the interest received from the bank accounts.

2.3 Transactions in financial assets and liabilities

	Note	2023/24 R'000	2022/23 R'000
Receivables		-	292
Other receipts including Recoverable Revenue		9 089	29
Total	2	9 089	321

The increase in "Financial transactions in assets and liabilities" was due to an approval by the Accounting Officer to write off fruitless and wasteful expenditure amounting to R8,605 million. This fruitless and wasteful expenditure relates to the closure of the 112 Emergency Call Centre during the 2009/10 financial year.

2.3.1 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

	Note	2023/24 R'000	2022/23 R'000
	Annex 1F		
Gifts		-	635
Sponsorships		5 206	23 558
Total gifts, donations and sponsorships received in kind		5 206	24 193

Details of gifts, donations and sponsorships received in-kind are listed on Annexure 1F.

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

	2023/24		
	Amount received	Amount paid to the revenue fund	Balance
Name of entity	R'000	R'000	R'000
ICASA	7 770 075	7 763 650	6 425
USAASA	153 690	153 690	-
Total	7 923 765	7 917 340	6 425

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

Name of entity	2022/23		
	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
Independent Communications Authority of South Africa (ICASA)	10 223 966	10 179 509	44 574
Total	10 223 966	10 179 509	44 574

A total of R7, 863 billion was received from ICASA during the 2023/24 financial year of which, the R7,763 billion was surrendered to the National Revenue Fund and R93 million was paid to SARS. The R6,4 million was deposited by ICASA on the 28 March 2024 in the commercial bank account of the Department but not yet interfaced into the Paymaster General Account. The 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. R153 Million was received from USAASA and paid over to National Revenue Fund at the end of the reporting period.

3. Compensation of employees

3.1 Analysis of balance

	Note	2023/24 R'000	2022/23 R'000
Basic salary		180 782	173 077
Performance award		-	47
Service based		262	171
Compensative/circumstantial		3 470	3 367
Other non-pensionable allowances		58 319	60 419
Total		242 833	237 081

The expenditure of 2023/24 financial year shows an increase as compared with the previous financial year, which is due to annual cost of living adjustment, payment of pay progression, internal promotion of employees to higher positions between salary levels 1 to 12 and filling of critical senior manager positions including the position of the Accounting Officer.

3.2 Social contributions

Employer contributions	Note	2023/24 R'000	2022/23 R'000
Pension		21 849	22 027
Medical		5 938	5 822
Bargaining council		35	34
Total		27 822	27 883
Total compensation of employees		270 655	264 964
Average number of employees		293	300

The average number of employee figure represent the total number of officials in service as at 31 March 2024. The decrease is due to the retirement, resignation and transfer of employees.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

4. Goods and services

	Note	2023/24 R'000	2022/23 R'000
Administrative fees		1 478	1 260
Advertising		6 317	5 080
Minor assets	4.1	35	122
Bursaries (employees)		1 650	1 210
Catering		1 715	2 128
Communication		5 426	5 858
Computer services	4.2	1 170 182	222 154
Consultants: Business and advisory services		3 825	217 500
Legal services		6 236	2 573
Contractors		4 029	1 555
Agency and support / outsourced services		120	-
Entertainment		3	5
Audit cost – external	4.3	5 370	5 545
Fleet services		2 021	2 883
Consumables	4.4	3 495	765
Operating leases		29 838	27 689
Property payments	4.5	14 363	15 956
Rental and hiring		141	431
Travel and subsistence	4.6	61 573	54 764
Venues and facilities		6 421	3 900
Training and development		8 143	716
Other operating expenditure	4.7	696	1 028
Total		1 333 077	573 122

The significant increase on the 2023/24 financial year expenditure as compared to the previous financial year expenditure, is mainly due to the SA Connect Project Phase 2 which is expensed on the item "Computer services".

"Consultants: Business and advisory services" decreased from 2022/23 financial year due to a once off payment amounting to R200 million made to BBI for management of the Presidential Employment Stimulus (PES) Broadband Access Fund towards the implementation of SA Connect Project.

The increase in "Contractors" and "Venues and facilities" is mainly due to the Department hosting BRICS 2024 Ministers of Communications Summit at the Cape Town International Convention Centre.

The increase in "Training and development" is due to collaboration between the Department and NEMISA with respect to the R7 million towards cell phone repairs training in respect of transfer of digital skills programmatic funds.

4.1 Minor assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		35	122
Machinery and equipment		35	122
Total	4	35	122

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

4.2 Computer services

	Note	2023/24 R'000	2022/23 R'000
SITA computer services		261 631	90 351
External computer service providers		908 551	131 803
Total	4	1 170 182	222 154

The increase is due to payments made in respect of the SA Connect Project Phase 2.

4.3 Audit cost - external

	Note	2023/24 R'000	2022/23 R'000
Regularity audits		5 370	5 545
Total	4	5 370	5 545

4.4 Consumables

	Note	2023/24 R'000	2022/23 R'000
Consumable supplies		260	227
Uniform and clothing		-	16
Household supplies		196	110
Building material and supplies		23	11
Communication accessories		-	4
IT consumables		27	27
Other consumables		14	59
Stationery, printing and office supplies		3 235	538
Total	4	3 495	765

The increase on Consumables was mainly due to the increase of stationary required during the 2023/24 financial year by various cost centres. The increase on "Stationery, printing and office supplies" is due to increase in purchase of subscriptions.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

4.5 Property payments

	Note	2023/24 R'000	2022/23 R'000
Municipal services		5 802	6 366
Property management fees		28	-
Property maintenance and repairs		55	1 176
Other		8 478	8 414
Total	4	14 363	15 956

Included in the above figure of other property payments is the monthly administrative commitment relating to the safeguarding and maintenance of the building.

4.6 Travel and subsistence

	Note	2023/24 R'000	2022/23 R'000
Local		34 656	36 696
Foreign		26 917	18 068
Total	4	61 573	54 764

Local travel was reduced due to cost containment. Foreign travel has increased due to operational requirements.

4.7 Other operating expenditure

	Note	2023/24 R'000	2022/23 R'000
Professional bodies, membership and subscription fees		55	103
Resettlement costs		-	3
Other		641	922
Total	4	696	1 028

Included in "Other" is the courier and delivery services, freight services and the transport of goods.

5. Payments for financial assets

	Note	2023/24 R'000	2022/23 R'000
Purchase of equity		-	2 400 000
Extension of loans for policy purposes		-	12 477
Other material losses written off	5.1	6 902	-
Debts written off	5.2	68	417
Total		6 970	2 412 894

The decrease in the balance as compared to the previous financial year, is attributed to once off payments made of R2,4 billion and R12,477 million to South African Post Office (SAPO) and South African Broadcasting Corporation (SABC) in 2022/23 financial year respectively.

During the 2023/24 financial year, approval was granted by the Accounting Officer to write off the fruitless and wasteful expenditure of R8,605 million in respect of the 112 Emergency Call Centre, wholly or partly depending on the availability of funds. As a result of limited savings by the end of the 2023/24 financial year, an amount of R6,902 million was written off against this approval. The remaining amount will be written off in the 2024/25 financial year.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

5.1 Other material losses written off

Nature of losses	Note	2023/24 R'000	2022/23 R'000
<i>Group major categories, but list material items</i>			
Fruitless and Wasteful Expenditure		6 902	-
Total	5	6 902	-

During the 2023/24 financial year, approval was granted by the Accounting Officer to write off the fruitless and wasteful expenditure of R8,605 million in respect of the 112 Emergency Call Centre, wholly or partly depending on the availability of funds. As a result of limited savings by the end of the 2023/24 financial year, an amount of R6,902 million was written off against this approval. The remaining amount will be written off in the 2024/25 financial year.

5.2 Debts written off

Nature of debts written off	Note	2023/24 R'000	2022/23 R'000
<i>Group major categories, but list material items</i>			
Other debt written off			
Damages to vehicle		50	292
Loss of Laptop		13	-
Salary overpayment		-	43
Leave without pay		-	25
No show		5	1
Cancellation of venue		-	56
Total debt written off	5	68	417

6. Transfers and subsidies

	Note	2023/24 R'000	2022/23 R'000
Provinces and municipalities	32	25	22
Departmental agencies and accounts	Annex 1B	823 193	1 186 638
Foreign governments and international organisations	Annex 1D	41 116	35 406
Public corporations and private enterprises	Annex 1C	790 906	735 355
Households	Annex 1E	8 144	3 054
Total		1 663 384	1 960 475

The Transfer and Subsidy payments to entities are done in line with the approved drawings schedule. Amounts allocated to entities were all paid by 31 March 2024.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

6.1 Gifts, donations and sponsorships made in kind (not included in the main note)

	Note	2023/24 R'000	2022/23 R'000
	Annex 1G		
Gifts		375	-
Donations		99	-
Sponsorships		104	711
Total		578	711

Details of gifts, donations and sponsorships are listed on Annexure 1G.

7. Expenditure for capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		4 587	8 255
Machinery and equipment		4 587	8 255
Intangible capital assets		982	1 632
Software		982	1 632
Total		5 569	9 887

7.1 Analysis of funds utilised to acquire capital assets - Current year

	2023/24		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	4 587	-	4 587
Machinery and equipment	4 587	-	4 587
Intangible capital assets	982	-	982
Software	982	-	982
Total	5 569	-	5 569

The decrease in expenditure for capital assets was as a result of cost containment.

7.2 Analysis of funds utilised to acquire capital assets - Prior year

	2022/23		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	8 225	-	8 225
Machinery and equipment	8 225	-	8 225
Intangible capital assets	1 632	-	1 632
Software	1 632	-	1 632
Total	9 887	-	9 887

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

8. Cash and cash equivalents

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General Account		41 689	152 573
Disbursements		(13 159)	(18 011)
Cash on hand		65	65
Investments (Domestic)		6 425	-
Total		35 020	134 627

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.

9. Other financial assets

Non-current	Note	2023/24 R'000	2022/23 R'000
Local			
Group major categories, but list material items			
Municipal Deposit		100	100
Total Non-current other financial assets		100	100

Amount is held at the Municipality for deposit in respect of municipal services.

10. Prepayments and advances

	Note	2023/24 R'000	2022/23 R'000
Staff advances			
Travel and subsistence		117	377
Advances paid (Not expensed)	10.1	4 421	10 146
Total		4 538	10 523
Analysis of Total Prepayments and advances			
Current payments and advances		1 538	9 643
Non-current Prepayments and advances		3 000	880
Total		4 538	10 523

The Department advanced payments to staff (for the purposes of travel) as well as DIRCO and GCIS. Invoices were received from both GCIS and DIRCO resulting in the decrease of the outstanding advances by 31 March 2024.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

10.1 Advances paid (Not expensed)

			2023/24				
			Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	Note		R'000	R'000	R'000	R'000	R'000
National departments			10 146	(6 229)	(1 366)	1 870	4 421
Total	10		10 146	(6 229)	(1 366)	1 870	4 421

An amount of R6,229 million was expensed during the 2023/24 financial year resulting in the reduction of outstanding advances year-on-year. GCIS also refunded an amount of R1,366 million that was unspent.

			2022/23			
		Amount as at 1 April 2022	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2023
	Note	R'000	R'000	R'000	R'000	R'000
National departments		5 707	(11 317)	(1 887)	17 643	10 146
Public entities		3 432	(3 432)	-	-	-
Total	10	9 139	(14 749)	(1 887)	17 643	10 146

10.2 Advances paid (Expensed)

			2023/24		
	Amount as at 1 April 2023	Less: Received in the current year	Less: Other	Add Current year advances	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Public entities (BBI: SA Connect)		(209 733)		518 369	308 636
Public entities (SENTECH: SA Connect)	-	(42 111)	-	197 249	155 138
Public entities (BBI: Presidential Employment Stimulus)	200 000	(68 949)	-	-	131 051
Total	200 000	(320 793)	-	715 618	594 825

The total amount included in the column "Less: Received in the current year" is the expenditure incurred by the entities which is inclusive of VAT.

The Department disbursed funds to BBI and Sentech for SA Connect, as reflected on the "Current year advances", the entities have confirmed spending against those funds as reflected in the "received in the current year" column.

The amount of R200 million was advanced to BBI in the 2022/23 financial year for the Presidential Employment Stimulus to establish and execute the broadband access fund aimed at subsidising broadband connectivity to low income and rural communities.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	2022/23				
	Amount as at 1 April 2022	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Public entities	-	-	-	200 000	200 000
Total	-	-	-	200 000	200 000

The amount of R200 million was advanced to BBI in the 2022/23 financial year for the Presidential Employment Stimulus to establish and execute the broadband access fund aimed at subsidising broadband connectivity to low income and rural communities

11. Receivables

		2023/24			2022/23		
	Note	Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	508	-	508	-	-	-
Recoverable expenditure	11.2	78	-	78	12	-	12
Staff debt	11.3	235	346	581	395	381	776
Other receivables	11.4	1 716	948	2 664	2 400 004	946	2 400 950
Total		2 537	1 294	3 831	2 400 411	1 327	2 401 738

The decrease in other receivable was due to the payment received from National Treasury (Revenue Fund) of R2,4 billion during the 2023/24 financial year in respect of the recapitalisation of South African Post Office (SAPO) which was approved by Parliament during the 2nd Adjusted Appropriation during the 2022/23 financial year.

11.1 Claims recoverable

	Note	2023/24 R'000	2022/23 R'000
National departments		508	-
Total	11	508	-

Claims recoverable by 31 March 2024 is in respect of salary claims of 3 staff members that were seconded to other departments. This amount was settled after year end.

11.2 Recoverable expenditure

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Disallowance Damages and Losses		78	12
Total	11	78	12

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

11.3 Staff debt

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Staff debt		420	500
Salary tax debt		29	-
Foreign Staff Debt		132	276
Total	11	581	776

11.4 Other receivables

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Fruitless and wasteful expenditure		1 703	-
Ex-employees		328	319
Suppliers		633	631
Voted funds to be received from National Treasury		-	2 400 000
Total	11	2 664	2 400 950

The decrease in "Other receivables" was due to the payment received from National Treasury (Revenue Fund) of R2,4 billion during the 2023/24 financial year in respect of the recapitalisation of South African Post Office (SAPO) which was approved by Parliament during the 2nd Adjusted Appropriation during the 2022/23 financial year.

In 2023/24 financial year, approval was granted by the Accounting Officer to write off the fruitless and wasteful expenditure of R8,605 million in respect of the 112 Emergency Call Centre, wholly or partly depending on the availability of funds. As a result of limited savings by the end of the 2023/24 financial year, an amount of R6,902 million was written off against this approval. The remaining amount of R1,703 million will be written off in the 2024/25 financial year.

11.5 Impairment of receivables

	Note	2023/24 R'000	2022/23 R'000
Estimate of impairment of receivables		2 688	964
Total		2 688	964

The impairment of receivables represents various debtors amounting to R985 thousand where there were no movement for a period of 3 years and beyond.

The Fruitless & Wasteful expenditure amounting to R1,703 million is impaired as it remains as a balance to be written off in the next financial year.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

12. Investments

Non-current	<i>Note</i>	2023/24 R'000	2022/23 R'000
Shares and other equity			
<i>List investments at cost</i>			
Telkom		2 070 381	2 070 381
South African Post Office		10 564 116	8 164 116
Sentech		75 892	75 892
Vodacom		3 743	3 743
Broadband Infraco SOC		1 351 130	1 351 130
South African Broadcasting Corporation		3 200 000	3 200 000
Total non-current investments		17 265 262	14 865 262
Analysis of non-current investments			
	<i>Note</i>	2023/24 R'000	2022/23 R'000
Opening balance		14 865 262	14 865 262
Additions in cash		2 400 000	-
Closing balance		17 265 262	14 865 262

The addition is the R2,4 billion allocated to South African Post Office during the 2nd Adjusted Appropriation in the 2022/23 financial year in respect of the recapitalisation of SAPO which was converted into equity in the 2023/24 financial year.

12.1 Impairment of investments

	<i>Note</i>	2023/24 R'000	2022/23 R'000
Estimate of impairment of investments		15 108 993	8 164 116
Total		15 108 993	8 164 116

The impairment amount relates investments in the following entities:

1. South African Post Office (SAPO)
2. South African Broadcasting (SABC)
3. Broadband Infraco (BBI)

Management has used the net asset value as an impairment methodology for the entities.

SAPO's cost of investment is R10,564 billion and has been fully impaired because of negative net asset value. Impairment amounts to R10,564 billion.

BBI's cost of investment is R1,351 billion and has been partially impaired because of positive net asset value. Impairment amounts to R1,345 billion.

SABC's cost of investment is R3,200 billion and has been fully impaired because of negative net asset value. Impairment amounts to R3,200 billion.

The department will in 2024/25 financial year seek expert advice on the investments it holds in its state-owned entities that are funded by the state to ensure correct application of the accounting standard.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

13. Loans

	Note	2023/24 R'000	2022/23 R'000
Public corporations		27 391	27 391
Total		27 391	27 391
Analysis of balance			
	Note	2023/24 R'000	2022/23 R'000
Opening balance		27 391	27 391
Closing balance		27 391	27 391

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.

14. Voted funds to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		106 435	314 992
As restated		106 435	314 992
Transferred from statement of financial performance (as restated)		32 530	106 435
Voted funds not requested/not received	1.1	-	(2 400 000)
Movement to Receivable-Note 11		-	2 400 000
Paid during the year		(106 435)	(314 992)
Closing balance		32 530	106 435

The closing balance represents the total savings for the reporting period.

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

	Note	2023/24 R'000	2022/23 R'000
Opening balance		47	170
As restated		47	170
Transferred from statement of financial performance (as restated)		16 669	6 020
Paid during the year		(8 096)	(6 143)
Closing balance		8 620	47

The closing balance represents revenue that was not surrendered to the National Revenue Fund by the end of the reporting period.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

16. Payables - current

	Note	2023/24 R'000	2022/23 R'000
Amounts owing to other entities			
Clearing accounts	16.1	1	28
Other payables	16.2	6 425	2 444 574
Total		6 426	2 444 602

"Other payables" at the end of the reporting period was because of funds that were received from ICASA on the 28th of March 2024 which will be paid to National Revenue Fund in the 2024/25 financial year.

16.1 Clearing accounts

Description	Note	2023/24 R'000	2022/23 R'000
<i>Identify major categories, but list material items</i>			
Sal: Income tax		1	28
Total	16	1	28

16.2 Other payables

Description	Note	2023/24 R'000	2022/23 R'000
<i>Identify major categories, but list material items</i>			
ICASA		6 425	44 574
SAPO		-	2 400 000
Total	21	6 425	2 444 574

"Other payables" at the end of the reporting period was as a result of funds that were received from ICASA on the 28th of March 2024 which will be paid to National Revenue Fund in the 2024/25 financial year.

17. Net cash flow available from operating activities

	Note	2023/24 R'000	2022/23 R'000
Net surplus/(deficit) as per Statement of Financial Performance		49 199	112 455
Add back non-cash/cash movements not deemed operating activities		(143 327)	(267 625)
(Increase)/decrease in receivables		2 397 874	(2 388 045)
(Increase)/decrease in prepayments and advances		5 985	(1 298)
Increase/(decrease) in payables – current		(2 438 176)	2 433 024
Proceeds from sale of investments		(48)	(58)
Expenditure on capital assets		5 569	9 887
Surrenders to Revenue Fund		(114 531)	(321 135)
Net cash flow generated by operating activities		(94 128)	(155 170)

The movement in receivables and payables was mainly as a result of R2,4 billion that was allocated to SAPO during the 2nd Adjusted Appropriation of 2022/23 financial year which was disbursed to SAPO in the 2023/24 financial year.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

18. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General account		41 689	152 573
Disbursements		(13 159)	(18 011)
Cash on hand		65	65
Cash with commercial banks (Local)		6 425	-
Total		35 020	134 627

19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

Liable to	Nature	Note	2023/24 R'000	2022/23 R'000
Other guarantees		Annex 3A	-	99 434
Claims against the department		Annex 3B	13 075	1 325
Intergovernmental payables		Annex 5	2 645	75 069
Total			15 720	175 828

The decrease on "Other guarantees" is due to the settlement of a foreign Telkom guarantee.

The following court cases are still pending, and the outcomes were unknown by 31 March 2024:

1. USAASA vs CZ Electronics/Minister.
2. DoC v Uniglobe Sunshine Travel.
3. Sekese and Department.
4. SAPO Business Rescue.
5. Postbank Forensic Investigation.
6. SITA Board Member

The following case was resolved and reduced from the contingent liability list during the financial year: DoC vs Senior Official

19.2 Contingent assets

Nature of contingent asset	Note	2023/24 R'000	2022/23 R'000
Legal Claim: Counter claim submitted		2 863	2 863
Total		2 863	2 863

If the Department is awarded the case, the capital amount of R2, 863 million with interest of 15.5% and the projected legal fees of R250 000.00 will be recovered from the company. In terms of the in duplum rule, interest will be kept at an amount not exceeding the capital amount. Provision for the R250 000.00 for legal fees has been included under contingent liabilities.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

20. Capital commitments

	Note	2023/24 R'000	2022/23 R'000
Machinery and equipment		4 575	6 052
Intangible assets		15	886
Total		4 590	6 938

The reduction in the commitments as compared to previous financial year, is due to cost containment measures that put a freeze on capital expenditure procurement during the 2023/24 financial year, as a result less equipment was ordered by the Department.

21. Accruals and payables not recognised

21.1 Accruals

		2023/24		2022/23	
Listed by economic classification	Note	30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Goods and services		5 169	179	5 348	74 942
Total		5 169	179	5 348	74 942

		2023/24 R'000	2022/23 R'000
Listed by programme level	Note		
Administration		3 508	4 330
International Affairs and Trade		217	220
ICT Policy Development and Research		230	225
ICT Enterprise Development and Public Entity Oversight		97	181
ICT Infrastructure Development and Support		511	69 255
ICT Information and Society and Capacity Development		785	731
Total		5 348	74 942

The total amount of "Accruals and payables not recognised" represents value of goods and services delivered but not paid for by the end of the reporting period. The reduction in the accruals can be attributed to budget cuts on the 2023/24 financial year and the cost containment measures.

The high accrual balance in the previous financial year was due to the SA Connect invoices not yet settled by the 31 March 2023.

21.2 Payables not recognised

		2023/24		2022/23	
Listed by economic classification	Note	30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Goods and services		-	-	-	-
Total		-	-	-	-

		2023/24 R'000	2022/23 R'000
Listed by programme level	Note		
Total		-	-

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

<i>Included in the above totals are the following:</i>	Note	2023/24 R'000	2022/23 R'000
Confirmed balances with other government entities	Annex 5	-	28 952
Total		-	28 952

All invoices on hand were paid by 31 March 2024.

22. Employee benefits

	Note	2023/24 R'000	2022/23 R'000
Leave entitlement		15 577	14 582
Service bonus		5 593	5 349
Capped leave		3 845	3 704
Other		733	283
Total		25 748	23 918

Included in leave entitlement is a negative leave credits to the amount of R159 303,22 as at 31 March 2024. As per DPSA Incentive Policy Framework 2019, performance bonuses are no longer provided for with effect from 01 April 2021 going forward. "Other" includes Overtime, S&T and Long Service awards.

23. Lease commitments

23.1 Operating leases

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	30 040	1 166	31 206
Later than 1 year and not later than 5 years	-	-	-	1 011	1 011
Total lease commitments	-	-	30 040	2 177	32 217

	2022/23				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	28 339	726	29 065
Later than 1 year and not later than 5 years	-	-	30 040	911	30 951
Total lease commitments	-	-	58 379	1 637	60 016

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 maximum of 24 months of which 0 % of operating lease will be payable.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

24. Accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Interest, dividends and rent on land		-	890
Total		-	890

This is the interest amount not paid by SABC for January 2023 on the SABC 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. The interest was paid during the current year and recognised as departmental revenue and paid over to the NRF.

24.1 Analysis of accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Opening balance		890	-
Less: amounts received		(890)	-
Other (Specify) Accrued Interest from SABC Loan		-	890
Closing balance		-	890

The outstanding interest on the SABC loan for January 2023 was received and surrendered to the National Revenue Fund in the reporting period. In terms of the Section 30(1) of the Exchequer Act, Act No 66 of 1975, interest is payable on 31 January and 31 July annually at a rate of 6,5% p.a.

25. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2023/24 R'000	2022/23 R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		22	178
Fruitless and wasteful expenditure - current year		48	61
Total		70	239

Fruitless and wasteful expenditure for the 2023/24 financial year amounting to R48 000 had been fully resolved by the end of the reporting period and the Fruitless and Wasteful Expenditure Register had a zero balance at 31 March 2024.

Irregular expenditure for the 2023/24 financial year had been dealt with in line with National Treasury Practice Note. Of the recorded irregular expenditure, R22 thousand relates to the 2023/24 financial year and an amount of R25 thousand relates to 2022/23 financial year but was confirmed in the 2023/24 financial year. With regard to the remaining R22 000, all internal processes were concluded, including consequence management, and condonement is awaited from the office of the Chief Procurement Officer, National Treasury.

The Department recorded unauthorised expenditure amounting to R4,741 million for the 2013/2014 financial year. In the Second report of the Standing Committee on Public Accounts (SCOPA) on the unauthorised expenditure dated 14 February 2024, recommended that the unauthorised expenditure should be financed as a reduction of the Department's future allocation in terms of section 34(1)(b) of the PFMA, 1999.

26. Related party transactions

	Note	2023/24 R'000	2022/23 R'000
Payments made			
Goods and services		1 157 409	404 601
Total		1 157 409	404 601

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

Loans to/from related parties	<i>Note</i>	2023/24 R'000	2022/23 R'000
Interest bearing loans to SABC		27 391	27 391
Total		27 391	27 391
Other	<i>Note</i>	2023/24 R'000	2022/23 R'000
Guarantees issued/received		-	334 485
Total		-	334 485
In-kind goods and services received	<i>Note</i>	2023/24 R'000	2022/23 R'000
<i>List in-kind goods and services between the department and related party</i>			
ICASA		159	1 497
SENTECH		216	386
VODACOM		100	5 000
TELKOM		150	4 000
ZADNA		14	176
BBI		174	-
SITA		180	-
In-kind goods and services provided			
South African Post Office		203	711
Total		1 196	11 770

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. Key management personnel form part of related parties as per note 27 below. The Loan of R27,391 million is interest bearing loan to SABC with an interest of 6,5% annually payable every six months.

27. Key management personnel

	2023/24 R'000	2022/23 R'000
Political office bearers (provide detail below)	4 704	4 554
Officials:		
Level 15 to 16	17 607	12 063
Level 14 (Include CFO if lower)	11 574	15 348
Level 13	3 504	6 813
Total	37 389	38 778

The main reasons for the decrease are as follows: -

- No official acted as CD:HRM from November 2023 until February 2024 whilst this position was fully funded in the 2023/24 financial year. This position was filled with effect from 1 March 2024.*
- Secondment of DDG: Administration to the Department of Small Business Development with effect from July 2023 to 31 March 2024. As per the Secondment Agreement, the monthly salary was claimed from the Department of Small Business Development. Since the position is not vacant, an acting allowance was not paid to the official acting in this capacity.*
- Although the Department recorded a decrease in "Key management personnel", an increase was recorded on level 15 to 16 as a result of the appointment of 2 special advisors to the Minister.*

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

28. Non-adjusting events after reporting date

Nature of the event	Note	2023/24 R'000
<i>Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made</i>		
Vodacom (dematerialise of the 63 658 remaining Vodacom Shares)		(3 743)
Total		(3 743)

The National Treasury has issued the instruction for Rand Merchant Bank to dematerialise the 63 658 remaining Vodacom Shares in its Brokerage Account.

Based on the latest share statement from Rand Merchant Bank that the National Treasury has obtained as at 30 April 2024, the remaining shares are valued at R10,2 million.

The cost of the shares is R3,743 million.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	78 523	-	4 587	87	83 023
Transport assets	9 920		-	-	9 920
Computer equipment	32 140		3 217	87	35 270
Furniture and office equipment	18 501		148	-	18 649
Other machinery and equipment	17 962		1 222	-	19 184
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	78 523	-	4 587	87	83 023

29.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	74 497	-	8 254	4 228	78 523
Transport assets	9 920	-	-	-	9 920
Computer equipment	29 246	-	5 870	2 976	32 140
Furniture and office equipment	16 809	-	1 740	48	18 501
Other machinery and equipment	18 522	-	644	1 204	17 962
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	74 497	-	8 254	4 228	78 523

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

29.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance-	-	-	-	8 604	-	8 604
Value adjustments					-	-
Additions	-	-	-	35	-	35
Disposals	-	-	-	-	-	-
Total Minor assets	-	-	-	8 639	-	8 639

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	112	-	112
Number of minor assets at cost	-	-	-	3 614	-	3 614
Total number of minor assets	-	-	-	3 726	-	3 726

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	8 644	-	8 644
Prior period error	-	-	-	(23)	-	(23)
Additions	-	-	-	122	-	122
Disposals	-	-	-	139	-	139
Total Minor assets	-	-	-	8 604	-	8 604

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	3 585	-	3 585
Number of minor assets at cost	-	-	-	112	-	112
Total number of minor assets	-	-	-	3 697	-	3 697

The number of items included in the R23 000.00 are unknown and investigation is ongoing to identify the items.

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

29.2.1 Prior period error

Nature of prior period error	Note	2022/23 R'000
Relating to 2020/21 (affecting the opening balance)		(23)
Relating to 2020/21 (Expenditure erroneously classified as minor assets)		(15)
Relating to 2020/21 (Removed from the Asset Register. Items cannot be validated)		(8)
Total prior period errors		(23)

Payments in 2020/21 financial year amounting to R15 000.00 was wrongly recorded as minor assets instead of goods and services. Minor assets valued at R8 000.00 could not be found following the merger of the Department of Communications and Department of Telecommunication and Postal Services. A submission was made to the Loss Control Committee who agreed that the Register be adjusted accordingly.

29.3 MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets
	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	207	-
Total movable assets written off	-	-	-	207	-

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	8 252	982	4 589	4 645
TOTAL INTANGIBLE CAPITAL ASSETS	8 252	982	4 589	4 645

In the 2020/21 financial year, the licences that were disposed of were erroneously recorded under " Patents, Licences, Copyright, Brand Names, Trade Marks" instead of "Software".

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

30.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	8 970	369	1 633	2 720	8 252
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	369	(369)	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	9 339	-	1 633	2 720	8 252

30.1.1 Prior period error

Nature of prior period error	Note	2022/23 R'000
Relating to 2020/21 (affecting the opening balance)		-
Relating to 2020/21 (Disposal of software license erroneously categorised)		369
Relating to 2020/21 (Disposal of software license correction)		(369)
Total prior period errors		-

In the 2020/21 financial year, the licences that were disposed of were erroneously recorded under " Patents, Licences, Copyright, Brand Names, Trade Marks" instead of "Software".

31. Prior period errors

31.1 Correction of prior period errors

	2022/23		
	Amount before error correction	Prior period error	Restated
	R'000	R'000	R'000
<i>Note</i>			
Other: Capital Assets			
Intangible Capital Assets: Software	7 883	369	8 252
Intangible Capital Assets: Patents, Licenses, Copyright, Brand Names, Trademarks	369	(369)	-
Minor Assets: Items removed from the Minor Asset Register	8 627	(23)	8 604
Net effect	16 879	(23)	16 856

In the 2020/21 financial year, the licences that were disposed of were erroneously recorded under " Patents, Licences, Copyright, Brand Names, Trade Marks" instead of "Software".

Payments in 2020/21 financial year amounting to R15 000.00 was wrongly recorded as minor assets instead of goods and services. Minor assets valued at R8 000.00 could not be found following the merger of the Department of Communications and Department of Telecommunication and Postal Services. A submission was made to the Loss Control Committee who agreed that the Register be adjusted accordingly.

32. Statement of conditional grants and other transfers paid to municipalities

2023/24						2022/23	
GRANT ALLOCATION			TRANSFER				
DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury / National Department	DORA and other transfers
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
-	-	-	-	25	-	-	-
-	-	-	-	25	-	-	-
TOTAL							22

33. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of Municipality	2023/24										2022/23		
	GRANT ALLOCATION				TRANSFER			SPENT					
	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allo-cations by Na-tional Treasury or Nation-al depart-ment	Amount received by de-partment	Amount spent by depart-ment	Unspent funds	% of available funds spent by depart-ment	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
City of Tshwane	-	-	-	-	25	-	-	-	-	-	-	-	22
TOTAL	-	-	-	-	25	-	-	-	-	-	-	-	22

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

Departmental Agency or Account	2023/24					2022/23	
	TRANSFER ALLOCATION			TRANSFER		Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Universal Service and Access Agency of South Africa: Operations	82 655	-	-	82 655	82 655	100%	86 033
Universal Service Access Fund: Operations	64 303	-	-	64 303	64 303	100%	66 777
Universal Service Access Fund: BDM project	-	-	-	-	-	-	59 406
National Electronic Media Institute of SA: Operations	50 445	-	-	50 445	50 445	100%	64 519
National Electronic Media Institute of SA: INESI	47 983	-	-	47 983	47 983	100%	37 602
Independent Communication Authority of SA	473 947	-	-	473 947	473 947	100%	769 431
Film and Publication Board	103 860	-	-	103 860	103 860	100%	102 870
TOTAL	823 193	-	-	823 193	823 193		1 186 638

ANNEXURE 1C

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation / private enterprise	2023/24						2022/23	
	GRANT ALLOCATION			EXPENDITURE				Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of Available funds transferred	Capital	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public Corporations								
Transfers	777 906	-	13 000	790 906	790 906	100%	-	735 355
South African Broadcasting Corporation: Channel Africa	67 368	-	-	67 368	67 368	100,0%	-	66 581
South African Broadcasting Corporation: Programme Productions	15 865	-	-	15 865	15 865	100,0%	-	15 680
South African Broadcasting Corporation: Public Broadcaster	135 403	-	13 000	148 403	148 403	100,0%	-	133 821
South African Broadcasting Corporation: Elections Coverage	35 000	-	-	35 000	35 000	100,0%	-	-
SA Post office LTD Operations	524 270	-	-	524 270	524 270	100%	-	519 273
TOTAL	777 906	-	13 000	790 906	790 906	-	-	735 355

ANNEXURE 1D

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government / International organisation	2023/24					2022/23	
	TRANSFER ALLOCATION			EXPENDITURE		Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Transfers							
African Telecommunication Union	1 326	-	-	1 326	1 326	1 320	1 281
Universal Postal Union (UPU)	9 085	-	-	9 085	9 087	8 875	7 532
Pan African Postal Union (PAPU)	1 403	-	-	1 403	1 403	1 353	1 313
International Telecommunications Union (ITU)	26 589	-	-	26 589	26 588	24 293	22 218
Organisation for Economic Cooperation and Development	232	-	-	232	232	233	218
DONA Foundation	1 568	-	-	1 568	1 568	1 447	1 240
Smart Africa Alliance	913	-	-	913	912	880	794
Pan African Postal Unio (PAPU)	-	-	-	-	-	-	810
TOTAL	41 116	-	-	41 116	41 116	38 401	35 406

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2023/24						2022/23	
	TRANSFER ALLOCATION			EXPENDITURE			Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
H/H Post retirement benefit	728	-	-	728	728	100,0%	694	694
H/H Leave gratuity	1 497	-	-	1 497	1 497	100,0%	1 698	1 696
H/H Refund and Remissions as an act of grace	78	-	-	78	78	100,0%	64	64
H/H Donations Gifts	182	-	-	182	182	100,0%	56	56
H/H Claims against the state	5 659	-	-	5 659	5 659	100,0%	544	544
TOTAL	8 144	-	-	8 144	8 144		3 056	3 054

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

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

Received in kind Sponsorships	Nature of gift, donation or sponsorship Sponsorships received in the 2022/23 financial year	2023/24 R'000	2022/23 R'000
SENTECH	Venue hire	-	86
German Agency for International Cooperation	Digital Skills Conference November 2022	-	1 918
International Labour Organisation(ILO)	Implementation of the digital skills for decent jobs on Youth Programme in South Africa	-	1 921
MULTICHOICE	Entertainment: Provided South African live band in Romania	-	1 500
MTN Group	Sponsorship to the South African Reception in Romania	-	5 000
VODACOM	Sponsorship to the South African Reception in Romania	-	5 000
TELKOM	Sponsorship to the South African Reception in Romania	-	4 000
ICASA	Sponsorship to the South African Reception in Romania	-	1 000
ICASA	Sponsorship towards RSA reception	-	247
HARAMBEE	Technical support to capacitate BBI for Presidential Employment Stimulus	-	1 725
ICASA	Sponsorship to Federation International De Philatelie (FIP) International Exhibition	-	100
HUAWEI	Sponsorship to Federation International De Philatelie (FIP) International Exhibition	-	180
HUAWEI	Hiring of vehicles for Ministers, VIP Protection accommodation and DigiTech Screens for GovTech	-	500
Liquid Intelligent Technologies	Décor for GovTech	-	50
Multichoice	Ministers accommodation for GovTech	-	155
ZADNA	Sponsorship to Federation International De Philatelie (FIP) International Exhibition	-	176
Sponsorships received in the 2023/24 financial year			
MTN	Sponsorship towards the Post Budget Vote Event	200	-
Seacom	Sponsorship towards the Post Budget Vote Event	100	-
Multichoice	Sponsorship towards the Post Budget Vote Event	307	-
SoftwareAG	Sponsorship towards the Post Budget Vote Event	100	-
Telkom	Sponsorship towards the Post Budget Vote Event	150	-
Huawei	Sponsorship towards the Post Budget Vote Event	150	-
SITA	Development of Online Registration System	180	-
ICASA	Sponsorship towards the 9th BRICS Ministerial Meeting	100	-
ZACR	Sponsorship towards the 9th BRICS Ministerial Meeting	100	-
Seacom	Sponsorship towards the 9th BRICS Ministerial Meeting	50	-
SAB	Sponsorship towards the 9th BRICS Ministerial Meeting	20	-

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

WITU	Sponsorship towards the 9th BRICS Ministerial Meeting (36 Wines)	6	-
BBI	Sponsorship towards the 9th BRICS Ministerial Meeting	150	-
EOH	Sponsorship towards the 9th BRICS Ministerial Meeting	175	-
Huawei	Sponsorship towards the 9th BRICS Ministerial Meeting	300	-
Seacom	DCDT Portfolio Performance Review	50	-
Huawei	DCDT Portfolio Performance Review	50	-
Vodacom	Sponsorship towards the National Digital Skills Conference	100	-
AWS	Sponsorship towards the National Digital Skills Conference	100	-
Honor Technologies	1000 School Bags towards the Ministerial Back-to-School Programme	399	-
Altron	Production and Dev environment using enterprise grade equipment for 5 schools towards the Ministerial Back-to-School Programme	838	-
SoftwareAG	20 Laptops towards the Ministerial Back-to-School Programme	198	-
Honor Technologies	Catering for 100 people during the DM's ICT SMME Stakeholder Engagement in KZN	25	-
Cell C	250 School Bags towards the Ministerial Back-to-School Programme	50	-
GIZ	Professional Support for the 2023 Digital and Future Skills National Conference	599	-
SENTECH	Daily sponsorship packages & venue for 70 participants during the hosting of the SADC satellite communication workshop held 16-20 October 2023	216	-
ICASA	Provision for delegate transport during the hosting of the SADC satellite communication workshop, from 15-21 October 2023	59	-
EOH	20 Laptops towards the Ministerial Back-to-School Programme 2023	198	-
.zaDNA	Catering for 50 people during the DM's ICT SMME Stakeholder Engagement in KZN 2024	14	-
BBI	Catering for 400 people to cover shortfall at DM outreach event in Limpopo Province	20	-
BBI	Sponsorship of line item (x30 Marshalls) for DM outreach event in Northern Cape	4	-
SoftwareAG	10 Laptops towards DM outreach events in Northern Cape 2024	99	-
SoftwareAG	10 Laptops towards DM outreach events in Western Cape 2024	99	-
US department of state bureau (CDP)	Economy class return flights, Accommodation, meals, and transport	-	-
Digital Skills for Jobs and Income (DS4JI)	Registration fee, Economy class return flights, and accommodation	-	-
Digital Skills for Jobs and Income (DS4JI)	Registration fee, Economy class return flights, and accommodation for Kenya	-	-
GIZ	Economy class return flights, Accommodation, and daily allowance of 44 Euro per day	-	-
Marshall European center for security studies	Economy class return flights, accommodation, meals, and transport	-	-

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

International Training Centre of the International Labour Organisation (ITCILO)	Training costs and accommodation	-	-
Software Engineering Institute & US Department of Cyber and Digital Policy bureau	Economy class return flights and accommodation	-	-
African Union in partnership with GIZ	Economy class return flights and accommodation	-	-
Universal Postal Union (UPU)	Economy class return flights, accommodation, lunch, and daily allowance of 50 US\$ per day	-	-
GSMA	Registration fee	-	-
Cyberspace Administration of the People's Republic of China	Accommodation and Meals	-	-
Total sponsorships		5 206	23 558
Subtotal - received in kind		5 206	23 558
Received in kind			
Gifts			
HUAWEI	Promotional Material	-	150
ICASA	Gifts for ITU delegates in Romania	-	150
SENTECH	Gifts for ITU delegates in Romania	-	300
HUAWEI	Blankets for Minister's Outreach Programme	-	30
South African Express Parcel Association	Gift for speakers	-	5
Total gifts		-	635
Subtotal - received in kind		-	635
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		5 206	24 193

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: VOTE 30
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 1G**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE****Nature of gift, donation or sponsorships made**

(Group major categories but list material items including name of organisation)

2023/24
R'000

2022/23
R'000

Made in kind**Gifts**

Ministerial Gifts (ITU Council)

1

-

Women's Day Gifts

44

-

Gifts BRICS ICT Meeting

329

-

World Economic Forum

1

-

Total gifts

375

-

Donations

SAPO (Toners and cartridges)

99

-

Total donations

99

-

Sponsorships

Travel and accommodation

104

269

Exhibition stand, promotional and marketing material, stamps, frames, cards, stickers, envelopes and coffee table books for the Federation International De Philatelie (FIP) International Exhibition

-

369

Translators

-

73

Total sponsorships

104

711

TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND

578

711

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	SOEs PFMA Schedule type (state year-end if not 31 March)	% Held 2023/2024	% Held 2022/2023	Number of shares held		Cost of investments		Net asset value of investments		Profit/(Loss) for the year		Losses guaran- feed
				2023/24	2022/23	R'000	R'000	R'000	R'000	2023/24	2022/23	
National / Provincial Public entity												
USAASA	3A	100%	100%	-	-	-	-	-	-	8 921	(115 662)	No
USAF	3A	100%	100%	-	-	-	-	-	-	(106 369)	64 543	No
Telkom	2	41%	41%	207 038 058	207 038 058	2 070 381	2 070 381	6 211 142	7 359 399	3 556 000	(9 671 000)	No
SAPO	2	100%	100%	693 115 884	693 115 883	10 564 116	8 164 116	(7 478 805)	(7 478 805)	(2 161 777)	(2 161 777)	No
NEMISA	3A	100%	100%	-	-	-	-	-	-	(7 034)	(1 318)	No
SENTECH	3B	100%	100%	2 000	2 000	75 892	75 892	2 432 600	2 578 843	(146 822)	(147 719)	No
Vodacom		0,004%	0,004%	63 658	63 658	3 743	3 743	6 273	7 769	19 264 000	18 111 000	No
BBI Soc Limited	2	74%	74%	740 000	740 000	1 351 130	1 351 130	6 253	110 899	(141 418)	(121 148)	No
SITA	3A	100%	100%	-	-	-	-	-	-	417 236	530 720	No
SABC	2	100%	100%	1 000	1 000	3 200 000	3 200 000	(36 650)	1 019 471	(197 758)	(746 471)	No
ICASA	1	100%	100%	-	-	-	-	-	-	(14 398)	339 273	No
FPB	3A	100%	100%	-	-	-	-	-	-	(12 321)	(1 364)	No
TOTAL				900 960 600	900 960 599	17 265 262	14 865 262	1 140 813	3 597 576	20 458 260	6 079 077	

The figures provided for BBI and SITA are still preliminary (unaudited) figures based on the documents that were submitted as at 31 May 2024. The audits of the mentioned entities have not been finalised by 31 July 2024.

The figures provided for SAPO are as per the prior year audited financial statements, as preliminary unaudited figures as at 31 May 2024 are not available. An extension for the submission of the 2023/24 annual financial statements was granted and the audit had not commenced by 31 July 2024.

The National Treasury has issued the instruction for Rand Merchant Bank to dematerialise the 63 658 remaining Vodacom Shares in its Brokerage Account.

Based on the latest share statement from Rand Merchant Bank that the National Treasury has obtained as at 30 April 2024, the remaining shares are valued at R10,2 million.

The cost of the shares is R 3,743 million.

ANNEXURE 3A (CONTINUED)

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2024 - FOREIGN

Guarantor institution	Guaranteee in respect of	Original guaranteed capital amount	Opening balance 1 April 2023	Guarantees draw downs during the year	Guarantees repaid/cancelled/reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2024	Revaluation due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2024
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Telkom SA LTD	Société Générale export credit	355 333	99 434	-	(103 421)	3 988	-	-	-
TOTAL		355 333	99 434	-	(103 421)	3 988	-	-	-

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. Telkom Foreign guarantee @ Euro 17302963.46 * R20.535948 = R355,333 million Capital amount. Telkom Foreign guarantee: Closing Balance is zero due to settlement of the Telkom Guarantee. The disclosed figure is based on estimate.

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

Nature of liability	Opening balance 1 April 2023	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Total amount for possible legal claim	1 325	12 100	(350)	-	13 075
TOTAL	1 325	12 100	(350)	-	13 075

The following court cases are still pending, and the outcomes were unknown by 31 March 2024:

1. USAASA vs CZ Electronics/Minister.
2. DoC v Uniglobe Sunshine Travel.
3. Sekese and Department.
4. SAPO Business Rescue.
5. Postbank Forensic Investigation.
6. SITA Board Member

The following case was resolved and reduced from the contingent liability list during the financial year : DoC vs Senior Official

ANNEXURE 3B (CONTINUED)

Nature of liabilities recoverable	Details of liability and recoverability	Opening balance 1 April 2023	Movement during the year	Closing balance 31 March 2024
		R'000	R'000	R'000
Possible legal claim	DOC issued summons against the company for amongst others arrear rental and the company filed the counter claim. The matter has been dormant in court.	2 863	-	2 863
TOTAL		2 863	-	2 863

If the Department is awarded the case, the capital amount of R2, 863 million with interest of 15.5% and the projected legal fees of R250 000.00 will be recovered from the company. In terms of the in duplum rule interest will be kept at an amount not exceeding the capital amount.
Provision of the R250 000.00 for legal fees has been included under contingent liabilities.

ANNEXURE 4
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
National Treasury	-	-	-	2 400 000	-	2 400 000
Department of Planning, Monitoring and Evaluation	87	-	-	-	87	-
Department of Small Business Development	373	-	-	-	373	-
State Security Agency	-	-	48	-	48	-
TOTAL	460	-	48	2 400 000	508	2 400 000

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Public Works and Infrastructure	-	-	-	138	-	138
South African Police Service	-	-	799	-	799	-
Government Printing Works	-	-	83	-	83	-
Subtotal	-	-	-	138	-	138
Total Departments	-	-	882	138	882	138
OTHER GOVERNMENT ENTITIES						
Current						
South African Broadcasting Corporation	-	-	-	5 529	-	5 529
State Information Technology Agency	-	28 952	1 763	-	1 763	28 952
Broadband Infraco	-	-	-	40 588	-	40 588
Subtotal	-	28 952	1 763	46 117	1 763	75 069
TOTAL INTERGOVERNMENTAL PAYABLES	-	28 952	2 645	46 255	2 645	75 207

ANNEXURE 6
INTER-ENTITY ADVANCES PAID (Note 13)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2024	31/03/2023	31/3/2024	31/03/2023	31/3/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperation	-	-	3 000	8 686	3 000	8 686
Government Communications and Information System	1 421	-	-	1 460	1 421	1 460
TOTAL	1 421	-	3 000	10 146	4 421	10 146

ANNEXURE 7

NATURAL DISASTER OR RELIEF EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	-	-	-	342
Goods and services	-	-	-	-	-	-
List all applicable SCOA level 4 items	-	-	-	-	-	194
Communication	-	-	-	-	-	148
Property Payments	-	-	-	-	-	-
TOTAL NATURAL DISASTER OR RELIEF EXPENDITURE	-	-	-	-	-	342
Covid regulations were repealed.						

ANNEXURE 8

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2 AND 13)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value R'000	Balance outstanding as at 31 March 2023 R'000	Total amount prepaid / advanced in the current year R'000	Less: goods, services or capital assets received in the current year R'000	Add/Less: Other R'000	Balance outstanding as at 31 March 2024 R'000
Broadband Infraco	Entity of the Department	Presidential Employment Stimulus Broadband Access Fund	Goods and services	200 000	200 000	-	(68 949)	-	131 051
SENTECH	Entity of the Department	SA Connect	Goods and services	197 249	-	197 249	(42 111)	-	155 138
Broadband Infraco	Entity of the Department	SA Connect	Goods and services	518 369	-	518 369	(209 733)	-	308 636
Total prepayments				200 000	200 000	715 618	(320 793)	-	594 825
Government Communications & Information Systems	National Government	Advert and Marketing			1 460	1 617	(291)	(1 365)	1 421
Department of International Relations & Cooperations	National Government	Travel and Accommodation			8 686	253	(5 939)	-	3 000
Total advances					10 146	1 870	(6 230)	(1 365)	4 421
TOTAL PRE-PAYMENTS AND ADVANCES					210 146	717 488	(327 023)	(1 365)	599 246

The R1,365 million refund was received from the GCIS.

The Department disbursed funds to BBl and Sentech for SA Connect, as reflected on the "current year advances", the entities have confirmed spending against those funds as reflected in the "received in the current year" column.



communications &
digital technologies

Department:
Communications & Digital Technologies
REPUBLIC OF SOUTH AFRICA

iParioli Office Park
1166 Park Street
Hatfield, Pretoria

www.dcdt.gov.za
@CommsZA

Private Bag X 860, Pretoria 0001

iParioli Office Park
1166 Park Street, Hatfield, Pretoria, 0001

RP: RP37/2024
ISBN: 978-0-621-51815-3
ANNUAL REPORT: DCDT 2023/4