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REPORT

ANNUAL

communications &
digital technologies

Department:
Communications & Digital Technologies
REPUBLIC OF SOUTH AFRICA

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REPUBLIC OF SOUTH AFRICA

Department of Communications and
Digital Technologies

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Annual Report for the 2024 / 2025
Financial Year

Tabled on
30 September 2025

Table of Contents

Part A

General Information

1. DEPARTMENT GENERAL INFORMATION

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2.   LIST OF ABBREVIATIONS/ACRONYMS

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

3.   FOREWORD BY THE MINISTER

It is my honour to present the 2024/25 Annual Report of the Department of Communications and Digital Technologies (DCDT), which marks the culmination of our strategic journey under the 2019–2024 Medium-Term Strategic Framework. This period has been characterised by an ongoing commitment to digital transformation, innovation, and inclusive development across South Africa.

In this critical era of innovation and rapid technological change, our mission is to ensure that digital inclusion becomes a reality for all South Africans. Bridging the digital divide and unlocking opportunities for economic growth and development were central to our priorities.

As part of the Government of National Unity (GNU) we have affirmed our collective commitment to building a digitally inclusive, pioneering, and future-ready South Africa.

With the rate of technological advancement and digital interconnectivity, the GNU has prioritised the need to harness the transformative power of digital technologies in unlocking economic opportunities, enhancing service delivery, improving governance and promoting social equity.

Achievements

In the year under review, the Department made notable strides in advancing key policy priorities and achieving strategic outcomes. Progress was made in the finalisation of the National Data and Cloud Policy Implementation Plan, the development of the National Artificial Intelligence Policy, and the successful operationalisation of the Artificial Intelligence Institute of South Africa.

Intensified efforts over the past year to improve the legal and regulatory environment reflect a renewed commitment to unlocking the potential of digital technologies to drive economic growth and job creation. This work has aimed to enable transformation, improve governance, and create policy certainty to attract investment. Key interventions included work on the draft policy direction on the recognition of Empowerment Equity Investment Programmes to support inclusive growth in the ICT sector, and progress towards finalising the SITA regulations to strengthen procurement and service delivery.

We have continued to roll out ICT labs and digital skills programs in rural areas and townships that are equipping thousands of young people with the tools to thrive in the digital economy.

Internationally, we reinforced South Africa's leadership by actively engaging in forums such as BRICS, the WTSA, the G20 Digital Economy Working Group and the Global Digital Compact, developing strategic country positions aligned with our ICT priorities.

Challenges

Despite these achievements, the Department faced challenges, particularly in the timely implementation and monitoring of key frameworks such as the Digital Economy Masterplan and

the PC4IR Strategic Implementation Plan. Infrastructure rollout delays, procurement bottlenecks, and incomplete stakeholder reporting affected performance in some areas. The Department also fell short in fully coordinating equity and inclusion efforts, especially around the participation of women, youth, and persons with disabilities in the ICT sector.

Strategic Focus Going Forward

Looking ahead, the Department will build on the progress made and focus on implementing the new Medium-Term Development Plan. Strengthening the governance of the various entities under the purview of the Department remains a core focus.

Together with our continued efforts to improve the legal and regulatory frameworks that governs the sector, strategic priorities will include increasing access to affordable and reliable digital infrastructure, accelerating the reimagining and review of the legislative and regulatory framework to unlock new opportunities, implementing the National Artificial Intelligence Policy and the Digital Economy Masterplan, strengthening national cybersecurity frameworks, and promoting broader and more inclusive participation in the digital economy.

In pursuit of these priorities, we are committed to deepening public-private partnerships, strengthening oversight of our public entities, and driving impactful digital transformation initiatives that benefit all South Africans.

Acknowledgements

I extend my appreciation to the Deputy Minister, the Director-General, and the Department's entire leadership and staff for their dedication, professionalism, and commitment to service delivery. I also thank our public entities, stakeholders, and industry partners for their collaboration in advancing our shared digital agenda. A special word of thanks goes to the Parliamentary Oversight Committee for their constructive engagement and support

Conclusion

The 2024/25 financial year was a period of meaningful progress amidst complex challenges. As we enter a new strategic cycle, the Department remains resolute in its vision of a digitally empowered, inclusive, and globally competitive South Africa. We have set ourselves challenging targets and will pursue them with singular focus.

By working together with our private sector partners, entities and stakeholders, we will continue to harness the power of technology to drive growth, create opportunities, meaningfully connect society and transform lives.

Mr Solly Malatsi

Minister of Communications and Digital Technologies

29 August 2025

4. DEPUTY MINISTER STATEMENT

The 2024/25 financial year marks a pivotal moment in the Department of Communications and Digital Technologies' continued pursuit of an inclusive digital society. As we conclude the final year of the 2019–2024 Medium-Term Strategic Framework, it is fitting to reflect on the significant progress made in driving the digital transformation agenda and creating a foundation for sustained socio-economic growth through technology.

In his 2024 State of the Nation Address delivered at the Cape Town City Hall on 08 February 2024, His Excellency, President Cyril Ramaphosa remarked, "As we mark the 30th anniversary of our freedom, we are reminded of the words of President Nelson Mandela, who said that after climbing a great hill, one only finds that there are many more hills to climb." This analogy finds no better expression than in our fast-paced digital transformation.

The ICTs have fast moved from being instruments of communication to being the backbone of economic growth. With dedication, integrity, and collaboration, we will work to advance the digital agenda, improve service delivery, and bridge the digital divide in our country and ensure that we leave no one behind.

Activities and Highlights

During 2024/25 reporting period, the Department continued to deliver impactful programmes across its strategic outcomes. We made commendable progress in policy development, notably through the finalisation of the National Data and Cloud Policy Implementation Plan and the development of the Draft National Artificial Intelligence Policy. These policies are critical in shaping South Africa's position in the global digital landscape and will support future innovation and competitiveness.

The successful switch-off of all analogue transmitters for bands below 694 MHz in all nine provinces of our country following delicate engagements with all stakeholders, marked a significant move for South Africa as we move closer to a fully digital broadcasting environment. The biggest gain in this process was the freeing up of spectrum for telecommunications providers to aggressively rollout resilient networks across the country. Our work in this space has supported both spectrum efficiency and improved access to quality broadcasting for all citizens.

Connectivity expansion through the SA Connect programme remained a key priority. While there were delays in some remote areas, we successfully monitored progress and initiated critical phases of implementation to ensure greater digital access for schools, healthcare facilities, and traditional communities.

The Department also monitored the deployment of e-Government services and spearheaded digital skills development programmes targeting youth, women, and public servants. These efforts contributed directly to employment creation, capacity building, and enabling citizens

to participate meaningfully in the digital economy. This exercise directly addresses the triple challenges of inequality, unemployment and poverty our country has been grappling with.

Acknowledgements / Appreciation

I would like to express my deep gratitude to the Honourable Minister for his unwavering leadership and vision. I also extend my appreciation to the Director-General and the dedicated team at the Department who have worked tirelessly to implement our mandate.
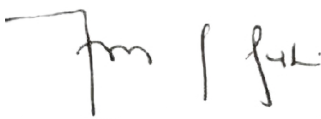
A special thank you goes to our public entities, private sector partners, and civil society stakeholders for their cooperation and commitment. Your contributions have been critical in driving forward our digital transformation agenda.

I also wish to acknowledge the Parliamentary Portfolio Committee on Communications and Digital Technologies for their continued oversight and engagement, which has strengthened our governance and accountability.

Conclusion

As we transition into the next phase of our national development planning, we remain committed to building a digitally inclusive South Africa that leverages technology to improve lives and drive economic prosperity. DCDT will continue with its efforts to ensure that South Africa's is a digital economy forerunner on the continent and in the world, and no South African is left behind. There is still work to be done, but the foundations laid in the 2024/25 financial year provide a strong platform for the Department to deepen its impact.

Let us continue to work together across sectors and communities to ensure that the benefits of digital transformation are realised by all South Africans.

Mr Mondli Gungubele

Deputy Minister of the Department of Communications and Digital Technologies

29 August 2025

5. REPORT OF THE ACCOUNTING OFFICER

- **Overview of the operations of the Department:**

The Department of Communications and Digital Technologies (DCDT) continued to pursue its mandate of enabling digital transformation and ensuring accessible communications infrastructure and services across South Africa during the 2024/25 financial year. Its operations spanned administrative improvements, international collaborations, policy development, infrastructure support, oversight of state-owned entities, and advancing digital skills and inclusion initiatives. The Department maintained a strong focus on enhancing efficiency and service delivery, particularly through digital innovations and policy frameworks aimed at strengthening South Africa's digital economy.

During the reporting period, the Department achieved several notable results. In administration, it successfully digitised workflow management systems, including the development of the e-Claims system, and achieved a 100% compliance rate in paying valid invoices within 30 days. The Disaster Management Programme was also developed as planned. In international relations, the Department met its targets by developing and approving three country positions aligned with South Africa's ICT priorities, focusing on BRICS, the World Telecommunication Standardization Assembly (WTSA), and the Global Digital Compact (GDC). It also coordinated two significant international programmes to support digital economy initiatives.

In terms of policy development, the department made substantial progress by finalising the National Data and Cloud Policy Implementation Plan and developing the draft National Artificial Intelligence (AI) Policy. Oversight of public entities remained a priority, the Department successfully analysed 100% of performance and compliance reports from state-owned enterprises (SOEs). The monitoring of the South African Post Office (SAPO) Business Rescue Plan, the South African Broadcasting Corporation (SABC) Strategy, and the State Information Technology Agency (SITA) Repurposing Recommendations was also completed as planned.

Infrastructure development and support were marked by the successful monitoring of the revised SA Connect Model, aimed at expanding internet access to government facilities, communities, and key public institutions. The department also oversaw the analogue switch-off of transmitters below 694 MHz, a critical milestone in the broadcasting digital migration, and monitored strategic national cybersecurity programmes to enhance digital safety.

In the area of information society and capacity development, the department met its goals by monitoring the automation of e-Government services and coordinating digital and future skills programmes to build local capacity in digital technologies. The National AI Plan was developed and approved, further strengthening South Africa's position in the global AI landscape.

However, the department faced several challenges. It did not achieve its target of submitting the Audio and Audio-Visual Content Services and Online Safety Bill to Cabinet and struggled to fully

monitor the implementation of the Digital Economy Masterplan due to delays in receiving progress reports from stakeholders. Similarly, the PC4IR Strategic Implementation Plan was only partially coordinated, with gaps in supporting evidence. Efforts to monitor the participation of women, youth, and persons with disabilities in the ICT sector also fell short, as did the coordination of the DCDT Integrated Plan of Action on Gender-Based Violence (GBV) and the District Development Model Plan, largely due to an insufficient portfolio of evidence and incomplete reporting.

A significant highlight of the year was the progress in the broadcasting digital migration process, particularly the monitoring of the analogue switch-off in key provinces. The launch and operationalisation of the Artificial Intelligence Institute of South Africa (AIISA) and progress on the National AI Policy underscored South Africa's commitment to harness AI for socio-economic development. Internationally, active participation in forums such as BRICS, WTSA, and the GDC reinforced South Africa's influence in shaping global digital policy.

- **Overview of the Financial Results of the Department:**

  - **Departmental receipts**

Departmental receipts	2024/25			2023/24		
	Estimate	Actual Amount Collected	Over)/ Under Collection	Estimate	Actual Amount Collected	(Over) / Under Collectio
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	78	92	(14)	61	73	(12)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	1 930	2 746	(816)	1 995	7 507	(5 512)
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	500	321	179	400	9 089	(8 689)
Total	2 508	3 159	(651)	2 456	16 669	(14 213)

The reason for the over collection is mainly due to the increase in the "Interest, dividends and rent on land" and is attributed to an increase in the interest earned from the bank account balance. The increase for over collection is due to the interest that was received for the funds that was deposited by ICASA in the commercial bank account that DCDT has to surrender to the National Revenue Fund.

- **Programme Expenditure**

Programme Name	2024/2025			2023/2024		
	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	273 812	262 245	11 567	262 910	249 504	13 406
ICT INTERNATIONAL RELATIONS AND AFFAIRS	75 936	65 860	10 076	75 010	74 026	984
ICT POLICY DEVELOPMENT AND RESEARCH	39 691	27 831	11 860	36 386	27 658	8 728
ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT	1 742 840	1 741 447	1 393	1 648 771	1 648 771	-
ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	1 768 904	755 232	1 013 672	1 217 463	1 213 859	3 604
ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	67 428	62 548	4 880	71 645	65 837	5 808
TOTAL	3 968 611	2 915 163	1 053 448	3 312 185	3 279 655	32 530

The Department of Communication and Digital Technologies had a total budget of R 3.969 billion for 2024/25 financial year. The budget allocation was increased by R 656.4 million or (16%) as compared to the previous financial year allocation of R 3.312 billion. Of the total budget, goods and services amount to R1.891 billion (47.7%) of which R1.708 billion is for SA Connect project. The Project is a multi-year project of which Phase 2 is set to be completed on 31 March 2026. During this current financial year, the Modified Cash Standard were changed, and the Department

could not expense the advances paid to the entities. As at 31 March 2025, the amount that was not expensed forms part of the underspending total of R1.005 billion.

Underspending on compensation of employees which resulted in savings of R35.3 million or 11% is due to the following reasons:

- The Department was unable to fill vacant funded positions during the current financial year.

- The organizational structure was approved by the 31st of August 2024 followed by the implementation of the structure.

- The positions that must be filled must be job graded, and job evaluated before it can be advertised.

- The Department also had to allow a migration process for the current "warm bodies" to be matched into the new organizational structure.

The process for developing the job descriptions and evaluating the remaining vacant positions is underway and earmarked to be finalised during the first quarter of the new financial year

Underspending on capital assets is due to the acquisition of assets for 2024/25 financial year that did not materialize as planned for bulk procurement of laptops as well as two vehicles for the Executive Authority that were delivered late and could not be paid in this financial year.

The allocation for compensation of employees amounted to R 309,5 million (8%), while R 4,5 million (0.1%) was allocated for payment for capital assets and payment for financial assets amount to R1.8 million.

The spending for 2024/25 financial year amounted to R2.915 billion (73,5%) of the total budget of R 3.969 billion resulting to an underspending of R 1.053 billion (27%). Spending in the previous financial year was R3.280 billion (99%) from a budget of R 3.312 billion. The underspending under goods and services is mainly under computer services due to SA Connect project and under compensation of employees was due to funded vacant positions not filled as the Department was still working on the organisational structure.

THE SPENDING TRENDS PER PROGRAMME ARE OUTLINED BELOW:

Programme 1: Administration

The programme had a final budget of R273.8 million and expenditure amounted to R 262.2 million (95.8%) in the current year, compared to R 249.5 million expenditure in the 2023/24 financial year.

Programme 2: ICT International Relations and Affairs

The programme had a final budget of R 75.9 million and expenditure amounted to R 65.9 million (86.7%) in the current year, compared to R 74 million expenditure in the 2023/24 financial year.

Programme 3: ICT Policy Development and Research

The programme had a final budget of R 39.7 million and the spending totalled to R 27.8 million (70%) in the current year, compared to R 27.7 million expenditure in the 2023/24 financial year.

Programme 4: ICT Enterprise Development and Public Entity Oversight

The programme had a final budget of R 1.743 billion and expenditure amounted to R 1.741 billion (99.9%) in the current year, compared to R 1.649 billion expenditure in the 2023/24 financial year. The increase was due to an adjustment of R150 million from SA Connect project to transfers and subsidies through the virement of funds transferred to South African Post Office (SAPO) during 2024/25.

Programme 5: ICT Infrastructure Development and Support

The programme had a final budget of R 1.769 billion and expenditure amounted to R 755.2 million (42.7%) in the 2024/25 financial year as compared to expenditure of R 1.214 billion in the 2023/24 financial year. The underspending during the year under review is as a result of the delay in implementing the SA Connect project.

Programme 6: ICT Information Society and Capacity Development

The programme had a final budget of R 67.4 million and expenditure amounted to R 62.5 million (92.8%) in the 2024/25 financial year as compared to expenditure of R 65.8 million in the 2023/24 financial year.

- **Virements/roll overs**

Virements as reflected on the Appropriation Statement were applied in terms of section 43(1) of the Public Finance Management Act, 1999 (Act 1 of 1999) which stipulates that virements may not exceed 8% of amount appropriated under that main division. Funds amounting to R741 thousand, R3.5 million, R 153.8 million and R 4.8 million from programmes 2,3,5 and 6 were transferred respectively to programme 1 and programme 4 respectively to defray excess expenditure. Programme 1 was overspending mainly under goods and services due to expenditure incurred for the Presidential Inauguration and legal fees for SAPO business rescue. R150 million was viremented from programme 5 to programme 4 for SAPO business rescue.

- **No roll-over during the year under review**

- **Unauthorised, fruitless and wasteful expenditure as well as irregular expenditure**

All fruitless and wasteful new cases and all irregular expenditure legacy cases were dealt in line with the National Treasury Framework and consequence management where necessary was applied.

The Department recorded seven (7) fruitless and wasteful expenditure cases, relating to no show for compulsory training, no show accommodation and flight to the amount of R255 462,78. The Loss Control Committee has adjudicated on five (5) cases on the no show training cases and will adjudicate on the two (2) no show cases of accommodation and flight in the 2025/26 financial year.

The Department recorded 3 new cases of Irregular expenditure, 2 of the cases relate to late finalisation of service level agreements between the Department and the service providers and 1 case relate to a contract variation amount that exceeded the 15% threshold.

The Loss Control Committee continues to eliminate legacy cases. The value of legacy cases was reduced from R183,061 million to R79,102 million, which consists mainly of 2 cases amounting to R78,7 million of which the Department awaits all legal processes to conclude and the remaining 3 cases on the Loss Register will be removed once all internal process has been concluded. The 3 new cases were identified during the audit process and will be dealt with by the Loss Control Committee during the 2025/26 financial year.

The Department recorded unauthorised expenditure amounting to R4,741 million for the 2013/2014 financial year which related to excess expenditure due to exchange rate variation on payments to international membership fees. The unauthorised expenditure was presented to SCOPA in September 2023 by the Department. 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, Department awaits formal finalization of SCOPA processes on this case. The Finance Bill for the Unauthorised Expenditure has been drafted but yet to be enacted.

- **Strategic focus over the short to medium term period**

As South Africa advances its vision of a digitally inclusive and globally competitive economy, the Department of Communications and Digital Technologies remains committed to driving impactful programmes that enable digital transformation, enhance connectivity, and promote economic participation through technology. The strategic focus over the short to medium term (2025/26 to 2027/28) reflects a deliberate alignment with national development priorities and the evolving needs of society. Each programme within the Department is structured to deliver tangible outcomes that contribute to a capable, secure, and responsive digital ecosystem. The ensuing narrative outlines the key deliverables and intended results of each programme over the next three financial years, underscoring the Department's role as a catalyst for digital growth, innovation, and inclusion.

Over the medium-term period, Programme 1 will focus on strengthening internal systems, promoting timely service delivery, and improving organisational resilience through structured digital transformation and risk management initiatives. A key priority is the phased implementation Digital Transformation Strategy. In the 2025/26 financial year, the department aims to achieve 20% implementation of the strategy. This will be followed by an additional 20% implementation in both 2026/27 and 2027/28, thereby supporting incremental modernization of core business processes and digital platforms.

Maintaining financial discipline remains a fundamental objective. The department targets to sustain 100% of valid invoices being paid within 30 days of receipt over the three-year MTEF period. This will ensure continued compliance with National Treasury regulations and support positive supplier relationships. Another strategic focus area is the continued monitoring of the implementation of the approved Disaster Management Programme. Having been developed and initiated in previous years, the programme's implementation will be systematically monitored. This

will ensure that disaster risk mitigation efforts are maintained and integrated into departmental operations.

International Relation and Trade Programme will continue to drive South Africa's strategic engagement in international ICT forums by developing and aligning country positions with national digital transformation priorities. These efforts are aimed at promoting South Africa's interests and influence in global digital governance and regulatory developments. For the 2025/26 financial year, the department will develop and approve four country position papers, focusing on key platforms including the G20, PAPU, UPU, and WTDC. This marks an expansion from previous years and demonstrates the growing importance of aligning national priorities with multilateral digital agendas. The focus for 2026/27 will shift to the development and approval of three country position papers cantered on ITU, ATU, and the Global Digital Compact (GDC). In 2027/28, the department plans to finalize two country position papers, focused on BRICS and the SADC ICT Strategy, reflecting a strategic consolidation and regional integration approach.

In addition to the country positions, the programme will support global leadership on emerging technologies. In 2025/26, a report on the development of the G20 Task Force on Artificial Intelligence (AI) Implementation Plan will be completed. This initiative will contribute to South Africa's preparedness and policy alignment on AI governance within the global context. Furthermore, Programme 2 will contribute to the implementation of international digital economic policies through the development of three reports on the implementation of Digital Economy Working Group (DEWG) outcomes in 2025/26. These reports will inform both national decision-making and ongoing multilateral engagements in shaping the digital economy agenda.

ICT Policy Development and Research Programme will play a central role in shaping the digital policy and regulatory environment to support digital transformation and affordable connectivity in South Africa over the next three financial years. A key legislative focus will be the Audio and Audio-Visual Content Services and Online Safety Bill. In 2025/26, the department will finalise the development of the draft Bill. In 2026/27, the Bill will be submitted to Cabinet for approval for public consultation, and in 2027/28, the Bill will be submitted to Cabinet for approval to be introduced in Parliament. This progressive approach reflects the department's commitment to safeguarding online environments while aligning regulatory frameworks with evolving digital content trends.

To support economic transformation, the Digital Economy Masterplan Implementation Plan will be a major priority. In 2025/26, the department will develop a revised implementation plan aimed at contributing to GDP growth, job creation, SMME development, and transformation. The plan will then be progressively monitored, with 20% of the implementation targets tracked in 2026/27 and 40% in 2027/28.

To improve the affordability of connectivity, several strategic interventions are scheduled. In 2025/26, the Cost to Communicate Programme of Action (POA) will be developed and submitted for approval. This will be followed by monitoring of the POA's implementation. Complementing this initiative, a Policy Direction on applications for I-ECNS licenses will be finalised and published in 2025/26. Legislative reforms will also advance the finalization of the Electronic Communications Amendment (ECA) Bill on competition matters, which is set to be submitted to the FOSAD Cluster in 2025/26.

In terms of employment creation, the Digital Economy Programme aims to deliver tangible outcomes. A target of 20,000 jobs is set for 2025/26, increasing to 40,000 in 2026/27, and 50,000 in 2027/28. These targets highlight the Department's focus on leveraging digital transformation for inclusive economic growth. Additionally, the Roadmap for Sun-setting 2G/3G cellphone technologies will be monitored from 2025/26 onwards, in alignment with the spectrum policy. By 2027/28, the department aims to support 35% adoption of 4G/5G smartphones, contributing to network modernization and improved digital access. Finally, over all three years of the MTEF period, the Department will continue to process and recommend applications related to Equity Equivalent Investment Programmes (EEIPs) to the Department of Trade, Industry and Competition (DTIC), reinforcing private sector investment in transformation initiatives.

ICT Enterprise Development and SOE Oversight Programme will maintain its strategic focus on strengthening governance and improving the performance of ICT public entities over the medium term. A core priority is ensuring oversight and accountability of State-Owned Enterprises (SOEs) within the portfolio. For each year from 2025/26 through to 2027/28, the department will ensure that 100% of received SOE performance and compliance reports are analysed, with recommendations submitted. This continued oversight supports improved transparency, decision-making, and service delivery performance across key entities. The Department will also concentrate on the consolidation and evaluation of governance outcomes. In each of the three MTEF years, a consolidated report on governance performance targets will be developed, covering key entities such as SABC, BBI, SAPO, and Sentech. This report will guide improvements in shareholder oversight and institutional accountability.

In addition, Programme 4 will continue monitoring the implementation of the redesigned SITA business model, which was reviewed and repurposed in prior years. Monitoring of its implementation will take place annually from 2025/26 to 2027/28, ensuring alignment with national ICT service delivery objectives and support for digital transformation across departments. Furthermore, a roadmap document on the rationalisation of BBI and Sentech will be finalized in 2025/26. In the following years, 2026/27 and 2027/28, the department will monitor the implementation of the roadmap's approved rationalisation option, ensuring that the restructuring process is executed effectively and aligned with policy objectives.

ICT Infrastructure Support Programme 5 will focus on expanding internet access and enhancing the security and resilience of South Africa's digital infrastructure. This will be achieved through structured implementation of broadband initiatives, national cybersecurity programmes, and policy development for radio communication. A key priority is the continued rollout and monitoring of the revised SA Connect Model. Across all three MTEF years ,2025/26, 2026/27, and 2027/28, the department will produce four quarterly monitoring reports annually. These reports will focus on tracking internet connectivity progress for government institutions, communities, households, public schools, healthcare facilities, and traditional authority sites. This reflects the department's commitment to inclusive and comprehensive digital access.

Another strategic area is the enhancement of cybersecurity through the monitoring of national cybersecurity programmes and services. The Department will develop three quarterly monitoring reports each year from 2025/26 to 2027/28, ensuring that critical cybersecurity initiatives are implemented and evaluated consistently in response to evolving threats. Programme 5 also plays a pivotal role in international spectrum management. In 2025/26, preliminary technical

and regulatory studies will be conducted to inform South Africa's first draft position for the World Radiocommunication Conference 2027 (WRC-27). This will be followed by the development of second draft preliminary positions, and in 2027/28, the final country position will be developed and approved, preparing South Africa for effective participation in WRC-27 deliberations.

Further supporting broadband access, in 2025/26, the department will develop and approve a research report on fixed household connectivity. The implementation of recommendations from this report will be monitored in 2026/27, with a measurable target set for 25% of households to be connected via fixed connectivity by 2027/28. This will directly contribute to bridging the digital divide and enhancing last-mile connectivity for underserved populations.

ICT Information Society and Capacity Development Programme will continue to drive inclusive digital transformation and capacity development by focusing on digital government, skills development, social equity, and enabling digital policy implementation. A key strategic target is the implementation of the Digital Transformation Roadmap. In 2025/26, the department will monitor its implementation, with a focus on the development of the zero-rated gov.za website. This will be followed in 2026/27 by monitoring progress on identity verification processes for single sign-on functionality on the gov.za portal. By 2027/28, the department will monitor the migration of 20 prioritised government services onto the portal, a major step in improving e-government access and efficiency.

To support broader digital adoption, the department will also monitor the implementation of digital transformation efforts by other government departments throughout the MTEF period. Promoting uptake of digital services is also prioritized through increasing internet usage for government services. In 2025/26, the department will develop and approve a research report on internet usage, followed by implementation of its recommendations in 2026/27. By 2027/28, the goal is for 35% of internet users to be actively engaging in government services online.

To address digital skills gaps, the department will finalize the National Digital Competence Framework in 2025/26, building on a research report developed in the prior year. This framework will serve as a national benchmark to guide future digital skills development and alignment with workforce needs. Policy development in frontier technologies also features prominently. In 2025/26, the Draft National Artificial Intelligence (AI) Policy will be submitted to Cabinet for approval. Implementation of the AI Policy and its associated plan will commence in 2026/27 and continue through 2027/28.

On social transformation, the Department will continue to monitor inclusion and equity through the development of two annual monitoring reports on the participation of women, youth, and persons with disabilities in procurement, SMME development, and employment within the department and its entities, for each of the three years.

The department will also intensify its efforts to combat gender-based violence. For each year from 2025/26 to 2027/28, the "365 Days of No Violence Against Women and Children" programme and the Youth and Children Programme will be implemented in all nine provinces, in support of the National Strategic Plan on GBVF.

To support district-level service delivery, the department will also coordinate the implementation of departmental and SOC priority projects in prioritized districts and metros annually throughout

the MTEF period. Finally, Programme 6 includes efforts to enhance South Africa's digital reputation globally. In 2025/26, the department will develop an improvement plan on global ICT rankings. In 2026/27 and 2027/28, it aims for a 10% improvement in global rankings as measured by key indices such as the ICT Development Index (IDI), WEF Global Competitiveness Report, and the UN e-Government Survey.

- **Public Private Partnerships**

   No PPPs were reported in the previous financial year and no new PPPs entered into.

- **Discontinued key activities / activities to be discontinued**

   There are no new or discontinued key activities.

- **New or proposed key activities**

   There are no new or proposed activities

- **Supply chain management**

   The Department did not have unsolicited bid proposals during the year under review. Irregular expenditure has been dealt with in line with the guidelines from National Treasury. The Supply Chain Management (SCM) policies, procedures and delegations have been put in place to ensure more stringent controls to prevent irregular expenditure. All the bid committees are in place, namely: Specification, Evaluation and Adjudication. There are capacity constraints in the Supply Chain Unit that are negatively impacting segregation of responsibilities and duties. This should be resolved by the implementation of the organisational structure.

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

   As per the table below the Department received in kind the following gifts, donations or sponsorships

NAME OF ORGANISATION	GIFT, DONATION OR SPONSORSHIP RECEIVED IN KIND	R'000
Bit2Bit (PTY) Ltd	Internet Connectivity and Wi-Fi Connection for 24 months for Ekuphumleni Full-Service School in Kenton-on-Sea and Jim Mvabaza Senior Secondary School in King William's Town	548
Digital Council Africa	Hosting the 30th anniversary celebration of the ICT Sector.	300
Giga Connectivity Forum	Daily subsistence allowance - GIGA Connectivity Forum Geneva Switzerland	22
Multichoice	Venue for budget vote viewing and stakeholder engagement.	235

NAME OF ORGANISATION	GIFT, DONATION OR SPONSORSHIP RECEIVED IN KIND	R'000
British Embassy	Flights and accommodation (OECD dialogue on AI, Cairo Egypt)	39
Honor SA	1500 locally sourced fleece blankets and 213 Power banks	345
Digital Council Africa	Venue Hire and Catering	550
Huawei	Dinner Catering and Promotional Material	200
Association of Communications and Technology	DCDT Portfolio Day	50
SEACOM	DCDT Portfolio Day	50
Huawei	DCDT Portfolio Day	100
Total		2 439

- **Exemptions and deviations received from the National Treasury**

  There are no exemptions or deviations in the reporting period.

- **Events after the reporting date**

  There are no events after the reporting.

- **Other**

  None

- **Acknowledgement/s or Appreciation**

I would like to express my profound and heartfelt gratitude to the Honourable Minister and Deputy Minister for their visionary leadership, unwavering commitment, and strategic guidance throughout the 2024/25 financial year. Their steadfast dedication to the advancement of South Africa's digital transformation agenda and their insightful direction have been critical in steering the Department of Communications and Digital Technologies towards achieving its objectives. Their focus on ensuring that the Department remains aligned with national priorities has been a cornerstone of our progress and success.

Furthermore, I extend my sincere appreciation to the Department's entire workforce comprising management, technical teams, administrative staff, and support personnel whose tireless dedication, resilience, and professionalism have been the driving force behind our achievements this year. Your continued commitment, even in the face of challenges, has not only ensured the smooth execution of our programmes but has also elevated the Department's service delivery standards. To the governance committees and executive management team, your oversight, strategic input, and focus on good governance have been invaluable in maintaining the integrity, accountability, and transparency of our operations.

I would also like to acknowledge with deep appreciation, the critical role played by our Parliamentary Oversight Committee. Their rigorous oversight, constructive feedback, and commitment to holding the Department accountable have significantly strengthened our processes and reinforced public confidence in our work. Your engagement has ensured that our initiatives remain responsive to the needs of citizens and aligned with the legislative framework.

My sincere thanks also go to the leadership and teams of our State-Owned Entities (SOEs), whose collaboration and steadfast efforts have been essential in translating policy into practical outcomes. Your work in delivering on the government's strategic objectives has been vital to the broader ICT ecosystem, and your continuous support is deeply valued.

Additionally, I extend my gratitude to our partners in the ICT industry. Your innovation, agility, and commitment to expanding digital infrastructure and services have played a pivotal role in driving socio-economic development. Our collaborative efforts have fostered technological advancement, enhanced connectivity, and contributed meaningfully to national growth. Together, we will continue to strive to expand the sector's contribution to South Africa's GDP, enhance competitiveness, and unlock new opportunities for all citizens.

Finally, I wish to thank all other stakeholders, partners, and communities who have engaged with and supported the department's initiatives throughout the year. Your partnership and feedback are essential as we collectively work towards bridging the digital divide and building an inclusive digital society.

Conclusion

Reflecting on the 2024/25 reporting period, I am confident that the collective efforts of our Department, underpinned by the strategic leadership of our Political Principals and the steadfast commitment of our staff, SOEs, industry partners, and stakeholders, have positioned us strongly to advance our key priorities. Despite facing several challenges, we have made significant strides in implementing programmes that are central to the digital transformation of our economy and society.

Looking ahead, we remain resolute in our commitment to delivering on our mandate as articulated in the Medium-Term Strategic Framework. Our focus will be on deepening digital inclusion, strengthening digital infrastructure, enhancing policy frameworks, and fostering innovation to ensure that the benefits of the digital economy are accessible to all South Africans. I am confident that with continued collaboration, robust partnerships, and a shared vision, we will not only meet but exceed our strategic objectives.

As we navigate the future, let us maintain our collective resolve to drive meaningful change, harness the power of technology to uplift communities, and contribute decisively to the socio-economic development of our nation. Together, by leveraging our shared expertise, resources, and dedication, we can overcome challenges, seize emerging opportunities, and build a digitally empowered, inclusive, and prosperous South Africa for all.

- **Approval and sign off**

(signature)

Ms Nonkqubela Thathakahle Jordan-Dyani

Accounting Officer

Department of Communication and Digital Technologies (DCDT)

Date: 29 August 2025

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 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 2025.

Yours faithfully

Accounting Officer
Ms Nonkqubela Thathakahle Jordan-Dyani
Date: 29 August 2025

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

The establishment and operations of the Department of Communications and Digital Technologies (DCDT) are underpinned by specific constitutional and legislative mandates, as well as key government policy frameworks that guide its strategic direction and programme implementation.

Constitutional Mandate

The department's primary constitutional mandate is derived from Section 192 of the Constitution of the Republic of South Africa, 1996, which provides for the regulation of broadcasting in the public interest and ensures fairness and diversity of views broadly representing South African society. Furthermore, Section 97 of the Constitution provides the legal basis for the transfer of functions between departments, which enabled the reconfiguration and establishment of the DCDT.

Following the National Elections in May 2019, the President announced the establishment of the National Department of Communications and Digital Technologies. This was formalised through Presidential Proclamations published in the Government Gazette on 14 August 2019 (President's Minute No. 372), which confirmed, in accordance with Section 97 of the Constitution, the transfer of the administration, powers, and functions assigned by legislation to the Minister of Communications.

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.

Name of Act Purpose	Purpose
Electronic Communications and Transactions Act, 2002 (Act No. 25 of 2002)	To provide for the facilitation and regulation of electronic communications and transactions; the development of a national e-strategy for the Republic; to promote universal access to electronic communications and transactions and the use of electronic transactions by Small, Medium and Micro-sized Enterprises (SMMEs); to provide for human resource development in electronic transactions; to prevent abuse of information systems; to encourage the use of e-Government services; and to provide for matters connected therewith.
Electronic Communications Act, 2005 (Act No. 36 of 2005)	To promote convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting services; to provide for the granting of new licenses and new social obligations; to provide for the control of the radio frequency spectrum; to provide for the continued existence of the Universal Service Agency and the Universal Service Fund; and to provide for matters incidental thereto.
Independent Communications Authority of South Africa, 2000 (Act No. 13 of 2000)	In so far as the Independent Communication Authority may make recommendations to the Minister on policy matters and amendments to the Electronic Communications Act, No. 36 of 2005 and the Postal Services Act, No. 124 of 1998, which accord with the objectives of these Acts to promote development in the electronic transactions, postal and electronic communications sectors. Furthermore, in so far as policy made, and policy directions issued, by the Minister in terms of the Postal Services Act, No 124 of 1998, the Electronic Communications Act, No 36 of 2005 and any other applicable law.
South African Post Bank Limited Act, 2010 (Act No. 9 of 2010)	To provide for the incorporation of the Postbank Division of the South African Post Office; to provide for the transfer of the enterprise of that Division to the Postbank company; to provide for the governance and functions of the Postbank company; and to provide for matters connected therewith.
South African Post Office SOC Ltd Act, 2011 (Act No. 22 of 2011)	To provide for the continued corporate existence of the South African Post Office and its subsidiaries; to provide for its governance and staff; and to provide for matters connected therewith.

Name of Act Purpose	Purpose
State Information Technology Agency Act, 1998 (Act No. 88 of 1998)	To provide for the establishment of a company that will provide information technology, information systems and related services to, or on behalf of, participating departments and in regard to these services, act as an agent of the South African Government; and to provide for matters connected therewith.
Broadband Infraco Act, No. 33 of 2007.	To provide for the main objectives and powers of Broadband Infraco (Proprietary) Limited; to provide for the borrowing powers of Broadband Infraco (Proprietary) Limited; to provide for servitudes and additional rights in favour of Broadband Infraco (Proprietary) Limited; to provide for the expropriation of land or any right in land by the Minister on behalf of Broadband Infraco (Proprietary) Limited; to provide for the conversion of Broadband Infraco (Proprietary) Limited; into a public company having a share capital incorporated in terms of the Companies Act, 2008; 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, 2008; and to provide for matters connected therewith.

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

Public Service Act (Proclamation No. 103 of 1994) and **Public Finance Management Act (Act No. 1 of 1999)**:

Govern public administration and financial management within the department, ensuring accountability and good governance.

Policy Frameworks

The Department's work is also guided by key national policy frameworks, which shape its strategic priorities and programme interventions:

- **National Integrated ICT Policy White Paper (2016)**: Provides the overarching policy direction for transforming South Africa into an inclusive, people-centred, and development-oriented digital society.

- **Digital Economy Masterplan**: Guides efforts to harness digital technologies to drive economic growth, job creation and socio-economic development.

- **National e-Government Strategy and Roadmap**: Provides a framework for digitising government services to enhance accessibility, efficiency, and service delivery.

- **Cybersecurity Policy Framework of South Africa**: Outlines the national approach to securing cyberspace and managing cyber risks.

- **Broadband Policy (SA Connect)**: Aims to deliver widespread broadband access to support socio-economic development and digital inclusion.

- **4th Industrial Revolution (4IR) Strategic Implementation Framework**: Guides the country's readiness and responsiveness to the opportunities and challenges of the 4IR, including artificial intelligence, big data, and emerging technologies.

9. ORGANISATIONAL STRUCTURE

Minister
Hon. Mr Solly Malatsi, MP

Deputy Minister
Mr Mondli Gungubele, MP

Director-General
Ms Nonkqubela Jordan-Dyani

Programme 1:
Administration

Programme 2:
ICT International Relations and Affairs

Programme 3:
ICT Policy Development and Strategy

Programme 4:
ICT Enterprise & Public Entity Oversight

Programme 5:
ICT Infrastructure Development & Support

Programme 6:
ICT Information Society and Capacity Development

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 (2008).	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-serviced 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 persons in under-serviced 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.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
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.
BBI	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: • Including but not limited to under-developed and under-serviced areas; • In support of projects of national interests; • In accordance with the Electronic Communications Act and commensurate with international best practice and pricing; and • Through the provision of electronic communications network services and electronic communications services.	Self-funded	Ensures that the high-capacity connectivity and bandwidth requirements for specific projects of national interests are met. BBI is a Tier-1 Shareholder in the WACS under-sea cable that provides international internet broadband connectivity via the West Coast of Africa to Portugal and London. The company also plays a crucial role in providing connectivity to other companies in the neighbouring countries (SADC)

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
SENTECH	Sentech was licensed through the Telecommunications Amendment Act (2001) as a state-owned enterprise to provide common carrier broadcasting signal distribution services to licensed broadcasters in South Africa.	Transfer of funds	Provides signal distribution services in the broadcasting industry.
SABC	The mandate of the South African Broadcasting Corporation SOC Limited (SABC) as a public broadcaster is defined in terms of the following statutes: • 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	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
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.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
FPB	The Film and Publications Board was established in terms of Films and Publications Act of 1996 to Regulate the creation, production, possession, and distribution of certain publications and certain films by means of classification, the imposition of age restrictions, and giving of consumer advice.	Transfer of funds	Ensures protection of children against premature exposure to adult experiences and harmful materials; provides consumer advice to enable adults to make informed viewing, reading, and gaming choices, for themselves and for children in their care; as well as criminalising child pornography.

Part B

Performance Information

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The 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 194 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

During the 2024/25 reporting period, the Department of Communications and Digital Technologies (DCDT) operated in an environment characterised by both opportunities for digital advancement and a range of challenges that influenced its ability to fully implement its strategic plan and annual performance plan.

The Department continued to make notable progress in enhancing access to digital infrastructure, services, and skills development, directly impacting the lives of South Africans. Key services delivered to the public included the expansion of broadband connectivity through the SA Connect programme, which aimed to provide internet access to government facilities, schools, health centres, and underserved communities. The Department also monitored the analogue switch-off as part of the Broadcasting Digital Migration project, a significant step toward modernising South Africa's broadcasting sector and improving the quality of broadcasting services to the public. Additionally, the implementation of e-Government services continued, with a focus on automating services to improve accessibility and efficiency for citizens.

Despite these successes, the Department faced several challenges. One of the main hurdles was the slow pace of infrastructure rollout in some remote and underdeveloped areas, largely due to logistical complexities, limited local capacity, and delays in procurement processes. This impacted the Department's ability to meet some of its broadband connectivity targets within the planned timelines. Similarly, while progress was made in the digital migration process, community awareness and decoder distribution remained ongoing challenges, particularly in rural provinces where technical support and public engagement required more intensive efforts.

The Department also encountered difficulties in monitoring and coordinating the implementation of strategic frameworks such as the Digital Economy Masterplan and the PC4IR Strategic Implementation Plan. Delays in receiving comprehensive progress reports from stakeholders hindered full execution and the availability of sufficient evidence to validate some of the achievements. Moreover, the Department's efforts to promote equity and inclusion in the ICT sector, particularly in monitoring the participation of women, youth, and persons with disabilities, faced challenges due to gaps in data collection and verification.

Externally, the evolving global digital landscape and rapid technological changes placed additional pressure on the Department to adapt and respond swiftly to emerging needs. The

increasing demand for high-speed internet, driven by the growth of remote work, digital education, and e-commerce, heightened expectations for the Department to accelerate infrastructure development and digital literacy programmes. Furthermore, cybersecurity threats continued to rise, necessitating greater focus on the implementation and monitoring of national cybersecurity initiatives to safeguard critical information infrastructure.

The socio-economic context, including persistent inequality and poverty, also influenced the demand for affordable digital services and the urgency of bridging the digital divide. In response, the Department worked closely with its partners and stakeholders to prioritise high-impact interventions and adopted a phased approach to ensure sustainable delivery over the medium term.

Corrective steps have been put in place to address these challenges. These include enhancing interdepartmental coordination mechanisms, strengthening monitoring and evaluation frameworks to ensure timely reporting from stakeholders, and increasing public-private partnerships to accelerate infrastructure rollout. The Department is also intensifying its community outreach and awareness campaigns, particularly in areas related to digital migration and digital literacy, to ensure broader public participation and benefit.

While the DCDT has made tangible progress in delivering critical digital services and infrastructure, it remains mindful of the ongoing challenges and is committed to continuous improvement. The Department's proactive approach to addressing operational hurdles and leveraging strategic partnerships will be key to realising its vision of an inclusive, connected, and digitally empowered South Africa.

In terms of the performance against its 2024/25 Annual Performance Plan, the Department planned to achieve 25 targets. Of the 25 planned targets, the Department was able to achieve 19 (76%) APP targets, and 6 (24%) APP targets were not achieved. The overall 2024/25 performance is 76% as depicted in the graphs below:

2.2   Service Delivery Improvement Plan

DCDT 2024/25 Organisational Performance

Not Achieved 24%

Achieved 76%
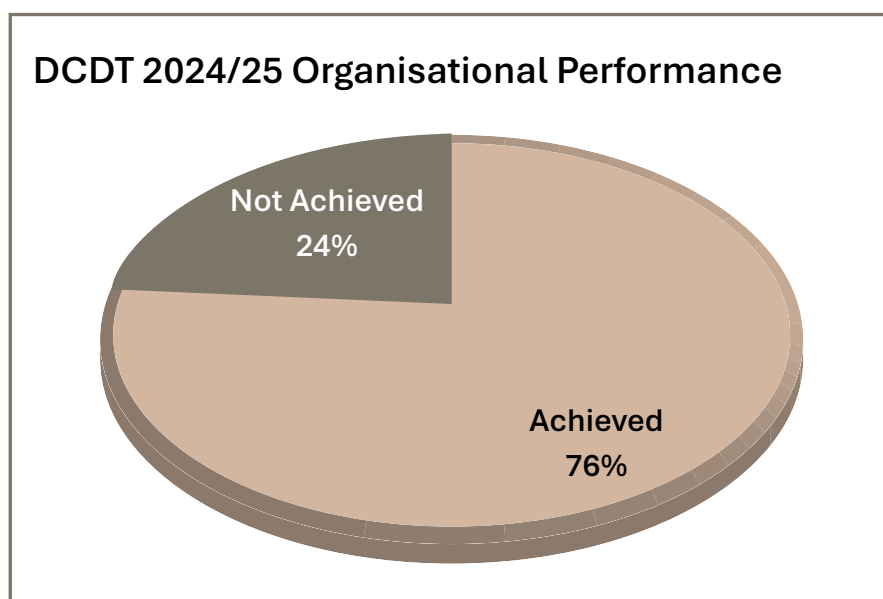
Throughout the 2024/25 reporting period, the Department operated under a startup structure, with the finalisation and the implementation of the organisational structure underway. During the 2025/26 financial year, the DCDT will finalise and approve the Service Delivery Improvement Plan (SDIP), outlining core services and standards, after the approval of the organisational structure.

However, during the reporting period, the Department has developed and implemented its service in alignment with the Batho Pele principles. The services focus on enhancing key services such as broadband rollout, digital migration and cybersecurity awareness. While the current standard of service delivery has been limited in scope, significant progress has been made, including broadband rollouts in select underserved areas and increased coverage in digital migration efforts.

To strengthen engagement with stakeholders, DCDT has transitioned from ad hoc consultations to more structured and regular stakeholder engagements. Information dissemination tools have also been improved, with upgrades to the Department's website, the development of a e-Claim system, and the launch of social media platforms to facilitate interactive communication. Additionally, the complaints mechanism will evolve from a basic email system to a more robust platform with a web-based submission forms. These initiative will reflect the Department's commitment to improving service standards, responsiveness, and accessibility for all beneficiaries.

2.3 Organisational environment

During the 2024/25 reporting period, the Department of Communications and Digital Technologies (DCDT) encountered several organisational developments that had both positive and challenging impacts on its ability to implement its Strategic Plan and Annual Performance Plan effectively.

Since the establishment of the DCDT in 2019 until 30 March 2025, the Department was operating with the start-up structure, which was meant to be in place for a period not exceeding 12 months. During this period the Department embarked on a major organisational structure review and reconfiguration process, which ensured the alignment of the new organisational structure to the DCDT strategies and priorities. This resulted in the overhaul of the approved 'start-up' structure, which led to the redesigning of the existing posts and the creation of new posts.

The absence of an approved structure posed several challenges including, amongst other things, the filling of vacancies, human resource planning and operational efficiencies and instability as various employees are in rotational acting capacity.

Following the concurrence of the new organisational structure by the Minister for Public Service and Administration and the approval by the Minister on 27 August 2024, the Department initiated and conducted the employee migration process, which facilitated the matching and placing of employees into the new approved structure, and employees were issued with placement letters. This process paves the way for the Department to advertise vacant positions that could not be filled through the employee migration process, as the filling of positions was affected during the transitional period.

The Department commenced with the processes of validating the job descriptions and confirming the job grading to enable the recruitment process to fill funded vacancies.

The Department is in the process of implementing the change management strategy and plan to mitigate risks relating to uncertainties and low staff morale that could be borne out of the changes to the organisational structure. All the senior managers are directly responsible for driving, reinforcing and embedding structure, policies and process changes in their functional areas.

The Department has commenced with the activities to initiate a culture transformation journey. Employee engagement will be facilitated with all employees to enable them to contribute to defining the required DCDT envisaged culture and encourage all employees to align with the new DCDT Culture vision.

2.4   Key policy developments and legislative changes

During the 2024/25 reporting period, the Department of Communications and Digital Technologies (DCDT) advanced several significant policy initiatives and engaged in key legislative processes aimed at strengthening South Africa's digital transformation agenda.

A notable policy development was the finalisation and approval of the National Data and Cloud Policy Implementation Plan. This framework is designed to drive the secure, efficient, and sovereign management of data and cloud services across the public sector, enhancing digital infrastructure resilience and supporting the broader digital economy.

The Department also made substantial progress on the National Artificial Intelligence (AI) Policy. The draft policy, developed during the reporting period, sets the foundation for responsible AI development and use, ensuring alignment with international best practices and addressing ethical, legal, and socio-economic considerations.

In the legislative arena, the Department continued to prioritise the Audio and Audio-Visual Content Services and Online Safety Bill, which aims to modernise regulatory frameworks for digital content and enhance online safety protections. Although the Bill was not submitted to Cabinet for approval within the reporting period, preparatory work, including stakeholder engagements and technical refinements, advanced its readiness for the next legislative cycle.

Additionally, the Department actively monitored and supported the implementation of the revised Analogue Switch-Off Plan, a critical component of the Broadcasting Digital Migration programme, which has policy and legislative implications for the broadcasting sector.

Beyond these key areas, no major amendments to existing legislation or the introduction of new legislative mandates directly impacting the Department's core functions were recorded during the period under review.

During the reporting period, no legislative enactments were finalised within the financial year, significant strides were made in advancing crucial policy frameworks that will shape the future operational landscape of the Department and the broader ICT sector.

3.   ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department of Communications and Digital Technologies continued its commitment to achieving the impacts and outcomes outlined in its 2020–2025 Strategic Plan. These efforts align with the 2019–2024 Medium-Term Strategic Framework (MTSF) and contribute to the Department's vision of fostering a digitally enabled, inclusive, and competitive economy and society. The Department's work is structured around four core outcomes, each targeting key aspects of South Africa's digital transformation agenda.

Outcome 1: Enabling Digital Transformation Policies, Strategies, and Regulation

During the 2024/25 reporting period, the Department made notable progress in strengthening the policy and regulatory framework that underpins South Africa's digital economy. A significant achievement was the finalisation and approval of the National Data and Cloud Policy Implementation Plan, a key milestone in establishing a secure, sovereign, and efficient digital infrastructure for data management. This framework is critical in enhancing government digital services and facilitating economic growth through data-driven innovation.

The Department also advanced the development of the National Artificial Intelligence (AI) Policy. A draft policy was produced, positioning South Africa to harness the potential of AI technologies while ensuring ethical standards and socio-economic safeguards are in place. The policy lays a foundation for the responsible integration of AI into public services, the private sector, and society at large.

In the international arena, the Department successfully developed and approved three strategic Country Positions aligned with national ICT priorities. These positions, focused on BRICS, the World Telecommunication Standardization Assembly (WTSA), and the Global Digital Compact (GDC), underscored South Africa's proactive engagement in global digital governance. Through these efforts, the Department ensured that South Africa's interests and perspectives were represented in key international policy-making forums, reinforcing its commitment to international cooperation and alignment with global digital standards.

However, the Department also faced challenges during the reporting period. One of the key setbacks was the delay in submitting the Audio and Audio-Visual Content Services and Online Safety Bill to Cabinet. This Bill is intended to modernise regulatory frameworks governing digital content and bolster online safety, especially in an era of increasing digital consumption. The delay was primarily due to complex stakeholder consultations and the need for additional legal and technical clarifications, which extended the review process.

Similarly, the monitoring and implementation of the Digital Economy Masterplan encountered obstacles. While the Department had set ambitious goals to track progress on this critical blueprint, delays in receiving timely and comprehensive reports from stakeholders hindered the ability to fully assess and report on progress. This resulted in gaps in supporting evidence and slowed momentum toward achieving certain deliverables.

The PC4IR Strategic Implementation Plan also faced hurdles. Although some progress was made in coordinating specific projects under this plan, comprehensive coordination across all intended initiatives fell short of the Department's expectations. The supporting documentation was not

sufficient to demonstrate full achievement of targets, pointing to the need for stronger project tracking and reporting mechanisms.

To address these challenges, the Department has committed to enhancing its stakeholder engagement processes and strengthening its monitoring and evaluation frameworks. Measures are being implemented to ensure timely submissions of progress reports and to improve the clarity and accessibility of supporting documentation. Furthermore, the department is developing a phased action plan to expedite the advancement of key policies and ensure alignment with the country's broader digital transformation priorities in the next financial year.

This outcome plays a critical role in contributing to Medium Term Strategic Framework (MTSF) Priority 1, which focuses on building a capable, ethical, and developmental state, and MTSF Priority 7, which emphasizes strengthening South Africa's role in global digital diplomacy and governance. The Department's achievements in this area reflect a firm commitment to creating an enabling environment for digital transformation through sound policies, robust regulations, and active international engagement.

Outcome 2: Increased Access to Secure Digital Infrastructure and Services

In pursuit of its mandate to bridge the digital divide and promote equitable access to communications infrastructure, the Department made substantial progress under Outcome 2 during the 2024/25 reporting period. Central to these efforts was the continued rollout and monitoring of the SA Connect programme, which aims to expand broadband connectivity across South Africa, particularly in underserved and rural areas. The Department successfully coordinated the implementation of the revised SA Connect Model, focusing on enhancing internet access for government institutions, public schools, health facilities, traditional authority sites, and communities at large.

The implementation monitoring covered critical components such as government connectivity, community and household broadband access, and connectivity for public sector institutions. The Department's commitment to ensuring the availability of reliable and affordable digital infrastructure is key to facilitating socio-economic development and promoting digital inclusion for all South Africans.

In addition to broadband expansion, the Department achieved important milestones in the Broadcasting Digital Migration (BDM) programme. It monitored the analogue switch-off of transmitters below 694 MHz, a significant step in freeing up spectrum for improved broadband services. The Department also successfully oversaw the distribution and installation of decoders across all nine provinces, ensuring that households particularly those registered under government support programmes could transition seamlessly to digital television. The analogue switch-off was fully monitored in all provinces, marking significant progress in modernising the country's broadcasting infrastructure.

National cybersecurity was another area of achievement under this outcome. The Department closely monitored the implementation of strategic national cybersecurity programmes and services, reinforcing South Africa's cyber resilience. These initiatives are critical in safeguarding sensitive data, securing critical infrastructure, and building public trust in digital systems.

While the Department successfully met its planned targets in this Outcome area, operational challenges included litigation by stakeholders, delays in infrastructure rollout in certain remote areas due to logistical constraints, limited availability of local service providers, and, in some cases, adverse weather conditions that affected construction timelines. To mitigate these challenges, the Department strengthened partnerships with private sector service providers, enhanced interdepartmental collaboration, and introduced agile project management approaches to accelerate delivery where possible.

The progress made under Outcome 2 directly supports MTSF Priority 2, which focuses on economic transformation and job creation, and MTSF Priority 6, which emphasises social cohesion and safe communities. By expanding secure digital infrastructure and improving connectivity, the Department has laid the groundwork for improved public service delivery, digital economic growth, and greater social inclusion.

Outcome 3: Digitally Transformed Economy and Society

A core pillar of the Department's mandate is to foster a digitally transformed economy and society that empowers citizens and strengthens national competitiveness. During the 2024/25 reporting period, the Department achieved meaningful progress in advancing this Outcome through several key initiatives.

One of the Department's significant accomplishments was the continued implementation of the National e-Government Strategy and Roadmap, focusing on the automation of government services. The Department successfully monitored the deployment and operation of e-Government services via the national e-Portal, which serves as a single access point for prioritised public services. This initiative has enhanced the accessibility and efficiency of government services, reduced administrative burdens and enabled citizens to access services remotely, a key enabler of convenience and improved public satisfaction.

In the area of digital skills development, the Department coordinated the Digital and Future Skills Programme, partnering with both local and international stakeholders to implement a variety of training initiatives. This programme not only targeted youth, women, and other marginalised groups, but other citizens such as Municipal Councillors equipping them with the necessary digital competencies to participate actively in the digital economy. This initiative not only contributed to bridging the digital skills gap but also supports job creation and economic empowerment in line with national development priorities.

Another landmark achievement was the finalisation and approval of the National Artificial Intelligence (AI) Plan. The Department developed a draft National AI Policy, establishing a framework for the ethical, legal, and socio-economic management of AI technologies. This initiative positions South Africa as a forward-thinking nation in the realm of emerging technologies, laying the foundation for harnessing AI to drive innovation, improve public services, and stimulate economic growth.

However, despite these achievements, the Department faced notable challenges in promoting equity and inclusion within the ICT sector. The Department did not achieve its target of developing two monitoring reports on the economic participation of women, youth, and persons with disabilities. The monitoring reports that were compiled lacked sufficient supporting evidence

to comprehensively capture the extent of participation by these groups in procurement, SMME development, and employment equity in the sector. This shortfall underscored the need for stronger data collection mechanisms and more robust partnerships with relevant stakeholders to ensure effective tracking and reporting of inclusive participation metrics.

The Department also encountered challenges with the DCDT Integrated Plan of Action on Combating Gender-Based Violence (GBV). Although progress was made in implementing elements of the plan, the Department fell short of its target to fully coordinate 80% of the activities outlined in the plan in support of the National Strategic Plan (NSP) on GBV. Incomplete coordination and a lack of sufficient supporting evidence to validate certain activities were the primary obstacles.

The Department did face challenges in fully coordinating the District Development Model (DDM) Plan. The aim of this plan is to foster integrated service delivery through collaborative planning and implementation across districts and metros. Although a progress report was developed, the Department did not achieve its target of fully coordinating the implementation of the DDM Plan in all prioritised districts. Two key projects within the plan were not coordinated as expected, and there was insufficient supporting evidence to validate full achievement of the targets.

To address these challenges, the Department is reinforcing its internal monitoring and evaluation systems, engaging more deeply with stakeholders across sectors, and prioritising capacity-building initiatives to improve data quality and reporting standards. The Department will also prioritise strengthening intergovernmental collaboration frameworks, enhancing project management processes, and improving documentation standards to ensure comprehensive and verifiable reporting in the future.

This Outcome area contributes directly to MTSF Priority 2 (Economic Transformation and Job Creation) and Priority 6 (Social Cohesion and Safe Communities). The Department's achievements have bolstered the foundation for a digitally inclusive society and strengthened the digital skills base necessary for long-term socio-economic growth.

Outcome 4: High-Performing and Sustainable ICT Portfolio to Enable Achievement of Mandates and Policy Objectives

A crucial component of the Department's work is ensuring that the ICT public entities under its oversight are well-governed, financially sustainable, and aligned with national development goals. During the 2024/25 reporting period, the Department achieved significant progress in maintaining a high standard of governance and performance within its portfolio of state-owned entities (SOEs).

The Department achieved 100% compliance in analysing and submitting performance and compliance reports received from SOEs. This thorough oversight ensured that entities remained accountable and that their service delivery was aligned with their respective mandates and government priorities. The Department's rigorous monitoring reinforced good governance practices and supported improved operational performance across entities. Additionally, developed four shareholder compacts for entities listed under Schedule 2 and Schedule 3B. This assist to strengthened governance frameworks by clearly defining the roles, responsibilities, and expectations between shareholders and the entities, thereby enhancing accountability, transparency, and strategic alignment within these public sector organisations.

In addition to routine oversight, the Department played a central role in the monitoring of the SAPO Business Rescue Plan. The South African Post Office (SAPO) has been undergoing restructuring to stabilise its operations and ensure the continuation of critical postal services nationwide. The Department's monitoring ensured that the implementation of the rescue plan stayed on track, contributing to the long-term sustainability of SAPO.

The Department also successfully monitored the implementation of the SABC Strategy. The South African Broadcasting Corporation (SABC) has been undergoing a transformation to restore financial sustainability and improve service delivery. Through diligent oversight, the Department helped ensure that turnaround efforts were in line with the SABC's strategic goals, particularly regarding modernising broadcasting services and adapting to the evolving digital media landscape.

Similarly, the Department oversaw the State Information Technology Agency (SITA) Repurposing Recommendations, monitoring the implementation of recommendations aimed at transforming SITA's role to better serve government's ICT needs. This included ensuring that SITA's service delivery to client Departments was optimised and that its organisational structure was refined to meet modern digital requirements.

The Department further ensured the effective monitoring of the Performance Management System for ICASA Councillors. By doing so, the Department upheld accountability within the Independent Communications Authority of South Africa (ICASA), ensuring that Councillors met performance expectations and adhered to the regulatory mandate set by law.

A significant milestone achieved by the Department which was marked by the successful development of the e-Claims System. This innovation has fundamentally improved the way internal documents and claims are processed, substantially reducing manual interventions and enhancing overall efficiency. The deployment of this system represents a major advancement in the modernization of the Department's administrative functions, providing a robust platform for future enhancements in service delivery and operational performance.

In the area of financial compliance, the Department also demonstrated commendable performance. The programme committed to ensuring that 100% of valid invoices were paid within 30 days of receipt, a target fully aligned with public financial management regulations and service delivery standards. This underscored the Department's dedication to sound financial governance. Consistently meeting this benchmark reinforces strong partnerships with service providers and suppliers while fostering trust and accountability, hallmarks of a capable and ethical public service. Furthermore, the Department finalized the development of the Disaster Management Programme. This comprehensive framework is designed to strengthen the Department's resilience and readiness to respond to disruptions or emergencies.

Outcome 4 plays a vital role in contributing to MTSF Priority 1 (A Capable, Ethical, and Developmental State) and Priority 2 (Economic Transformation and Job Creation). The Department's focus on strengthening public entity performance, financial sustainability, and governance practices is essential to ensuring that the ICT sector remains robust, responsive, and aligned with national priorities.

Overall Progress and Strategic Alignment

The Department of Communications and Digital Technologies has made notable strides toward achieving its strategic impacts and outcomes during the 2024/25 reporting period. Through its focused work across four core outcomes which covers, policy and regulatory development, digital infrastructure expansion, societal digital transformation, and effective public entity governance, the Department has significantly contributed to South Africa's digital inclusion and economic empowerment objectives.

Key achievements as mentioned above included the finalisation of critical policy frameworks such as the National Data and Cloud Policy Implementation Plan and the development of the draft National Artificial Intelligence (AI) Policy. Infrastructure milestones, particularly in the SA Connect programme and the Broadcasting Digital Migration process, further strengthened South Africa's digital backbone. The continued rollout of e-Government services and Digital Skills Programmes enhanced public access to essential services and equipped citizens with tools to thrive in a digital economy.

The Department also ensured robust oversight of its ICT Public Entities, achieving full compliance in monitoring and reporting activities, and providing essential guidance in the restructuring efforts of key institutions like SAPO, SABC, and SITA. These achievements underscore the Department's commitment to good governance, financial sustainability, and operational excellence.

Nevertheless, challenges were encountered, particularly in policy implementation and inclusive participation monitoring. Delays in the submission of critical legislation, limited stakeholder reporting, and gaps in supporting evidence for certain targets pointed to areas requiring improvement. The Department has acknowledged these shortcomings and is actively working to strengthen its stakeholder engagement strategies, enhance monitoring and evaluation frameworks, and build internal capacity to mitigate such challenges in the future.

In terms of its contribution to national priorities, the Department's work aligns closely with several Medium-Term Strategic Framework (MTSF) priorities, including:

• **Priority 1: A Capable, Ethical and Developmental State** (Strengthening governance and building a capable, ethical, and developmental state).

• **Priority 2: Economic Transformation and Job Creation** (Driving economic transformation and job creation through digital empowerment);

• **Priority 6: Social Cohesion and Safe Communities** (Enhancing social cohesion and public safety by modernising communications infrastructure and promoting online safety);

• **Priority 7: A better Africa and World** (Elevating South Africa's role in global digital policy-making and international cooperation);

• **Cross Cutting Focus:** Women, Youth & Persons with Disabilities.

During the five-year reporting period, minor amendments were made to the Strategic Plan to ensure its continued relevance and responsiveness to emerging operational realities. These adjustments primarily involved the revision of target timelines for the Digital Economy Masterplan

and the PC4IR Strategic Implementation Plan, as well as refinements in monitoring processes for inclusive economic participation indicators. These amendments were carried out in consultation with oversight authorities and were aimed at aligning strategic outcomes with the practicalities of execution on the ground.

As the Department was in the final year of the 2019–2024 MTSF cycle and transcending in the Medium-Term Development Plan (MTDP) cycle it remains firmly committed to consolidating its gains and addressing existing gaps. The focus will be on accelerating the implementation of key legislative and policy frameworks, expanding digital infrastructure reach, enhancing stakeholder partnerships, and ensuring that the benefits of digital transformation are inclusive and accessible to all South Africans. By continuing to align its work with national priorities and strengthening its institutional capacity, the Department of Communications and Digital Technologies is well-positioned to deliver on its mandate of building a digitally enabled, inclusive, and competitive society.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 PROGRAMME 1: ADMINISTRATION

Purpose: Manage the organisational resources in an efficient manner and provide support 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 forms the foundation of the Department of Communications and Digital Technologies' ability to deliver on its mandate by ensuring that internal systems are efficient, compliant, and resilient. During the 2024/25 financial year, the programme focused on three key areas: digitising workflow management systems, ensuring timely payment of invoices, and developing a Disaster Management Programme. These efforts were aimed at strengthening internal governance and improving service delivery capacity.

A notable achievement was the implementation of the digital transformation strategy, specifically through the development of the e-Claims System. These innovations have transformed how the Department processes internal documents and manages claims, significantly reducing manual interventions and improving efficiency. The implementation of these systems are a major step forward in modernising the Department's administrative functions, laying a strong foundation for future improvements in service delivery and operational excellence.

Financial compliance was another area where the Department excelled. The programme set a target to pay 100% of valid invoices within 30 days of receipt, a benchmark aligned with public finance regulations and service delivery standards. This target was successfully met, reflecting the Department's commitment to sound financial governance. The ability to maintain this high standard not only strengthens the Department's relationships with service providers and suppliers but also builds trust and reliability, key components of a capable and ethical public administration.

In addition to these successes, the Department completed the development of the Disaster Management Programme. This comprehensive framework enhances the Department's ability to respond effectively to disruptions or emergencies, ensuring business continuity and safeguarding critical operations. The importance of this programme cannot be overstated, especially as the Department becomes increasingly reliant on digital platforms and infrastructure to deliver services.

The progress made in Programme 1 has directly contributed to the Department's overarching goal of maintaining a high-performing and sustainable operational environment. The achievements in digitisation, financial governance, and disaster preparedness have reinforced the Department's capacity to deliver on its strategic priorities, aligning with the government's Medium-Term Strategic Framework (MTSF) Priority 1, which focuses on building a capable, ethical, and developmental state.

Efforts were also made to prioritise the inclusion of women, youth, and persons with disabilities (PWDs) in the Department's operations. These included implementing inclusive procurement policies aimed at supporting enterprises owned by these groups and creating internship and mentorship opportunities to support professional development within the Department.

Overall, Programme 1: Administration has delivered significant improvements that underpin the Department's ability to meet its broader digital transformation goals. The programme's achievements have strengthened operational capacity, ensured compliance with governance standards, and established a more resilient infrastructure to support continuous service delivery. Moving forward, the Department remains focused on deepening its commitment to inclusivity and refining its monitoring mechanisms to ensure that all designated groups benefit from its administrative operations.

PROGRAMME PERFORMANCE REPORT FOR PROGRAMME 1: ADMINISTRATION

The table below provides progress only against the targets that were in the originally tabled APP

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High Performing and sustainable portfolio to enable achievement of their respective mandates and policy objectives	Workflow management systems digitised	Digitisation of the workflow management system	Department did not achieve the target of implementing the digital transformation strategy (Workflow Management system)	The Department achieved the planned target. The e-Submission System was developed.	e-Claims System developed	The Department achieved the planned target. The e-Claims system was developed	-	-
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 has achieved the planned target. 100% valid invoices were paid within 30 days from date of receipt.	100% of valid invoices paid within 30 days from date of receipt	The Department achieved the planned target. 100% valid invoices were paid within 30 days from date of receipt.	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High Performing and sustainable Portfolio to enable achievement of their respective mandates and policy objectives	Disaster Management Programme developed	Development of Disaster Management programme	-	The Department did not achieve the planned target on the implementation of Disaster Management Plan was not monitored as planned.	Disaster Management Programme developed	The Department achieved the planned target. The Disaster Management Programme was developed	-	-

Linking performance with budgets

Spending was R 262.2 million in 2024/25 financial year and R 249.5 million in 2023/24 financial year. Spending under goods and services increased from R 112.7 million in 2023/24 to R 126.3 million in 2024/25 financial year. Spending on travel and subsistence reduced from R 24.6 million to R 19.8 million in the year under review, However, contractors increased from R 811 thousand to R 12.7 million and Legal fees increased from R 6.2 million to R13 million respectively in the year under review. The spending rate under this programme was 95.8%.

Sub-programme expenditure

Sub- Programme Name	2024/2025			2023/2024		
	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	5 301	4 950	351	5 357	4 910	447
Departmental Management	62 559	60 868	1 691	67 871	60 585	7 286
Internal Audit	8 811	8 811	-	7 781	7 781	-
Corporate-Services	108 999	104 736	4 263	93 980	93 980	-
Financial Management	54 585	49 323	5 262	53 752	48 079	5 673
Office Accommodation	33 557	33 557	-	34 169	34 169	-
Total	273 812	262 245	11 567	262 910	249 504	13 406

Strategy to overcome areas of under performance

Although Programme 1 successfully achieved all of its planned targets during the 2024/25 financial year, including the digitisation of workflow management systems, timely payment of invoices within 30 days, and the full development of the Disaster Management Programme. These achievements demonstrate the Department's commitment to operational excellence and good governance. However, there are remaining areas where performance and impact could be strengthened to ensure long-term sustainability, responsiveness, and inclusivity. These areas relate less to quantitative target shortfalls and more to qualitative improvements, systemic resilience, and broader transformational impact particularly in data integration, equity monitoring, and organisational agility.

While the digitisation of workflow systems marked a critical milestone, opportunities remain to enhance integration, user training, and change management. The users may not yet be optimally utilizing the e-Claims systems. There is also room for increased automation and interlinking between digital platforms to avoid siloed data processes.

Furthermore, the development of the Disaster Management Programme, although completed as planned, presents an opportunity for implementation of the programme going forward.

To address these performance improvement areas, the Department will expand training on digital systems, a structured training and onboarding programme is being introduced for all staff to ensure maximum utilisation of the e-Claims systems. Refresher sessions, user guides, and system audits will also be undertaken to enhance user experience and performance across all branches.

Internal Feedback Mechanisms and Agile Review: A more agile approach to project implementation will be adopted, including internal quarterly reviews of system usage and administrative efficiency to allow for real-time adjustments and improvements.

While Programme 1 met its performance targets, the Department recognises that continuous improvement is essential. By focusing on strategic enhancements in inclusion monitoring, system usage, disaster readiness, and staff engagement, the Department aims to build a more responsive, inclusive, and future-ready administration platform that supports its broader digital transformation objectives.

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

Programme 1: Administration primarily centres on enhancing internal governance, financial compliance, and administrative efficiency within the Department of Communications and Digital Technologies. The outputs of this programme such as digitisation of internal systems, payment of invoices, and development of the Disaster Management Programme are operational in nature and tailored to the Department's specific mandate.

It is important to note that standardised outputs and output indicators are typically applicable to sectors with concurrent functions, such as health, education, and social development, where multiple Departments across various spheres of government implement the same or similar services. In the case of Programme 1, the focus areas do not align with these sectoral functions and therefore do not fall within the scope of national standardised outputs and indicators that require concurrent reporting.

For this reason, the Department did not incorporate standardised outputs and indicators for concurrent functions into its Annual Performance Plan under Programme 1. The outputs and indicators reported were specifically designed to meet the Department's unique operational needs and governance requirements. However, the Department remains vigilant in aligning with broader government frameworks and is prepared to adopt any relevant standardised indicators should new mandates be introduced that align with its operational scope in the future.

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

Programme 2: ICT International Affairs and Trade focuses on strengthening South Africa's position in the global digital landscape by advancing international cooperation, aligning with global ICT standards, and fostering partnerships that support the national digital transformation agenda. The programme's overarching outcome is to develop and implement policies and strategies that enable digital transformation and international engagement, thereby supporting the Department's focus of integrating South Africa into the global digital economy.

During the 2024/25 financial year, the programme achieved key successes aligned with its planned targets. One of the significant outputs was the development and approval of three country positions to support national ICT priorities. These positions focused on strategic international engagements within BRICS, the World Telecommunication Standardization Assembly (WTSA), and the Global Digital Compact (GDC). The department successfully met its target by ensuring that all three positions were developed and approved within the reporting period. This achievement was critical in strengthening South Africa's voice and influence in shaping global digital policy and standards, contributing directly to the Department's outcome of enabling digital transformation policies, strategies, and regulation.

In addition, the programme successfully coordinated the implementation of two international programmes that support digital economy initiatives. These programmes were designed to foster cross-border collaborations, promote digital trade, and enhance South Africa's participation in global ICT development initiatives. Meeting this target was instrumental in ensuring that the country remains integrated into the evolving global digital economy, providing opportunities for technological growth, investment, and skills development.

The successful delivery of these outputs contributed significantly to achieving the Department's outcomes, particularly by reinforcing South Africa's active participation in international ICT forums and ensuring alignment with international best practices. These achievements directly support national strategic priorities, including the Medium-Term Strategic Framework (MTSF) Priority 7, which focuses on strengthening South Africa's global influence and fostering a better Africa and world through international cooperation.

Programme 2 also aimed to prioritise the inclusion of women, youth, and persons with disabilities (PWDs) within its international engagements and programme activities. The Department made concerted efforts to ensure that delegations to international ICT events were representative and inclusive, providing opportunities for professionals from these designated groups to participate in global digital forums. This was achieved through targeted capacity-building initiatives and partnerships with local ICT organisations that focus on promoting diversity and inclusion.

Furthermore, the Department encouraged the participation of women, youth, and PWD-owned enterprises in international trade promotion activities. By working with business chambers and international trade facilitation bodies, the Department sought to create access pathways for these groups to explore and engage in global digital trade opportunities.

Despite these proactive efforts, the Department faced challenges in systematically monitoring and reporting on the specific participation of women, youth, and PWDs in international activities. One of the main hurdles was the absence of disaggregated data collection mechanisms that could capture detailed information on the representation and participation of these groups within the programme's international initiatives. This limitation impacted the Department's ability to fully evaluate and showcase its progress toward inclusivity goals.

In response to these challenges, the Department will ensure that it develops an enhanced data collection and monitoring framework, designed to track participation metrics more effectively across all international engagements. In addition, the Department will be strengthening its collaboration with local stakeholders, advocacy groups, and international partners to develop tailored programmes that better support the inclusion of women, youth, and PWDs in the ICT international affairs and trade sector. Training and awareness campaigns are also being planned to sensitise both internal teams and external partners on the importance of inclusive participation.

Programme 2: ICT International Affairs and Trade delivered strong performance in 2024/25, successfully achieving all its key targets and making meaningful contributions toward the Department's strategic outcomes. The programme's achievements have reinforced South Africa's presence in global ICT forums, advanced digital economy initiatives, and aligned the country's digital strategies with international best practices.

PROGRAMME PERFORMANCE REPORT FOR PROGRAMME 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS BRANCH

The table below provides progress only against the targets that were in the originally tabled APP

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	Country Positions to support the National ICT priorities approved.	Number of approved Country Positions to support the National ICT priorities.	The Department developed and approved 3 Country positions to support the National ICT priorities focused BRICS, ITU-PP 22 and WTDC. Reports on key outcomes of WTDC, BRICS and ITU-PP22 was developed.	3 Country Positions developed and approved to support the National ICT priorities focused on BRICS, UPU and WRC-23.	3 Country Positions developed and approved to support the National ICT priorities focused on BRICS, WTSA and Global Digital Compact (GDC)	The Department achieved the planned target. 3 Country Positions were developed and approved to support the National ICT priorities focused on BRICS, WTSA and Global Digital Compact (GDC)	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Digitally Transformed Economy and Society	International programmes supporting digital economy initiatives coordinated	Number of international programmes supporting digital economy	The Department coordinated the implementation of identified international programmes to support the digital economy initiatives	Implementation of two (2) International Programmes to support the digital economy initiatives coordinated	Implementation of two (2) International programmes to support the digital economy initiatives coordinated	The Department achieved the planned target. Implementation of two (2) International programs to support the digital economy initiatives was coordinated	-	-

52

Linking performance with budgets

Spending was R 65.9 million in 2024/25 financial year and R74 million in 2023/24 financial year. Spending under goods and services decreased from R12.1 million in 2023/24 to R 6.4 million in 2024/25 financial year. Spending in Contractors decreased from R 2.9 million in 2023/24 to R 0 spending in the year under review and venues and facilities also decreased from R 3.2 million to R 751 thousand in the year under review. Spending rate under this programme is at 86.7%.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2023/2024		
	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	4 421	1 572	2 849	1 898	915	983
International Affairs	12 184	10 181	2 003	17 748	17 747	1
ICT Trade/ Partnership	59 331	54 107	5 224	55 364	55 364	-
Total	75 936	65 860	10 076	75 010	74 026	984

Strategy to overcome areas of under performance

Programme 2: ICT International Affairs and Trade successfully achieved its primary targets during the 2024/25 financial year, notably the development and approval of three country positions aligned with South Africa's ICT priorities and the coordination of two international programmes supporting digital economy initiatives. However, while the formal performance targets were met, the Department identified a gap in effectively tracking and reporting the participation of women, youth, and persons with disabilities (PWDs) in international activities. This was due to the absence of a detailed data collection system, limiting the Department's ability to showcase inclusivity outcomes.

To address this, the Department will be implementing an enhanced Monitoring and Evaluation (M&E) Framework to track disaggregated data on participation. It is also focusing on capacity-building for staff to improve inclusivity monitoring, strengthening partnerships with advocacy groups and international partners, and setting specific inclusivity performance targets for future periods. These measures aim to ensure more accurate reporting and meaningful participation of designated groups in the Department's international engagements.

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

Programme 2: ICT International Affairs and Trade is primarily focused on international cooperation, global digital governance, and the advancement of South Africa's participation in the international ICT landscape. The programme's core functions include developing country positions for international forums, coordinating global ICT partnerships, and supporting digital trade initiatives. These focus areas are strategic in nature and do not involve direct service delivery functions typical of sectors with concurrent mandates, such as health, education, or social development.

As a result, there are no standardised outputs and output indicators applicable to Programme 2 that fall under the national framework for sectors with concurrent functions. The outputs and indicators reflected in the Annual Performance Plan (APP) for this programme are non-standardised and specifically tailored to the Department's unique mandate in international ICT affairs. These include outputs such as the development of country positions and the implementation of international digital economy programmes, which are bespoke to the Department's role and responsibilities.

For this reason, the Department did not incorporate any standardised outputs and output indicators for concurrent functions within its APP and, consequently, did not report on them in the Annual Report. The Department remains committed to aligning with broader government performance frameworks and is prepared to adopt any relevant standardised indicators if future policy directives extend the Department's mandate to include concurrent service delivery functions.

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.

- **Media Policy** conducts research and develops print media and communication policies.

- **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 Outcome

- Enabling Digital Transformation Policies, Strategies and Regulation

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 3: ICT Policy Development and Research plays a critical role in shaping South Africa's digital future by formulating, reviewing, and implementing ICT policies, strategies, and legislation that guide the country's digital transformation. The overarching outcome of the programme is to establish an enabling policy environment that supports sustainable digital growth, economic inclusion, and technological advancement.

During the 2024/25 financial year, Programme 3 made significant progress in achieving its set targets. One of the programme's key outputs was the finalisation and approval of the National Data and Cloud Policy Implementation Plan, which provides a strategic framework for secure and sovereign data management. This milestone is vital for strengthening South Africa's data

infrastructure and ensuring that both public and private sectors can operate efficiently within a robust digital ecosystem.

Another important achievement was the development of the draft National Artificial Intelligence (AI) Policy, which lays out the ethical, legal, and socio-economic guidelines for AI integration in South Africa. This policy aims to position the country as a leader in responsible AI adoption, ensuring that technological advancements contribute positively to economic growth and social wellbeing.

Programme 3 also advanced efforts to update digital regulatory frameworks through the Audio and Audio-Visual Content Services and Online Safety Bill. While the Department did not meet its target of submitting this Bill to Cabinet within the reporting period, substantial work was undertaken in refining the draft through stakeholder consultations and legal reviews. This Bill is crucial for modernising digital content regulation and enhancing online safety measures, particularly for vulnerable populations.

Additionally, the programme monitored the implementation of the Digital Economy Masterplan and the PC4IR Strategic Implementation Plan. While these frameworks are critical for guiding South Africa's digital economy and Fourth Industrial Revolution (4IR) readiness, challenges in stakeholder reporting and data verification impacted the full achievement of targets for monitoring progress.

The successful delivery of these outputs contributed directly to the Department's outcomes, particularly by enabling digital transformation policies, strategies, and regulation. These efforts align with key national priorities, including MTSF Priority 1: A Capable, Ethical, and Developmental State and Priority 2: Economic Transformation and Job Creation, by strengthening the policy environment necessary for sustainable digital growth and inclusion.

In prioritising women, youth, and persons with disabilities (PWDs), Programme 3 incorporated principles of equity and inclusivity within its policy frameworks. The Department engaged with advocacy groups and sector stakeholders to ensure that the needs and perspectives of these designated groups were integrated into policy development processes. Special attention was given to promoting digital inclusion and equitable access to digital opportunities, which are explicitly addressed in the draft National AI Policy and the Digital Economy Masterplan.

However, the programme faced challenges in systematically monitoring the economic participation of women, youth, and PWDs within the ICT sector. The monitoring reports produced lacked sufficient supporting evidence, limiting the Department's ability to fully assess and report on the effectiveness of its inclusion efforts. This gap highlighted the need for stronger data collection mechanisms and closer collaboration with industry stakeholders to gather comprehensive participation data.

To address these challenges, the Department will be strengthening its monitoring and evaluation frameworks by developing a centralised data system for tracking participation metrics. It will also be enhancing its engagement with sector stakeholders to improve the accuracy and completeness of reporting. Training initiatives will be planned to equip internal teams with the skills required for effective inclusivity monitoring, ensuring that future reports provide a clearer picture of progress in supporting women, youth, and PWDs in the ICT sector.

Programme 3: ICT Policy Development and Research made meaningful progress in advancing South Africa's digital policy environment during 2024/25. Despite challenges in certain monitoring areas, the programme's achievements have laid a solid foundation for future policy implementation, reinforcing the country's readiness for the digital economy and 4IR while promoting inclusivity and equitable growth.

2024/25 ANNUAL PERFORMANCE REPORT FOR ICT POLICY DEVELOPMENT AND RESEARCH

The table below provides progress only against the targets that were in the originally tabled APP

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	Audio and Audio- Visual Content Services and Online Safety Bill approved	Implemented Audio and Audio- Visual Content Services and On- line Safety Bill	The Department was unable to achieve the planned target. However, the Audio-Visual White Paper was submitted to Minister for Consideration	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.	Audio and Audio-Visual Content Services and Online Safety Bill submitted to the Cluster and Cabinet for approval to introduce in Parliament	The Department did not achieve the planned target of submitting the Audio and Audio-Visual Content Services and Online Safety Bill to the Cluster and Cabinet for approval to introduce in Parliament	Audio and Audio-Visual Content Services and Online Safety Bill was not submitted to the Cluster and Cabinet for approval to introduce in Parliament as planned	The final-isation of the Audio and Au-dio-Visual Content Services and On-line Safety White Paper was delayed due to an extension provided for public comments. This delay impacted on the sub-mission of the Bill to Cluster and Cabinet to introduce to Parliament.

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	Digital Economy Masterplan monitored	Implemented Digital Economy Masterplan	During the reporting period the Department was unable to achieve the implementation of the Digital Economy Masterplan as planned.	The Department did not achieve the planned target of submitting Digital Economy Framework and Strategy to Cluster and Cabinet for approval.	Implementation Plan for the Digital Economy Masterplan monitored	The Department did not achieve the planned target of monitoring the implementation plan for the Digital Economy Masterplan	Implementation Plan for the Digital Economy Masterplan was not fully monitored	There were delays in receiving all progress reports from relevant stakeholders for monitoring to be conducted which led to insufficient supporting evidence in line with the implementation plan.
Enabling Digital Transformation Policies, Strategies and Regulation	National Data and Cloud Policy approved	Implemented National Data and Cloud Policy	Draft National Cloud Computing Policy was submitted to Minister for approval.	The Department achieved the planned target. Government Cloud Computing Policy was finalised	National Data and Cloud Policy Implementation Plan approved	The Department achieved the planned target. National Data and Cloud Policy Implementation Plan was approved	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Enabling Digital Transformation Policies, Strategies and Regulation	PC4IR Strategic implementation plan	Implemented PC4IR Strategic plan	–	The Department did not achieve the planned target of coordinating PC4IR Strategic implementation plan.	PC4IR Strategic implementation plan coordinated	The Department did not achieve the planned target of coordinating the PC4IR Strategic implementation plan.	PC4IR Strategic implementation plan was not fully coordinated during the reporting period	The coordination was only conducted on projects related to the SIP in line with the PC4IR Recommendation, however the supporting evidence was not sufficient to support achievement in line with the implementation plan

Linking performance with budgets

Spending was R 27.8 million in 2024/25 financial year and R 27.7 million in 2023/24 financial year. Spending under goods and services decreased from R5.9 million in 2023/24 to R 3.9 million in 2024/25 financial year. Spending in Advertising decreased from R1.2 million to R165 thousand in the year under review. Spending rate under this programme is at 70.1%.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2023/2024		
	Final Appropria-tion	Actual Expendi-ture	(Over) / Under Expendi-ture	Final Appropria-tion	Actual Expendi-ture	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for ICT Policy Development and Research	2 701	1 133	1 568	1 567	1 109	458
ICT Policy Development	12 297	11 053	1 244	10 395	9 899	496
Economic and Market Analysis	6 110	4 359	1 751	4 197	4 097	100
Research	8 431	4 133	4 298	7 517	4 711	2 806
Small, Medium and Micro Enterprise	432	-	432	1 406	-	1 406
Broadcasting Policy	6 495	5 744	751	6 776	6 412	364
Presidential Commission on 4IR	3 225	1 409	1 816	4 528	1 430	3 098
Total	39 691	27 831	11 860	36 386	27 658	8 728

Strategy to overcome areas of under performance

During the 2024/25 reporting period, Programme 3: ICT Policy Development and Research recorded notable progress in several areas; however, a few key targets were not fully achieved. These include the submission of the Audio and Audio-Visual Content Services and Online Safety Bill to Cabinet, and the monitoring of the implementation of the Digital Economy Masterplan and the Presidential Commission on the Fourth Industrial Revolution (PC4IR) Strategic Implementation Plan.

To address the delay in submitting the Audio and Audio-Visual Content Services and Online Safety Bill to Cabinet, the Department will prioritise finalising the legal and policy refinements needed

based on feedback from stakeholder consultations. The Department will fast-track the remaining work, ensure internal alignment, and oversee interdepartmental coordination. Clear timelines and escalation protocols have been put in place to support submission during the next financial cycle.

For the partial achievement related to the monitoring of the Digital Economy Masterplan and the PC4IR Strategic Implementation Plan, the primary challenge was a lack of timely and complete reporting from implementation stakeholders. To overcome this, the Department is strengthening its Monitoring and Evaluation (M&E) systems by introducing a structured reporting framework with quarterly tracking mechanisms. These mechanisms will involve scheduled reporting from identified stakeholders, centralised data consolidation, and performance audits to ensure data accuracy and availability. Furthermore, the Department will consider enhancing intergovernmental and stakeholder collaboration through formalised agreements (e.g., Memoranda of Understanding) to secure accountability in reporting commitments.

The Department has identified clear strategies to address the underperformance of critical targets in Programme 3. These include fast-tracking legislative processes, strengthening M&E tools, formalising stakeholder reporting mechanisms, and improving inclusivity tracking. With these interventions, the Department is confident in its ability to meet its outstanding commitments and deliver on its strategic objectives in the upcoming financial year.

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

Programme 3: ICT Policy Development and Research focuses primarily on the formulation and implementation of ICT-related policies, strategies, and legislation to support South Africa's digital transformation. The nature of this programme is largely strategic and policy-driven, involving research, stakeholder consultations, and legislative development rather than direct service delivery to the public.

As such, Programme 3 does not fall within the scope of sectors with concurrent functions such as health, education, or social development that have approved standardised outputs and output indicators which are required to be reflected in the Annual Performance Plan (APP) and reported on in the Annual Report. The outputs and output indicators under Programme 3 are non-standardised and are specifically tailored to the Department's mandate of policy and regulatory development for the ICT sector.

For this reason, no standardised outputs and output indicators applicable to concurrent functions were incorporated into the APP for Programme 3, and therefore, none were implemented or reported on in the Annual Report. The Department remains aligned with national frameworks and is committed to integrating any relevant standardised indicators should new mandates arise that expand its responsibilities into areas with concurrent functions in the future.

4.4 PROGRAMME 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT

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

Sub-Programme:

- **Regulatory Institutions** monitors the implementation of policies and provides guidance and oversight of the governance matters of regulatory institutions.

- **Universal Service and Access** monitors the implementation of policies and provides guidance and oversight of the governance matters of relevant State-Owned Entities.

- **ICT Skills Development** monitors the implementation of policies and provides guidance and oversight of the governance matters of the National Electronic Media Institute for the provisions on skills development programmes.

- **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 Outcome

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 4: ICT Enterprise and Public Entity Oversight plays a critical role in ensuring effective governance, performance monitoring, and strategic alignment of the Department's State-Owned Entities (SOEs). The programme's overarching outcome is to maintain a high-performing and sustainable ICT portfolio that delivers on national developmental objectives. It enables the Department to oversee the financial health, regulatory compliance, transformation, and service delivery of key public entities such as the South African Post Office (SAPO), the South African Broadcasting Corporation (SABC), the State Information Technology Agency (SITA), Universal Service and Access Agency of South Africa (USAASA) and the Independent Communications Authority of South Africa (ICASA).

During the 2024/25 financial year, the programme achieved significant success in meeting its planned outputs and targets. One of the key achievements was the 100% analysis and submission of performance and compliance reports from public entities. This ensured timely assessments of financial and operational performance, thereby enabling early identification of risks and the implementation of corrective actions. This output directly supported the Department's goal of improving accountability and performance among its entities.

The Department also successfully monitored the implementation of the SAPO Business Rescue Plan, ensuring alignment with restructuring objectives and continuity of essential postal services. Similarly, the SABC Strategy and the SITA Repurposing Recommendations were comprehensively monitored, contributing to operational reforms aimed at modernising service delivery, improving

financial sustainability, and restoring public trust in these institutions. Another notable achievement was the successful monitoring of the ICASA Councillors Performance Management System, which ensured regulatory oversight and institutional accountability at one of the Department's key regulatory bodies. Furthermore, the 4 Shareholder compacts of Schedule 2 and 3B entities were developed. This ensured clear communication of governance standards and performance expectations, improving oversight and fostering stronger collaboration between shareholders and the entities to support effective management and service delivery.

These outputs directly contributed to achieving the Department's outcome of maintaining a high-performing and sustainable ICT portfolio. Strong oversight and timely interventions in the governance of SOEs aligned with national strategic priorities, including MTSF Priority 1: A Capable, Ethical, and Developmental State, and Priority 2: Economic Transformation and Job Creation. The programme's performance supported improved service delivery, institutional reform, and financial accountability across the ICT sector.

In terms of prioritising women, youth, and persons with disabilities (PWDs), the Department incorporated inclusive development objectives into its oversight responsibilities. This included engaging with entities to promote procurement from businesses owned by designated groups, encouraging employment equity within the SOEs, and advocating for the inclusion of targeted groups in their internal development and transformation programmes. Entities were encouraged to report on initiatives that advance equity, access, and skills development for these groups as part of their broader transformation mandates.

To address the challenges, the Department will enhance its performance monitoring tools by incorporating a standardised reporting framework for all entities. This framework will include disaggregated data collection on inclusivity metrics, supported by clearer guidelines and submission timelines. Additional efforts are being made to strengthen collaboration with entities through regular engagements and workshops focused on transformation and inclusivity reporting. These measures are intended to ensure that inclusive participation targets are tracked and reported more reliably in future performance cycles.

In summary, Programme 4 delivered on its core oversight responsibilities during the 2024/25 financial year and played a vital role in strengthening public entity governance, institutional performance, and financial accountability. While inclusive participation monitoring requires improvement, the Department has laid the groundwork for more effective tracking and reporting in future periods, reinforcing its commitment to transformation, equity, and developmental impact across the ICT sector.

PROGRAMME PERFORMANCE REPORT FOR ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT BRANCH

The table below provides progress only against the targets that were in the originally tabled APP

OUTCOME	OUTPUTS	OUTPUT IN-DICATOR	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives	Performance and compliance report effectively analysed	Percentage (%) of performance and compliance Reports received and analysed from SOEs.	The Department Coordinated the Implementation of recommendations of Departmental and Public Entities Analysis Reports through analysis of quarterly report submitted by Entities.	The Department achieved the planned target. Service Delivery of SOEs on received performance and compliance reports were analysed and submitted.	100% of Received Performance and Compliance report from SOEs analysed and submitted	The Department achieved the planned target. 100% of received Performance and Compliance report from SOEs was analysed and submitted	-	-

OUTCOME	OUTPUTS	OUTPUT IN-DICATOR	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives	Performance Management System for ICASA Councilors monitored	Implemented Performance Management System for ICASA Councilors	The Department was unable to achieve the planned target of facilitating the monitoring and evaluation of the Performance Management System for ICASA Councilors	The Department achieved the planned target. The implementation of the ICASA Councilors Performance Management System was monitored.	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	-	
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives	Shareholder Compacts for Schedule 2 and 3B Entities developed	Number of developed Shareholder Compacts for Schedule 2 and 3B of Entities	-	The Department achieved the planned target. Development of Shareholder compacts of Schedule 2 and 3B entities was facilitated.	4 Shareholder compacts of Schedule 2 and 3B entities developed	The Department achieved the planned target. 4 Shareholder compacts of Schedule 2 and 3B entities were developed	-	-

OUTCOME	OUTPUTS	OUTPUT IN-DICATOR	Audited Actual Per-formance 2022/2023	Audited Actual Per-formance 2023/2024	Planned An-nual Target 2024/2025	Actual Achieve-ment 2024/2025	Deviation from planned tar-get to actual achievement for 2024/2025	Reasons for deviations
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives	SAPO Business Rescue Plan monitored	Implemented SAPO Business Rescue Plan	-	The Department achieved the planned target. Development of SAPO Business Rescue Plan was monitored.	Implementation of the SAPO Business Rescue Plan monitored	The Department achieved the planned target. Implementation of the SAPO Business Rescue Plan was monitored	-	-
High Performing and financially sustainable portfolio to enable achievement of their respective mandates and policy objectives	SABC Strategy monitored	Implemented SABC Strategy	-	The Department achieved the planned target. Implementation of the SABC Turnaround was monitored	Implementation of the SABC Strategy monitored	The Department achieved the planned target. Implementation of the SABC Strategy was monitored	-	-

OUTCOME	OUTPUTS	OUTPUT IN-DICATOR	Audited Actual Per-formance 2022/2023	Audited Actual Per-formance 2023/2024	Planned An-nual Target 2024/2025	Actual Achieve-ment 2024/2025	Deviation from planned tar-get to actual achievement for 2024/2025	Reasons for deviations
High Performing and financially sus-tainable portfolio to enable achieve-ment of their re-spective mandates and policy objec-tives	SITA Repur-posing Rec-ommenda-tions Reports monitored.	Implemented SITA Repur-posing Rec-ommenda-tions	-	The De-partment achieved the planned target. 4 SITA repurposing monitoring reports were developed.	Implementa-tion of SITA Repurposing Recommen-dations moni-tored	The Department achieved the planned target. Implementation of SITA Repur-posing Recom-mendations monitored	-	-

Linking performance with budgets

Spending was R 1.741 billion in 2024/25 financial year and R 1.649 billion in 2023/24 financial year. However, spending under goods and services decreased from R3.7 million in 2023/24 to R 1.9 million in 2024/25 financial year. Spending in advertising decreased from R 1.7 million to R 673 thousand in the year under review and travel and subsistence decrease from R 1.2 million in 2023/24 to R 602 thousand in 2024/25. Spending rate under this programme is at 100%.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2023/2024		
	Final Appropri-ation	Actual Expendi-ture	(Over)/ Under Expend-iture	Final Appropria-tion	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	3 803	3 167	636	3 705	3 705	-
Regulatory Institutions	573 941	573 599	342	577 817	577 817	-
Universal Services and Access	1 062 379	1 061 966	413	962 897	962 897	-
ICT Skills Development	96 961	96 961	-	98 428	98 428	-
SOE Governance and Support	5 756	5 754	2	5 924	5 924	-
Total	1 742 840	1 741 447	1 393	1 648 771	1 648 771	-

Strategy to overcome areas of under performance

Although Programme 4: ICT Enterprise and Public Entity Oversight achieved all its planned targets for the 2024/25 financial year, the Department recognises that there are key areas within those achieved targets where performance can be significantly improved. These areas include the depth of analysis in entity performance reporting, the effectiveness of transformation monitoring across entities, and the timeliness and completeness of submissions from public entities particularly in relation to inclusion and empowerment indicators for women, youth, and persons with disabilities (PWDs).

One of the main performance areas that requires improvement relates to the quality and consistency of reports submitted by public entities. While the Department achieved 100% analysis and submission of entity compliance and performance reports, many of these reports lacked sufficient granularity, particularly in areas related to inclusive procurement, employment

equity, and support for designated groups. In addition, reporting on transformation initiatives often varied in format and completeness, making it difficult to extract comparable or actionable insights across the ICT public portfolio.

To address these limitations and enhance the value of oversight, the Department is implementing several strategic interventions. First, a standardised transformation and inclusivity reporting template will be developed and will be rolled out to all entities. This will ensure uniform reporting of disaggregated data across key transformation indicators, including the participation of women, youth, and PWDs in procurement, recruitment, skills development, and enterprise support initiatives.

Second, the Department will establish a central oversight mechanism that tracks performance trends and risk flags across all entities in real time. This mechanism will help the Department not only meet its reporting obligations but also anticipate potential underperformance or governance concerns and intervene earlier. The mechanism dashboard will also integrate inclusivity indicators, enabling a clearer view of transformation progress across the sector.

Third, entity engagement sessions and capacity-building workshops will continue to be conducted quarterly to reinforce expectations around data quality, evidence-based reporting, and performance accountability. These sessions will include transformation compliance training, with a focus on how entities can better integrate and report on initiatives benefiting women, youth, and PWDs.

Lastly, while performance targets were technically met, the Department acknowledges the need to raise the ambition level of future targets. This will include setting more outcomes-based indicators rather than just output-based ones such as tracking the impact of SITA's service reforms on government ICT efficiency, or the effect of SAPO's restructuring on rural postal accessibility.

Programme 4 will continue to meet its quantitative performance targets, but will focus on enhancing the depth, quality, and developmental impact of its outputs through targeted monitoring improvements, better transformation data, and more rigorous oversight tools. These strategies will strengthen accountability, promote inclusive growth within the ICT public sector, and advance the Department's broader goals under the Medium-Term Strategic Framework.

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

In terms of performance reporting, Programme 4 does not fall within a sector with concurrent national and provincial responsibilities such as health or education. As such, standardised outputs and output indicators applicable to concurrent functions do not apply to this programme. The indicators used in Programme 4 are non-standardised, specific to the Department's mandate of ICT public entity oversight, and appropriately tailored to assess strategic alignment, financial sustainability, and service delivery performance across SOEs.

Because of the specialised and governance-oriented nature of this programme, there were no omissions related to sector-wide standardised indicators in the Annual Performance Plan or Annual Report. The Department continues to monitor policy developments closely and is

committed to integrating any future standardised indicators that may emerge in the context of ICT governance, digital transformation, or public enterprise reform.

The Department remains committed to improving oversight systems, strengthening governance accountability, and ensuring that its performance monitoring tools and reporting processes evolve in line with the strategic needs of the ICT sector and government's broader transformation agenda.

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 Outcome

- Increased Access to Secure Digital Infrastructure & Services

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 5: ICT Infrastructure Development and Support plays a central role in advancing South Africa's digital transformation agenda by expanding access to broadband infrastructure, supporting digital migration, and promoting universal access to ICT services. The overarching outcome of the programme is to ensure increased access to secure, affordable, and high-quality digital infrastructure and services, particularly in underserved and rural communities. This work is directly aligned with the national priorities of inclusive economic growth, improved public service delivery, and social equality.

During the 2024/25 financial year, the Department made significant strides in achieving its targets under this programme. A key success was the continued implementation and monitoring of the SA Connect programme, the government's flagship broadband rollout initiative. The Department oversaw the deployment of connectivity to schools, health facilities, and traditional authority sites in prioritised districts, thereby accelerating progress in bridging the digital divide. The SA Connect rollout supports critical services and enhances the functionality of government institutions, while creating foundational infrastructure for future economic growth and innovation.

Another major achievement was the monitoring and coordination of the Broadcasting Digital Migration (BDM) process. The Department successfully tracked the analogue switch-off of broadcasting transmitters below 694 MHz and ensured the installation and distribution of government-subsidised decoders across all nine provinces. This transition to digital broadcasting is a transformative step, improving the quality and accessibility of public broadcasting services and freeing up valuable spectrum to support mobile broadband services.

The Department also continued its work in advancing cybersecurity resilience, ensuring the monitoring and implementation of strategic national cybersecurity programmes. These efforts are critical in safeguarding digital infrastructure and protecting personal and national data as internet usage continues to grow across all sectors.

The achievements under Programme 5 have directly contributed to the Department's strategic outcome of increasing access to digital infrastructure and services. They also support key national objectives under the Medium-Term Strategic Framework (MTSF) Priority 2: Economic Transformation and Job Creation, and Priority 6: Social Cohesion and Safe Communities, by enabling economic participation, improving education and health service delivery, and ensuring public safety in the digital realm.

In its efforts to prioritise women, youth, and persons with disabilities (PWDs), the Department integrated inclusive principles into the planning and execution of infrastructure projects. SA Connect, in particular, was leveraged to promote local employment and procurement opportunities, with a focus on including service providers owned or managed by members of these designated groups. In addition, the Department collaborated with stakeholders to encourage local skills development initiatives aligned with infrastructure deployment, providing young people and women with opportunities to participate in the digital economy through training, maintenance, and support services.

Programme 5 delivered tangible progress in expanding digital infrastructure and advancing the country's digital migration and cybersecurity agendas during the 2024/25 period. The Department's continued focus on inclusive infrastructure development ensures that these advancements do not only meet technical targets but also support South Africa's broader goals of economic transformation, social equity, and digital inclusion.

PROGRAMME PERFORMANCE REPORT FOR ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT BRANCH

The table below provides progress only against the targets that were in the originally tabled APP

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to actual achievement for 2024/25	Reasons for deviations
Increased Access to Secure Digital Infrastructure & Services	Revised SA Connect Model monitored	Implemented revised SA Connect Model	Implementation of the revised SA Connect Model on the funded sites was coordinated.	The Department achieved the planned target. Implementation of revised SA Connect Model towards internet access for communities and government facilities was monitored.	Implementation of revised SA Connect Model towards Internet access for Government connectivity, Community and household connectivity, and public schools, health facilities, and traditional authority sites connectivity monitored.	The Department achieved the planned target. Implementation of the revised SA Connect Model towards internet access for Government connectivity, Community and household connectivity, and public schools, health facilities, and traditional authority sites connectivity was monitored.	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to actual achievement for 2024/25	Reasons for deviations
Increased Access to Secure Digital Infrastructure & Services	Strategic national cybersecurity programs and services monitored.	Implemented strategic national cybersecurity programmes and services	Implementation of strategic national cybersecurity programmes and services was monitored.	The Department achieved the planned target. 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	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to actual achievement for 2024/25	Reasons for deviations
Increased Access to Secure Digital Infrastructure & Services	Revised Analogue Switch off plan monitored	Implemented revised analogue switch-off plan successful monitoring of distribution and installation of decoders	Household Migration and Analogue Switch off for the Broadcasting Digital Migration for households registered after 31 October 2021 was co-ordinated.	The Department achieved the planned target. Distribution and installation of decoders were monitored	Distribution and installation of decoders in nine provinces monitored	The Department achieved the planned target Distribution and installation of decoders in nine provinces was monitored	-	-
				The Department achieved the planned target. Analogue switch-off in the four provinces of EC, WC, KZN and GP was monitored.	Analogue Switch-off of transmitters below 694 MHz monitored	The Department achieved the planned target. Analogue Switch-off of transmitters below 694 MHz was monitored	-	-

Linking performance with budgets

Spending was R 755.2 million in 2024/25 financial year and R1.2 billion in 2024/25 financial year. Spending under goods and services decreased from R1.173 billion in 2023/24 to R 719.4 million in 2024/25 financial year, mainly under computer services for SA Connect Project Phase 2. Spending rate under this programme is at 42.7%.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2023/2024		
	Final Appropria-tion	Actual Expendi-ture	(Over) / Under Expendi-ture	Final Appropria-tion	Actual Expendi-ture	(Over) / Under Expendi-ture
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for ICT Infra-structure De-velopment and Support	3 421	3 421	-	3 479	3 474	5
Broadband	1 740 634	734 841	1 005 793	1 182 714	1 182 013	701
ICT Support	9 267	6 150	3 117	6 104	6 104	-
Broadcasting Digital Migra-tion	15 582	10 820	4 762	25 166	22 268	2 898
Total	1 768 904	755 232	1 013 672	1 217 463	1 213 859	3 604

Strategy to overcome areas of under performance

Although all planned targets for Programme 5: ICT Infrastructure Development and Support were formally achieved during the 2024/25 financial year, the Department recognises that meeting numerical targets does not always equate to optimal performance or maximum impact. A number of implementation areas offer opportunities for improvement, particularly regarding the depth, quality, and sustainability of infrastructure rollouts, as well as the efficiency and inclusivity of programme delivery.

One area identified for enhancement is the pace of infrastructure deployment in remote and rural areas under the SA Connect programme. While connection targets were met, delays due to logistical bottlenecks, local contractor readiness, and reliance on external implementation partners highlighted the need for stronger localised planning and early-stage risk assessments. To improve delivery efficiency, the Department will implement pre-deployment readiness assessments, including audits of supplier capacity, terrain accessibility, and local government support. This will help ensure that future rollouts are not only timely but also more cost-effective and responsive to local needs.

Another aspect identified for improvement is the integration of social impact monitoring into infrastructure projects. Although the installation of broadband infrastructure and set-top boxes

proceeded as planned, the Department lacked detailed and timely feedback on how these interventions translated into measurable social and economic outcomes particularly for schools, clinics, and community centres connected under SA Connect. To address this, the Department will consider developing a Post-Deployment Impact Evaluation Framework, which will track the real-world utilisation and benefits of infrastructure, such as improved access to online learning, e-health services, and local economic development opportunities.

Additionally, while cybersecurity implementation targets were achieved, a gap was identified in public sector user awareness and training. Infrastructure alone is insufficient without robust human capacity to maintain and protect it. In response, the Department will embed cybersecurity awareness training and data privacy and protection programmes into infrastructure deployment activities, particularly targeting personnel in connected institutions like schools and clinics.

Finally, although inclusive procurement guidelines were followed in the engagement of contractors and service providers, there is room for improvement in tracking participation by women, youth, and persons with disabilities. Moving forward, the Department will require all infrastructure implementation partners to report on designated group participation using a standardised, disaggregated reporting template. This will allow for more consistent monitoring of transformation objectives and support corrective action where inclusivity thresholds are not being met.

While Programme 5 achieved its targets for 2024/25, continuous improvement remains a priority. By strengthening implementation readiness, impact monitoring, end-user training, and inclusive participation tracking, the Department aims to deliver ICT infrastructure projects that are not only on time and on budget, but also transformative in their social and economic impact. The Department aims to enhance the reliability of its performance data, ensure greater accountability among delivery partners, and improve the overall efficiency, inclusivity, and impact of digital infrastructure projects across South Africa.

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

Programme 5: ICT Infrastructure Development and Support focuses on the planning, rollout, and coordination of broadband infrastructure, digital migration, and related national connectivity initiatives such as SA Connect. The programme also plays a key role in supporting cybersecurity and universal service access, often in partnership with other entities and stakeholders at provincial and municipal levels. However, the nature of the programme remains largely national in scope and execution, and it does not currently operate under a concurrent function model shared between national and provincial governments, such as those found in health, education, or social development.

As such, there are no approved standardised outputs and output indicators that are formally applicable to Programme 5 under the framework for sectors with concurrent functions. All outputs and output indicators presented in the Annual Performance Plan and subsequently reported in the Annual Report for this programme are non-standardised and specifically developed to reflect the Department's unique mandate in infrastructure development within the ICT sector.

Given this, there were no instances in which the Department omitted required standardised indicators from its planning or reporting documents for Programme 5. Should government policy

evolve to introduce standardised indicators for ICT infrastructure development that require reporting across national and provincial levels, the Department will ensure full alignment and integration into future performance planning and reporting cycles.

4.6   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 Outcome

- Increased Access to Secure Digital Infrastructure & Services

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 6: ICT Information Society and Capacity Development plays a pivotal role in driving digital inclusion, promoting digital literacy, and building the capacity of citizens and institutions to participate meaningfully in South Africa's digital economy. The programme's strategic focus is on developing digital skills, increasing public awareness of ICT opportunities, and ensuring equitable access to digital tools and platforms, particularly for historically marginalised communities.

During the 2024/25 financial year, the Department achieved several key targets under this programme. One of the most notable outputs was the successful coordination and implementation of the Digital and Future Skills Programme, which was rolled out in collaboration with various public and private stakeholders. This programme aimed to equip learners, youth, and community members with foundational and advanced ICT skills to prepare them for participation in the digital workforce. Multiple training initiatives were implemented across different provinces, with a specific focus on rural and underserved communities.

Another significant achievement was the development and approval of the National Artificial Intelligence (AI) Strategic Implementation Plan, which aligns national priorities with emerging global trends in AI adoption. The plan includes skills development components that aim to foster ethical and inclusive AI literacy, especially among educators, civil servants, youth, and small business owners.

Furthermore, the Department effectively monitored the automation of prioritised government services on the national e-Services Portal, making strides in simplifying access to digital public services for all citizens. These advancements supported the Department's strategic outcome of a digitally transformed economy and society, contributing to MTSF Priority 2: Economic Transformation and Job Creation, and Priority 6: Social Cohesion and Safer Communities.

In prioritising women, youth, and persons with disabilities (PWDs), the Department embedded inclusivity into programme design and implementation. Specific digital skills initiatives were targeted at young people, particularly young women, and persons with disabilities, providing them with access to free training, digital literacy resources, and mentorship opportunities. The Department also collaborated with NGOs, schools, universities and disability advocacy groups to ensure that training content and delivery methods were accessible and responsive to the needs of different user groups.

Programme 6 delivered meaningful progress during the 2024/25 period by expanding digital skills development, advancing AI readiness, and increasing citizen access to e-Government services. The programme has laid a strong foundation for digital empowerment and economic inclusion, while reinforcing the Department's commitment to equitable and transformative growth within South Africa's evolving digital landscape.

PROGRAMME PERFORMANCE REPORT FOR ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT BRANCH

The table below provides progress only against the targets that were in the originally tabled APP

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Digitally transformed economy and society	e-Government Services monitored	Automated e-Government Services	Implementation of National e-Government Strategy and Roadmap, with a focus on a Single Portal for prioritised government services were coordinated.	The Department achieved the planned target. Automation of e-Government Services on the e-portal was monitored.	Automation of e-Government services on the e-Portal monitored	The Department achieved the planned target for the reporting period. Automation of e-Government services on the e-Portal was monitored	-	-
Digitally transformed Economy and Society	Digital and Future Skills Programme monitored	Implemented Digital and Future Skills programme	Digital and Future Skills training programmes through local and international Public and Private partnerships were coordinated.	The Department achieved the planned target. Implementation of Digital and Future Skills Strategy was monitored.	Implementation of Digital and Future Skills programmes coordinated	The Department achieved the planned target. Implementation of Digital and Future Skills programmes was coordinated	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
Digitally transformed Economy and Society	National Artificial Intelligence (AI) Plan approved	Implemented National Artificial Intelligence (AI) Policy	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 30th of November 2022 launched the Artificial Intelligence Institute of South Africa (AIISA).	The Department achieved the planned target. National Artificial Intelligence (AI) Plan was developed and approved.	Draft National Artificial Intelligence (AI) Policy developed	The Department achieved the planned target. Draft National Artificial Intelligence (AI) Policy was developed	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High performing and financially Sustainable portfolio to enable achievement of their respective mandates and policy objectives	DCDT Integrated Plan of Action on Combatting Gender Based Violence (GBV) monitored	Percentage (%) increase of DCDT integrated Plan of Action implemented in support of the NSP on GBV coordinated	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	The Department has achieved the planned target. 60% increase of DCDT integrated Plan of Action was implemented in support of the NSP on GBV.	80% increase of DCDT integrated Plan of Action implemented in support of the NSP on GBV coordinated	The Department did not achieve the planned target of 80% increase of DCDT integrated Plan of Action implemented in support of the NSP on GBV coordinated	Not all activities in the DCDT Integrated Plan of Action were coordinated in support of the NSP on GBV	There was no sufficient portfolio of evidence to support the coordination of all activities in the DCDT Integrated Plan of Action in support of the NSP on GBV

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High performing and financially 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 monitored	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.	—	The Department did not achieve the planned target of monitoring reports on the participation of women, youth, and persons with disabilities participation in procurement, SMME Development and Employment Equity in the ICT Sector.	2 Monitoring reports on the participation of women, youth, and persons with disabilities participation in procurement, SMME development and employment equity in the ICT Sector developed	The Department did not achieve the planned target of developing 2 monitoring reports on the participation of women, youth, and persons with disabilities participation in procurement, SMME development and employment equity in the ICT Sector	There were no supporting reports received on the participation of youth and persons with disabilities in procurement and SMME development.	There was no sufficient portfolio evidence to support the participation of youth and persons with disabilities in procurement and SMME development in the ICT Sector.

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to actual achievement for 2024/2025	Reasons for deviations
High performing and financially Sustainable portfolio to enable achievement of their respective mandates and policy objectives	District Development Model Plan coordinated	Coordinated District Development Model Plan	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.	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 coordinated	The Department did not achieve the planned target of developing the coordination report on the implementation of DDM Plan in the prioritized Districts/ Metros	Two projects within the DDM Implementation Plan were not coordinated and reported.	There was no sufficient portfolio of evidence to support the coordination of all projects in the DDM Implementation Plan in the prioritised Districts/ Metros

Linking performance with budgets

Spending was R 62.5 million in 2024/25 financial year and R65.8 million in 2023/24 financial year. Spending under goods and services decreased from R25.1 million in 2023/24 to R 18.2 million in 2024/25 financial year, mainly under training and development which decreased from R 7.2 million to R 15 thousand in the year under review. Spending rate under this programme is at 92.8%.

Sub-programme expenditure

Sub-Programme Name	2024/2025			2023/2024		
	Final Appropria-tion	Actual Expendi-ture	(Over)/ Under Expendi-ture	Final Appropria-tion	Actual Expendi-ture	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for ICT Information Society and Capacity Development	3 864	3 454	410	3 238	3 238	-
Information Society Development	59 593	55 123	4 470	64 712	58 904	5 808
Capacity Development	3 971	3 971	-	3 695	3 695	-
Total	67 428	62 548	4 880	71 645	65 837	5 808

Strategy to overcome areas of under performance

During the 2024/25 financial year, Programme 6: ICT Information Society and Capacity Development achieved notable progress in expanding digital skills development and promoting inclusive participation in the digital economy. Programme 6 experienced underperformance in several key areas, notably the failure to achieve the development of two monitoring reports on the economic participation of women, youth, and persons with disabilities (PWDs) in the ICT sector; the partial coordination of the implementation of the DCDT Integrated Plan of Action in support of the National Strategic Plan (NSP) on Gender-Based Violence (GBV); and limited coordination of the District Development Model (DDM) Plan in the prioritised districts and metros. These outcomes were affected by fragmented data collection processes, limited internal coordination across programme areas, and delayed stakeholder inputs.

To address these performance gaps, the Department will implement a comprehensive corrective strategy. Firstly, to strengthen reporting on economic participation, the Department will develop a dedicated data collection framework that mandates disaggregated reporting from programme implementers and ICT sector partners. This framework will include standardised indicators and compliance timelines, and it will be supported by digital tools that allow real-time tracking of participation by designated groups. Additionally, the Department will conduct stakeholder

workshops to sensitise partners on the importance of inclusive reporting and build their capacity to collect and submit verifiable data.

In response to the partial implementation of the GBV Integrated Plan of Action, the Department will ensure coordinated planning, execution, and oversight of GBV-related activities. The responsible Department will align budget allocations, timelines, and monitoring activities to improve delivery performance.

For the DDM Plan coordination shortfall, the Department is working to reinforce intergovernmental collaboration structures by formalising district-level coordination mechanisms. This could include having DCDT focal points for each prioritised district or metro and integrating DCDT plans with existing district development frameworks. The Department will also introduce quarterly review sessions to assess progress in implementation and address operational bottlenecks early.

Additionally, the Department will incorporate performance accountability mechanisms, such as linking GBV and DDM outcomes to senior management performance agreements and quarterly performance reviews. These measures aim to drive accountability and ensure sustained attention to the implementation of these cross-cutting priorities.

Through these targeted strategies, the Department aims to improve execution, data credibility, and cross-sectoral coordination. These interventions will ensure that the Department can fully deliver on its commitments related to inclusivity, gender-based violence prevention, and district-level development support in the next performance cycle. Furthermore, it will ensure that the Department aims to improve overall programme delivery, close data gaps, and ensure that its digital empowerment initiatives reach all intended beneficiaries, particularly those from vulnerable and historically marginalised communities.

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

Programme 6: ICT Information Society and Capacity Development supports the national digital inclusion agenda through initiatives focused on digital skills development, public digital literacy, e-Government access, and ICT awareness programmes. While these functions contribute to broader socio-economic priorities such as education, youth development, and community empowerment they do not fall within a sector classified as having concurrent functions between national and provincial government, such as health or education, where standardised outputs and output indicators are formally approved and coordinated across all levels of government.

As such, there are currently no approved standardised outputs and output indicators that apply directly to Programme 6 under the national framework for concurrent functions. The outputs and indicators presented in the Annual Performance Plan and reported in the Annual Report are non-standardised and are designed to reflect the Department's unique mandate in promoting digital empowerment, access to information, and ICT skills development in alignment with the priorities of the Department of Communications and Digital Technologies.

For this reason, the Department did not incorporate standardised indicators for concurrent functions into the Annual Performance Plan for Programme 6, nor were any such indicators implemented or reported on during the 2024/25 financial year. Should national policy or sector

coordination mechanisms evolve to introduce shared responsibilities in areas such as digital education, public ICT access, or skills development requiring standardised outputs across Departments and spheres of government, the Department will fully align its planning and reporting processes to comply with these requirements.

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Public entities receive sizeable transfer payments from government and are often the front-line providers of services on behalf of government. It is therefore important to understand the impact of these services on the community. Departments are requested to provide information on the services provided by these public entities, transfer payments to the public entities, the actual amount spent from the transfer received by the public entities, strategic achievements of the public entity. Departments must also comment on monthly monitoring systems or the lack thereof to monitor spending on such transfer payments. If such monitoring did take place, Departments must provide details of difficulties experienced and what steps (if any) were taken to rectify such difficulties.

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	NEMISA's mandate is to deliver training programmes for the supply of needed skills to the creative media industry including the broadcasting sub-sector. NEMISA is also required to deliver training programmes in digital technologies to various sectors of the economy and South Africa's citizenry.	R 96 961 000	R 96 961 000	The following training numbers were achieved: • 850 learners trained in creative media through short courses • 104 learners trained in creative Media through Learnerships • 60 070 learners trained in Digital Literacy • 12 001 SMME's trained in Digital Entrepreneurship • 3 637 learners trained in Digital Technologies • 345 learners trained in ICT training programmes
ICASA	• Radio Frequency Migration Plan developed • IMT roadmap developed	R470 470 000	R600 516 000	• 100% of Radio Frequency Migration Plan developed • 100% of IMT roadmap developed

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
	• Recommended South African Strategy for 5G and Future and Emerging Technologies implemented • Framework for Dynamic Spectrum Access and Opportunistic Spectrum Management developed • National Radio Frequency Plan updated			• 25% of Recommended South African Strategy for 5G, Future Emerging Technologies implemented • 75% of Framework for Dynamic Spectrum Access and Opportunistic Spectrum Management developed • 50% of National Radio Frequency Plan Updated
FPB	• Mandated content regulated • Compliance with regulations enforced • Public Informed • Internal organizational excellence achieved.	R103 098 000	R133 325 762	• 12% Self-generated Revenue over total revenue • 95% of Projects in the Digital Roadmap planned for the year implemented. • 20% Approval of the Artificial Intelligence Strategy and Implementation Plan • 80% of approved Human Capital Business Improvement Strategy (HCBIS) Implemented. • 90% Prioritized and funded positions on the approved organizational structure aligned to expanded mandate filled • 70% Implementation of the Revenue Enhancement Strategy Implementation Plan • 80% of classification decisions issued within 7 working days • 95% of classification decisions issued within 7 working days • 90% of Child Sexual Abuse and Exploitation Material cases assessed.

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
				• 70% Implementation of the Annual Compliance Plan. • 70% of enforcement action taken on identified/ reported non-compliant distributors 70% Implementation of the Integrated Stakeholder Engagement and Communications Plan 50% Implementation of the Strategic Victim's Support Plan
USAASA	• Accounting authority approved USAASA 2024/25 Communications Strategy implemented • Corporate Services 2025 – 2028 Optimisation Plan developed and implemented	R81 685 000	R81 832 000	Payments in USAASA are for administration with the bulk of it being on employee related costs (67%) and goods and services (33%).
USAF	• Management of the BDM funding model • BDM installations subsidised in line with the approved BDM funding model • Verified completed and connected sites subsidised in line with the approved broadband model • Verified completed and connected sites in identified municipalities monitored	R52 629 000	R512 775 000	• Deployment broadband services and verification of completed sites at Dr. Ruth Segomotsi Mompati District Municipality in the North-West province was concluded during the fourth quarter. • USAASA focused on funding for invoices received for the layer-2 (Access infrastructure). • Commenced with the Planning for the implementation of broadband services for the 2025/2026 financial year.

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
	• Funding of valid invoices			
SAPO	SAPO implemented the USO in addition and in support of the business rescue plan.	R547 815 000	R547 815 000	• SAPO achieved the USO services and continued to implement and monitor the implementation of the business rescue plan. Quarterly reports have been submitted and analyses done and submitted.
		R150 000 000	R150 000 000	• In terms of the R150 million, SAPO was able to maintain ongoing operations for the period of the funding.
SABC	As the national public broadcaster, the SABC must offer, in all South Africa's official languages, a range of informative, educational, and entertaining programmes that showcase South African attitudes, opinions, ideas, values, talent and artistic creativity. Programming must also offer a plurality of views as well as a variety of news, information, and analyses from a South African perspective. This must advance the national and public interest. The SABC as able to deliver the following educational programmes to the citizens of South Africa through Radio and Television:	R 211 060 000	R197.891 000	The highlight in the year under review was the SABC's coverage of the 2024 National Elections including both pre and post-election coverage. National elections coverage present any media entity with an unparalleled opportunity to demonstrate and showcase its capabilities. The SABC's Over-the-Top (OTT) platform, SABC Plus, continued to grow during the quarter, with registrations reaching 846,973 by the end of 2024/25 financial year.

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
	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)			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.
	Non-formal content for learners outside of a formal learning environment. (Children at home).			Skeem Saam, Uzalo and Generations: The Legacy continued to be the lead attractions on the platform, with strong support from Sport and News & Current Affairs content. The Festive Pop-up channel also drove some viewership for the platform during the first two weeks of January 2025.
	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.).			As part of SABC Radio's mandate to educate and inform, African Language Stations (ALS) produced and aired a 50-minute documentary on Human Rights Month. The documentary aimed to raise awareness of fundamental rights while emphasising the reciprocal responsibilities of citizens.
	The SABC also delivered Nation Building programmes to assist in building and strengthening a young democratic South Africa			SABC Radio focused on finalising talent engagement in preparation for the upcoming fiscal year. This process culminated in the announcement of new programming line-ups during the final two weeks of the quarter. The refreshed schedules feature a blend of predominantly existing talent, complemented by a selection of new voices.

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 News continued to effectively navigate the operational challenges facing the division, not only fulfilling its public service mandate but consistently exceeding expectations. Strong audience performance across both free-to-air (FTA) and satellite platforms underscored the Corporation's enduring capacity to provide comprehensive coverage of high-profile national events. This performance reinforced the SABC's position as South Africa's leading news provider.
				The SABC News Division made strategic decisions to prioritise funding for critical areas such as content development, recruitment of on-air talent, and investment in digital platforms. One such decision was the extension of SABC News's bureau in New York, USA. This move has proven timely and impactful, especially in light of evolving USA-South Africa diplomatic relations. The presence has enabled SABC News to deliver exclusive stories.

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
				The Digital Rights Management software (DRM) trial with Channel Africa commenced during this financial year. The distribution of the DRM radio sets will only be initially limited to South Africa and Tanzania due to the coordination and costs associated with applying to the regulatory bodies of the SADC countries for this type of approval. Applications have been submitted to the Regulators from these two countries and approval licences are awaited before distribution of the radio sets in the selected countries.

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 table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025

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 institution	Membership fees	-	1 408	-	-
Universal Postal Union (UPU)	Foreign government institution	Membership fees	-	8 983	-	-
Pan African Postal Union (PAPU)	Foreign government institution	Membership fees	-	1 412	-	-

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
International Telecommuni-cations Union (ITU)	Foreign government institution	Membership fees	-	26 204	-	-
Organisation for Economic Co-operation and development	Foreign government institution	Membership fees	-	280	-	-
Dona founda-tion	Foreign government institution	Membership fees	-	1 576	-	-
Smart Africa Alliance	Foreign government institution	Membership fees	-	957	-	-

The table below reflects the transfer payments which were budgeted for in the period 1 April 2024 to 31 March 2025, but no transfer payments were made.

6.   CONDITIONAL GRANTS

6.1   Conditional grants and earmarked funds paid

None

7.   DONOR FUNDS

7.1   Donor Funds Received

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 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 losses incurred due to theft were investigated and recommended for determination by the Loss Control Committee. 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 disposed assets were removed from the asset register after authorization was obtained from the Accounting Officer as follows:

- Disposal Intangible   R 1 236 441.00

- Disposal Tangible   R   524 726.71

- Losses   R   222 700.82

- Transfers out   R   107 429.01

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

The Department expenditure on service, maintenance and acquisition of assets is as follows:

- Service and maintenance   R   603 236.44

- Acquisitions Tangible   R 2 324 765.02

- Acquisitions Intangible   R   0.00

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 was no transfer, auctioning, donating, and scrapping of assets during the reporting period. However, there are a number of assets that will be disposed off 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 verifications, asset movements, updated the asset locations on the asset register and ensured that asset owners signed off their office inventories to ensure accountability.

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

All assets' classifications and conditions were checked for correctness.

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

Good condition: 74%

Fair condition: 16%

Bad condition: 10%

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

Part C

Governance

1.   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 2020 2025 MTSF and National Development Plan 2030. 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. Four (04) MinEXCO meetings were held during the 2024/25 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. Thirteen (13) EXCO meetings were held during the 2024/25 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 2024/25 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 2024/25 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

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/or the abuse of power and 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 thresholds 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. Risk and Ethics Management Directorate 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 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 2024/25 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.

The Department has identified and implemented measures to improve the risk management maturity level; and the REC has provided an oversight. The Monitoring is aimed at maturing the risk management to the next level. The following measures were implemented to improve the current maturity level:

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;

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;

c. Ensuring 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; and

d. Risk and Ethics Committee has consistently and persistently directed the relevant management structures and risk owners to prioritise the implementation of the risk mitigation plans and strengthening of internal controls.

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 THE DEPARTMENT WAS NOT ABLE TO IMPLEMENT THE FOLLOWING IMPROVEMENT ACTION PLANS IN THE PERIOD UNDER REVIEW:

a. Procurement of risk management system to ensure proper automation and improve efficiency due to lack of sufficient financial resources to procure the necessary system;

b. Filling the vacant funded post for DD: Risk Management due to the cost containments that were introduced while the Department was in the process of filling this key position;

c. Filling the post for the independent non-executive member of the REC; and

d. Implementing the control-self assessment and the combined assurance due to capacity constraints.

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

2.6 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 2024/25 regular strategic, projects and operational risk assessment were impacted by the challenges mentioned under the risk management structure section above in relation to capacity constraints.

2.7 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 to the Risk and Ethics Committee (REC) and Audit Committee (AC).

Strategic Risk Management

Seventeen (17) strategic risks were monitored during the 2024/25 financial year. Six (6) risks were managed within acceptable risk level (appetite). Eleven (11) risks remained outside acceptable risk levels. Strategic risks that remained outside the acceptable risk levels were due to the following key challenges/root causes:

No	Challenges/root causes	Mitigations
a.	Budgetary constraints and budget cuts on key priority projects and programmes.	Alternative strategies will be implemented to ensure that key government projects and programmes are implemented in partnership with key stakeholders.
b.	Delays in finalisation of the organisational structure which affected human resources allocations to effectively implement the risk mitigation action plans.	DCDT Organisational Structure was approved in August 2024 and implementation planned to effectively commence from April 2025.
c.	Dependencies on external stakeholders and entities for delivery of the Department's projects (risk root causes that are outside the control of the Department).	In the next 5 years, focus will be placed on developing and implementing Stakeholder Engagement Framework that will direct effective and efficient stakeholder engagement, coordination and monitoring.
d.	Lack of presence in Provincial and District Municipalities.	In the next 5 years, focus will be placed on developing and implementing Stakeholder Engagement Framework that will direct effective and efficient engagements with all spheres of government.
e.	Undocumented processes in some areas (lack/delays in finalising standard operating procedures).	All Branches are required to develop Standard Operating Procedures (SOPs) for their respective SP/APP, OP and BP targets. This is planned to be finalised in the 2025/26 financial year.
f.	Lack of risk management software.	Depending on the availability of budget, a risk management software will be procured.
g.	Inadequate alignment of risk mitigation strategies with the available financial and human resource requirements leading to slow implementation of risk mitigation strategies.	Planning for the MTDP will focus on alignment of resources (financial and human) to the amount of work needed to achieve the SP and APP targets during the MTEF period and the MTDP targets during the five (5) years planning period.

Operational Risk Management

During the 2024/25 financial year, operational risks management focused on operational risks that are aligned to the audit action plan to ensure seamless monitoring and mitigation of the key operational risks and root causes.

The risk mitigations, indicators and incident reports were presented to REC and AC who raised concerns regarding the low rate of implementing risk mitigations and required EXCO to prioritise the implementation of these risk mitigation plans within set timeframes. The implementation of the risk mitigation plans are monitored through two well coordinated and consolidated parallel processes; risk monitoring and the coordination of audit action plans.

Eight (8) operational risk mitigations were monitored during the 2024/25 financial year. Five (5) risk mitigations were managed within acceptable risk level (appetite). Three (3) risks remained outside acceptable risk levels. Operational risk mitigations that remained outside the acceptable levels were due to the following key challenges/ weaknesses (list not exhaustive and other challenges have already been covered under strategic risk management above):

No	Challenges/root causes	Mitigations
a.	Delays in the implementation of integrated audit action plan and operational risk mitigation plan.	Management to prioritise the implementation of the integrated audit action plan and risk mitigation plans as per REC and AC recommendations.
b.	Inadequate quality checks by relevant DDGs on performance information and supporting evidence provided.	That relevant DDGs dedicate time for evaluation and assessment of quality of reports and records submitted for performance and financial information.
c.	Inadequate monitoring and evaluation of projects emanating from insufficient human capital in the project management office.	The implementation of the new approved organisational structure will assist with allocated relevant and appropriate resources to conduct thorough monitoring and evaluation of key projects. Programme and project managers to include programme and project management in their performance agreements.

2.8   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 2024/25 financial year:

a.   Risk management being part of the strategic planning process – this assists with ensuring that resources are prioritised and allocated to the relevant key strategic projects and that realistic targets are set.

b.   Current and emerging strategic risks – identification of emerging risks is done during the quarterly risk mitigations implementation monitoring processes which assist with 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;

c.   Key root causes for the identified strategic risks – key root causes or challenges have also been considered and analysed during the quarterly risk mitigations implementation monitoring processes to ensure proper mitigations are planned to address the identified strategic risks to acceptable appetite and tolerance levels.

d.   Key Risks Indicators (KRIs) and incidents monitoring – KRIs and incidents monitoring and reporting is also coordinated on a quarterly basis and reported to REC and AC. This is critical for the evaluation of the effectiveness of the current controls and establishment of mitigations/improvement plans where necessary.

2.9 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) are internal senior management members. The Committee has been formally appointed by the Accounting Officer with a blend of skills and knowledge required to oversee the Departmental risk and ethics management systems and processes.

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 four (4) normal meetings in the year under review and one special meeting. REC 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	5 of 45	-
Mr L. Ndlovu / Ms P Chauke	Internal Member (Chief Information Officer)	1 of 1 3 of 4	Seconded to USAASA from August 2025.
Ms N Sihlahla	Internal member (D: Capacity Development)	1 of 5	Presented apology for four meetings.
Ms P Maseya	Internal member (CD: SOE Governance and Support)	4 of 5	Presented apology for one meeting.
Mr K Mabe	Internal member (CD: Broadband)	4 of 5	Presented apology for one meeting.
Mr L Motlatla	Internal member (D: IT Policy)	5 of 5	-
Mr Z Masilela	Internal Member (D: ICT Bilateral South-South & BRICS)	3 of 5	Presented apology for two meetings.
Mr Justice Libago	Internal member (CD: Strategic Planning and Monitoring)	3 of 5	Presented apology for two meetings.
Ms R Mafolo	Internal Member (Chief Financial Officer)	5 of 5	-

3. FRAUD AND CORRUPTION

3.1 FRAUD PREVENTION

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:

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

b.   Monitoring and reporting on the implementation of the Fraud Prevention Plan to REC and AC on a quarterly basis.

c.   Incorporating and ensuring fraud risks are identified at different levels of the risk management process, i.e., during strategic, project and operational risk identification and assessment processes; to ensure that fraud risk becomes integral part of the risk and ethics management value chain.

d.   The REC and AC provides oversight over the effectiveness of fraud prevention systems and processes in line with their terms of references.

e.   Progress on investigations conducted and/or sanctions taken are reported to REC and AC closed sessions on a quarterly basis for independent professional advice.

f.   Where officials were convicted, the necessary processes are 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

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

Fraud Prevention awareness was provided to ensure that all Department officials and external stakeholders are aware of the mechanisms used to report any allegations of fraud or corruption. These awareness mechanisms include induction of new employees, posters in all DCDT office blocks foyers, employees workshops, etc.

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 as amended 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, AC, 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 PSC.

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

			Key meetings of the Portfolio Committee on Communications and Digital Technologies	
No.	**Date**	**Item**	**Matters raised**	**Response**
1.	9 July 2024	Annual Performance Plans (APP) of the DCDT, GCIS and MDDA	The Committee raised concerns about the moving targets in terms of BDM	The Department indicated that it was committed to conclude ASO by December 2024, as per the June 2023 gazette. The Department was working closely with stakeholders and broadcasters to raise awareness about ASO.
			The Committee enquired about media reports that mentioned the resignation of the SA Post Office CEO. They wanted to know who was leading the SA Post Office	The Department informed the Committee that section 140(1)(a) of the Companies Act No. 71 of 2008 empowers the Business Rescue Practitioners (BRPs) to take full management control of the company. Accordingly the joint BRPs were leading the Post Office.
2.	27 August 2024	SABC Turnaround Strategy; SABC and Sentech Dispute; SABC Bill: analysis of written responses	The Committee raised concerns about the low staff morale at the SABC.	The SABC indicated that there are regular one-on-one engagements with staff and senior management and that it was committed to this process.
			The Committee requested the SABC to explain the concept of being globally, especially how it relates to the SABC's financial sustainability. She was also asked about the difference between the SABC's sponsorships and partnerships	In terms of global funding, the GCEO explained that she wanted to show how public broadcasters were funded globally. The SABC was considering going across borders to source funding, and was also looking at the BRICS countries in this regard. She said it was positive that current circumstances had forced the SABC's leadership to adopt a forward-looking and innovative perspective.
			The committee raised a concern that the R1-billion debt owed to Sentech was high.	The Director-General said there had been an ongoing signal tariffs dispute between the SABC and Sentech since the 2020/21 financial year, and numerous interventions had been made.

No.	Date	Item	Matters raised	Response
			Key meetings of the Portfolio Committee on Communications and Digital Technologies	
			The Chairperson sought clarity on what the Committee Secretary had said about this being an introduction of the SABC Bill and not a reintroduction	The Minister said the submissions highlighted areas of concern, such as the need to be vigilant in safeguarding the SABC's independence. He suggested that this was also an opportunity to deal with these areas differently. He handed the matter over to the Director-General to reintroduce the SABC Bill.
3.	03 September 2024	Implementation of SA Post Office BRP; KPMG Forensic Report on Postbank's Fraudulent Transactions	The Committee requested an update on the SA Post Office BRPs	Members were informed that, as part of the process, 4 800 employees were dismissed for operational reasons through a Section 189(A) retrenchment process and almost 500 branches were shut down nationwide.
			The Committee requested an update on the KPMG Forensic Report on the Postbank's Fraudulent Transactions	Deputy Minister Gungubele highlighted that if the liquidation had gone through last year, SAPO would not exist. National Treasury had injected R2.4-billion into SAPO, and the Department awaited the outstanding R3.8-billion. SAPO is being dealt with in phases, including stabilisation, survival, and future, which speaks to the infrastructure that needs to exist for it to be sustainable. The first task was to stop SAPO from dying.
				The AGSA made findings that required interventions. The KPMG report addressed five issues: contract management, fraud management, cash theft and ghost employees. Since the conclusion of the investigation, further steps had been taken to hold people accountable.

Key meetings of the Portfolio Committee on Communications and Digital Technologies				
No.	Date	Item	Matters raised	Response
4.	10 September 2024	DCDT and GCIS Quarter 3 and Quarter 4 2023/24 Performance	A concern was raised about NE-MISA. One of the priorities was to grow the economy and create jobs.	The Chief Executive Officer of NEMISA, said that the digital literacy training target could not be met. There had been a shortfall of 2 590 learners in quarter three due to some training being cancelled. There were only 227 SMMEs trained. The number had been low in quarter four, but this was due to the fact that the annual target had already been achieved by quarter two. The budget was already exhausted and therefore only a few were trained. The initial target for cell phone repairs was 250 learners. However, the APP had to be revised to be aligned with the Minister's performance agreement. There had been engagement with the Unemployment Insurance Fund (UIF) and other entities to help with funding for the training of 30 000 learners. The funding had not come through as expected and was received only towards the end of the financial year. Training would now begin.
			NEMISA managed to train only 227 SMMEs out of a targeted 2 000. This was just over 10%. Only 26 learners had been trained in cell phone repairs versus a target of 9 800. It was emphasised that out of the eight targets not achieved, seven showed 0% progress towards achieving them.	The Chief Financial Officer (CFO) of the SABC, said that, as of 01 April, the SABC had been paying Sentech based on the new master transmission agreement that was signed. There was an ongoing conversation around the overdue debt between the SABC, Sentech and the Ministry. Currently, there is a mediation process related to tariffs.
			The Committee enquired as to how far was the resolution between Sentech and the SABC in resolving the matter relating to the debt.	

Key meetings of the Portfolio Committee on Communications and Digital Technologies				
No.	Date	Item	Matters raised	Response
5.	17 September 2024	SITA turnaround performance; SAPO Day Zero and Mitigating Plans	The Committee requested to discuss critical issues involving the South African Post Office (SAPO) with significant emphasis on leadership, financial challenges, and strategic interventions.	Minister Malatsi said everyone was seized with the dire situation the Post Office found itself in. It was clear that what was needed was financial resources to keep it operational. He said they could not rely solely on the R3.8-million injection, as it would be short-sighted to base the future of the Post Office on that, especially since the timing was out of their control. He emphasised the importance of moving into a future that explores partnerships.
			The Committee requested to discuss critical issues involving SITA with significant emphasis on leadership, financial challenges and strategic interventions	SITA's Acting Managing Director, assured the Committee that SITA's programmes were aligned with the medium-term development plan and Government's strategic priorities. He emphasised that SITA played a critical role in digitising the state, which in turn impacted the economy. Its work aimed to make Government departments more efficient. When failures occur at a macro level, SITA is often blamed for issues within departments and for not fulfilling its role. He said there was alignment between SITA's efforts and Government's goals and offered to engage further on specifics or share more information through the Committee secretariat.
6.	19 September 2024	SABC Bill: Oral Hearings	The committee requested oral hearings on the SABC Bill	The Committee received oral submissions from Mr. Nicolus von Walter; AfriForum; SABC; Multichoice; e.tv; a joint submission from the SOS Coalition, Media Monitoring Africa (MMA) and the South African National Editors Forum (SANEF); National Association of Broadcasters of South Africa (NABSA); the Independent Communications Authority of South Africa (ICASA); and the Congress of South African Trade Unions (COSATU).

| **Key meetings of the Portfolio Committee on Communications and Digital Technologies** |
No.	Date	Item	Matters raised	Response
7.	15 October 2024	Communications Portfolio Audit Outcomes; 2023/24 Annual Reports of the DCDT, SABC, MDDA, ICASA, Sentech, FPB, NEMISA, USAASA and USAF	The Committee requested an overview on the Audit Outcomes and the 2023/24 Annual Reports of the DCDT, ICASA, FPB, SABC, Sentech, Nemisa, USAASA, USAF and Zadna	The Deputy Minister noted that the DCDT received a clean audit. The SABC has had several green shoots and is currently stabilised. The entity is on an upward trajectory although it is still technically insolvent. There have also been major improvements in terms of losses. Sentech and FPB have regressed in their performances and hope to improve in the future.
8.	29 October 2024	Establishment of the State Digital Infrastructure Company; Implementation of the FPB Amendment Act; Sub-Committee report on the appointment of ICASA Councillors	The Committee requested an update on the State Digital Infrastructure Company (SDIC)	Mr. Mlindi Mashologu, the Acting Director-General of the DCDT, reflected on the formation of BBI, noting that its creation was likely to have been intended as a Government initiative to address digital access gaps. He said discussions were ongoing regarding the effectiveness of these efforts. He believed that state intervention was necessary to address critical needs, whether through the establishment of the SDIC or by allowing companies like BBI and SENTECH to operate independently, as they currently did.
			The committee requested an update on the Film and Publication Board Amendment Act.	The Chief Executive Officer (CEO) of SENTECH, reflected on the Department's instruction to explore acquiring BBI. In conducting due diligence, they had identified various financial and non-financial risks and challenges that would affect SENTECH's sustainability if the merger proceeded. He observed that BBI was likely under-capitalised and had been given responsibilities that required either full state funding or a decision to set those responsibilities aside. At the time of assessment, BBI did not meet the liquidity requirements and this ultimately hindered the merger. He suggested that capitalising BBI with approximately R2-billion would make the merger sustainable but acknowledged that the necessary funding was unavailable, thus complicating the merger process.

No.	Date	Item	Matters raised	Response
				The FPB was progressing in adapting to digital content regulation, enforcing protection for children and building collaborative frameworks to ensure effective oversight. The presentation outlined the FPB's commitment to safeguarding the public interest through regulatory clarity and enhanced enforcement and partnerships despite ongoing challenges in terms of resources and legislative alignment.
9.	15 November 2024	Forensic Report on SITA R1.2-billion tender; ICASA Council nominations	The Committee requested Cliff Dekker Hofmeyer (CDH) to provide an overview on the allegations of irregularities at the State Information Technology Agency (SITA) in awarding a R1.2-billion tender	Regarding irregularities, the CDH adopted a factual forensic and legal procedure for the investigation. The CDH had legal, accounting and additional forensic expertise. It had gone through a vigorous process through those three lenses. The four irregularities identified were material irregularities, which meant that they would have a substantive impact on the outcome of the procurement process. Due to the sensitivity of the contents of the reports, the details will not be made public.
10.	19 November 2024	Briefing on progress on Analogue Switch-Off; SABC Bill and Update on SABC Digital Terrestrial Television and Direct-To-Home Strategy	The Committee requested an update of the ASO	The Department reported that 469 370 households still needed to be connected before the end of December 2024. While 1.3 million installations had been successfully completed since the project's inception, several challenges remained. Furthermore, as of 31 October 2024, only 21 of South Africa's 195 analogue television transmitters had been completely switched off. Data integrity issues had hindered the pace of decoder installations, delaying progress toward the 90% threshold required to secure broadcaster authorisation for the switch-off. The DCDT also revealed that Government had spent R1.23-billion on dual illumination since 2014.

				Key meetings of the Portfolio Committee on Communications and Digital Technologies

No.	Date	Item	Matters raised	Response
			The Committee requested an update on the SABC Digital Terrestrial Television (DTT) and Direct-to-Home (DTH) strategies.	The SABC presented its DTH project which was a shift from the DTT decoders. The SABC developed this project to penetrate the "missing middle" market. This was part of the SABC's five-year strategy plan and anchored in one of its pillars as the country moved to digital migration. Securing a service provider to partner with, soliciting capital requirements, and developing the funding and revenue-sharing model were still works in progress.
			The Committee want to discuss the Minister's recent controversial withdrawal of the SABC Bill.	The Minister indicated that he utilised Rule 334 of the National Assembly Rules to unilaterally withdraw the Bill. According to the Minister, the key areas of concern with the version of the Bill were the lack of a credible financial model, the extent to which the Minister's powers were reflected, and the lack of a clear role by Parliament in appointing SABC board members. Additionally, the audio and audio-visual policy should have been developed before the Bill was introduced. This had not happened.
11.	20 November 2024	Establishment and status of the Draft Satellite Strategy launched by the South African National Space Agency (SANSA)	The Committee requested an update on the status of the Draft Satellite Strategy launched by SANSA	The Committee was advised that the project is structured into three layers: upstream (design and specification), midstream (launch, commissioning and operations) and downstream (IT infrastructure and platforms for e-Government services). These responsibilities were shared across SANSA, Sentech, the ICASA and SITA.
			Concerns were raised about how Sentech planned to manage funding risks.	The Sentech Acting CEO, said the project was currently awaiting full Cabinet approval. This would then trigger large-scale implementation. In the interim, Sentech had begun preliminary engagements with Government funding institutions. While these engagements were subject to Cabinet's final approval, early indications showed strong interest from African development finance institutions (DFIs) to support the project. He assured the Committee that these preliminary discussions would transition into firm commitments once the strategy had received full approval.

No.	Date	Item	Matters raised	Response
		Key meetings of the Portfolio Committee on Communications and Digital Technologies		
			The Committee enquired as to whether SA had the skills needed for this project.	Mr. Leshope acknowledged the country's capacity for satellite monitoring and operation. He assured the Committee that Sentech and SANSA could sustainably manage the satellite's operation and monitoring. However, he highlighted a gap in skills related to the actual development and construction of the satellite, saying some of the required technology was highly specialised and not available locally, which necessitated external partnerships. To address this Sentech planned to adopt a hybrid model involving both internal and external expertise.
12.	26 November 2024	SIU Investigations and ICT sector union engagement	The Committee raised concerns about investigations not being completed; whistleblowers being killed;	The SIU reported on its investigations into seven matters. Some of these had been finalised or were ongoing and had been mandated between 2010 and 2024. It was mandated to investigate the tender awarded to various companies.
			individuals not being prosecuted and sentenced to jail; consequence management;	The SIU had adopted an investigative methodology with a phased approach at the SABC, given the volume of the matters to be investigated.
			and the effectiveness of blacklisting.	The SIU was required to investigate the procurement of goods and services and unauthorised or fruitless and wasteful expenditures by the State Information Technology Agency (SITA).
			Members were worried about the amount of money lost, state institutions recruiting and hiring foreign nationals without verifying qualifications, and individuals involved in malfeasance moving from one state entity to another	The SIU was required to investigate irregular conduct by South African Post Office (SAPO) board members regarding supply chain management and recruitment-related irregularities.

No.	Date	Item	Matters raised	Response
			The Committee requested the Department to provide an update on the ICT sector union engagement	The SIU had been mandated to investigate the contracting for, or procurement of, telegraph services and advisory services in respect of Telkom's broadband and mobile strategy and payments made in respect thereof. Telkom held the view that it was not a state entity and therefore the SIU could not investigate its affairs. The matter had gone to the High Court which ruled in Telkom's favour. The SIU and the Presidency had applied for leave to appeal and the matter was still pending. The Committee heard about progress in implementing recommendations from entities' interactions with the unions. The PSA was concerned about the alleged victimisation and intimidation of the Acting Managing Director of SITA by the entity's Board. The Broadcast, Electronic, Media and Allied Workers Union (BEMAWU) was concerned about the salary and substantive negotiations at the SABC, including an alleged strike. Due to time constraints, it was requested that written communication should be submitted with regard to SITA, the SABC and the DCDT on these matters.
13.	04 February 2025	G20 Imperatives and Impact on ICT Sector and International Treaties	The Committee requested an overview on the G20 Imperatives and Impact on ICT Sector and International Treaties	The Department unpacked what it meant for South Africa and the continent to be part of the G20. DG indicated that each country must establish its own G20 secretariat because it is not an established body globally but rotates from one country to another. DCDT officials were included to assist with the secretariat work. The DCDT will also work with State-Owned Companies (SOCs) and research institutions who have an in-depth understanding and knowledge of the issues to contribute meaningfully to the secretariat.

Key meetings of the Portfolio Committee on Communications and Digital Technologies				
No.	Date	Item	Matters raised	Response
				On the G20 benefits, the DCDT raised two issues: digital public infrastructure and Artificial Intelligence. When the country hosts the G20 in the country it would provide an opportunity for SA to make its request to the rest of the world as it seeks to move forward in terms of digital transformation.
14.	11 February 2025	ICASA and Competition Commission on ICT Challenges	The Committee requested ICASA to provide an overview on the Cost to Communicate.	The Competition Commission had conducted a market inquiry into data costs in 2019 which found that mobile data prices were excessively high and detrimental to the poor. ICASA reported that Telkom and MTN experienced the largest price drop from 2020 to 2023, with a 21% decrease from R99 to R79. Cell C and Vodacom reduced their prices by 14.1% and 12.5%, respectively. ICASA stated that reducing data costs is an ongoing process to ensure affordability.
			The Committee raised concerns regarding challenges accessing sites	ICASA indicated that it will assess how they can accelerate some of the challenges related to site access through availing the spectrum for network deployment and electricity issues. Achieving the NDP objectives, it said, would be a collaborative effort. The availability of the spectrum does not mean that all South Africans will have access to broadband by 2030, but the intention is to bring all the players an NDP collaborative plan that can be presented to the Committee.
			The Committee requested an update on ICASA's funding challenges and business model	In response to the shortcomings of funding, ICASA has assessed its quick wins. The CEO indicated that the Committee had previously been oriented about Section 15(a)(1) of the ICASA Act, which states that the Minister has the power to appropriate additional funding for what is necessary to address the afore-mentioned constraints. International benchmarking will also be conducted once funding is available.

	Key meetings of the Portfolio Committee on Communications and Digital Technologies			
No.	Date	Item	Matters raised	Response
15.	12 February 2025	Status of SITA Governance Issues; ICASA Evaluation Panel; Adoption of SITA Oversight Report	The Committee requested a briefing on SITA's Governance Issues and ICASA's Evaluation Panel	The Department provided an update that addressed Board matters, executive management, the case involving the Minister and former Board of Directors, whistleblower allegations, the instability in the KZN office, appointments, audits, and Public Service Commission and Public Protector investigations. ICASA is at an advanced stage in finalising agreements for the Evaluation Panel. It had submitted the agreements for the Minister's consideration and the Department was evaluating same to ensure they cover all aspects relating to ICASA's strategy and annual performance plan.
16.	20 February 2025	Progress Status Report on School Connectivity: DBE and DCDT briefing	The Committee requested an update on School Connectivity	The DCDT found that there were social obligations that were not fully honoured by licensees. Penalties had now been imposed and the DCDT was working with the regulator to enforce those penalties.
17.	11 March 2025	Implementation of the National Digital and Future Skills Strategy; ICASA Appointment; with Minister	The Committee requested NEMISA to provide an overview on the National Digital and Future Skills Strategy	The Chairperson of NEMISA, confirmed that NEMISA's entire budget was dedicated to fulfilling its mandate, particularly in delivering training programmes that provide much-needed digital and creative media skills. However, he emphasised that NEMISA's interventions focused primarily on basic digital skills training, with more advanced courses provided in partnership with other organisations like Original Equipment Manufacturers, co-labs and online training providers. They also benefited from the opportunities created by the MICT SETA and other partners.

No.	Date	Item	Matters raised	Response
Key meetings of the Portfolio Committee on Communications and Digital Technologies				
18.	18 March 2025	ICASA and MDDA vacancies; ICASA on Market Inquiry on Signal Distribution, User and Subscriber Charter Inquiry, RICA amendment, SAPO & Sports Broadcasting Regulations (with Deputy Minister)	The Committee requested briefings on the following items: the market inquiry on signal distribution, filling ICASA vacancies, updates on RICA, postal service regulations, and sports broadcasting regulations.	On the issue of the signal distribution market inquiry, the DG clarified that the matter had not yet been formally brought to the Department but anticipated receiving it soon. She confirmed that the Department would review it once submitted and provide input accordingly.
			Discussions also explored the evolving role of ICASA in regulating digital technologies, ensuring fair competition and enforcing consumer protection measures.	She underscored the ongoing dispute between the public broadcaster and the national signal distributor saying that, by law, there was no other competitor.
			The Committee raised concerns regarding data residency and the security of south African data	The deliberations addressed the status of ICASA's inquiries, delays in regulatory processes, and the need for a clearer enforcement strategy for telecommunications operators failing to meet universal service obligations.
			The Committee raised concerns on misinformation and disinformation	The Committee reviewed and concurred with the Minister's recommendations for ICASA Council appointments, with members acknowledging the importance of ensuring balanced demographic representation.

Key meetings of the Portfolio Committee on Communications and Digital Technologies				
No.	**Date**	**Item**	**Matters raised**	**Response**
			The Committee raised concerns about the failure of MNOs to honour social obligations	The DG addressed concerns regarding data residency and the security of South African data. She reassured the Committee that a National Data and Cloud Policy introduced in 2023 explicitly required that data generated in South Africa remains in the country. This policy was intended to prevent sensitive national data from being stored or processed overseas. She stated that Government was now working on implementing regulations to enforce this policy and that ICASA would play a role in ensuring compliance. On the issue of misinformation and disinformation, the DG acknowledged that this was a growing challenge, particularly with the rise of Artificial Intelligence (AI). She said regulatory mandates in this area overlapped and there was currently a Memorandum of Understanding (MOU) among various regulatory bodies to address the grey areas between their jurisdictions. She highlighted that one of the key reasons for this collaboration was to tackle the increasing problem of fake news, misinformation and disinformation. The DG also confirmed that Government was actively developing an AI policy which would be accompanied by regulations governing its use. The Chairperson of ICASA, said operators should face consequences for failing to meet their Universal Service Obligations (USOs). He noted the challenges and said ICASA was working toward greater enforcement. He acknowledged that there had been a decline in network quality across the country. He cited loadshedding, vandalism and theft of telecommunications infrastructure (solar panels and batteries) as factors contributing to the fluctuation of network availability in some areas.

Key meetings of the Portfolio Committee on Communications and Digital Technologies				
No.	Date	Item	Matters raised	Response
19.	25 March 2025	DCDT, GCIS and Entities Q1 & Q2 2024/25 performance and implementation of audit action plan recommendations	The Committee requested the Department to provide an overview of the Q1 and Q2 performance and expenditure and recommendations on the audit action plans	The Department acknowledged the challenges and outlined measures to improve compliance and performance. These included strengthening internal reporting mechanisms, prioritising consequence management and aligning planning with recommendations from National Treasury.
20.	26 March 2025	PC4IR Report implementation progress update; Briefing by DCDT on progress made on Digital Economy Masterplan; GSMA briefing on Digital Transformation Report	The Committee requested for a progress report on digital transformation, focusing on broadband expansion in under-served areas.	A report from the Global System for Mobile Communications Association (GSMA) revealed that mobile technology contributes R200-billion annually to South Africa's GDP. This is despite the country lagging behind its BRICS peers in the adoption of 4G and 5G technologies.
			The meeting emphasised the need for a unified national strategy to address challenges in connectivity, skills development, and device access, highlighting ICT as a key enabler for industrialisation and emerging technologies such as AI.	The DCDT provided updates on the implementation of the Presidential Commission on the Fourth Industrial Revolution (PC4IR), citing skills shortages, infrastructure deficits and delays in AI and cybersecurity policy development as major hurdles.
			The Committee requested for an overview of the Digital Economy Masterplan (DEM)	The DG outlined that the Digital Economy Masterplan (DEM) aimed to achieve three primary objectives: inclusive growth, job creation and transformation. She highlighted that, to achieve these objectives, it would require physical technology production, transformative tech applications built by South Africa at a larger scale, digital platforms, and digitally traded services.

8.   SCOPA RESOLUTIONS

The Department presented the Unauthorised Expenditure to the amount of R 4,7 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 without material misstatements outcome in 2023/24 financial year, it keeps on improving on internal controls in order to maintain the unqualified audit opinion during the 2024/25 financial year audit. The issues which were raised in the 2020/21 and 2021/22 financial year were resolved in 2024/25 financial year.

10.   INTERNAL CONTROL UNIT

Management has commissioned a number of initiatives to fast-track improvements following the 2023/24 financial year audit. The following are the key initiatives (list not exhaustive):

a.   An internal control unit has been established in the new approved organisational structure. This unit will be responsible for the coordination and consolidation of effective and efficient internal control systems and processes throughout the Department.

b.   The Department has developed and implemented an Integrated Audit Action Plan (IAAP) to address matters raised in the 2023/24 financial year. The CFO's office has been assigned the responsibility to continuously monitor the implementation of the agreed interventions in the IAAP. The Chief Directorate: Internal Audit Services assesses the portfolio of evidence on quarterly basis to ensure successful resolution of previous years' findings.

c.   The CFO's Office is tasked with monitoring progress on addressing unauthorized, irregular, and fruitless and wasteful expenditure.

d.   The Department has an established Loss Control Committee (LCC) which is responsible for analysing and making determinations regarding sanctions and/or actions to be taken with regard to losses incurred as a result of Unauthorised, Irregular, and Fruitless and Wasteful expenditure. Where applicable, cases were further referred to the Labour Relations Officer to implement consequence management.

11. INTERNAL AUDIT AND AUDIT COMMITTEE

The Internal Audit Services' 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.

The Internal Audit Services IAS 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.

The IAS is established in line with the PFMA and Treasury Regulations as a key component or structure of good corporate governance. The IAS report functionally to the Audit Committee and administratively to the Director- General. Its activities are governed by an approved Internal Audit Charter.

Its 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 Plan. It also plays a critical role in enhancing the Department's ability to serve the public's 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.   Safeguarding of assets

e.   Compliance with laws, regulations, policies, and contracts.

The IAS developed a risk based Internal Audit Plan for the financial year 2024/25, which was approved by the Audit Committee.

The Internal Audit Plan 2024/25 had a total of 23 Internal Audit Engagements, 20 were delivered by the end of the financial year, 2 subsequent and one was not executed. The two IAE were impacted by delays experienced in other quarters as result of lack of an enabling control environment that necessitated extended consultation sessions with management in order to finalize audits and reports. The other engagement was consulting engagement that involved a number of outside stakeholders.

Five Year - Strategic Planning (5yr SP) and Annual Performance Plan 2025/26 (APP) Internal Audit Engagement was not done due to the delayed finalization of the planning.

The IAS was held accountable by the Audit Committee; an Intervention Plan was presented to address the challenges and its implementation has commenced.

For the period under review, IAS performed an evaluation of the adequacy and effectiveness of controls, including one consulting engagement in the following areas:

No	Internal Audit Engagement	Internal Audit Comment
1.	Finalization of 2023/2024 Internal Audit Engagements and Internal Quality Assessments (Peer Reviews)	Finalised
2.	Development of Annual Internal Audit Plan 2024/2025	Finalised
3.	Review of Q4 Quarterly Performance Report 2023/2024	Finalised
4.	DCDT Annual Report 2023/2024 Internal Audit Engagement	Finalised
5.	Disruption of IT services Internal Audit Engagement	Finalised
6.	Digitization of Departmental Business Operations Internal Audit Engagement	Finalised
7.	Authority access to IT Services Internal Audit Engagement	Finalised
8.	Performance Management System Internal Audit Engagement	Finalised
9.	Digital and Future Skills Programme Internal Audit Engagement	Finalised

10.	Quarterly Performance Reporting (Q1) Internal Audit Engagement	Finalised
11.	Follow – Up on Implementation of Integrated Audit Action Plans (Q1)	Finalised
12.	Portfolio Integrated Audit Action Plan (10 Entities)	Finalised
13.	Quarterly Performance Reporting (Q2) Internal Audit Engagement	Finalised
14.	Assets Management Internal Audit Engagement	Finalised
15.	Follow – Up on Implementation of Integrated Audit Action Plans (Q2)	Finalised
16.	Broadcasting Digital Migration Internal Audit Engagement (physical verification)	Finalised
17.	Interim Annual Internal Audit Plan 2025/2026	Finalised
18.	Quarterly Performance Reporting (Q3) Internal Audit Engagement	Finalised
19.	Follow – Up on Implementation of Integrated Audit Action Plans (Q3)	Finalised
20.	Transfer Payment Internal Audit Engagement	Finalised
21.	Five Year - Strategic Planning (5yr SP) and Annual Performance Plan 2025/2026 (APP) Internal Audit Engagement	Not done due to the delayed finalization of the 5yr - SP & APP 2025/206
22.	South Africa Connect (Broadband Roll out Programme) Internal Audit Engagement	Finalised after financial year end
23.	SA's Roadmap for Digital Transformation of Government Consulting Engagement	Finalised after financial year end

12. 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:

a.   Functional responsibility to the Internal Audit Function;

b.   External audit process executed by the Auditor General of South Africa (AGSA);

c.   Departmental financial management processes including – Accounting and Reporting (AFS); Accounting policies and Expenditure Management.

d.   Management discharges their responsibility pertaining to AGSA management and audit report.

e.   Departmental risk management systems and processes.

f.   ICT Governance systems and processes.

g.   Performance Information management systems and processes.

h.   Human Resource Management Governance.

i.   Legal, Ethics and Forensic/Other investigations.

j.   Overall effective governance of the Department by Senior Management.

12.1   AUDIT COMMITTEE MEMBERSHIP:

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IO-D(SA))	Appointment: Term of Office - Start date	Appointment: Term of Office - End Date	No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes /No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
Adv Collen Johannes 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; and Diploma in Business Management.	LPC, IOD(SA), RAID	30 April 2021	31 Aug 2027	8	Yes	No	14	9

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IO-D(SA))	Appointment: Term of Office - Start date	Appointment: Term of Office - End Date	No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes/No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
Dr Prittish Dala (Member and Chairperson of REC)	PhD (Information Technology); Masters (Information Technology); BSc Hons (Computer Science); Bachelor of Information Technology; Certified Information Systems Auditor (CISA); Certified Information Security Manager (CISM);	ISACA, IoDSA, ISC2, EC-Council	30 April 2021	31 Aug 2027	8	Yes	No	14	9

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IO-D(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes /No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	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);								

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes/No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	Certified Ethical Hacker (CEH); and Computer Hacking Forensic Investigator (CHFI).								
Ms. Zanele Nkosi (Member)	B.Com CTA; CA(SA)	SAICA, IoDSA,	30 April 2021	N/A	8	Yes	No	5	2 (included therein, 2 subcommittees as mentioned in the last column)
Ms Rachel Kalidass (Member)	CA (SA); BCompt Honours	SAICA IRBA IIA IoDSA	30 April 2021	N/A	8	Yes	No	3	2

Remuneration of audit committee members:

- AC members are paid at a rate per hour determined by the AGSA for work performed on their behalf by other auditors.

- None of the AC members is an employee of an organ of state.

- The total AC expenditure for the period was R 1 307 617.

12.2 AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

Part 1: Audit Committee Reflections – 2024/25

Audit Committee Responsibility

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 executed its responsibilities in compliance with the Charter and has discharged all its functions as contained therein.

Part 2: Audit Committee Composition and Meeting Attendance

The Audit Committee consists of four (4) members. The Committee is properly constituted, with all members being independent non-executives and not under the employ of DCDT with a diverse and appropriate mix of qualifications, skills, and experience. The Committee convened eight (8) times during the year under review with four (4) being ordinary meetings and the remainder were special meetings.

The table below provides each member's name, position, qualifications and meeting attendance:

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings at-tended	Number of special meetings attended
Adv Collen Johannes Weapond (Chairperson)	Refer to the table in 2.1 above	No	4	4
Dr Prittish Dala (Member and Chairperson of REC)	Refer to the table in 2.1 above	No	4	4
Ms. Zanele Nkosi (Member)	Refer to the table in 2.1 above	No	4	4
Ms Rachel Kalidass (Member)	Refer to the table in 2.1 above	No	4	4

The Effectiveness of Internal Control

Our review of the assurance reports, i.e., Management, Internal Audit and AGSA, revealed that there was control deficiencies identified in certain areas that require enhancements and Management have developed corrective measures to address the control deficiencies.

We have reviewed the Department's implementation of the integrated audit action plan which addresses control deficiencies raised by both the Internal Audit and AGSA and recommended that the Department should implement control measures and systems that will ensure that the Department is in compliance with its responsibilities of section 38 of the PFMA.

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

The Committee is of the opinion that Internal Audit and External Audit findings should be addressed timely for effective system of internal controls. The Committee noted that the priority programmes/projects require enhancements regarding the design of oversight processes, effectively monitoring to ensure its timely delivery of set targets. Management should ensure that measures are put in place to ensure reliability and integrity of the information reported by the implementing Entities within the Portfolio.

In-Year Management And Monthly/Quarterly Report

The Audit Committee has reviewed and is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer during the year under review. Audit Committee made recommendations to Management to improve and adequately manage the process of collating and reporting in accordance with the defined portfolio of evidence, irregular expenditure and consequence management, which resulted in an improved management process.

Evaluation Of Financial Statements

The Audit Committee Has:

a.   rreviewed and discussed the audited annual financial statements submitted to the AGSA with Management.

b.   reviewed the Auditor General's management report and managements responses.

c.   reviewed changes in accounting policies and practices.

d.   reviewed the Department's compliance with legal and regulatory provisions.

e.   reviewed significant adjustments resulting from the audit.

f.   reviewed information on pre-determined objectives to be included in the annual report.

Internal Audit

The Audit Committee reviewed and approved DCDT: IA's risk-based three-year rolling and Annual Internal Audit Plans for 2024/25. 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 DCDT: IAF against its approved operational plan on a quarterly basis.

We are dissatisfied that the DCDT: IAF did not complete the Annual Internal Audit Plan 2024/2025; robust engagement was held with the Chief Audit Executive in relation to effectively managing the delivery of the Annual Internal Audit Plan. The Intervention Plan was presented to the Audit Committee, and it will be monitored. Management was also engaged to support the delivery of the AIAP going forward.

We are, however, commending the work that DCDT: IAF performed in relation to the internal audit

reports that were presented to the Audit Committee with value-added recommendations, and its implementation is monitored. The work performed has enabled the Committee to fulfil its duties concerning compliance, financial management and performance information. It also enabled the Committee to pursue Management to address the control environment by presenting qualitative oversight recommendations.

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

Auditor General South Africa (AGSA)'s Report

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

Conclusion

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

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Adv JC Weapond

Chairperson of the Audit Committee

Department of Communications and Digital Technologies

12.3 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

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	The Supply Chain Management policy is aligned to legislations, prescripts, treasury instructions, regulations etc. governing procurement processes in the Public Sector. 80/20 or 90/10 preference point system has been applied by Supply Chain Management on transactions with a Rand value of R 2 000.00 and above. 80/90 represents points for price and 20/10 represent points for preference/ BEE. Local supplier(s) have been prioritized on sourcing of quotations when it comes to events, imbizos etc.
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	

Table header: Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:

Part D

Human Resource Management

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Department

The staff establishment for the Department as on 31 March 2025 was 337 funded (filled and vacant) posts. Of these 337 funded posts, 263 posts were filled and 74 posts were vacant, equating to a 21.96% vacancy rate. The total headcount on 31 March 2025 was 269, which included 6 employees that were appointed additional to the establishment.The Department was allocated a total adjusted and exclusively earmarked amount of R312 537 million for compensation of employees in the 2024/25 financial year, and at the end of March 2025, the Department had spent R274 159 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 was 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 Chief Director: Legal Services, Chief Director: Communications and Marketing (starting date of successful candidate – 1 June 2025), Deputy Director: Performance Management, Deputy Director: Information Society Evaluation and Impact Assessment, Deputy Director: Special Projects, Innovations and Research, Assistant Director: Recruitment, Planning and Employment Equity, Senior Administrative Officer: Performance Management, Administrative Officer Special Projects, Innovations and Research, and Administrative Officer Logis and Buying. The positions of Deputy Director: Risk Management and Deputy Director: Administrative Support and Coordination and eight (8) intern positions were advertised and are in the process of being filled.

The approved 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 the requisite skills aligned to the mandate and strategy.

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

- 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. 21,96%.

- Development and approval 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.

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

- The Department developed and approved the action plan to drive the development of the HR Plan for the DCDT, which will be aligned with the strategy and organisational structure requirements. The design of the HR Plan is conducted in collaboration with the established HR Planning Committee, comprising representatives from various Branches. The process involves the identification of both current and future human resource needs, as well as potential challenges for the Department to achieve its organisational objectives consistently. HR planning also aims to ensure that DCDT has the right people at the right place at the right time, all the time. It is a compliance, and a strategic and operational need.

- The Department also developed and approved the action plan to drive the recruitment processes, and the process has already commenced to attract and recruit a skilled and capable workforce in the prioritised area.

- 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 includes the 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. 2023/24 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 2025.

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, which are rendered by the appointed service provider Lyra. Health related information received from Lyra was periodically circulated through the Department's Internal Communication mechanism to promote wellness and physical well-being among employees.

- Quarterly Employee Health and Wellness (EHW) programmes were held, and well-being support specialized services were provided by wellness management professionals to support employees and enable performance.

- Awareness was created through constant reminders and posters in the access areas of the buildings.

- A Portfolio Review Day was held at Irene Country Lodge on 10 December 2024, which was a remarkable occasion that not only commemorated World Aids Day but also emphasised 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 underlined the global commitment to fighting HIV/AIDS and supporting those affected by it.

- 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. Aerobic 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 Portfolio Review 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 (1) disciplinary hearing commenced in February 2025 relating to financial misconduct and is in the process of being finalised. Three (3) disputes were lodged at the General Public Service Sectoral Bargaining Council relating to unfair labour practices. One (1) matter was settled, one (1) award was in favour of the Department and one (1) is continuing. One (1) SMS member was issued with a written warning for non-compliance with deadline of submission of documents to Strategic Planning- Q3 Performance Information Compliance Report. Written warnings were also issued to five (5) employees for failing to adhere to various HR requirements, such as non-submission of performance review reports.

ACHIEVEMENTS AND CHALLENGES

Achievements

- HRM policies developed were implemented and policies due for review were reviewed and presented to relevant governance structures.

- Reporting to the Department of Labour took place on 10 January 2025, 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 2024 to 31 December 2024.

- Training was implemented that aligned with the respective areas of work and/or Personal Development Plans (PDPs) 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 the signing of Performance Agreements, concluding of mid-term review documents and annual appraisals processes. 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. 2023/24 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 2025.

- The Department implemented the provisions of the approved Funeral and Bereavement Policy to the employees who lost their respective family members and ensured that the 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 filling vacancies in the Department. Only eight (8) critical positions could be advertised and filled. This resulted in underspending the COE budget.

- Currently, the female representation is at forty-four (44) percent, against the target of fifty (50) percent at the senior management level, and the moratorium on filling permanent vacancies has impacted efforts from the Department to address the shortcomings.

- Currently, the male representation on the non-SMS level is at thirty-eight percent (38%) against the target of fifty per cent (50%), and the moratorium on the filling of permanent vacancies impacted efforts from the Department to address the shortcomings.

- However, late submission of performance documents by some officials has improved compared to previous years.

Future Plans/Goals

- Implementation of the approved organisational structure.

- Alignment of the budget structure with the new organisational structure.

- Finalise the design of the HR Plan that is aligned with the Strategic Plan and future staffing needs of the new reconfigured Department for the period 2025 to 2028.

- 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 will be institutionalised 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 will be institutionalised through the Employment Equity Plan.

- Prioritisation of the appointment of youth in relevant vacant and funded positions in the Department to reach the 30% target.

- Continue 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 (PDPs).

- Facilitate the process of submission of annual assessments for the 2024/25 financial year.

- Facilitate the Moderation Committee meetings for the 2024/25 financial year.

- Facilitate the process of submission of performance agreements for the 2025/26 financial year.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

In this section, the Department provides key information on its human resources and the financial amounts that align with the amounts disclosed in the annual financial statements. Provide reasons for any variances.

The information provided follows the format and standards prescribed, to enable collation and comparison of information. In some instances, the subheadings/tables might not be applicable to the Department, and in this case, it is stated as such in the report, indicating not applicable / N/A.

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 summarise the final audited personnel related expenditure by programme per salary bands. In particular, it indicates the following:

•   amount spent on personnel

•   amount spent on salaries, overtime, homeowners' allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2024 and 31 March 2025

Programme	Total expend-iture (R'000)	Personnel expend-iture (R'000)	Training expendi-ture (R'000)	Profes-sional and special ser-vices ex-penditure (R'000)	Personnel expendi-ture as a % of total ex-penditure	Average personnel cost per employee (R'000)
Programme 1: Administration	263 193	127 803	482	0	48.5%	900
Programme 2: International Relations and Affairs	65 860	18 287	0	0	28%	1 524
Programme 3: ICT Policy Development and Research	27 831	23 223	0	0	83%	1 161
Programme 4: ICT Enterprise Development and Oversight	1 741 447	25 783	57	0	1.5%	1 172
Programme 5: ICT Infrastruc-ture Devel-opment and Support	755 232	33 783	156	0	4.5%	1 207
Programme 6: ICT Informa-tion Society and Capacity Development	62 547	44 332	15	0	71%	985
Total	2 916 111	273 211	710	0	9.4	1 015

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 and 31 March 2025

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)	115	0.04	1	115
Skilled (level 3-5)	5 666	2.1	25	227
Highly skilled production (levels 6-8)	38 951	14.3	75	519
Highly skilled supervision (levels 9-12)	92 609	33.9	105	882
Senior and Top management (levels 13-16)	135 870	49.7	103	1 319
Total	273 211	100	309	884

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2024 and 31 March 2025

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	86 015	67.3	1 299	1	1 469	1.1	3 222	2.5
Programme 2: International Relations and Affairs	9 391	51	6	0.03	276	1.5	485	2.6
Programme 3: ICT Policy Development and Research	16 110	69	-	0	197	0.8	376	1.6
Programme 4: ICT Enterprise Development and Oversight	17 176	66.6	14	0.05	251	0.9	434	1.7

Programme 5: ICT Infrastructure Development and Support	23 105	68	-	0	437	1.3	502	1.5
Programme 6: IT Information Society and Capacity Development	29 713	67	4	0	536	1.2	1 073	2.4
Total	181 510	66.4	1 323	0.5	3 166	1.2	6 092	2.2

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

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)	115	100	0	0	0	0	0	0
Skilled (level 3-5)	3 838	68	40	0.7	232	4.1	276	4.9
Highly skilled production (levels 6-8)	27 425	70	523	1.3	1 454	3.7	3 025	7.8
Highly skilled supervision (levels 9-12)	65 277	71	761	0.8	704	0.8	1 835	2
Senior management (level 13-16)	84 856	62.4	0	0	775	0.6	957	0.7
Total	181 510	66.4	1 324	0.5	3 166	1.2	6 092	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 who 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).

Department has 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 2025

Programme	Number of posts on approved es-tablishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	186	137	26.3	5
Programme 2: International Relations and Affairs	16	12	0.5	0
Programme 3: ICT Policy Development and Research	23	19	17.4	1
Programme 4: ICT Enterprise Development and Oversight	28	22	21.4	0
Programme 5: ICT Infrastructure Development and Support	33	28	15.2	0
Programme 6: ICT Information Society and Capacity Development	51	45	11.8	0
Total	337	263	21.96	6

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0	0	0	1
Skilled (3-5)	24	11	54.2	0
Highly skilled production (6-8)	95	70	26.3	1
Highly skilled supervision (9-12)	101	88	12.9	1
Senior manage-ment (13-16)	100	77	23	3
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)	5	5	0	0
Contract (Levels 13 - 16)	4	4	0	0
Total	337	263	21.96	6

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2025

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration Clerks	8	7	12.5	1
Administration and Governance Policy Management	8	7	12.5	2
Administrative Related	1	0	100	0
Chief Financial Officer	1	1	0	0
Chief Information Officer	1	1	0	0
Communication and Marketing Manager	2	1	50	0
Communication Coordinator	2	2	0	0
Compliance Officer	3	3	0	0
Contract Manager	1	1	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Filing and Registry Clerk	6	5	16.7	0
Financial Accountant	8	7	12.5	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	0
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	7	5	28.6	0
Human Resource Manager	5	5	0	0
Human Resource Practitioner	2	2	0	0
Human Resource Related	1	0	100	0
ICT Systems Analyst	2	2	0	0
Information Services Manager	1	1	0	0
Information Technology Systems Manager	2	1	50	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
Messenger	5	5	0	0
Middle Manager: Human Resource & Organisational Development Relations	7	5	28.6	0
Middle Manager: Administrative Related	48	43	10.4	0
Middle Manager: Finance and Economics Related	7	6	14.3	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
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	3	0	100	0
Other Clerical Support Workers	27	24	11.1	1
Other Information Technology Personnel	3	0	100	0
Other Occupations	2	2	0	0
Personal Assistant	20	17	15	1
Policy and Planning Manager	1	1	0	0
Policy Analyst	2	1	50	0
Professionals not elsewhere classified	1	1	0	0
Receptionist (General)	2	2	0	0
Regulatory, Compliance and Enforcement Manager	53	47	11.3	0
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	4	1	75	0
Secretary (General)	1	0	100	0
Senior Management	12	1	91.7	0
State Owned Entities & Oversight Manager	3	3	0	0
Strategy/Monitoring & Evaluation Manager	4	2	50	0
Supply Chain Clerk	10	10	0	0
Switchboard Operator	1	1	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Technical (ICT) Support Services Manager	2	1	50	0
Training Development Professional	1	0	100	0
Transport Clerks	1	0	100	0
Total	337	263	21.96	6

Notes

- The CORE classification, as prescribed by the DPSA, and 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 those persons who 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 in recruiting or retaining the services of employees.

3.3 Filling of Senior Management Services (SMS) Posts

The tables in this section provide information on employment and vacancies relating 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 2025

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	4	80	1	20
Salary Level 15	6	3	50	3	50
Salary Level 14	34	29	85.3	6	17.6
Salary Level 13	59	48	81.4	13	22
Total	104	84	80.8	23	22.1

Please note: The eighty-four (84) employees include three (3) employees that are appointed additional to the establishment.

Table 3.3.2 SMS post information as on 30 September 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	3	60	2	40
Salary Level 15	6	4	66.7	2	33.3
Salary Level 14	34	33	97.1	6	17.6
Salary Level 13	59	48	81.4	15	25.4
Total	104	88	84.6	25	24

Please note: The eighty-eight (88) employees include nine (9) employees that are appointed additional to the establishment.

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

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	1	0	1
Salary Level 13	0	0	0
Total	1	0	1

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
The Department could not advertise the vacant positions as it was still conducting the organisational review and reconfiguration process. Cost containment measures in Public Service and a moratorium were placed on filling vacancies. Only critical vacancies were advertised.

Reasons for vacancies not filled within twelve months
The Department could not advertise the vacant positions as it was still conducting the organisational review and reconfiguration process. Cost containment measures in Public Service and a moratorium were placed on filling vacancies. Only critical vacancies were advertised.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, Department s 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 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
None. The fact that positions were not advertised was outside the control of HRM.

Reasons for vacancies not filled within six months
None. The fact that positions were not advertised was outside the control of HRM.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, Department s 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 their 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 2024 and 31 March 2025

Salary band	Number of posts on approved es-tablishment	Number of Jobs Evaluat-ed	% of posts evalu-ated by salary bands	Posts Upgraded		Posts downgraded	
				Num-ber	% of posts evaluat-ed	Num-ber	% of posts evaluat-ed
Lower Skilled (Levels1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	32	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	95	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	106	0	0	0	0	0	0
Senior Management Service Band A	59	2	3.4	0	0	0	0

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
Senior Management Service Band B	34	0	0	0	0	0	0
Senior Management Service Band C	6	6	100	0	0	0	0
Senior Management Service Band D	5	1	20	0	0	0	0
Total	337	9	2.7	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 2024 and 31 March 2025

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 2024 and 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Compliance Officer	1	9	10	Employees moving from one level to another due to Grade Progression.
Filing and Registry Clerk	1	5	6	
Financial Accountant	4	9	10	
Human Resource Practitioner	1	9	10	
Middle Manager: Administrative Related	2	11	12	
Middle Manager: Human Resource & Organisational Development Related	2	11	12	
Middle Manager: Information Technology Related	2	11	12	
Other Clerical Support Workers	3	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	Ministerial appointments. It was determined by the DPSA, after an analysis of information submitted by the Department , that the functions performed by some of these positions do not justify a grading of posts at Assistant-Director level.
Graphic Designer	2	8	10	
Middle Manager: Human Resource & Organisational Development Related	2	11	12	

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Information Services Manager	1	8	9	Furthermore, the analysis conducted on some of these posts indicated that the functions performed are production in 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.
Other Clerical Support Workers	6 1	5 7	6 8	DPSA Circular on benchmark job descriptions and grading levels and implementation guidelines for jobs of Clerks dated 12 December 2012.
Personal Assistant	5 1 1	7 7 7	8 9 11	DPSA Circular on benchmark job descriptions and grading levels and implementation guidelines for jobs of Secretaries and Personal Assistants dated 31 December 2016.
Total number of employees whose salaries exceeded the level determined by job evaluation				39
Percentage of total employed				14.5

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 2024 and 31 March 2025

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 indicate 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 2024 and 31 March 2025

Salary band	Number of employees at beginning of period 1 April 2024	Appoint-ments and transfers into the Department	Termina-tions 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)	75	1	5	6.7
Highly skilled supervision (Levels 9-12)	96	1	5	5.2
Senior Management Service Bands A (Level 13)	49	0	2	4.1
Senior Management Service Bands B (Level 14)	34	1	2	5.9
Senior Management Service Bands C (Level 15)	4	0	1	25
Senior Management Service Bands D (Level 16 including DG, Minister, Deputy Minister and Special Advisor)	2	3	0	0
Contract (Levels 1-2)	0	1	0	0
Contract (Levels 3-5)	8	5	5	62.5
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	6	1	6	100

Salary band	Number of employees at beginning of period 1 April 2024	Appoint-ments and transfers into the Department	Termina-tions and transfers out of the Department	Turnover rate
Contract (Band A) (Level 13)	3	2	4	133.3
Contract (Band B) (Level 14)	1	1	6	600
Contract (Band C) (Level 15)	0	0	0	0
Contract (Band D) (Level 16 including DG, Minister, Deputy Minister and Special Advisors)	3	0	4	133.3
Total	293	16*	40**	13.7

*The sixteen (16) appointments include one (1) appointment additional to the establishment.

**The forty (40) terminations include eleven (11) appointments additional to the establishment.

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2024 and 31 March 2025

Critical occupation	Number of employees at beginning of period - April 2024	Appoint-ments and transfers into the Department	Termina-tions and transfers out of the Department	Turnover rate
Administration Clerks	9	0	1	11.1
Administration and Governance Policy Management	9	3	4	44.4
Administrative Related	0	0	0	0
Chief Financial Officer	1	0	0	0
Chief Information Officer	1	0	0	0
Communication and Marketing Manager	3	0	2	66.7
Communication Coordinator	2	0	0	0
Compliance Officer	5	0	2	40
Contract Manager	1	0	0	0
Filing and Registry Clerk	5	0	0	0
Financial Accountant	8	0	1	12.5
Finance and Related Professionals	0	0	0	0
Finance Clerk	6	0	0	0

Critical occupation	Number of employees at beginning of period - April 2024	Appoint-ments and transfers into the Department	Termina-tions and transfers out of the Department	Turnover rate
Financial Clerks and Credit Controllers	0	0	0	0
Finance Manager	2	0	0	0
Food Trade Assistant	3	0	0	0
Graphic Designer	2	0	0	0
Heads of National Departments	1	0	0	0
Human Resources and Organisational Development Related Professionals	0	0	0	0
Human Resource Clerk	5	0	0	0
Human Resource Manager	4	1	0	0
Human Resource Practitioner	3	1	0	0
ICT Systems Analyst	2	0	0	0
Information Services Manager	1	0	0	0
Information Technology Systems Manager	2	0	1	50
Internal Audit Manager	2	0	0	0
Internal Auditor	2	0	0	0
Legal Related Manager	2	0	0	0
Library Mail and Related Clerks	0	0	0	0
Logistical Support Personnel	0	0	0	0
Messenger	5	1	1	20
Middle Manager: Human Resource & Organisational Development Relations	4	0	1	25
Middle Manager: Administrative Related	43	0	4	9.3
Middle Manager: Finance and Economics Related	7	0	1	14.3
Middle Manager: Information Technology Related	7	0	0	0
Middle Manager: Internal Audit Related	2	0	0	0
Middle Manager: Legal Related	2	0	0	0

Critical occupation	Number of employees at beginning of period - April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Middle Manager: Communications and Information Related	3	0	0	0
Office Cleaner	4	3	3	75
Other Administrative and Related Clerks and Organisers	0	0	0	0
Other Clerical Support Workers	25	1	1	4
Other Information Technology Personnel	0	0	0	0
Other Occupations	4	1	3	75
Personal Assistant	21	0	2	9.5
Policy and Planning Manager	1	0	0	0
Policy Analyst	2	0	0	0
Professionals not elsewhere classified	1	0	0	0
Receptionist (General)	2	1	1	50
Regulatory, Compliance and Enforcement Manager	52	0	4	7.7
Risk and Integrity Manager	1	0	0	0
Safety/Health/Environment / Quality (SHE&Q) Practitioner	2	0	0	0
Secretaries and Other Keyboard Clerks	0	0	0	0
Secretary (General)	2	1	1	50
Senior Management	0	2	1	0
State Owned Entities & Oversight Manager	3	0	0	0
Strategy/Monitoring & Evaluation Manager	7	0	5	71.4
Supply Chain Clerk	9	1	0	0
Switchboard Operator	1	0	0	0
Technical (ICT) Support Services Manager	1	0	0	0
Training Development Professional	0	0	0	0

Critical occupation	Number of employees at beginning of period - April 2024	Appoint-ments and transfers into the Department	Termina-tions and transfers out of the Department	Turnover rate
Transport Clerks	1	0	1	100
TOTAL	293	16*	40**	13.7

*The sixteen (16) appointments include one (1) appointment additional to the establishment.

**The forty (40) 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 to which a Department experiences a high degree of difficulty in recruiting or retaining 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 2024 and 31 March 2025

Termination Type	Number	% of Total Resignations
Death	2	5
Resignation	7	17.5
Expiry of contract	24	60
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	2.5
Retirement	2	5

Termination Type	Number	% of Total Resignations
Transfer to other Public Service Departments	3	7.5
Other: Secondment came to an end	1	2.5
Total	40	100
Total number of employees who left as a % of total employment	13.7	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2024 and 31 March 2025

Occupation	Employees 1 April 2024	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
Administration Clerks	9	0	0	2	22.2
Administration and Governance Policy Management	9	0	0	4	44.4
Chief Financial Officer	1	0	0	0	0
Chief Information Officer	1	0	0	1	100
Communication and Marketing Manager	3	0	0	1	33.3
Communication Coordinator	2	0	0	0	0
Compliance Officer	5	0	0	2	40
Contract Manager	1	0	0	1	100
Filing and Registry Clerk	5	0	0	1	20
Financial Accountant	8	1	12.5	4	50
Finance Clerk	6	0	0	2	33.3
Finance Manager	2	0	0	2	100
Food Trade Assistant	3	0	0	2	66.7
Graphic Designer	2	0	0	1	50
Heads of National Departments	1	0	0	0	0
Human Resource Clerk	5	1	20	1	20
Human Resource Manager	4	0	0	2	50

Occupation	Employees 1 April 2024	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
Human Resource Practitioner	3	1	33.3	0	0
ICT Systems Analyst	2	0	0	2	100
Information Services Manager	1	0	0	1	100
Information Technology Systems Manager	2	0	0	1	50
Internal Audit Manager	2	0	0	1	50
Internal Auditor	2	0	0	1	50
Legal Related Manager	2	1	50	1	50
Messenger	5	0	0	3	60
Middle Manager: Human Resource & Organisational Development Relations	4	2	50	2	50
Middle Manager: Administrative Related	43	4	9.3	22	51.2
Middle Manager: Finance and Economics Related	7	0	0	5	71.4
Middle Manager: Information Technology Related	7	0	0	3	42.9
Middle Manager: Internal Audit Related	2	0	0	2	100
Middle Manager: Legal Related	2	0	0	2	100
Middle Manager: Communications and Information Related	3	0	0	1	33.3
Office Cleaner	4	0	0	0	0
Other Clerical Support Workers	25	1	4	9	36
Other Occupations	4	0	0	0	0
Personal Assistant	21	0	0	6	28.6

Occupation	Employees 1 April 2024	Promo-tions to another salary level	Salary level promotions as a % of employees by occupation	Progres-sions to another notch within a salary level	Notch progression as a % of employees by occupation
Policy and Planning Manager	1	0	0	0	0
Policy Analyst	2	0	0	1	50
Professionals not elsewhere classified	1	0	0	0	0
Receptionist (General)	2	0	0	0	0
Regulatory, Compliance and Enforcement Manager	52	0	0	32	61.5
Risk and Integrity Manager	1	0	0	0	0
Safety / Health / Environment/Quality (SHE&Q) Practitioner	2	0	0	2	100
Secretary (General)	2	0	0	0	0
State Owned Entities & Oversight Manager	3	0	0	3	100
Strategy/Monitoring & Evaluation Manager	7	0	0	0	0
Supply Chain Clerk	9	0	0	5	55.6
Switchboard Operator	1	0	0	0	0
Technical (ICT) Support Services Manager	1	0	0	1	100
Transport Clerks	1	0	0	0	0
TOTAL	293	11	3.8	132	45.1

Table 3.5.5 Promotions by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Employees 1 April 2024	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)	20	0	0	6	30
Highly skilled production (Levels 6-8)	75	2	2.7	26	34.7
Highly skilled supervision (Levels 9-12)	102	8	7.8	51	50
Senior Management (Level 13-16)	96	1	1	49	51
Total	293	11	3.8	132	45.1

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 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	38	3	2	4	27	1	5	4	84
Professionals	41	0	0	4	40	3	1	5	94
Technicians and associate professionals	15	1	1	0	45	4	3	2	71
Clerks	7	0	0	0	11	1	0	0	19
Elementary occupations	1	0	0	0	0	0	0	0	1
Total	102	4	3	8	123	9	9	11	269
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 2025

Occupational band	Male				Female				Total
	African	Colour-ed	Indi-an	White	African	Colour-ed	Indi-an	White	
Top Manage-ment	5	0	0	0	1	0	0	1	7
Senior Man-agement	33	3	2	4	26	1	5	3	77
Professionally qualified and experienced specialists and mid-manage-ment	41	0	0	4	40	3	1	5	94
Skilled tech-nical and academical-ly qualified workers, junior management, supervisors, foreman and superinten-dents	15	1	1	0	45	4	3	2	71
Semi-skilled and discretion-ary decision making	7	0	0	0	11	1	0	0	19
Unskilled and defined deci-sion making	1	0	0	0	0	0	0	0	1
Total	102	4	3	8	123	9	9	11	269

Table 3.6.3 Recruitment for the period 1 April 2024 to 31 March 2025

Occupa-tional band	Male				Female				Total
	African	Colour-ed	Indi-an	White	African	Colour-ed	Indi-an	White	
Top Man-agement	1	0	0	0	1	0	0	1	3
Senior Man-agement	0	1	0	0	0	0	1	2	4

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	1	0	0	0	1
Semi-skilled and discretionary decision making	2	0	0	0	3	0	0	0	5
Unskilled and defined decision making	1	0	0	0	0	0	0	0	1
Total	5	1	0	0	6	0	1	3	16
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2024 to 31 March 2025

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	1	0	0	0	2	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	0	0	0	0	1
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	3	0	0	0	2	0	0	0	5
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				To- tal
	Afri-can	Colour-ed	Indi-an	White	Afri-can	Colour-ed	Indi-an	White	
Top Management	2	0	0	0	2	0	1	0	5
Senior Management	5	0	0	0	9	0	0	0	14
Professionally qualified and experienced specialists and mid-manage-ment	6	0	0	0	5	0	0	0	11
Skilled technical and academi-cally qualified workers, junior management, supervisors, foreman and superintendents	2	1	0	0	2	0	0	0	5
Semi-skilled and discretionary d ecision making	2	0	0	0	3	0	0	0	5
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	17	1	0	0	21	0	1	0	40
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2024 to 31 March 2025

Disciplinary action	Male				Female				Total
	Afri-can	Colou-red	Indi-an	White	Afri-can	Colour-ed	Indi-an	White	
Settlement agreement reached at disciplinary hearing	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2024 to 31 March 2025

Occupational category	Male				Female				To-tal
	Afri-can	Colour-ed	Indi-an	White	Afri-can	Colour-ed	Indi-an	White	
Legislators, senior officials and managers	49	2	2	5	46	0	4	3	111
Professionals	10	0	0	0	9	0	0	1	20
Technicians and associate professionals	2	0	0	1	6	0	0	0	9
Clerks	13	0	0	0	34	3	2	1	53
Total	74	2	2	6	95	3	6	5	193
Employees with disabili-ties	1	0	0	0	0	0	1	1	3

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 30 August 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed perfor-mance agree-ments	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department (Level 16)	1	1	1	100
Salary Level 15	6	4	4	100
Salary Level 14	34	27	27	100
Salary Level 13	59	47	47	100
Total	100	79	79	100

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 30 August 2024

Reasons
N/A

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 30 August 2024

Reasons
N/A

Notes

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

3.8   Performance Rewards

The Department promotes high performance. However, it is still needed to find ways to reward performance, as there were no specific rewards offered for high performance during the year under review.

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2024 to 31 March 2025

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
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 2024 to 31 March 2025

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 2024 to 31 March 2025

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	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

d. into which Department experiences a high degree of difficulty in recruiting or retaining 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 2024 to 31 March 2025

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 2024 and 31 March 2025

Salary band	01 April 2024		31 March 2025		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 2024 and 31 March 2025

Major occupation	01 April 2024		31 March 2025		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 to monitor sick leave within the public service carefully. The following tables indicate 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 2024 to 31 December 2024

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)	51	88.2	5	3.6	10	64
Highly skilled production (levels 6-8)	262	80.9	39	28.3	7	518
Highly skilled supervision (levels 9 -12)	246	64.6	50	36.2	5	850
Top and Senior management (levels 13-16)	212	82.1	41	29.7	5	1 143
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	1	0	1	0.7	1	2
Contract (Levels 13-16)	6	100	2	1.4	3	30
Total	778	76.6	138	100	6	2 606

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 2024

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)	34	100	2	50	17	72
Highly skilled supervision (Levels 9-12)	188	100	1	25	188	556
Top and Senior management (levels 13-16)	35	100	1	25	35	175
Total	257	100	4	100	64	803

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 2024 to 31 December 2024

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Skilled (Levels 3-5)	262	11	24
Highly skilled production (Levels 6-8)	1 795	76	24
Highly skilled supervision (Levels 9-12)	2 227	93	24
Senior management (Levels 13-16)	1 813	80	23
Contract (Levels 3-5)	40	10	4
Contract (Levels 6-8)	0	0	0
Contract (Levels 9-12)	55	8	7
Contract (Levels 13-16)	68	10	7
Total	6 260	288	22

Table 3.10.4 Capped leave for the period 1 January 2024 to 31 December 2024

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 2024
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	11
Senior management (Levels 13-16)	0	0	0	38
Total	0	0	0	21

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 2024 and 31 March 2025

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Discounting with Resignation (workdays)	73	3	24
Annual – Discounting: Contract Expiry (workdays)	1 379	22	63
Annual – Discounting: Unused Vacation Credits (Workdays)	80	1	80
Annual – Gratuity: Death/Retirement/Medical Retirement (workdays)	225	3	75
Capped – Gratuity: Death/Retirement/ Medical Retirement (workdays)	400	1	400
Total	2 157	30	72

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, security personnel 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

Question	Yes	No	Details, if yes
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		• 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.		No	
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		• HIV and AIDS and TB Management Policy • Employee Wellness Management Policy • Health and Productivity Management Policy • Funeral and Bereavement Policy
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		• Screening services provided by GEMS or Dept of Health are discreet and results are kept confidential.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		• Thirty-six (36) male employees tested. • Seventy-eight (78) female employees tested.
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. • Quarterly Reports provided to DPSA and to the Audit Committee.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2024 and 31 March 2025

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 2024 and 31 March 2025

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 2024 and 31 March 2025

Type of misconduct	Number	% of total
Total	0	100

Table 3.12.4 Grievances lodged for the period 1 April 2024 and 31 March 2025

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

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2024 and 31 March 2025

Disputes	Number	% of Total
Number of disputes upheld	1	50
Number of disputes dismissed or settled	1	50
Total number of disputes lodged	2	100

Table 3.12.6 Strike actions for the period 1 April 2024 and 31 March 2025

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 2024 and 31 March 2025

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 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	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	44	0	58	42	100
	Male	52	0	56	48	104
Professionals	Female	53	0	10	9	19
	Male	49	0	10	11	21
Technicians and associate professionals	Female	55	0	5	8	13
	Male	120	0	1	2	3
Clerks	Female	12	0	31	19	50
	Male	8	0	15	8	23
Sub Total	Female	164	0	104	78	182
	Male	129	0	82	69	151
Total		293	0	186	147	333

Table 3.13.2 Training provided for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	44	0	80	17	97
	Male	52	0	74	13	87
Professionals	Female	53	0	9	5	14
	Male	49	0	9	4	13
Technicians and associate professionals	Female	55	0	9	2	11
	Male	20	0	4	2	6
Clerks	Female	12	0	58	7	65
	Male	8	0	15	1	16
Sub Total	Female	164	0	156	31	187
	Male	129	0	102	20	122
Total		293	0	258	51	309

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 2024 and 31 March 2025

Nature of injury on duty	Number	% of total
Required basic medical attention only	3	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	3	100

3.15   Utilisation of Consultants

The following tables provide information on the utilisation of consultants in the Department. In terms of the Public Service Regulations, "consultant' means a natural or juristic person who or a partnership 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:

    a. The rendering of expert advice.

    b. The drafting of proposals for the execution of specific tasks; and

c. 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 2024 and 31 March 2025

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Appointment of Annual Financial Statement Independent Assurance Provider	2	120	552 000
Hosting and strategic support for the Cyber Security Hub	1	365	4 921 875
Conduct desktop research on the Digital and Future Skills Training Landscape in South Africa	1	60	373 334

Total number of projects	Total individual consultants	Total duration (Work days)	Total contract value in Rand
3	4	545	5 847 209

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2024 and 31 March 2025

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 2024 and 31 March 2025

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 2024 and 31 March 2025

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

Part E

PFMA Compliance Report

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

1.1 Irregular expenditure

a. Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	183 061	215 647
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	10 774	22
Less: Irregular expenditure condoned	(86 460)	(169)
Less: Irregular expenditure not condoned and removed	(17 499)	(32 439)
Less: Irregular expenditure recoverable[1]	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	89 876	183 061

The Closing Balance of the Irregular expenditure of R89,876 million consists of R79,102 million of the legacy cases and R10,774 million new cases that were identified during the audit process.

The value of legacy cases was reduced from R183,061 million to R79,102 million, which consists mainly of 2 cases amounting to R78,7 million of which the Department awaits all legal processes to conclude and the remaining 3 cases on the Loss Register will be removed once all internal process has been concluded. The 3 new cases were identified during the audit process and will be dealt with by the Loss Control Committee during the 2025/26 financial year.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	10 774	22
Total	10 774	22

The Department recorded 3 new cases of Irregular expenditure, 2 of the cases relate to late finalisation of service level agreements between the Department and the service providers and 1 case relate to a contract variation amount that exceeded the 15% threshold

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1   Transfer to receivables

b.   Details of irregular expenditure (under assessment, determination, and investigation)

Description[2]	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	-	-

c.   Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	86 460	169
Total	86 460	169

d.   Details of irregular expenditure removed - (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	17 499	32 439
Total	17 499	32 439

Cases which were not condoned by National Treasure was removed by the Accounting Officer

e.   Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	-	-

f.   Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements

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2   Group similar items

g. 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
Total

h. Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)[3]

Description	2024/2025	2023/2024
	R'000	R'000
	-	-
Total	-	-

i. Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

1.2 Fruitless and wasteful expenditure

a. Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	1 702	8 605
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	255	48
Less: Fruitless and wasteful expenditure recoverable[4]	(3)	(5)
Less: Fruitless and wasteful expenditure not recoverable and written off	(1 703)	(6 946)
Closing balance	251	1 702

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3   Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

4   Transfer to receivables

The opening balance of R1,702 million is the remaining balance of the 112 Emergency Call Centre amounting to R8,605 million that was partly written off in the 2023/24 financial year. The balance of R1,702 million was written off in the 2024/25 financial year.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	255	48
Total	255	48

The Department recorded seven (7) fruitless and wasteful expenditure, relating to no show for compulsory training, no show accommodation and flight to the amount of R255 462,78. The Loss Control Committee has adjudicated on five (5) on the no show training cases and will adjudicate on the two(2) no show cases of accommodation and flight in the 2025/26 financial year.

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

Description[5]	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

c. Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	3	5
Total	3	5

d. Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	1 703	6 946
Total	1 703	6 946

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5   Group similar items

The amount of R1,7 million is the remaining balance of the 112 Emergency Call Centre amounting to R8,605 million that was partly written off in the 2023/24 financial year. The balance of R1,7 million was written of in the current financial year.

e. Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Total

1.3   Unauthorised expenditure

a.   Reconciliation of unauthorised expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	4 741	4 741
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable[6]	-	-
Less: unauthorised not recoverable and written off[7]	-	-
Closing balance	4 741	4 741

The Department recorded unauthorised expenditure amounting to R4,741 million for the 2013/2014 financial year which related to excess expenditure due to exchange rate variation on payments to international membership fees. The unauthorised expenditure was presented to SCOPA in September 2023 by the Department. 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, Department awaits formal finalization of SCOPA processes on this case. The Finance Bill for the Unauthorised Expenditure has been drafted but yet to be enacted.

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6   Transfer to receivables

7   This amount may only be written off against available savings

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b.   Details of unauthorised expenditure (under assessment, determination, and investigation)

Description[8]	2024/2025	2023/2024
	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))[9]

a.   Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

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8   Group similar items

9   Information related to material losses must be disclosed in the annual financial statements.

b. Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)		
Total	-	-

c. Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R'000	R'000
Total		

d. Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
Total		

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	11413	1 770 000
Invoices paid within 30 days or agreed period	11413	1 770 000
Invoices paid after 30 days or agreed period	0	0
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

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
Catering	Modifho Fela Caterers	Deviations	RFQ-01	R9 487,50
Security For Event	Ssg Securitry	Deviations	OR-014387	R5 152,00
Entertainment	Unstoppable Security	Deviations	OR-014392	R18 000,00
Membership Fees	Institute Of People Management	Deviations	SUNDRY	R2 239,20
Live Streaming, Pa System And Sign Language Interpreters	Lidos Group	Deviations	OR-014427	R250 000,00
Membership Fees	Engineering Council Of South Africa	Deviations	SUNDRY	R4 570,00
Website Subscription	Parliamentary Monitoring	Deviations	OR-014429	R28 290,00
Membership Fees	South African Institute Of Electrical Engineers	Deviations	SUNDRY	R2 919,00
Membership Fees	South African Institute Of Electrical Engineers	Deviations	SUNDRY	R2 410,00
Catering	Gert Sibande Tev College	Deviations	OR-014434	R16 100,00
Catering	Afrisizwe Pty Ltd	Deviations	AI-112062	R13 180,00
Membership Fees	Engineering Council Of Sa	Deviations	SUNDRY	R5 253,00
Membership Fees	The Institute Of Internal Audit	Deviations	SUNDRY	R20 148,00
Subscription Fees	Mindex	Deviations	OR-014471	R158 318,20
Catering	Thagisho Trading & Projects	Deviations	OR-014479	R9 555,00
Conference	Commerce Edge	Deviations	AI-257951	R71 932,50
Conference	Institute Of Internal Auditors South Africa	Deviations	OR-014486	R37 260,00
Conference	Saapam	Deviations	OR-014487	R5 000,00
Renewal Of Sabinet Services	Sabinet	Deviations	AI-257971	R151 847,21
Catering	Maribelo	Deviations	OR-014558	R36 512,50
Membership Fees	South African Institute Of Electrical Engineers	Deviations	SUNDRY	R2 929,00
Membership Fees	South African Institute Of Electrical Engineers	Deviations	SUNDRY	R3 222,00
Membership Fees	Institute Of People Management	Deviations	SUNDRY	R13 435,20

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Catering	I Olu Trading And Projects	Deviations	AI-257992	R96 900,00
Training	The National School Of Governmment	Deviations	OR-014561	R93 200,00
Catering	Maribelo	Deviations	OR-014602	R87 055,00
Membership Fees	South African Institute Of Govern-ment Auditors	Deviations	SUNDRY	R5 637,30
Subscription Fees	Omdia	Deviations	OR-014597	R1 094 225,00
Membership Fees	South African Institute Of Electrical Engineers	Deviations	SUNDRY	R3 065,00
Total				R2 247 842,61

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
Travel Management Services	Travel With Flair	Expansion	DCDT/03/2021/22	R774 865,00	N/A	R116 229,75
Cleaning And Hygiene Services	Power Full Cleaning And Projects	Expansion	DCDT/08/2021/22	R6 347 855,23	N/A	R545 255,88
Total				R7 122 720,23	N/A	R661 485,63

Part F

Financial Information

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 205 to 252, which comprise the appropriation statement, statement of financial position as at 31 March 2025, 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 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the 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 250 to 265 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 201 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 2025 for auditing. I selected programmes that measure 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: Information and communication technology (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	72	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	80	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 underachievements.

20. The tables that follow provide information on the achievement of planned targets and lists 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 55 to 62 and pages 80 to 89.

Programme 3: ICT policy development and research

Targets achieved: 25%		
Budget spent: 70,1%		
Key indicator not achieved	Planned target	Reported achievement
Implemented audio and audio visual content services and online safety bill	Audio and audio visual content services and online safety bill submitted to the cluster and Cabinet for approval to introduce in Parliament	The department did not achieve the planned target of submitting the Audio- and Audio-Visual Content Services and Online Safety Bill to the cluster and Cabinet for approval to introduce in Parliament
Implemented digital economy masterplan	Implementation plan for the digital economy masterplan monitored	The department did not achieve the planned target of monitoring the implementation plan for the digital economy masterplan

Implemented PC41R strategic plan	PC41R strategic implementation plan coordinated	The department did not achieve the planned target of coordinating the PC41R strategic implementation plan.

Programme 6: ICT information society and capacity development

Targets achieved: 50%		
Budget spent: 92,8%		
Key indicator not achieved	Planned target	Reported achievement
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	Two monitoring reports on the participation of women, youth, and persons with disabilities participation in procurement, SMME development and employment equity in the ICT sector developed	The department did not achieve the planned target of developing two monitoring reports on the participation of women, youth, and persons with disabilities participation in procurement, SMME development and employment equity in the ICT sector
Coordinated district development model (DDM) plan	Implementation of DDM plan in the prioritised districts/metros coordinated	The department did not achieve the planned target of developing the coordination report on the implementation of DDM plan in the prioritised districts/metros
Percentage(%) increase of DCDT integrated plan of action implemented in support of the NSP on GBV coordinated	80% increase of DCDT integrated plan of action implemented in support of the NSP on GBV coordinated	The Department did not achieve the planned target of 80% increase of DCDT integrated plan of action implemented in support of the NSP on GBV coordinated

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 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 and my report on the audit of the annual performance report and 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. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing 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 2025

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:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3)(a)(i); 16(3)(a)(ii)
National Health Act 61 of 2003 .	Section 13
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4
National Treasury Instruction No. 4 of2015/16	Paragraph 3.4

Legislation	Sections or regulations
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury Instruction No. 7 of 2017/18	Paragraph 4.3
PFMA National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

Table of Contents

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

Appropriation per programme

Programme	2024/25							2023/24	
	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. ADMINISTRATION	256 966	-	16 846	273 812	262 245	11 567	95.8%	262 910	249 504
2. ICT INTERNATIONAL RELATIONS AND AFFAIRS	76 677	-	(741)	75 936	65 860	10 076	86.7%	75 010	74 026
3. ICT POLICY DEVELOPMENT AND RESEARCH	43 142	-	(3 451)	39 691	27 831	11 860	70.1%	36 386	27 658
4. ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT	1 596 919	-	145 921	1 742 840	1 741 447	1 393	99.9%	1 648 771	1 648 771
5. ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT	1 922 711	-	(153 807)	1 768 904	755 232	1 013 672	42.7%	1 217 463	1 213 859
6. ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT	72 196	-	(4 768)	67 428	62 548	4 880	92.8%	71 645	65 837
Subtotal	**3 968 611**	**-**	**-**	**3 968 611**	**2 915 163**	**1 053 448**	**73.5%**	**3 312 185**	**3 279 655**

	2024/25		2023/24	
	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	3 159		16 669	
Actual amounts per statement of financial performance (Total revenue)	3 971 770		3 328 854	
Actual amounts per statement of financial performance (Total expenditure)		2 915 163		3 279 655

Appropriation per economic classification

Economic classification	2024/25							2023/24	
	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
Current payments	2 349 435	744	(149 477)	2 200 702	1 149 475	1 051 227	52,2%	1 636 213	1 603 732
Compensation of employees	312 537	(3 040)	-	309 497	273 211	36 286	88,3%	301 397	270 655
Goods and services	2 036 898	3 784	(149 477)	1 891 205	876 264	1 014 941	46,3%	1 334 816	1 333 077
Transfers and subsidies	1 609 412	2 092	150 000	1 761 504	1 761 500	4	100,0%	1 663 391	1 663 384
Provinces and municipalities	27	-	-	27	23	4	85,2%	32	25
Departmental agencies and accounts	804 843	-	-	804 843	804 843	-	100,0%	823 193	823 193
Foreign governments and international organisations	41 878	(1 058)	-	40 820	40 820	-	100,0%	41 116	41 116
Public corporations and private enterprises	758 875	-	150 000	908 875	908 875	-	100,0%	790 906	790 906
Households	3 789	3 150	-	6 939	6 939	-	100,0%	8 144	8 144
Payments for capital assets	9 764	(4 700)	(523)	4 541	2 324	2 217	51,2%	5 611	5 569
Machinery and equipment	9 197	(4 700)	(523)	3 974	2 324	1 650	58,5%	4 629	4 587
Intangible assets	567	-	-	567	-	567	-	982	982
Payments for financial assets	-	1 864	-	1 864	1 864	-	100,0%	6 970	6 970
Total	3 968 611	-	-	3 968 611	2 915 163	1 053 448	73,5%	3 312 185	3 279 655

Programme 1: ADMINISTRATION

	2024/25							2023/24	
	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. Ministry	5 884	(583)	-	5 301	4 950	351	93,4%	5 357	4 910
2. Departmental Management	58 931	1 720	1 908	62 559	60 868	1 691	97,3%	67 871	60 585
3. Internal Audit	9 510	(699)	-	8 811	8 811	-	100,0%	7 781	7 781
4. Corporate Services	93 120	4 049	11 830	108 999	104 736	4 263	96,1%	93 980	93 980
5. Financial Management	59 635	(5 041)	(9)	54 585	49 323	5 262	90,4%	53 752	48 079
6. Office Accommodation	29 886	554	3 117	33 557	33 557	-	100,0%	34 169	34 169
Total for sub programmes	256 966	-	16 846	273 812	262 245	11 567	95,8%	262 910	249 504
Economic classification									
Current payments	246 268	1 965	16 855	265 088	254 139	10 949	95,9%	255 791	242 393
Compensation of employees	141 393	(2 641)	-	138 752	127 803	10 949	92,1%	143 115	129 717
Goods and services	104 875	4 606	16 855	126 336	126 336	-	100,0%	112 676	112 676
Transfers and subsidies	3 679	2 664	(9)	6 334	6 330	4	99,9%	2 078	2 071
Provinces and municipalities	27	-	(9)	18	14	4	77,8%	22	15
Households	3 652	2 664	-	6 316	6 316	-	100,0%	2 056	2 056
Payments for capital assets	7 019	(4 700)	-	2 319	1 705	614	73,5%	4 973	4 972
Machinery and equipment	6 452	(4 700)	-	1 752	1 705	47	97,3%	3 991	3 990
Intangible assets	567	-	-	567	-	567	-	982	982
Payments for financial assets	-	71	-	71	71	-	100,0%	68	68
Total	256 966	-	16 846	273 812	262 245	11 567	95,8%	262 910	249 504

Programme 2: ICT INTERNATIONAL RELATIONS AND AFFAIRS

	2024/25							2023/24	
	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	3 352	1 069	-	4 421	1 572	2 849	35,6%	1 898	915
2. International Affairs	13 005	(586)	(235)	12 184	10 181	2 003	83,6%	17 748	17 747
3. ICT Trade/Partnership	60 320	(483)	(506)	59 331	54 107	5 224	91,2%	55 364	55 364
Total for sub programmes	76 677	-	(741)	75 936	65 860	10 076	86,7%	75 010	74 026
Economic classification									
Current payments	34 249	832	(249)	34 832	24 756	10 076	71,1%	33 741	32 757
Compensation of employees	26 306	(184)	-	26 122	18 287	7 835	70,0%	20 626	19 643
Goods and services	7 943	1 016	(249)	8 710	6 469	2 241	74,3%	13 115	13 114
Transfers and subsidies	41 878	(874)	-	41 004	41 004	-	100,0%	41 172	41 172
Foreign governments and international organisations	41 878	(1 058)	-	40 820	40 820	-	100,0%	41 116	41 116
Households	-	184	-	184	184	-	100,0%	56	56
Payments for capital assets	550	-	(492)	58	58	-	100,0%	97	97
Machinery and equipment	550	-	(492)	58	58	-	100,0%	97	97
Payments for financial assets	-	42	-	42	42	-	100,0%	-	-
Total	76 677	-	(741)	75 936	65 860	10 076	86,7%	75 010	74 026

Programme 3: ICT POLICY DEVELOPMENT AND RESEARCH

	2024/25							2023/24	
	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	2 895	(194)	-	2 701	1 133	1 568	41,9%	1 567	1 109
2. ICT Policy Development	13 549	352	(1 604)	12 297	11 053	1 244	89,9%	10 395	9 899
3. Economic and Market Analysis	6 210	(100)	-	6 110	4 359	1 751	71,3%	4 197	4 097
4. Research	8 489	(58)	-	8 431	4 133	4 298	49,0%	7 517	4 711
5. Small, Medium and Micro Enterprise	432	-	-	432	-	432	-	1 406	-
6. Broadcasting Policy	8 342	-	(1 847)	6 495	5 744	751	88,4%	6 776	6 412
7. Presidential Commission On 4ir	3 225	-	-	3 225	1 409	1 816	43,7%	4 528	1 430
Total for sub programmes	43 142	-	(3 451)	39 691	27 831	11 860	70,1%	36 386	27 658
Economic classification									
Current payments	42 684	(177)	(3 478)	39 029	27 169	11 860	69,6%	36 064	27 377
Compensation of employees	30 423	(100)	-	30 323	23 223	7 100	76,6%	29 107	21 457
Goods and services	12 261	(77)	(3 478)	8 706	3 946	4 760	45,3%	6 957	5 920
Transfers and subsidies	-	177	-	177	177	-	100,0%	183	183
Households	-	177	-	177	177	-	100,0%	183	183
Payments for capital assets	458	-	27	485	485	-	100,0%	139	98
Machinery and equipment	458	-	27	485	485	-	100,0%	139	98
Total	43 142	-	(3 451)	39 691	27 831	11 860	70,1%	36 386	27 658

Programme 4: ICT ENTERPRISE AND PUBLIC ENTITY OVERSIGHT

	2024/25							2023/24	
	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 Enterprise and Public Entity Oversight	4 218	-	(415)	3 803	3 167	636	83,3%	3 705	3 705
2. Regulatory Institutions	575 819	(1 337)	(541)	573 941	573 599	342	99,9%	577 817	577 817
3. Universal Services and Access	914 685	574	147 120	1 062 379	1 061 966	413	100,0%	962 897	962 897
4. ICT Skills Development	96 961	-	-	96 961	96 961	-	100,0%	98 428	98 428
5. Governance and Support State Owned Enterprises	5 236	763	(243)	5 756	5 754	2	100,0%	5 924	5 924
Total for sub programmes	1 596 919	-	145 921	1 742 840	1 741 447	1 393	99,9%	1 648 771	1 648 771
Economic classification									
Current payments	32 498	(4)	(4 021)	28 473	27 655	818	97,1%	28 894	28 894
Compensation of employees	26 601	-	-	26 601	25 783	818	96,9%	25 229	25 229
Goods and services	5 897	(4)	(4 021)	1 872	1 872	-	100,0%	3 665	3 665
Transfers and subsidies	1 563 720	4	150 000	1 713 724	1 713 724	-	100,0%	1 619 798	1 619 798
Departmental agencies and accounts	804 843	-	-	804 843	804 843	-	100,0%	823 193	823 193
Public corporations and private enterprises	758 875	-	150 000	908 875	908 875	-	100,0%	790 906	790 906
Households	2	4	-	6	6	-	100,0%	5 699	5 699
Payments for capital assets	701	-	(58)	643	68	575	10,6%	79	79
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	701	-	(58)	643	68	575	10,6%	79	79
Total	1 596 919	-	145 921	1 742 840	1 741 447	1 393	99,9%	1 648 771	1 648 771

Programme 5: ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT

	2024/25							2023/24	
	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	3 306	115	-	3 421	3 421	-	100,0%	3 479	3 474
2. Broadband	1 895 296	(846)	(153 816)	1 740 634	734 841	1 005 793	42,2%	1 182 714	1 182 013
3. ICT Support	9 267	-	-	9 267	6 150	3 117	66,4%	6 104	6 104
4. Broadcasting Digital Migration	14 842	731	9	15 582	10 820	4 762	69,4%	25 166	22 268
Total for sub programmes	1 922 711	-	(153 807)	1 768 904	755 232	1 013 672	42,7%	1 217 463	1 213 859
Economic classification									
Current payments	1 922 176	(1 868)	(153 816)	1 766 492	753 220	1 013 272	42,6%	1 210 400	1 206 796
Compensation of employees	39 230	(115)	-	39 115	33 783	5 332	86,4%	37 089	34 186
Goods and services	1 882 946	(1 753)	(153 816)	1 727 377	719 437	1 007 940	41,6%	1 173 311	1 172 610
Transfers and subsidies	127	117	9	253	253	-	100,0%	62	62
Provinces and municipalities	-	-	9	9	9	-	100,0%	10	10
Payments for capital assets	408	-	-	408	8	400	2,0%	99	99
Machinery and equipment	408	-	-	408	8	400	2,0%	99	99
Payments for financial assets	-	1 751	-	1 751	1 751	-	100,0%	6 902	6 902
Total	1 922 711	-	(153 807)	1 768 904	755 232	1 013 672	42,7%	1 217 463	1 213 859

Programme 6: ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT

	2024/25							2023/24	
	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 Information Society and Capacity Development	2 997	867	-	3 864	3 454	410	89,4%	3 238	3 238
2. Information Society Development	66 400	(2 039)	(4 768)	59 593	55 123	4 470	92,5%	64 712	58 904
3. Capacity Development	2 799	1 172	-	3 971	3 971	-	100,0%	3 695	3 695
Total for sub programmes	72 196	-	(4 768)	67 428	62 548	4 880	92,8%	71 645	65 837
Economic classification									
Current payments	71 560	(4)	(4 768)	66 788	62 536	4 252	93,6%	71 323	65 515
Compensation of employees	48 584	-	-	48 584	44 332	4 252	91,2%	46 231	40 423
Goods and services	22 976	(4)	(4 768)	18 204	18 204	-	100,0%	25 092	25 092
Transfers and subsidies	8	4	-	12	12	-	100,0%	98	98
Households	8	4	-	12	12	-	100,0%	98	98
Payments for capital assets	628	-	-	628	-	628	-	224	224
Machinery and equipment	628	-	-	628	-	628	-	224	224
Total	72 196	-	(4 768)	67 428	62 548	4 880	92,8%	71 645	65 837

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

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

   Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-D of the Annual Financial Statements.

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

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

3. **Detail on payments for financial assets**

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

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

4.1   Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	273 812	262 245	11 567	4%
ICT International Relations and Affairs	75 936	65 860	10 076	13%
ICT Policy Development and Research	39 691	27 831	11 860	30%
ICT Enterprise Development and Public Entity Oversight	1 742 840	1 741 447	1 393	0%
ICT Infrastructure Development and Support	1 768 904	755 232	1 013 672	57%
ICT Information Society and Capacity Development	67 428	62 548	4 880	7%
Total	**3 968 611**	**2 915 163**	**1 053 448**	**26,5%**

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	**2 200 702**	**1 149 475**	**1 051 227**	**48%**
Compensation of employees	309 497	273 211	36 286	12%
Goods and services	1 891 205	876 264	1 014 941	54%
Transfers and subsidies	**1 761 504**	**1 761 500**	**4**	**0%**
Provinces and municipalities	27	23	4	15%
Departmental agencies and accounts	804 843	804 843	-	0%
Public corporations and private enterprises	908 875	908 875	-	0%
Foreign governments and international organisations	40 820	40 820	-	0%
Households	6 939	6 939	-	0%
Payments for capital assets	**4 541**	**2 324**	**2 217**	**49%**
Machinery and equipment	3 974	2 324	1 650	42%
Intangible assets	567	-	567	100%
Payments for financial assets	**1 864**	**1864**	**-**	**0%**
Total	**3 968 611**	**2 915 163**	**1 053 448**	**26,5%**

- Underspending under goods and services is mainly under computer services which relates to the SA Connect project due to challenges encountered by the implementing entities that resulted in delays in the completion of the project.

- Underspending under compensation of employees was due to migration process that was in progress which resulted to the department not able to fill vacant funded during the current financial year.

- Underspending on capital assets is due to the acquisition of assets for 2024/25 financial year that did not materialize as planned for bulk procurement of laptops as well as two vehicles for the Executive Authority that were delivered late and could not be paid in this financial year

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	1	3 968 611	3 312 185
Departmental revenue	2	3 159	16 669
TOTAL REVENUE		**3 971 770**	**3 328 854**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	273 211	270 655
Goods and services	4	876 264	1 333 077
Total current expenditure		**1 149 475**	**1 603 732**
Transfers and subsidies			
Transfers and subsidies	6	1 761 500	1 663 384
Total transfers and subsidies		**1 761 500**	**1 663 384**
Expenditure for capital assets			
Tangible assets	7	2 324	4 587
Intangible assets	7	-	982
Total expenditure for capital assets		**2 324**	**5 569**
Unauthorised expenditure approved without funding			
Payments for financial assets	5	1 864	6 970
TOTAL EXPENDITURE		**2 915 163**	**3 279 655**
SURPLUS/(DEFICIT) FOR THE YEAR		**1 056 607**	**49 199**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		1 053 448	32 530
Annual appropriation		1 053 448	32 530
Departmental revenue and NRF receipts	15	3 159	16 669
SURPLUS/(DEFICIT) FOR THE YEAR		**1 056 607**	**49 199**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current assets		**1 057 946**	**39 095**
Cash and cash equivalents	8	156 213	35 020
Prepayments and advances	10	899 278	1 538
Receivables	11	2 455	2 537
Non-current assets		**17 290 645**	**17 297 047**
Investments	12	17 261 519	17 265 262
Prepayments and advances	10	390	3 000
Receivables	11	1 245	1 294
Loans	13	27 391	27 391
Other financial assets	9	100	100
TOTAL ASSETS		**18 348 591**	**17 336 142**
LIABILITIES			
Current liabilities		**1 063 404**	**47 576**
Voted funds to be surrendered to the Revenue Fund	14	1 053 448	32 530
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	42	8 620
Payables	16	9 914	6 426
TOTAL LIABILITIES		**1 063 404**	**47 576**
NET ASSETS		**17 285 187**	**17 288 566**

	Note	2024/25 R'000	2023/24 R'000
Represented by:			
Capitalisation reserve		17 288 910	17 292 653
Recoverable revenue		1 018	654
Unauthorised expenditure		(4 741)	(4 741)
TOTAL		**17 285 187**	**17 288 566**

STATEMENT OF CHANGES IN NET ASSETS AS AT 31 MARCH 2025

	Note	2024/25 R'000	2023/24 R'000
Capitalisation reserves			
Opening balance		17 292 653	14 892 653
Transfers			
Movement in equity		(3 743)	2 400 000
Closing balance		17 288 910	17 292 653
Recoverable revenue			
Opening balance		654	645
Transfers:		364	9
Recoverable revenue written off	5.2	(8)	(13)
Debts recovered (included in departmental revenue)		(348)	(463)
Debts raised		720	485
Closing balance		**1 018**	**654**
Unauthorised expenditure			
Opening balance		(4 741)	(4 741)
Closing Balance		(4 471)	(4 471)
TOTAL		**17 285 187**	**17 288 566**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3 971 770	3 328 806
Annual appropriation funds received	1	3 968 611	3 312 185
Departmental revenue received	2	413	9 162
Interest received	2.2	2 746	7 459
Net (increase)/decrease in net working capital		(891 511)	(34 317)
Surrendered to Revenue Fund		(44 267)	(114 531)
Current payments		(1 149 475)	(1 603 732)
Payments for financial assets	5	(1 864)	(6 970)
Transfers and subsidies paid		(1 761 500)	(1 663 384)
Net cash flow available from operating activities	17	**123 153**	**(94 128)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	48
Payments for capital assets	7	(2 324)	(5 569)
(Increase)/decrease in investments	12	3 743	(2 400 000)
(Increase)/decrease in non-current receivables	11	-	33
Net cash flow available from investing activities		**1 419**	**(2 405 488)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(3 379)	2 400 009
Net cash flows from financing activities		**(3 379)**	**2 400 009**
Net increase/(decrease) in cash and cash equivalents		121 193	(99 607)
Cash and cash equivalents at beginning of period		35 020	134 627
Cash and cash equivalents at end of period	18	**156 213**	**35 020**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1.	**Basis of preparation**	
	The financial statements have been prepared in accordance with the Modified Cash Standard.	
2.	**Going concern**	
	The financial statements have been prepared on a going concern basis.	
3.	**Presentation currency**	
	Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department	
4.	**Rounding**	
	Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).	
5.	**Foreign currency translation**	
	Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.	
6.	**Comparative information**	
6.1	**Prior period comparative information**	
	Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.	
6.2	**Current year comparison with budget**	
	A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.	
	Revenue	

7.1	**Appropriated funds**	
	Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).	
	Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.	
	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.	
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.	
	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.
	At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:
	• the fair value of the leased asset; or if lower,
	• the present value of the minimum lease payments.
	Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.
	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.

		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.
		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.
		Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.
		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.
		Investments
		Investments are recognised in the statement of financial position at cost.
		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.
		Payables
		Payables recognised in the statement of financial position are recognised at cost.
		Capital assets
16.1		**Immovable capital assets**
		Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.
		Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
		Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2	**Movable capital assets**	
	Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.	
	Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.	
	All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.	
	Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.	
	Biological assets are subsequently carried at fair value.	
	Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.	
16.3	**Intangible 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.	
	Provisions and contingents	

17.1	**Provisions**	
	Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.	
17.2	**Contingent liabilities**	
	Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.	
17.3	**Contingent assets**	
	Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.	
17.4	**Capital commitments**	
	Capital commitments are recorded at cost in the notes to the financial statements.	
18.	**Unauthorised expenditure**	
	Unauthorised expenditure is 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 or the Provincial Legislature with funding and the related funds are received; or	
	• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or	
	• transferred to receivables for recovery.	
	Unauthorised expenditure 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 expenditure 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.
22.	**Events after the reporting date**
	Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23.	**Principal-Agent arrangements**
	The department is not party to a principal-agent arrangement.
24.	**Departures from the MCS requirements**
	The Departments has compiled the Annual Financial Statements as per Modified Cash Standards. Management has concluded that the financial statements present fairly the department's primary and secondary information.
25.	**Capitalisation reserve**
	The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26.	**Recoverable revenue**
	Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27.	**Related party transactions**
	Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.
	The full compensation of key management personnel is recorded in the notes to the financial statements.

28.	**Inventories**
	At the date of acquisition, inventories are recognised at cost in the statement of financial performance.
	Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.
	Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.
	The cost of inventories is assigned by using the weighted average cost basis.
29.	**Public-Private Partnerships**
	Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.
	A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30.	**Employee benefits**
	The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is 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.
31.	**Transfer of functions**
	Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.
	Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32.	**Mergers**
	Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.
	Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

PART B: EXPLANATORY NOTES

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:

	2024/25			2023/24		
	Final Budget	**Actual Funds Received**	**Funds not re-quested / not received**	**Final Budget**	**Appropria-tion Received**	**Funds not re-quested / not received**
Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Administration	273 812	273 812	-	262 910	262 910	-
ICT International Relations and Affairs	75 936	75 936	-	75 010	75 010	-
ICT Policy Development and Research	39 691	39 691	-	36 386	36 386	-
ICT Enterprise Development and Public Entity Oversight	1 742 840	1 742 840	-	1 648 771	1 648 771	-
ICT Infrastructure Development and Support	1 768 904	1 768 904	-	1 217 463	1 217 463	-
ICT Information Society and Capacity Development	67 428	67 428	-	71 645	71 645	-
Total	**3 968 611**	**3 968 611**	**-**	**3 312 185**	**3 312 185**	**-**

All the funds as at 31 March 2025 were requested and received.

2. Departmental Revenue

	Note	2024/25 R'000	2023/24 R'000
Sales of goods and services other than capital assets	2.1	92	73
Interest, dividends and rent on land	2.2	2 746	7 507
Transactions in financial assets and liabilities	2.3	321	9 089
Total revenue collected		**3 159**	**16 669**
Total		**3 159**	**16 669**

The decrease in total revenue collected is due to less interest received from the commercial bank account as well as a single transaction against " Transactions in financial asset and liabilities" in 2023/24 financial year.

2.1 Sales of goods and services other than capital assets

	Note	2024/25 R'000	2023/24 R'000
Sales of goods and services produced by the department		92	73
Administrative fees		-	2
Other sales		92	71
Total	2	**92**	**73**

2.2 Interest, dividends and rent on land

	Note	2024/25 R'000	2023/24 R'000
Interest		2 746	7 459
Dividends		-	48
Total	2	**2 746**	**7 507**

The significant decrease is due to the less interest received from the commercial bank account of the Department. Included in the total interest is interest received from SABC Loan.

2.3 Transactions in financial assets and liabilities

	Note	2024/25 R'000	2023/24 R'000
Other receipts including Recoverable Revenue		321	9 089
Total	2	**321**	**9 089**

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

	Note	2024/25 R'000	2023/24 R'000
	Annex 1E		
Sponsorships		2 811	5 206
Total gifts, donations and sponsorships received in kind		**2 811**	**5 206**

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

2.4 Cash received not recognised (not included in the main note) - 2024/25

	2024/25			
Name of entity	Opening balance R'000	Amount received R'000	Amount paid to the revenue fund R'000	Closing balance R'000
ICASA	6 425	2 093 819	2 090 372	9 872
Total	**6 425**	**2 093 819**	**2 090 372**	**9 872**

| Name of entity | 2023/24 | | | |
	Opening balance R'000	Amount received R'000	Amount paid to the revenue fund R'000	Closing balance R'000
ICASA		7 770 075	7 763 650	6 425
USASSA		153 690	153 690	
Total		**7 923 765**	**7 917 340**	**6 425**

A total of R2, 094 billion was received from ICASA during the 2024/25 financial year of which R1, 849 billion was surrendered to the National Revenue Fund (NRF), R242 million was paid to SARS and the closing balance of 2023/24 amounting to R6,4 million was paid in the current year. Amount of R9, 872 million was deposited by ICASA on the 31 March 2025 and it will be surrendered to NRF & SARS in the 2025/26 financial year. 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.

3. Compensation of Employees

3.1 Salaries and wages

	Note	2024/25 R'000	2023/24 R'000
Basic salary		181 837	180 782
Service based		414	262
Compensative/circumstantial		3 609	3 470
Periodic payments		147	-
Other non-pensionable allowances		58 550	58 319
Total		**244 557**	**242 833**

The increase in salaries and wages is due to annual cost of living adjustment.

3.2 Social contributions

Employer contributions	Note	2024/25 R'000	2023/24 R'000
Pension		22 527	21 849
Medical		6 093	5 938
Bargaining council		34	35
Total		**28 654**	**27 822**
Total compensation of employees		**273 211**	**270 655**
Average number of employees		**269**	**293**

The "Average number of employees" represent the total number of officials in service as at 31 March 2025. The decrease is due to the retirement, resignation and transfer of employees.

4.   Goods and services

	Note	2024/25 R'000	2023/24 R'000
Administrative fees		1 424	1 478
Advertising		2 629	6 317
Minor assets	4.1	31	35
Bursaries (employees)		1 295	1 650
Catering		2 128	1 715
Communication		5 439	5 426
Computer services	4.2	722 247	1 170 182
Consultants: Business and advisory services		7 257	3 825
Legal services		13 010	6 236
Contractors		14 094	4 029
Agency and support / outsourced services		-	120
Entertainment		14	3
Audit cost – external	4.3	5 684	5 370
Fleet services		2 017	2 021
Consumables	4.4	404	3 495
Operating leases		29 261	29 838
Property payments	4.5	16 578	14 363
Rental and hiring		661	141
Travel and subsistence	4.6	44 834	61 573
Venues and facilities		4 491	6 421
Training and development		710	8 143
Other operating expenditure	4.7	2 056	696
Total		**876 264**	**1 333 077**

> The significant decrease in the 2024/25 financial year expenditure as compared to the previous financial year, is mainly due to the SA Connect Project which is expensed on the item "Computer services".
>
> There was a change in the Modified Cash Standards (MCS) which prohibited the Department to expense the advances paid to the implementing entities for the SA Connect Project in the 2024/25 financial year. Payments made to the implementing entities were paid as "pre-payments and advances" and the unspent funds have been included as balances in the Statement of Financial Position. The significant decrease under "Travel and subsistence" was due to cost containment measures on traveling ,reduced travelling for the BDM Project as well as reduced number of delegates for foreign traveling. The increase in "Contractors" is due to expenditure incurred towards the inauguration of the President after the general elections held in May 2024 which was not budgeted for and the Department was also unsuccessful in its request to be refunded during the 2024/25 financial year adjustment budget processes.
>
> The increase in "Legal Services" is due to expenditure incurred in legal fees in respect of the appointment of business rescue practitioners for SAPO.

4.1   Minor assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		31	35
Machinery and equipment		31	35
Total	4	**31**	**35**

4.2   Computer services

	Note	2024/25 R'000	2023/24 R'000
SITA computer services		33 607	261 631
External computer service providers		688 640	908 551
Total	4	**722 247**	**1 170 182**

The significant decrease in the 2024/25 financial year expenditure as compared to the previous financial year, is mainly due to the SA Connect Project which is expensed on the item "Computer services".

There was a change in the Modified Cash Standards (MCS) which prohibited the Department to expense the advances paid to the implementing entities for the SA Connect Project in the 2024/25 financial year. Payments made to the implementing entities were paid as "pre-payments and advances" and the unspent funds have been included as balances in the Statement of Financial Position.

4.3   Audit cost - external

	Note	2024/25 R'000	2023/24 R'000
Regularity audits		5 684	5 370
Total	4	**5 684**	**5 370**

4.4   Consumables

	Note	2024/25 R'000	2023/24 R'000
Consumable supplies		74	260
Uniform and clothing		15	-
Household supplies		47	196
Building material and supplies		12	23
IT consumables		-	27
Other consumables		-	14
Stationery, printing and office supplies		330	3 235
Total	4	**404**	**3 495**

The decrease on Consumables was mainly due to the decrease of stationary which is attributed to the up-grade of the air condition system that occurred during the 2024/25 financial year as employees were working from home during this project.

4.5   Property payments

	Note	2024/25 R'000	2023/24 R'000
Municipal services		6 021	5 802
Property management fees		-	28
Property maintenance and repairs		14	55
Other		10 543	8 478
Total	4	**16 578**	**14 363**

Included in the amount for "Other" is cost relating to the physical security, pest control/fumigation and cleaning services.

4.6 Travel and subsistence

	Note	2024/25 R'000	2023/24 R'000
Local		27 136	34 656
Foreign		17 698	26 917
Total	*4*	**44 834**	**61 573**

The significant decrease under "Travel and subsistence" was due to cost containment measures on traveling, reduced travelling for the BDM Project as well as reduced number of delegates for foreign traveling.

4.7 Other operating expenditure

	Note	2024/25 R'000	2023/24 R'000
Professional bodies, membership and subscription fees		145	55
Other		1 911	641
Total	*4*	**2 056**	**696**

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

5. Payments for financial assets

	Note	2024/25 R'000	2023/24 R'000
Other material losses written off	*5.1*	1 703	6 902
Debts written off	*5.2*	161	68
Total		**1 864**	**6 970**

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 of R1,703 million is written off in the current reporting period.

5.1 Other material losses written off

Nature of losses	Note	2024/25 R'000	2023/24 R'000
Fruitless and Wasteful Expenditure		1 703	6 902
Total	*5*	**1 703**	**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 of R1,703 million is written off in the current reporting period.

5.2 Debts written off

Nature of debts written off	Note	2024/25 R'000	2023/24 R'000
Group major categories, but list material items			
Damages to vehicles		-	50
Loss of laptop		22	13
Bursary debt		49	-
Deceased salary written off		48	-
No show: Accommodation		42	5
Total		161	68
Total debt written off	5	**161**	**68**

An amount of R161 thousand was written off after following Debt Management and Loss Control Committee processes.

6. Transfers and subsidies

	Note	2024/25 R'000	2023/24 R'000
Provinces and municipalities	*33*	23	25
Departmental agencies and accounts	*Annex 1A*	804 843	823 193
Foreign governments and international organisations	*Annex 1B*	40 820	41 116
Public corporations and private enterprises	*Annex 1C*	908 875	790 906
Households	*Annex 1D*	6 939	8 144
Total		**1 761 500**	**1 663 384**

The Transfer and Subsidy payments to entities are done in line with the approved drawings schedule. Amounts allocated to entities and foreign organisations were all paid by 31 March 2025.

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

	Note	2024/25 R'000	2023/24 R'000
	Annex 1F		
Gifts		10	375
Donations		-	99
Sponsorships		-	104
Total		**10**	**578**

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

7. Expenditure for capital assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		**2 324**	**4 587**
Machinery and equipment		2 324	4 587
Intangible capital assets		**-**	**982**
Software		-	982
Total		**2 324**	**5 569**

The decrease in expenditure for "Machinery and equipment" is mainly due to procurement of laptops that did not materialize and delayed delivery of vehicles procured.

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

	2024/25		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	**2 324**	**-**	**2 324**
Machinery and equipment	2 324	-	2 324
Total	**2 324**	**-**	**2 324**

7.2 Analysis of funds utilised to acquire capital assets - Prior 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			
Software	982	-	982
Total	**5 569**	**-**	**5 569**

8. Cash and cash equivalents

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General Account		205 988	41 689
Disbursements		(49 840)	(13 159)
Cash on hand		65	65
Investments (Domestic)		-	6 425
Total		**156 213**	**35 020**

All cash and cash equivalent balances held by the Department is available for use. The amount is higher than the previous year's amount because the amount consists of under expenditure balances of the SA Connect Project and under expenditure balances of compensation of employees.

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

	Note	2024/25 R'000	2023/24 R'000
Non-current			
Local			
Municipal Deposit		100	100
Total Non-current other financial assets		**100**	**100**

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

10. Prepayments and advances

	Note	2024/25 R'000	2023/24 R'000
Travel and subsistence		220	117
Advances paid (Not expensed)	10.1	899 448	4 421
Total		**899 668**	**4 538**

Analysis of Total Prepayments and advances			
Current Prepayments and advances		899 278	1 538
Non current Prepayments and advances		390	3 000
Total		**899 668**	**4 538**

There is a significant increase in the balance as compared to the previous financial year, because of the change in the Modified Cash Standard which state that prepayment and advances may no longer be expensed. Included in the current prepayments and advances is advances made to BBI, SITA and SENTECH for SA Connect Project. The Department advanced payments to staff (for the purposes of travel) as well as DIRCO and GCIS.

10.1 Advances paid (Not expensed)

	Note	Amount as at 1 April 2024 R'000	Less: Amounts expensed in current year R'000	Add / Less: Other R'000	Add Current year advances R'000	Amount as at 31 March 2025 R'000
				2024/25		
National departments		4 421	(5 273)	-	4 383	3 531
Public entities		-	(461 195)	-	1 357 112	895 917
Total	10	**4 421**	**(466 468)**	**-**	**1 361 495**	**899 448**

Advances were made to the Entities in relation to SA Connect project BBI, SENTECH and SITA, the balance that remain as advance not expensed for SA Connect is R896 million.

	Note	Amount as at 1 April 2023 R'000	Less: Amounts expensed in current year R'000	Add / Less: Other R'000	Add Current year advances R'000	Amount as at 31 March 2024 R'000
		2023/24				
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.

10.2   Advances paid (Expensed)

	Amount as at 1 April 2024 R'000	Less: Received in the current year R'000	Less: Other R'000	Amount as at 31 March 2025 R'000
Public entities	664 391	(409 626)	18 545	273 310
Total	**664 391**	**(409 626)**	**18 545**	**273 310**

An advance of R200 million was expensed 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. The BBI had invested the amount and received an interest of R18, 545 million. During the current financial year an amount of R136 million was expensed against the advance therefore leaving a balance of R13,420 million still to be expensed in this project as at 31 March 2025.

An advance payment was made of R518,369 million was expensed to BBI in the 2023/24 financial year in respect of the SA Connect Project . During the current financial year an amount of R273 million was expensed against the advance therefore leaving a balance of R81,481 million still to be expensed of this advance payment as at 31 March 2025.

An advance payment was made of R197,249 million was expensed to BBI in the 2023/24 financial year in respect of the SA Connect Project . During the current financial year an amount of R16 million was expensed against the advance therefore leaving a balance of R180,866 million still to be expensed of this advance payment as at 31 March 2025.

	2023/24				
	Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Public entities	200 000	(251 227)	-	715 618	664 391
Total	**200 000**	**(251 227)**	**-**	**715 618**	**664 391**

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.

11.   Receivables

		2024/25			2023/24		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	1 402	-	1 402	508	-	508
Recoverable expenditure	11.2	138	72	210	78	-	78
Staff debt	11.3	247	223	470	235	346	581
Other receivables	11.4	668	950	1 618	1 716	948	2 664
Total		**2 455**	**1 245**	**3 700**	**2 537**	**1 294**	**3 831**

The decrease in receivables is due to settlement of foreign staff debt.

11.1   Claims recoverable

		2024/25	2023/24
	Note	R'000	R'000
National departments		454	508
Public entities		948	-
Total	11	**1 402**	**508**

Claims recoverable as at 31 March 2025 is in respect of salary claims of staff members at other national departments and public entities.

11.2   Recoverable expenditure

	Note	2024/25 R'000	2023/24 R'000
Group major categories, but list material items			
Dissallowance damages and losses		210	78
Total	*11*	**210**	**78**

11.3   Staff debt

	Note	2024/25 R'000	2023/24 R'000
Group major categories, but list material items			
Staff debt		466	420
Salary Tax debt		4	29
Foreign staff debt		-	132
Total	*11*	**470**	**581**

The decrease in receivables is due to settlement of foreign staff debt.

11.4   Other receivables

	Note	2024/25 R'000	2023/24 R'000
Group major categories, but list material items			
Fruitless and wasteful expenditure		248	1 703
Ex-Employees		607	328
Losses/Damages to government vehicles		132	-
Supplier		631	633
Total	*11*	**1 618**	**2 664**

The decrease in the "Other Receivable" as compared with prior year is because the Department managed to write off the amount of R1,703 million which was left over balance on the fruitless and wasteful expenditure. Fruitless and Wasteful Expenditure relate to no-shows for travel and accommodation, Ex-Employees receivable have been referred to GEPF and Legal Services for recovery, Damage to government vehicle and Supplier debt have been referred to Legal Services for recovery.

11.5   Impairment of receivables

	Note	2024/25 R'000	2023/24 R'000
Estimate of impairment of receivables		937	2 688
Total		**937**	**2 688**

The impairment of receivables represent various debtors amounting to R937 thousand where there was no movement for a period of 3 years and beyond.

12.   Investments

Non-current	Note	2024/25 R'000	2023/24 R'000
Shares and other equity			
List investments at cost			
TELKOM		2 070 381	2 070 381
SA Post Office		10 564 116	10 564 116
SENTECH		75 892	75 892
Vodacom		-	3 743
Broadband Infraco SOC		1 351 130	1 351 130
SABC		3 200 000	3 200 000
Total		17 261 519	17 265 262
Securities other than shares	Annex 2A		
List investments at cost			
Total non-current investments		**17 261 519**	**17 265 262**

Analysis of non-current investments	Note	2024/25 R'000	2023/24 R'000
Opening balance		17 265 262	14 865 262
Additions in cash		-	2 400 000
Non-cash movements		(3 743)	-
Closing balance		**17 261 519**	**17 265 262**

> The National Treasury has issued the instruction for Rand Merchant Bank to dematerialise the 63 658 remaining Vodacom Shares in its Brokerage Account and the proceeds were paid directly to the National Treasury. The cost of investment of R 3, 743 million has been dematerialised.

12.1   Impairment of investments

	Note	2024/25 R'000	2023/24 R'000
Estimate of impairment of investments		12 765 890	15 108 993
Total		**12 765 890**	**15 108 993**

> The impairment amount relates to investments in the following entities:
>
> 1.   South African Post Office (SAPO)
>
> 2.   South African Broadcasting (SABC)
>
> 3.   Broadband Infraco (BBI)
>
> Management has a methodology of impairment which uses the net asset value method.
>
> SAPO's cost on investment is R10,564 billion and the net assets value is R501 million has been partially impaired by R10,062 billion.
>
> BBI's cost of investment is R1,351 billion and net assets value is negative R221 million. The R1,351 is fully impaired.
>
> SABC's cost of investment is R3,200 billion and net assets value is R1,848 billion and has been partially impaired by R1,352 billion.
>
> The decrease in estimated impairment is due to improvement of net assets value of SAPO and SABC in the current year.

13.   Loans

	Note	2024/25 R'000	2023/24 R'000
Public corporations		27 391	27 391
Total		27 391	27 391

Analysis of balance	Note	2024/25 R'000	2023/24 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. A request was made to National Treasury to repeal this Section. Final approval is awaited.

14.   Voted funds to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		32 530	106 435
As restated		32 530	106 435
Transferred from statement of financial performance (as restated)		1 053 448	32 530
Paid during the year		(32 530)	(106 435)
Closing balance		**1 053 448**	**32 530**

The closing balance represents the total underspending for the reporting period. The closing balance of R1,052 billion is high as compared to previous financial year's balance of R32.530 million because of the SA Connect Project advance payments that could not be expensed because of the changes in the Modified Cash Standard. The underspending for SA Connect Projects amounts to R1,005 billion and R35 million is for CoE underspending as vacant funded positions could not be filled, the remainder balance is for operational goods and services.

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

	Note	2024/25 R'000	2023/24 R'000
Opening balance		8 620	47
As restated		8 620	47
Transferred from statement of financial performance (as restated)		3 159	16 669
Paid during the year		(11 737)	(8 096)
Closing balance		**42**	**8 620**

The closing balance represents revenue that was not surrendered to the National Revenue Fund by the end of the reporting period.

16.   Payables - current

	Note	2024/25 R'000	2023/24 R'000
Amounts owing to other entities			
Clearing accounts	16.1	42	1
Other payables	16.2	9 872	6 425
Total		**9 914**	**6 426**

"Other payables" at the end of the reporting period was as a result of funds that were received from ICASA on 31 March 2025 which will be paid to National Revenue Fund in 2025/26 financial year.

16.1   Clearing accounts

Description	Note	2024/25 R'000	2023/24 R'000
Identify major categories, but list material items			
SAL: Income tax		42	1
Total	16	**42**	**1**

16.2   Other payables

Description	Note	2024/25 R'000	2023/24 R'000
Identify major categories, but list material items			
ICASA		9 872	6 425
Total	16	**9 872**	**6 425**

"Other payables" at the end of the reporting period was as a result of funds that were received from ICASA on the 31 March 2025 which will be paid to National Revenue Fund in the 2025/26 financial year.

17.   Net cash flow available from operating activities

	Note	2024/25 R'000	2023/24 R'000
Net surplus/(deficit) as per Statement of Financial Performance		1 056 607	49 199
Add back non-cash/cash movements not deemed operating activities		(933 454)	(143 327)
(Increase)/decrease in receivables		131	2 397 874
(Increase)/decrease in prepayments and advances		(895 130)	5 985
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		3 488	(2 438 176)
Proceeds from sale of investments		-	(48)
Expenditure on capital assets		2 324	5 569
Surrenders to Revenue Fund		(44 267)	(114 531)
Net cash flow generated by operating activities		**123 153**	**(94 128)**

18.   Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General account		205 988	41 689
Disbursements		(49 840)	(13 159)
Cash on hand		65	65
Cash with commercial banks (Local)		-	6 425
Total		**156 213**	**35 020**

19.   Contingent liabilities and contingent assets

19.1   Contingent liabilities

Liable to	Nature	Note	2024/25 R'000	2023/24 R'000
Claims against the department		Annex 3B	7 020	3 436
Intergovernmental payables		Annex 5	-	2 645
Total			**7 020**	**6 081**

The increase on the balance as compared to previous financial year because Contingent Liabilities 1 to 6 (per below) were derecognized as the amounts disclosed did not meet the definition of Contingent Liabilities estimate, the amounts represented the legal fees that were erroneously included as contingent liabilities estimates. The restated amounts for the 2023/24 financial year relates to two cases, namely DoC v Uniglobe Sunshine Travel case and the De Ridder vs Department case which met the disclosure requirements for contingent liabilities.

The current year's Contingent Liabilities 7 to 9 as listed below are pending cases, for the total value of R7,020 million and the outcomes were unknown by 31 March 2025.

1.   DoC vs Senior Official.

2.   USAASA vs CZ Electronics/Minister.

3.   Sekese and Department.

4.   SAPO Business Rescue.

5.   Postbank Forensic Investigation.

6.   SITA Board Member.

7.   K Rutsha vs Department.

8.   De Ridder vs Department.

9.   DoC v Uniglobe Sunshine Travel.

19.2   Contingent assets

Nature of contingent asset	Note	2024/25 R'000	2023/24 R'000
Legal claim: Counter claim submitted		2 863	2 863
Total		**2 863**	**2 863**

This case relates to dispute about goods and services, depending on the outcome of case, department entitled to claim from the service provider.

20.   Capital commitments

	Note	2024/25 R'000	2023/24 R'000
Machinery and equipment		5 910	4 575
Intangible assets		14	15
Total		**5 924**	**4 590**

There is a slight increase in the balance as compared to the previous financial year as there were asset commitments that were not realised at the end of the financial year.

21.   Accruals and payables not recognised

21.1   Accruals

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		931	2 600	3 531	5 348
Total		**931**	**2 600**	**3 531**	**5 348**

Listed by programme level	Note	2024/25 R'000	2023/24 R'000
ADMINISTRATION		3 423	3 508
INTERNATIONAL AFFAIRS AND TRADE		8	217
ICT POLICY DEVELOPMENT AND RESEARCH		83	230
ICT ENTERPRISE DEVELOPMENT AND PUBLIC ENTITY OVERSIGHT		1	97
ICT INFRASTRUCTURE DEVELOPMENT AND SUPPORT		-	511
ICT INFORMATION SOCIETY AND CAPACITY DEVELOPMENT		16	785
Total		**3 531**	**5 348**

As at the end of March 2025 there were invoices that were received but were not processed as payments, due to various reasons such as timing of receipt of invoices.

21.2   Payables not recognised

Listed by economic classification	Note	2024/25 30 Days R'000	30+ Days R'000	Total R'000	2023/24 Total R'000
Goods and services		4 301	195	4 496	-
Total		**4 301**	**195**	**4 496**	**-**

Listed by programme level	Note	2024/25 R'000	2023/24 R'000
ADMINISTRATION		4 435	-
ICT POLICY DEVELOPMENT AND RESEARCH		61	-
Total		**4 496**	**-**

As at the end of March 2025 there were invoices that were received and processed but not paid , due to various reasons such as timing of receipt of invoices .

22.   Employee benefits

	Note	2024/25 R'000	2023/24 R'000
Leave entitlement		17 300	15 577
Service bonus		5 186	5 593
Capped leave		3 443	3 845
Other		844	733
Total		**26 773**	**25 748**

The slight increase in the balance as compared to previous financial year is attributed to pay progression and cost of living adjustment.

Included in leave entitlement is a negative leave credits to the amount of R96 512,65 as at 31 March 2025. 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

	Specialised military equipment R'000	Land R'000	2024/25 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	31 842	936	32 778
Later than 1 year and not later than 5 years	-	-	33 752	753	34 505
Total lease commitments	**-**	**-**	**65 594**	**1 689**	**67 283**

	Specialised military equipment	Land	2023/24 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**

The accommodation lease for the Department ended 31 March 2025 and was extended with a period of 24 months. Monthly rent is R2,653 million per month with a 6% annual escalation.

24. Accrued departmental revenue

24.1 Analysis of accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Opening balance		-	890
Less: amounts received		-	(890)
Closing balance		**-**	**-**

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 anually at a rate of 6,5% p.a.

25. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2024/25 R'000	2023/24 R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		10 774	22
Fruitless and wasteful expenditure - current year		255	48
Total		**11 029**	**70**

All new cases are dealt with promptly and in line with the National Treasury Framework. The Department recorded seven(7) fruitless and wasteful expenditure cases, relating to no show for compulsory training, no show accommodation and flight to the amount of R255 462,78. The Loss Control Committee has adjudicated on five(5) cases on the no show training cases and will adjudicate on the two(2) no show cases of accommodation and flight in the 2025/26 financial year. The Department recorded 3 cases of irregular expenditure, 2 of the cases relate to late finalisation of service level agreements between the Department and the service providers and 1 case relates to a contract variation amount that exceeded the 15% threshold.

26. Related party transactions

Payments made	Note	2024/25 R'000	2023/24 R'000
Goods and services		854 715	1 157 409
Total		**854 715**	**1 157 409**

Loans to/from related parties	Note	2024/25 R'000	2023/24 R'000
Interest bearing loans to/(from)		27 391	27 391
Total		**27 391**	**27 391**

In-kind goods and services (provided)/received	Note	2024/25 R'000	2023/24 R'000
ICASA (received)		-	159
SENTECH (received)		-	216
VODACOM (received)		920	100
TELKOM (received)		-	150
ZADNA (received)		-	14
SAPO (provided)		-	203
BBI (received)		-	174
SITA (received)		-	180
Total		**920**	**1 196**

The following are the related parties to the Department: SITA, NEMISA, USAASA, USAF, ZADNA, Sentech, SAPO, ICASA ,SABC, FPB ,Telkom SA limited, Vodacom SA , Postbank and Broadband Infraco. The shares of Vodacom that were held by the Department were disposed off during the 2024/25 financial year and it will not form part of related parties in the 2025/26 financial year. Key management personnel form part of related parties as per note 33 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

	2024/25 R'000	2023/24 R'000
Political office bearers (*provide detail below*)	5 002	4 704
Officials:		
Level 15 to 16	14 473	17 607
Level 14(incl CFO if at a lower level)	13 164	11 574
Level 13	3 595	3 504
Total	**36 234**	**37 389**

The decrease is due to the appointment of special advisor to the Minister was appointed from 26 March 2025 on a part time basis.

28.   Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets					
MACHINERY AND EQUIPMENT	**83 023**		**2 324**	**632**	**84 715**
Transport assets	9 920		760	472	10 208
Computer equipment	35 270		913	160	36 023
Furniture and office equipment	18 649		149	-	18 798
Other machinery and equipment	19 184		502	-	19 686
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**83 023**	**-**	**2 324**	**632**	**84 715**

28.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets					
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**

Include discussion here where deemed relevant.

28.2   Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	2024/25						
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	8 640	-	-	8 640
Value adjustments					-		-
Additions	-	-	-	31	-	-	31
Total Minor assets				**8 671**	**-**	**-**	**8 671**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	-	-	-	112	-	-	112
Number of minor assets at cost	-	-	-	3 639	-	-	3 639
Total number of minor assets	**-**	**-**	**-**	**3 751**	**-**	**-**	**3 751**

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	2023/24						
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	8 604	-	-	8 604
Prior period error	-	-	-	-	-	-	-
Additions	-	-	-	35	-	-	35
Disposals	-	-	-	-	-	-	-
Total Minor assets	**-**	**-**	**-**	**8 639**	**-**	**-**	**8 639**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease 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**

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	4 645	-	1 236	3 409
TOTAL INTANGIBLE CAPITAL ASSETS	**4 645**		**1 236**	**3 409**

29.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	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

30. Prior period errors

30.1 Correction of prior period errors

		2023/24		
	Note	Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Assets: Prepayments & Advances				
Prepayment expensed (BBI)	10	308 636	46 295	354 931
Prepayment expensed (Sentech)	10	155 138	23 271	178 409
Net effect		**463 774**	**69 566**	**533 340**

> In 2023/24 financial year the entities paid VAT on advances received from the Department. The Department has recorded the total VAT paid by entities on the advances they received and actual expenditure as the total project cost.

		2023/24		
	Note	Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Liabilities: Contingent Liabilities				
Contingent liabilities	19	13 075	(9 639)	3 436
Net effect		**13 075**	**(9 639)**	**3 436**

> The prior error on the Contingent liabilities for the 2023/24 financial year, represented legal fees which did not meet the definition of contingent liabilities estimates, hence the derecognition leaving only two cases that met the requirements.

31. Statement of conditional grants and other transfers paid to municipalities

Name of municipality	2024/25								2023/24	
	GRANT ALLOCATION				TRANSFER					
	DORA and other trans-fers	Roll overs	Ad-just-ments	Total Avail-able	Actual transfer	Funds with-held	Realloca-tions by National Treasury / National Department	DORA and other trans-fers	Actual transfer	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
City of Tshwane	-	-	-	-	23	-	-	-	25	
TOTAL	**-**	**-**	**-**	**-**	**23**	**-**	**-**	**-**	**25**	

32. 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.

Annexures

ANNEXURE 1A: STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2024/25							2023/24	
	TRANSFER ALLOCATION				TRANSFER				
Departmental Agency or Account	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%		R'000	R'000
Universal Service and Access Agency of South Africa: Operation	81 685	-	-	81 685	81 685	100%		82 655	82 655
Universal Service Access Fund	52 629	-	-	52 629	52 629	100%		64 303	64 303
National Electronic Media Institute of SA	43 261	-	-	43 261	43 261	100%		50 445	50 445
National Electronic Media Institute of SA: INESI	53 700	-	-	53 700	53 700	100%		47 983	47 983
Independent Communication Author-ity SA	470 470	-	-	470 470	470 470	100%		473 947	473 947
Film and Publication Board	103 098	-	-	103 098	103 098	100%		103 860	103 860
TOTAL	**804 843**	**-**	**-**	**804 843**	**804 843**	**100%**		**823 193**	**823 193**

ANNEXURE 1B: STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation / private enterprise	GRANT ALLOCATION				EXPENDITURE				2023/24	
	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual transfer	% of Available funds transferred	Capital	Current	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Public Corporations										
Transfers	758 875	-	150 000	908 875	908 875	100%	-	-	790 906	790 906
South African Broadcasting Corporation: Channel Africa	56 314	-	-	56 314	56 314	100%	-	-	67 368	67 368
South African Broadcasting Corporation: Programme Productions	13 262	-	-	13 262	13 262	100%	-	-	15 865	15 865
South African Broadcasting Corporation: Public Broadcaster	141 484	-	-	141 484	141 484	100%	-	-	148 403	148 403
South African Broadcasting Corporation: Elections coverage	-	-	-	-	-	-	-	-	35 000	35 000
SA Post Office ltd Operations	547 815	-	150 000	697 815	697 815	100%	-	-	524 270	524 270
TOTAL	**758 875**	**-**	**150 000**	**908 875**	**908 875**	**100%**	**-**	**-**	**790 906**	**790 906**

ANNEXURE 1C: STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government / International organisation	2024/25							2023/24	
	TRANSFER ALLOCATION				EXPENDITURE				
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%		R'000	R'000
Transfers									
African Telecommunications Union (ATU)	1 388	-	20	1 408	1 408	100%		1 326	1 326
Universal Postal Union (UPU)	9 187	-	(204)	8 983	8 983	100%		9 085	9 087
Pan African Postal Union (PAPU)	1 503	-	(91)	1 412	1 412	100%		1 403	1 403
International Telecommunication Union (ITU)	26 838	-	(634)	26 204	26 204	100%		26 589	26 588
Organisation for Economic Cooperation	282	-	(2)	280	280	100%		232	232
DONA Foundation	1 718	-	(142)	1 576	1 576	100%		1 568	1 568
Smart Africa Alliance	962	-	(5)	957	957	100%		913	912
TOTAL	**41 878**	**-**	**(1 058)**	**40 820**	**40 820**	**100%**		**41 116**	**41 116**

ANNEXURE 1D: STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	TRANSFER ALLOCATION				EXPENDITURE			2023/24	
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%		R'000	R'000
Transfers									
H/H: EMPL S/BEN RETIMT BENEF	2 064	-	2 136	-	4 200	-		728	728
H/H: EMPL S/BEN: LEAVE GRATUITY	1 681	-	980	-	2 661	-		1 497	1 497
H/H: PMT/REFUND&REM-ACT/GRCE	44	-	32	-	76	-		78	78
H/H: DONATIONS&GIFTS(CASH)	-	-	2	-	2	-		182	182
H/H: CLAIMS AGAISNT STATE (STATE)	-	-	-	-	-	-		5 659	5 659
TOTAL	**3 789**	**-**	**3 150**	**-**	**6 939**	**-**		**8 144**	**8 144**

ANNEXURE 1E: STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2024/25 R'000	2023/24 R'000
Sponsorships			
	2023/24		
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
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 to-wards 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

Entity	Description		
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 bereau (CDP)	Economy class return flights, Accommodation, meals and transport	-	-
Digital Skills for jobs and Income (DS4JI)	Registration fee, Economy class return flights and Accommodation for Senegal	-	-
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 Centre for security studies	Economy class return flights, Accommodation, meals and transport	-	-
International Training Centre of the International Labour Organisation (ITCLILO)	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)	Economic class return flights, accommodation, lunch and daily allowance of 50 US$ per person	-	-
GSMA	Registration fee	-	-
Cyberspace Administration of the People's Republic of China	Accommodation and Meals	-	-
2024/25			
Digital Council Africa	Hosting the 30th anniversary celebration of the ICT Sector.	-	300
Vodacom SA	Provision of connectivity and WiFi to the main venue and all other identified sites to the cater for 40 000+ expected guests during the Presidential Inauguration.	-	920
Honor SA	1500 local sourced fleece blankets and 213 Power banks for Presidential Inauguration 2024	-	345
Vodacom SA	Presidential Inauguration 2024	-	-
SITA	Presidential Inauguration 2024	-	-

Entity	Description	Amount
ENCA	Presidential Inauguration 2024	-
Huawei	Presidential Inauguration 2024	-
ICASA	Presidential Inauguration 2024	-
News Room Africa	Presidential Inauguration 2024	-
MTN	Presidential Inauguration 2024	-
SENTECH	Presidential Inauguration 2024	-
SABC	Presidential Inauguration 2024	-
Telkom	Presidential Inauguration 2024	-
Digital Council Africa	Venue Hire and Catering	550
Huawei	Dinner Catering and Promotional Material	200
Association of Comms & Technology	DCDT Portfolio Day	50
Seacom	DCDT Portfolio Day	50
Huawei	DCDT Portfolio Day	100
Giga connectivity forum	Daily subsistence allowance-GIGA Connectivity Forum Geneva Switzerland	22
Multichoice	Venue for budget vote viewing and stakeholder engagement	235
British Embassy	Flights and accommodation (OECD dialogue on AI, Cairo Egypt)	39
Cybersecurity Council UAE	Flight, accommodation and visa (Global Cyberdrill Dubai)	-
Universal Postal Union (UPU)	Flight, accommodation and living expenses (UPU fellowship study in Mumbai India)	-
BRICS	Accommodation, ground transport and meals (Excellence programme on AI in China)	-
GIZ	Accommodation, ground transport, meals and flights (Africa-Asia policy maker network, Mombasa Kenya)	-
Software Engineering Institute (SEI)	Flights and accommodation (Africa Regional Cyber workshop in Nairobi Kenya)	-
UKID	Flights and accommodation (AfricaCERT Regional Symposium at Livingstone Zambia)	-
ACSS	Accommodation, ground transport and flights (Cyber security and stability workshop, Port Louis-Mauritius)	-
Chinese Government	Accommodation, ground transport, meals and flights (Digital capacity building programme, China)	-
Zambian Government	Accommodation (Digital Government Summit, Lusaka-Zambia)	-
Chinese Government	Accommodation, ground transport and meals (Global Symposium on Data and digital Governance, China)	-
Bureau of Educational and Cultural Affairs (ECA)	Ground transport and accommodation (Demand Exchange Program: 911 Emergency-USA)	-

Entity	Description		
BRICS Institute of Future Networks-China Chapter	Accommodation and ground transport (2024 BRICS ICT & Digital Transformation Training Workshop, China)	-	-
USTTI	Training Program, Washington DC USA	-	-
Bill and Melinda Gates Foundation	Flights and accommodation (Inter-Departmental Working Group (IDWG) On Digital Transformation, India)	-	-
African Union	Flights and accommodation (3rd African Startup Conference-Algeria)	-	-
SADC/COMESA	Flights and Accommodation (Common Markets for Eastern and Southern Africa, Mbabane Eswatini)	-	-
MOSIP	MOSIP Connect 2025 Conference (Manila, Philippines)	-	-
GSMA	Flights ticket (GSMA Capacity Building Training and GSMA Mobile World Congress (MWC))	-	-
Total sponsorships		2 811	5 206
Subtotal – received in kind		2 811	5 206
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		**2 811**	**5 206**

ANNEXURE 1F: STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship	2024/25	2023/24
(Group major categories but list material items including name of organisation)	R'000	R'000
Made in kind		
Gifts		
Ministerial Gifts (ITU Council)	-	1
Women's Day Gifts	10	44
Gifts BRICS ICT Meeting	-	329
World Economic Forum	-	1
Total gifts	**10**	**375**
Donations		
SAPO (Toners and Cartridges)	-	99
Total donations	**-**	**99**
Sponsorships		
SAPO (Travel and Accommodation)	-	104
Total sponsorships	**-**	**104**
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	**10**	**578**

ANNEXURE 2A: STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entities' PFMA Schedule type (state year end if not 31 March)	% Held 2024/25	% Held 2023/24	Number of shares held (R'000)		Cost of investments (R'000)		Net asset value of investments (R'000)		Profit/(Loss) for the year (R'000)		Losses guaranteed Yes/No
				2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	
National / Provincial Public entity												
Universal Service and Access Agency of South Africa	3A	100%	100%	-	-	-	-	-	-	2 966	8 451	
Universal Service and Access Fund	3A	100%	100%	-	-	-	-	-	-	(245 438)	(90 148)	
Telkom SA Limited	2	41%	41%	207 038 058	207 038 058	2 070 381	2 070 381	7 687 323	6 211 142	7 123 000	3 556 000	
South African Post Office LTD	2	100%	100%	693 115 884	693 115 884	10 564 116	10 564 116	501 384	964 667	(663 738)	4 713 443	
National Electronic Media Institute of South Africa	3A	100%	100%	-	-	-	-	-	-	(3 506)	(7 034)	
Sentech (Pty) Ltd	3B	100%	100%	2 000	2 000	75 892	75 892	2 399 432	2 540 465	(141 030)	(145 387)	
Vodacom Group Limited		-	0,004%	-	63 658	-	3 743	-	6 273	-	19 264 000	
Broadband Infranco	2	74%	74%	740 000	740 000	1 351 130	1 351 130	(301 352)	(11 843)	(289 510)	(194 482)	
SITA	3A	100%	100%	-	-	-	-	-	-	430 726	371 713	
SABC	2	100%	100%	1 000	1 000	3 200 000	3 200 000	1 739 145	(36 650)	(253 286)	(197 758)	
ICASA	1	100%	100%	-	-	-	-	-	-	(60 284)	(21 987)	
FPB	3A	100%	100%	-	-	-	-	-	-	(6 393)	(9 929)	
TOTAL				900 896 942	900 960 600	17 261 519	17 265 262	12 025 932	9 674 054	5 893 507	27 246 882	

The figures provided for SAPO, USAASA, USAF and SITA are still preliminary (unaudited figures) based on the documents that were submitted as at 31 May 2025. The audits of the mentioned Entities have not been finalised by 31 July 2025.

ANNEXURE 3A: STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Possible claims	13 075	7 020	(13 075)	-	7 020
TOTAL	**13 075**	**7 020**	**(13 075)**	**-**	**7 020**

ANNEXURE 3A (Continued)

Nature of liabilities recoverable	Details of liability and recoverability	Opening balance 1 April 2024	Movement during the year	Closing balance 31 March 2025
		R'000	R'000	R'000
Legal claim: Counter claim submitted	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**

This case relates to dispute about goods and services, depending on the outcome of case, department entitled to claim from the service provider.

ANNEXURE 4: CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *	
							Receipt date up to six (6) working days after year end	Amount
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024		
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Department of Public Service and Administration	454	-	-	-	454	-	-	-
Department of Planning, Monitoring and Evaluation	-	87	-	-	-	87	-	-
Department of Small Business	-	373	-	-	-	373	-	-
State Security Agency	-	-	-	48	-	48	-	-
Subtotal	**454**	**460**	**-**	**48**	**454**	**508**	**-**	**-**
Other Government Entities								
USSASA	-	-	948	-	948	-	-	-
Subtotal	**-**	**-**	**948**	**-**	**948**	**-**	**-**	**-**
TOTAL	**454**	**460**	**948**	**48**	**1 402**	**508**	**-**	**-**

ANNEXURE 5: INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Payment date up to six (6) working days after year end
	R'000	R'000	R'000	R'000	R'000	R'000	Amount R'000
DEPARTMENTS							
Current							
South African Police Service	-	-	-	799	-	799	-
Government Printing Works	-	-	-	83	-	83	-
Subtotal	-	-	-	882	-	882	-
Total Departments	-	-	-	882	-	882	-
OTHER GOVERNMENT ENTITIES							
Current							
State Information Technology Agency	-	-	-	1 763	-	1 763	-
Subtotal	-	-	-	1 763	-	1 763	-
Total Other Government Entities	-	-	-	1 763	-	1 763	-
TOTAL INTERGOVERNMENT PAYABLES	-	-	-	2 645	-	2 645	-

ANNEXURE 6: INTERENTITY ADVANCES PAID (Note 10)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperations	-	-	1 648	3 000	1 648	3 000
Government Communications and Information System	1 883	1 421	-	-	1 883	1 421
Subtotal	1 883	1 421	1 648	3 000	3 531	4 421
PUBLIC ENTITIES						
Broadband Infraco	369 459	-	-	-	369 459	-
SENTECH	310 021	-	-	-	310 021	-
State Information Technology Agency	216 437	-	-	-	216 437	-
Subtotal	895 917	-	-	-	895 917	-
TOTAL	**897 800**	**1 421**	**1 648**	**3 000**	**899 448**	**4 421**

ANNEXURE 7: ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 10.1 to 10.4)

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 2024 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 2025 R'000
Prepayments									
Broadband Infraco	Entity of the Department	Presidential Stimulus Package: Broadband Access fund	Goods and Services	200 000	131 051	-	(136 176)	18 545	13 420
SENTECH	Entity of the Department	SA Connect	Goods and Services	197 249	178 409	-	-	-	178 409
Broadband Infraco	Entity of the Department	SA Connect	Goods and Services	518 369	354 931	-	(273 450)	-	81 481
SENTECH	Entity of the Department	SA Connect	Goods and Services	347 606	-	347 606	(37 585)	-	310 021
Broadband Infraco	Entity of the Department	SA Connect	Goods and Services	793 069	-	793 069	(423 609)	-	369 460
SITA	Entity of the Department	SA Connect	Goods and Services	216 437	-	216 437	-	-	216 437
Department of International Relations	Government Department	International Travel	Goods and Services	-	3 000	2 567	(3 919)	-	1 648
Government Communications and Information System	Government Department	Marketing/Awareness Campaigns	Goods and Services	-	1 421	1 816	(1 354)	-	1 883
Total prepayments				-	668 812	1 361 495	(876 093)	18 545	1 172 759
TOTAL PREPAYMENTS AND ADVANCES									

An advance of R200 million was expensed 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. The BBI had invested the amount and received an interest of R18, 545 million which is included in "Other".

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