

# PRESENTATION ON THE 2016/17 3RD QUARTER PERFORMANCE REPORT

14 MARCH 2017



**the doc**

Department:  
Communications  
REPUBLIC OF SOUTH AFRICA



# PRESENTATION OVERVIEW

- Introduction
- Strategic Goals
- Overall performance of the department
- Financial performance
- Conclusion



# INTRODUCTION

- ❑ The Department of Communications (DoC) presents the 2016/17 Third Quarter Performance Report.
- ❑ This performance report is in line with Section 195 of the Constitution and other legislative prescripts that guide performance management in the public sector to display and promote transparency and accountability to stakeholders and the general public concerning matters under their control.
- ❑ The report also responds to the department's commitments in the achievement of Outcome 14.



# STRATEGIC GOALS

The department set itself the following strategic goals:

- ❑ Effective and efficient strategic leadership, governance and administration;
- ❑ A responsive communications policy and regulatory environment;
- ❑ Improved government communication and country branding; and
- ❑ Transformed communications sector.



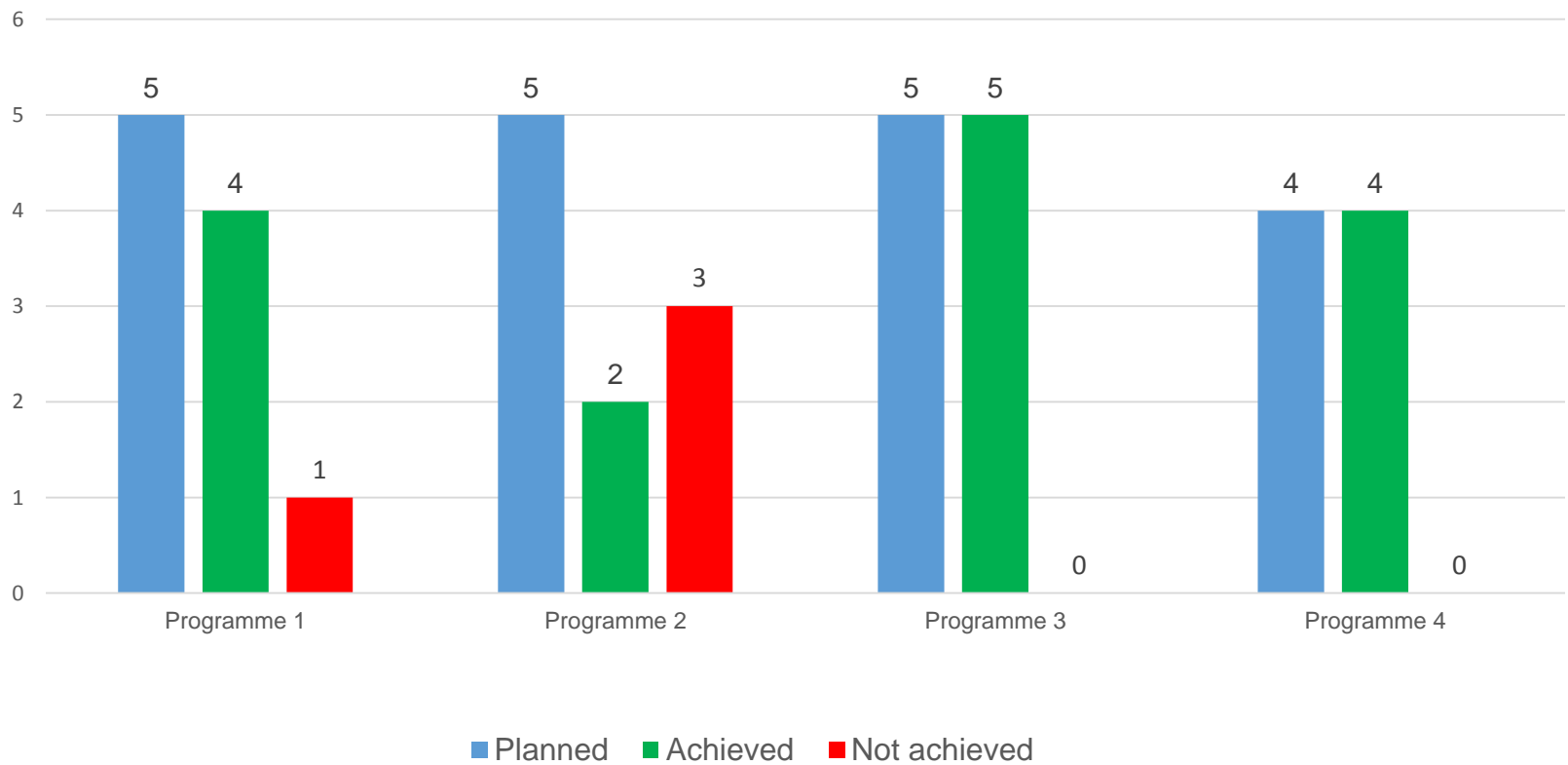
# ACTUAL PERFORMANCE REPORT AS AT 30 DECEMBER 2016

PROGRAMMES	PLANNED TARGETS	ACHIEVED	NOT ACHIEVED	OVERALL ACHIEVEMENT%
<b>Programme 1</b> Administration	5	4	1	80%
<b>Programme 2</b> Communications policy, research & Development	5	2	3	40%
<b>Programme 3</b> Industry and Capacity Development	5	5	0	100%
<b>Programme 4</b> Entity Oversight	4	4	0	100%
<b>Overall Performance</b>	<b>19</b>	<b>15</b>	<b>4</b>	<b>79%</b>



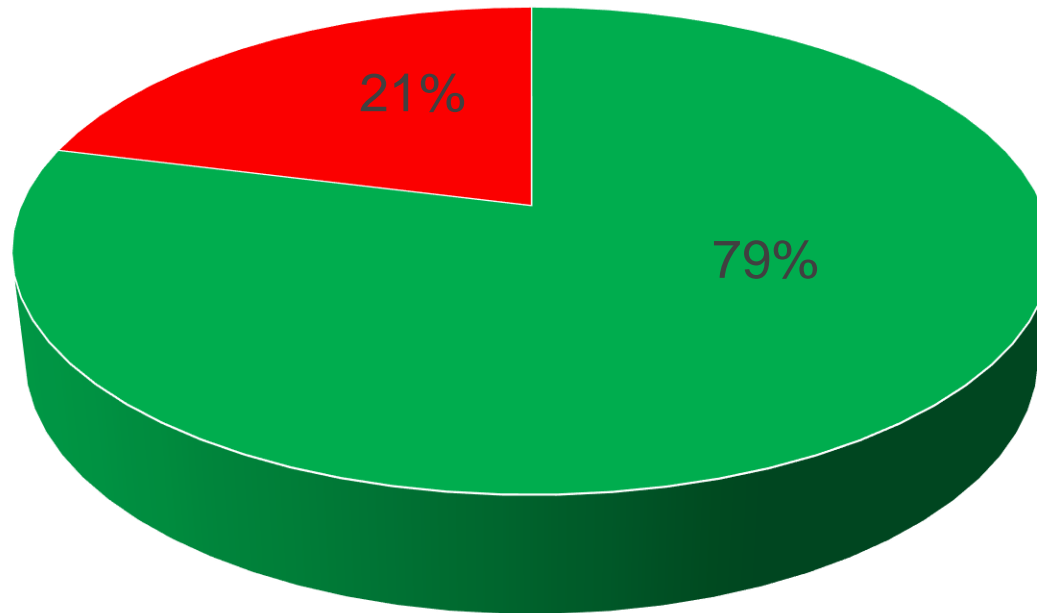
# ACTUAL PERFORMANCE REPORT PER PROGRAMME

## Quarter performance per Programme



# OVERALL 3<sup>RD</sup> QUARTER ACTUAL PERFORMANCE

Overall Third Quarter Performance



■ Achieved ■ Not achieved



# PROGRAMME 1: ADMINISTRATION [1]

- ❑ GCIS officials continue to provide Information Technology (IT) and Supply Chain Management (SCM) support to the Department.
- ❑ The department has ninety (90) funded posts.
  - ❑ Seventy-two (72) posts are filled and eighteen (18) are vacant.
- ❑ In terms of Employment Equity:
  - ❑ Females and males at senior management (SMS) level accounted for 10 (44%) and 13 (56%) respectively; and
  - ❑ People with disabilities constitute 2%.
- ❑ Training programmes were conducted as per the approved Workplace Skills Plan.
- ❑ Internal audit projects were conducted and a progress report was submitted to the Audit and Risk committees.
- ❑ Reports were compiled on contracts, Memorandum of Understanding, legal instruments and litigations that the department managed during the period under review.





# PROGRAMME 1: ADMINISTRATION [2]

- ❑ Financial statements were compiled and submitted to National Treasury (NT) in line with Section 40 of the Public Finance Management Act (PFMA).
- ❑ 99% of invoices were paid within 30 days and 98.66% of requisitions were converted to orders within 48 hours.
- ❑ The department submitted the 2016/17 second quarter performance reports to NT and Department of Planning, Monitoring and Evaluation (DPME) in accordance with the prescribed legislation.
- ❑ The 2017/18 second draft Annual Performance Plan (APP) was submitted to DPME.
- ❑ The department submitted Outcome 14 2016/17 Q2 and Q3 reports to the Department of Arts and Culture and presented at the Outcome 14 Technical Committee meeting.



# PROGRAMME 2: COMMUNICATIONS POLICY, RESEARCH AND DEVELOPMENT[1]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Audio-Visual and Content Act Implemented	Draft White Paper on Audio-Visual and Digital Content Policy for South Africa	Publish draft White Paper Consultation on the draft White Paper	Draft White Paper was not published and consultation on the draft White Paper were not coordinated.	The White Paper was not presented to Cabinet as it was postponed to be presented in 4 <sup>th</sup> quarter. It will be presented on 08 February 2017.
ICASA Amendment Act approved and implemented	ICASA Amendment Bill signed into an Act	Parliamentary hearings on the Bill	ICASA Amendment Bill was not drafted and finalized for submission to Parliament, as the department is still finalising the Films and Publications Amendment (FPB) Bill and Broadcasting Amendment Bill.	Drafting and finalizing the ICASA Amendment Bill will resume after the finalisation of the two (2) Bills.



# PROGRAMME 2: COMMUNICATIONS POLICY, RESEARCH AND DEVELOPMENT[2]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Media Development and Diversity mandate amended	Green Paper on the Media Development and Diversity (MDDA) Published	Consolidating the inputs and presentation of the paper to the cluster	The inputs were not consolidated and the paper was not presented to the cluster.	Consolidating the inputs and presentation of the MDDA Green Paper to the cluster was not done pending the finalisation of White Paper on Audio Visual and Digital Media which will also address the MDDA issues.
Community Media Support Strategy implemented	Research report on Community Media Support compiled	Consolidating the inputs on possible Community Media Support mechanism	Community Media Support mechanism inputs were consolidated and a Community Media Sustainability report was compiled with recommendations.	None



# PROGRAMME 2: COMMUNICATIONS POLICY, RESEARCH AND DEVELOPMENT[3]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Number of community radio stations provided with broadcasting infrastructure	Five community radio stations provided with broadcasting infrastructure	Three community radio stations provided with broadcasting infrastructure	<p>Three community radio stations were provided with broadcasting infrastructure:</p> <ul style="list-style-type: none"> <li>• Mohodi Community Radio Station</li> <li>• Vhembe Community Radio Station</li> <li>• Sefako Makgatho University Community radio stations.</li> </ul>	None



# PROGRAMME 3: INDUSTRY AND CAPACITY DEVELOPMENT [1]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Number of digital broadcasting awareness campaigns per year	Ten digital broadcasting awareness campaigns	1 digital broadcasting awareness campaign	<p>Six (6) digital broadcasting awareness campaigns were carried out in the following provinces during the reporting period:</p> <ul style="list-style-type: none"> <li>• Northern Cape-Carnarvon;</li> <li>• KwaZulu Natal-UMfolozi;</li> <li>• Limpopo-Rapotokwane;</li> <li>• Mpumalanga-Thembalethu and Mbombela;</li> <li>• Free State-Harrismith</li> </ul>	Additional campaigns were as a result of the commitment to ensure more registrations and services activated in preparation for the Switch Off of borderline areas. Furthermore, there were also a high number of communities who requested the focused consumer awareness campaigns on digital broadcasting.
Number of International Communications programmes implemented and monitored.	Implement two Communications programmes (DTT and Regional Content Hub).	Present progress reports programmes (DTT and Content Hub) implementation at multilateral platforms and other related meetings.	The department presented 1 progress report on DTT and Content Hub at the DoC-GCIS SADC joint Ministers meeting of Communications, ICT, Transport and Meteorology which took place on the 15-21 October 2016, Ezulwini, Kingdom of Swaziland.	None



# PROGRAMME 3: INDUSTRY AND CAPACITY DEVELOPMENT [2]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
<p>Number of reports showing consumer access to digital broadcasting in particular those with government subsidised STBs.</p>	<p>Four quarterly reports showing consumer access to digital broadcasting.</p>	<p>1 quarterly report showing consumer access to digital broadcasting.</p>	<p>1 report showing consumer access to digital broadcasting was compiled:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Registrations = 50, 282</li> <li><input type="checkbox"/> STBs Distribution to South African Post Office (SAPO) warehouses = 668 000</li> <li><input type="checkbox"/> DTT accessories distribution to SAPO warehouses = 680 000 (DTT Antennae and Satellite Dishes)</li> <li><input type="checkbox"/> 4.Installations = 25, 165</li> </ul> <p>A total of 27,196 allocations issued and 25, 165 installations completed.</p>	<p>None</p>

# PROGRAMME 3: INDUSTRY AND CAPACITY DEVELOPMENT [3]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Number of position papers tabled at multilateral and bilateral engagements	Table two position papers	Participate in multilateral and bilateral (SADC, etc.) Official events and meetings ( Ministerial etc.), and produce relevant reports on meetings.	<p>The department participated in multilateral engagements and presented 2 position papers on:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Standing Committee on Copyright and Related Rights (SCCR) in Geneva, Switzerland.</li> <li><input type="checkbox"/> The first SADC preparatory Meeting for World Radio Conference (WRC-19), in Gaborone, Botswana</li> </ul>	None



# PROGRAMME 3: INDUSTRY AND CAPACITY DEVELOPMENT [4]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Number of stakeholder engagements coordinated.	10 stakeholder engagements coordinated.	1 stakeholder engagement coordinated.	<p>Three Stakeholder engagements were coordinated for the quarter:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Stakeholder meeting in preparation for the 33<sup>rd</sup> session of the World Intellectual Property Organisation (WIPO) Standing Committee on copyrights and related rights.</li> <li><input type="checkbox"/> Inter-Departmental Meeting (IDM) to discuss preparation for the 14th ITEC Session.</li> <li><input type="checkbox"/> Joint Commission for Cooperation (JCC) between South Africa and Zambia held from the 05-07 December in Pretoria, SA.</li> </ul>	There was an Interdepartmental Meeting on ITEC and a Joint Commission for Cooperation with Zambia which were not envisaged to take place.





# PROGRAMME 4: ENTITY OVERSIGHT [1]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Number of oversight reports submitted to the Executive Authority.	Five annual reports and 20 quarterly entity oversight reports submitted to the Executive Authority.	Analysis of Q2 (16/17) entities' performance reports	Analysis of the 2016/17 second quarter performance report of entities were compiled and submitted to the Executive Authority, indicated achievements, challenges, recommendations and expenditure patterns.	None
Number of reports compiled on entity governance forum coordinated as per governance framework.	Four reports compiled on entity governance forum coordinated as per governance framework.	Report on governance forums coordinated.	In implementing the public entities' governance protocols the programme held two (2) governance forums during the period under review (1 Company Secretary and 1 CFO forum).	None

# PROGRAMME 4: ENTITY OVERSIGHT [2]

Performance Indicators	Target for 2016/17 as per APP	Target for Quarter 3	Description of Actual Achievement	Reason for variance and Planned Action
Number of shareholder compact and accountability instruments signed.	One shareholder compact and four accountability instruments signed.	Consult entities on the DoC priorities.	The department held a joint planning session with the Public Entities, where departmental priorities were communicated by the Minister.	None
Number alignment reports submitted to the Executive Authority	Ten reports (one per entity) on alignment of entities strategies to departmental priorities compiled	Five Analysis reports on entities' second draft APP alignment to DoC Priorities	Five Analysis reports on entities' second draft APP alignment to DoC Priorities were developed as per requirements of DPME Guideline for the assessment of draft Strategic Plans and Annual Performance Plans.	None



# MID-TERM PERFORMANCE PER PROGRAMME

- ❑ Programme 1: Spent 97% of its budget with the performance level of 80% as at the end of December 2016.
- ❑ Programme 2: Spent 55% of its budget with the performance level of 40% as at the end of December 2016.
- ❑ Programme 3: Spent 172% of its budget with the performance level of 100% as at the end of December 2016.
- ❑ Programme 4: Spent 72% of its budget with the performance level of 100% as at the end of December 2016.





# FINANCIAL INFORMATION



# EXPENDITURE PER QUARTER PER PROGRAMME

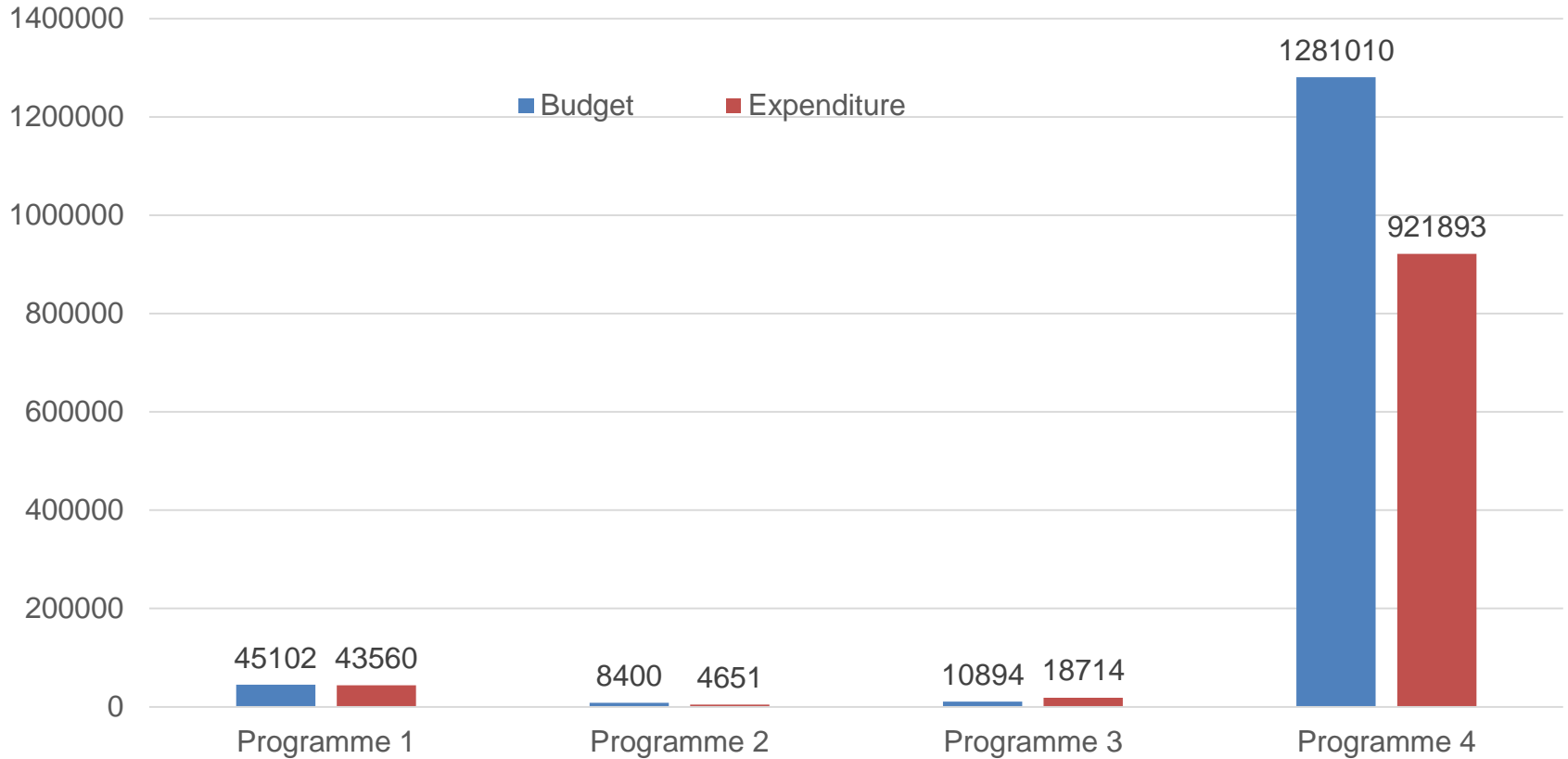
## (1 APRIL 2016 – 31 DECEMBER 2016)

PROGRAMME	BUDGET R'000	Q1 EXPEN- SES R'000	Q2 EXPEN- SES R'000	Q3 EXPEN- SES R'000	TOTAL EXPEN- SES R'000	% SPENT AGAINST BUDGET
P1: ADMINISTRATION	45 102	15 491	16 101	11 968	43 560	97%
P2: COMMUNICATION POLICY, RESEARCH & DEVELOPMENT	8 400	852	2 257	1 542	4 651	55%
P3: INDUSTRY AND CAPACITY DEVELOPMENT	10 894	7 079	4 400	7 235	18 714	172%
P4: ENTITY OVERSIGHT	1 281 010	308 912	311 674	301 307	921 893	72%
<b>TOTAL</b>	<b>1 345 406</b>	<b>332 334</b>	<b>334 432</b>	<b>322 052</b>	<b>988 818</b>	<b>74%</b>



# TOTAL BUDGET ALLOCATION PER PROGRAMME VS EXPENDITURE

## Budget per Programme



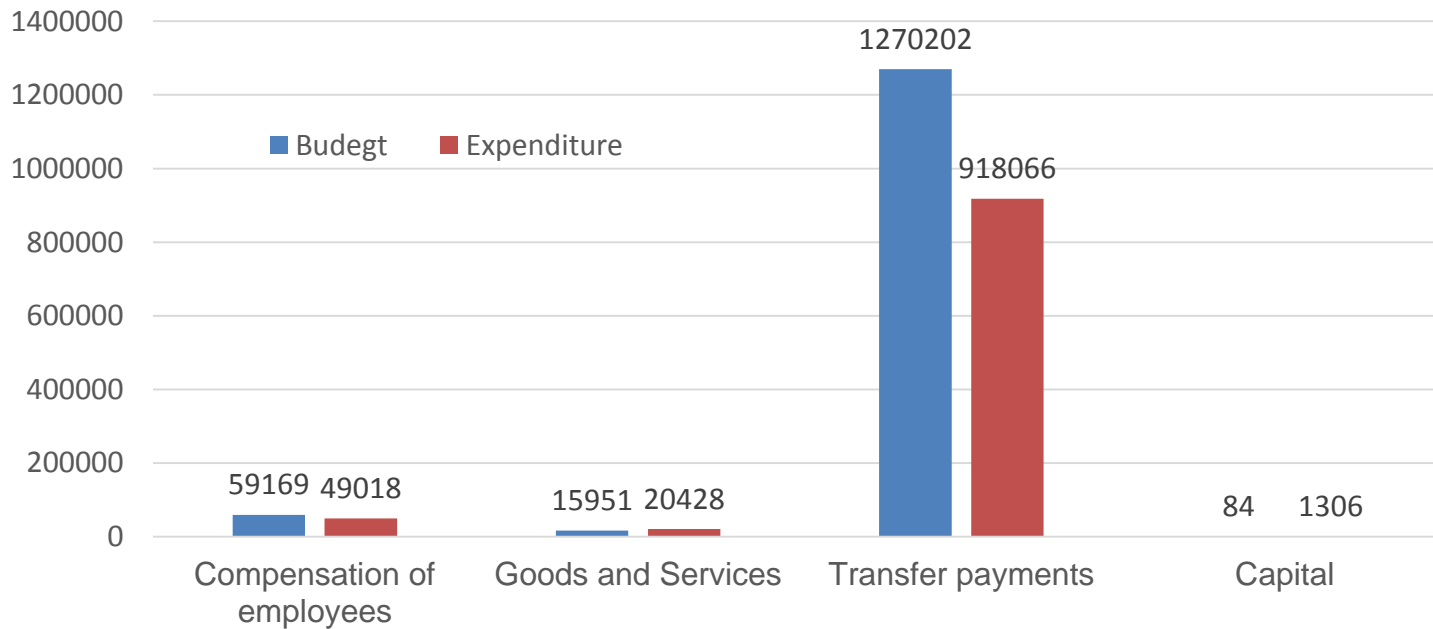
# EXPENDITURE PER QUARTER PER ECONOMIC CLASSIFICATION (1 APRIL 2016 TO 31 DECEMBER 2016)

ITEM	BUDGET	Q1 EXPEN- SES	Q2 EXPEN- SES	Q3 EXPEN- SES	TOTAL EXPENSES	% SPENT AGAINST BUDGET
COMPENSATION OF EMPLOYEES	59 169	16 808	16 283	15 927	49 018	83%
GOODS AND SERVICES	15 951	8 146	6 281	6 001	20 428	128%
TRANSFER PAYMENTS	1 270 202	307 380	310 651	300 035	918 066	72%
MACHINERY AND EQUIPMENT	84	-	1 217	89	1 306	1555%
<b>TOTAL</b>	<b>1 345 406</b>	<b>332 334</b>	<b>334 432</b>	<b>322 052</b>	<b>988 818</b>	<b>74%</b>



# TOTAL BUDGET ALLOCATION PER ECONOMIC CLASSIFICATION VS EXPENDITURE

Per Economic Classification





# FINANCIAL CONSTRAINTS

- ❑ The total budget for the DoC amounts to R1 345 406 000.00 appropriated as follows:
  - ❑ Transfers to GCIS and entities: R1 270 202 000.00
  - ❑ Compensation of employees: R59 169 000.00
  - ❑ Goods and services: R15 951 000.00
  - ❑ Capital: R84 000.00
- ❑ When disaggregating the funds earmarked for transfers and subsidies, the DoC has an operational budget of R75, 204 million including compensation of employees.
- ❑ Funds available for goods and services and capital assets is R16, 035 million.



# ADJUSTMENT BUDGET PER PROGRAMME

<b>Adjusted Estimates of National Expenditure 2016/17</b>		
<b>PROGRAMME</b>	<b>MAIN APPROPRIATION</b>	<b>ADJUSTED APPROPRIATION</b>
	<b>R'000</b>	<b>R'000</b>
P1: ADMINISTRATION	45 102	57 103
P2: COMMUNICATION POLICY, RESEARCH & DEVELOPMENT	8 400	7 728
P3: INDUSTRY AND CAPACITY DEVELOPMENT	10 894	47 692
P4: ENTITY OVERSIGHT	1 281 010	1 237 197
<b>TOTAL</b>	<b>1 345 406</b>	<b>1 349 720</b>



# ADJUSTMENT BUDGET PER ECONOMIC CLASSIFICATION

<b>PER ECONOMIC CLASSIFICATION</b>	<b>MAIN APPROPRIATION</b>	<b>ADJUSTED APPROPRIATION</b>
	<b>R'000</b>	<b>R'000</b>
COMPENSATION OF EMPLOYEES	59 169	68 169
GOODS AND SERVICES	15 951	45 802
TRANSFERS AND SUBSIDIES	1 270 202	1 231 949
PAYMENTS OF CAPITAL ASSETS	84	3 800
<b>TOTAL</b>	<b>1 345 406</b>	<b>1 349 720</b>



# ADJUSTED EXPENDITURE OF NATIONAL ESTIMATES

- ❑ R41,410 million allocated during the Adjustment Budget Processes. The funding is earmarked for DTT.
- ❑ The projected over expenditure in Programme 1 will be defrayed from other under spending Programmes.
- ❑ Over expenditure in Programme 3 will be covered by the amount of R41, 410 million which has been allocated to the department during the Adjusted Estimates of National Expenditure (AENE) process and roll over funds amounting to R1,2 million.
- ❑ The department remain under funded.



# Thank you

