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Department:  
Communications  
**REPUBLIC OF SOUTH AFRICA**

**DEPARTMENT OF COMMUNICATIONS:**  
**2017/18 QUARTER 1 VALIDATED REPORT**



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## LIST OF ABBREVIATIONS

<b>DoC</b>	Department of Communications
<b>MTEF</b>	Medium Term Expenditure Framework
<b>HRP</b>	Human Resource Plan
<b>DPSA</b>	Department of Public Service and Admiration
<b>HRD</b>	Human Resource Development
<b>AGSA</b>	Auditor General South Africa
<b>ATR</b>	Annual Training Report
<b>WSP</b>	Workplace Skills Plan
<b>PSETA</b>	Public Service Sector Education and Training Authority
<b>AFS</b>	Annual Financial Statements
<b>DTT</b>	Digital Terrestrial Television
<b>PMO</b>	Project Management Office
<b>BDM</b>	Broadcasting Digital Migration
<b>MANCO</b>	Management Committee
<b>SABC</b>	South African Broadcasting Corporation
<b>MDDA</b>	Media Development and Diversity Agency
<b>BrandSA</b>	Brand South Africa
<b>FPB</b>	Film and Publication Board
<b>ICASA</b>	Independent Communication Authority South Africa
<b>SOE</b>	State-Owned Entities
<b>WIPO</b>	World Intellectual Property Commission
<b>WRC</b>	World Radio Communication Conference

## **1. BACKGROUND AND INTRODUCTION**

The DoC is responsible for the national communications policy, strategy, information dissemination publicity, and the branding of South Africa. The department's mandate is derived from section 192 of the Constitution of the Republic of South Africa of 1996, which provides for the independence of broadcasting regulation in the public interest, the International Telecommunication Union (ITU) and the World Intellectual Property Organisation (WIPO).

Treasury Regulation 5.3.1 requires the accounting officer to establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action. Procedures for quarterly reporting have been established through the DPME's "Preparation of Quarterly Performance Reports Guidelines" and DoC's Framework on Strategic Planning and Performance Information. According to the guidelines for Preparation of Quarterly Performance Reports, preliminary information must be submitted within 30 days after the end of each quarter. The first quarter report will be submitted to the National Treasury and the Department of Performance Monitoring & Evaluation on 31<sup>st</sup> of July 2017 for their assessment and feedback and the actual (validated) report will be submitted on 31<sup>st</sup> of October 2017, as per the legislative requirement.

The Department presents its 2017/18 Quarter 1 (April to June 2017) overall performance progress against the planned deliverables. This report will also be utilised to respond to the department's commitments in achievement of government's Outcome 14. This report, together with the three future quarterly reports, will form the basis of the Department's annual report to be compiled at the end of the financial year.



The overall progress of performance is based on the two classification categories as per the framework for the level of performance that is applicable to the quantitative and qualitative targets. The legend keys below explain progress in achieving DoC performance indicators:

Performance Level	Definition Status		Colours
	Qualitative	Quantitative	
<b>Achieved</b>	The targets have been achieved as planned and evidence is available to support this.	The achieved targets are 100% and above.	
<b>Not Achieved</b>	Some or no aspects of the target are achieved and the target is well on track to be achieved and evidence is available to support this.	Below 50%, the target is not achieved because it is less than 50% and the reasons for variances should be provided by the managers.	

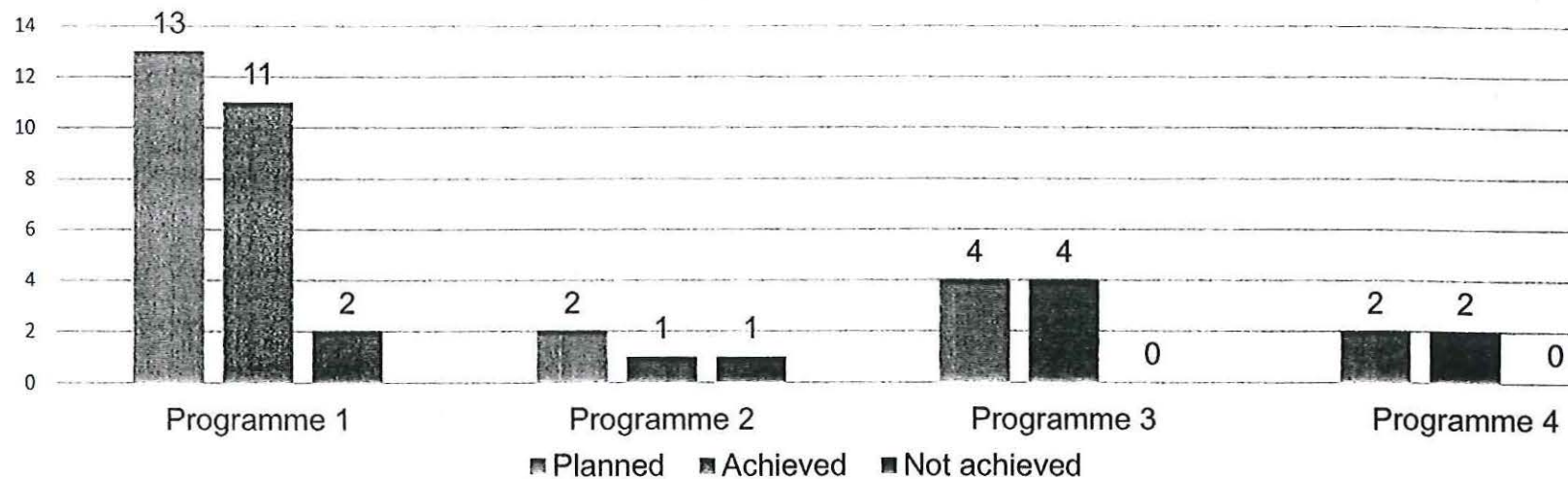
## 2. DOC'S FIRST QUARTER PERFORMANCE OVERVIEW

The department had 21 targets planned for the quarter and 18 were achieved, 3 targets were not achieved. Programme 1 achieved 11 of its targets, Programme 2 achieved 1, Programme 3 achieved 4 and Programme 4 achieved 2 of its planned targets.

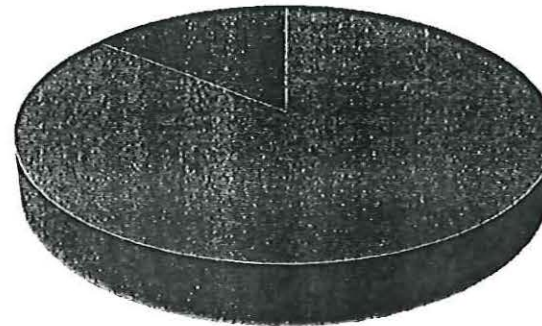
Programmes	Planned Targets	Achieved	Not achieved	% Achieved
Programme 1	13	11	2	85%
Programme 2	2	1	1	50%

Programme 3	4	4	0	100%
Programme 4	2	2	0	100%
DOC	21	18	3	86%

**Figure 2: DoC first quarter performance Overview per Programme**



**Figure 3: DoC Overall First Quarter Performance**



■ Achieved ■ Not achieved

### **3. FIRST QUARTER PERFORMANCE REPORT 2017/18 PER PROGRAMME**

#### **3.1 PROGRAMME 1: ADMINISTRATION**

The purpose of the Programme is to provide strategic leadership, management and support services to the department.

The Programme consists of the following Directorates:

- **Human Resource Management and Development (HRM&D):** Manages and facilitates the provisioning of HRM&D services.



- **Information and Technology Management (IMT):** Provides IMT services.
- **Facilities and Security Management Services:** Manages the provisioning of facilities management and security services.
- **Communications:** Provides communication and events management services to the department.
- **Legal Services:** Provides legal services.
- **Strategic Planning and Performance Monitoring:** Develops reports and monitor the implementation of the strategic plan and the APP and ensures that planning and performance reporting is coordinated across the department.
- **Financial Management, Accounting and Administration:** Manages finances.
- **Supply Chain Management (SCM):** Manages supply chain and asset management.
- **Risk Management:** Performs risk management functions.
- **Internal Audit:** Provides internal audit functions.

### 3.1.1 Programme 1 highlights of the quarter:

The programme provided Legal Services to the department and compiled report on contracts, Memorandum of Understanding and Legal Opinions received during the quarter, the report also included litigations cases and opinions on other operational issues. The first draft of 2016/17 Annual Report on performance information was submitted to AGSA by 31<sup>st</sup> May 2017. The Department also managed to commission its first Evaluation Study which is currently in progress and is envisaged to be completed during the second quarter. The purpose of the evaluation is to assess the effectiveness of the implementation of the Broadcasting Digital Migration Public Awareness Campaign and Consumer Support Strategy and how it can be enhanced. The HRM&D Directorate submitted the Human Resource Plan Implementation Report to the DPSC. The directorate also submitted the 2016/17 Annual Training Report, 2017/18 Workplace Skills Plan together with the 2017/18 first quarter Training Report to the PSETA as per legislative requirement.



The Office of the Chief Financial Officer submitted the 2016/17 Annual Financial Statements to AGSA and National Treasury on 31<sup>st</sup> of May 2017. The departmental risk register was developed and approved by MANCO, highlighting the strategic and operational risks. The Three-year rolling Internal Audit Strategic Plan and 2017/18 risk-based Internal Audit Annual Operational Plan were signed off by the Audit and Risk Committee. A progress reports on financial, compliance and performance audits against annual operational plan was compiled.

Strategic Goal: Effective and efficient strategic leadership, governance and administration						
Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019						
Programme performance indicator	2017/18	Quarter 1 Progress		Comments		
	Annual target as per Annual Performance Plan(APP)	Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action	
Programme 1: Administration						
MTEF HRP approved and submitted to the DPSA	HRP Implementation Report submitted to the DPSA	HRP Implementation Report submitted to the DPSA		None	None	

Strategic Goal: Effective and efficient strategic leadership, governance and administration					
Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
HRD Strategy implemented	2017/18 WSP submitted to PSETA	2016/17 Annual Training Report (ATR) submitted to PSETA	2016/17 annual training report was submitted to PSETA	None	None
	Workplace Skills Plan (WSP) monitoring reports submitted to PSETA	WSP submitted to PSETA	2017/18 WSP was submitted to PSETA	None	None
		First Quarter Training Report submitted to the PSETA	2017/18 first quarter training report was submitted to PSETA	None	None
Annual financial statements submitted to	Annual financial statements submitted to	Annual financial statements for 2016/17 prepared and submitted to	2016/17 annual financial statements were prepared and presented	None	None



Strategic Goal: Effective and efficient strategic leadership, governance and administration					
Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
the AGSA and National Treasury	the AGSA and National Treasury	the AGSA and National Treasury			
Assets Register submitted to AGSA and National Treasury	Assets Register prepared within the legislated prescripts	2016/17 assets register submitted to AGSA and National Treasury	2016/17 Assets Register was submitted together with the AGS to NT and AGSA on the 4 May 2017	None	None
		Updated Asset Register submitted to AGSA and National Treasury		Updated Asset Register is earmarked to be submitted during the beginning of	1st quarter updated register will be submitted to NT and AGSA together with the 1st quarter financial

Strategic Goal: Effective and efficient strategic leadership, governance and administration					
Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019					
Programme performance indicator	2017/18	Quarter 1 Progress		Comments	
	Annual target as per Annual Performance Plan(APP)	Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
				the 2 <sup>nd</sup> Quarter.	statements on the 31 July 2017
Procurement plans reviewed as per legislated prescripts and submitted to National Treasury	Procurement plans submitted to National Treasury	Annual report on the implementation of the 2016/17 Procurement Plan	The annual report on 2016/17 Procurement Plan was developed	None	None
Risk Management Plan approved	Develop Risk Management Plan	Signed off Risk (including Fraud) Management Plan		Benchmarking processes on Risk Management	The Final draft Risk Management Plan will be



Strategic Goal: Effective and efficient strategic leadership, governance and administration					
Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
and implemented		Develop Risk Register		Plan took longer than initially anticipated.	submitted to MANCO in the second quarter.
Number of Risk mitigation/ assessment reports compiled	Four progress reports on risk mitigation.	Previous Q4 Risk Mitigation Progress Report	The 2017/18 rolling Internal Audit Strategic Plan signed off	None	None
Three-year rolling Audit Strategic Plan 2017-2020 implemented	Three-year rolling Internal Audit Strategic Plan approved	Three-year rolling Internal Audit Strategic Plan signed off		None	None

<b>Strategic Goal: Effective and efficient strategic leadership, governance and administration</b>					
<b>Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019</b>					
<b>Programme performance indicator</b>	<b>2017/18 Annual target as per Annual Performance Plan(APP)</b>	<b>Quarter 1 Progress</b>		<b>Comments</b>	
		<b>Quarter 1 Target as per APP</b>	<b>Quarter 1 Output-Preliminary</b>	<b>Reason for Deviation</b>	<b>Corrective Action</b>
Risk-based Internal Audit Annual Operational Plan approved	2017/18 risk-based Internal Audit Annual Operational Plan approved	2017/18 risk-based Internal Audit Annual Operational Plan signed-off	2017/18 risk-based Internal Audit Annual Operational Plan was signed off by the Audit and Risk Committee.	None	None
Number of progress reports on the implementation of the annual operational plan (covering financial, compliance	Four reports on financial, compliance and performance audits against the annual operational plan	One report on financial, compliance and performance audits done during Q4 of 2016/17 against the annual operational plan	One report on financial, compliance and performance audits was done during quarter four of 2016/17 financial year against the annual operational plan.	None	None



<b>Strategic Goal: Effective and efficient strategic leadership, governance and administration</b>					
<b>Strategic Objective: Ensure compliance with statutory requirements and good governance practices by 2019</b>					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
and performance)					

### 3.2 PROGRAMME 2: COMMUNICATIONS POLICY, RESEARCH AND DEVELOPMENT

The purpose of the Programme is to conduct research and develop communications and broadcasting policies.

The Programme consists of the following Sub-programmes:

- **Broadcasting Policy** oversees the development and implementation of public and community broadcasting policies and strategies, and policies and strategies to promote the commercial broadcasting tier; and facilitates the implementation of policies by regulatory institutions in the sector.
- **Media Policy** conducts research and develops print media, new media and communications policies.
- **Technology and Engineering Services** conducts research and develops broadcasting spectrum policy and plans, develops standards, and manages technology and engineering services.

### **3.2.1 Programme 2 highlights of the quarter:**

The Programme had two targets planned for the quarter the Media Transformation and Diversity Policy and White Paper on Audio-Visual and Digital Content. The discussion document on the Media Transformation and Diversity Policy was finalised and submitted to MANCO for approval and noting. The discussion document consists of 13 chapters:

1. South Africa's enabling laws,
2. Media transformation and Diversity
3. Regulation
4. Media status quo
5. Broadcast media
6. Media expansion into digital space
7. Cross media ownership
8. Government owned media
9. Content diversity and
10. Advertising and Diversity.
11. A conceptual framework of the principles and values that have guided the democratic transition in South Africa's media environment,
12. An analysis of the status quo in South Africa,
13. Consideration of the effectiveness of current media policies and recommendations for a policy framework derived from extensive research and multi-stakeholder consultations.



The discussion paper is submitted to the Executive Authority for approval in preparation for conducting stakeholder consultation on the policy. Engagements will be held with GCIS and MDDA to further discuss the consultation process and identification of the key stakeholders.

**Media diversity and transformation discussion paper highlights the following proposals:**

- The agencies responsible for ensuring media diversity must be strengthened.
- The role of the government, through agencies such as the Media Development and Diversity Agency (MDDA) and the Universal Service Agency of South Africa (USSASA), is critical in ensuring continued and consistent funding for community and small commercial media that serve marginalised communities.
- At the same time, government should explore additional policies to promote media diversity other than through government advertising and support through established agencies, as this has proved inadequate.
- Legislation on government advertising must be tightened to ensure that it corrects market failures and promotes diversity.
- The 30% government adspend to community media must be enforced across national, provincial and local government.

During the 2016/17 financial year the department developed the *White Paper on Audio-Visual and Digital Content* which provides enabling mechanisms to facilitate ownership of the new audio-visual digital content value chain by previously disadvantaged communities and small, medium and micro enterprises (SMMEs). In the first quarter of the 2017/18, the department intended to coordinate five stakeholder consultations on the draft White Paper on Audio-Visual and Digital Content. The consultations could not be coordinated as planned due to Cabinet's proposal for the draft white Paper to undergo further consultations with the Department of Economic Development and the Department of Telecommunications and Postal Services.

Strategic Goal: A responsive communications policy regulatory environment and improved country branding					
Strategic Objective: Improve universal access to broadcasting services and information by all citizens in 2019					
Programme performance indicator	2017/18	Quarter 1 Progress		Comments	
	Annual target as per Annual Performance Plan(APP)	Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
Programme 2: Communications Policy, Research and Development					
Audio-Visual and Digital Content Act implemented	Audio-Visual and Digital Content Bill for South Africa developed	Five Stakeholder Consultations on the Audio-Visual and Digital Content coordinated		Cabinet proposed that the Audio-Visual and Digital Content draft white Paper should undergo further consultations with the Department of Economic Development and the Department of Telecommunications and Postal Services	Engagements will be coordinated with the Ministry to facilitate consultations with the Department of Economic Development and the Department of Telecommunications and Postal Services on the draft White paper for Audio-Visual and Digital Content.



Strategic Goal: Transformed communications sector					
Strategic objective 2: Support the growth and development of the creative industries sector by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
Programme 2: Communications Policy, Research and Development					
Media Transformation and Diversity Policy Implemented	Draft Position Paper on the Media Transformation and Diversity Policy submitted to the Minister	Research/ Discussion Document finalised and approved by MANCO	A research discussion document on the Media Transformation and Diversity was finalised and submitted to the Minister for approval	None	None

### 3.3 PROGRAMME 3: INDUSTRY AND CAPACITY DEVELOPMENT

The purpose of the Programme is to manage enterprise development, digital migration, and industry research and analysis as well as implement a structured programme of engagement with stakeholders in support of the department's programmes and projects.

The Programme consists of the following Sub-programmes:

- **Enterprise Development** manages enterprise development; implements policy; manages and supports creative industries and media transformation; compiles skills profiles; and develops skills development programmes, including the development and implementation of broadcasting industry development strategies and plans.
- **BDM** manages BDM with the aim of migrating from analogue to digital broadcasting, and plays an important role in creating and supporting SMMEs in the digital domain.
- **Industry Research and Analysis** manages industry research and analysis.
- **Intergovernmental Relations and Stakeholder Management** manages intergovernmental relations and stakeholder relations.

#### 3.3.1 Programme 3 highlights of the quarter

The Broadcasting Digital Migration (BDM) programme remains a flagship programme of the department. The department continued with the extensive distributions and installations of Digital Terrestrial Television (DTT) set-top boxes (STBs) and related devices. The Programme coordinated 31 awareness campaigns in the North West, Eastern Cape, Kwa-Zulu Natal and Mpumalanga provinces. The achievement was as a result of DTT PMO partnering with other National and Provincial Departments, as well as Local Municipalities in holding digital migration awareness campaigns. A progress report on the implementation of the BDM was compiled,



indicating 95,517 households were registered and 50,917 STB's were distributed and installed. Towards complete analogue switch off, a key focus is placed on fast tracking the registration uptake, distribution and installation of STBs and related devices. Focus is placed on the provinces bordering with neighbouring countries. Currently, a focused rollout is placed in the Free State and North West Provinces.

To date, over 668, 000 STBs have been produced by manufacturers and delivered to SAPO warehouses and over 700, 000 Antennae and Satellite dishes have been produced and delivered to SAPO for distribution and installations to qualifying television owning households. A partnership has been forged with the Department of Public Works (DPW) to train installers. A Memorandum of Understanding signed between two departments to train, at least 2700 young people and women. Minister has co-opted the collaboration of mobile operators and commercial broadcasters to expedite implementation rollout. Support pledged and Terms of Reference for engagement with the Department are being finalised. TV manufacturers encouraged to produce low cost IDTVs and also to market existing models for unsubsidized market. DSTV and OVHD (by e.tv) also encouraged to market their digital satellite STBs and link with government's migration project.

During the quarter under review the participated in two stakeholder engagements, the 34th Session of the Standing Committee on Copyright and Related Rights (SCCR) and BRICS Inter-Departmental meeting. The Department participated in the 34th Session of the Standing Committee on Copyright and Related Rights (SCCR) of the World Intellectual Property Organisation (WIPO) conference which continued the discussions on the following issues: the Broadcasting Treaty – protection of Broadcasting Organisation, Exceptions and Limitations for Libraries and Archives, Expectation and Limitations for Educational and Research Institutions and persons with other Disabilities.

The SCCR pursued discussions on the protection of broadcasting and cablecasting organizations in the tradition sense. There seemed to be an understanding to limit the text of the draft Broadcasting Treaty to be signal-based and focus on broadcasting organizations in the traditional sense, with the appreciation that this includes broadcast in any technology platform, to render the treaty technologically relevant. It was further agreed that the definition for Broadcasting, should take into account 21st technological developments and existing definitions in current international treaties.

The BRICS Inter-Departmental meeting discussed the overview of Chinese Chairship, the planning for South Africa's BRICS Chairship and Hosting of the 10<sup>th</sup> BRICS Summit .The Inter Ministerial Committee (IMC) was requested to ensure optimal synergy between the successive Chinese and South African BRICS chairship. In keeping with the directive to create synergy and establish continuity in BRICS, we should therefore also seek to build further on the Chinese proposals during our chairships in 2018.The IMC also discussed the preparation for the review of the BRICS Strategy (adopted by Cabinet in September 2012) which will be submitted to Cabinet prior to the UNGA meeting in September 2017, together with proposals for hosting the 10th BRICS Summit in 2018. The support and commitment to ensuring that the President presides over a successful chairship as well as the 10<sup>th</sup> BRICS Summit in 2018, highly valued.



Strategic Goal: Transformed communications sector					
Strategic Objective: Manage digital broadcasting migration by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
Programme 3: Industry and Capacity Development					
Number of digital broadcasting awareness campaigns (Izimbizo) held per year	10 digital migration broadcasting awareness campaigns (Izimbizo) held	Two digital migration broadcasting awareness campaigns held	31 digital migration broadcasting awareness campaigns held	The overachievement was as a result of DTT PMO partnering with other National, Provincial Departments and Local Municipalities in holding digital migration awareness campaigns.	None
Number of reports showing consumer	Four quarterly reports showing consumer access	One quarterly report showing consumer access	One quarterly report showing consumer access	None	None

<b>Strategic Goal: Transformed communications sector</b>					
<b>Strategic Objective: Manage digital broadcasting migration by 2019</b>					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
access to digital broadcasting in particular those with government subsidised STBs compiled	to digital broadcasting compiled	to digital broadcasting compiled	<ul style="list-style-type: none"> <li>• Registrations recorded = 50,517</li> <li>• STBs installed to households = 50,917</li> </ul>		
<b>Strategic Goal: Transformed communications sector</b>					
<b>Strategic Objective: Strengthen support, guidance and interrelations with stakeholders by 2019</b>					
Number of Stakeholder engagements coordinated	10 Stakeholder engagements coordinated	2	Two stakeholder engagements were coordinated under the Department of Information	None	None



<b>Strategic Goal: Transformed communications sector</b>					
<b>Strategic Objective: Manage digital broadcasting migration by 2019</b>					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
			<p>(1) - 100% of the target for the quarter.</p> <p>(2) - 100% of the target for the quarter.</p>		
<b>Strategic Goal: A responsive communications policy regulatory environment and improved country branding</b>					
<b>Strategic objective: Market the country locally, regionally and internationally to provide enabling environment for investment by 2019</b>					
Number of position papers tabled at multilateral engagements	Two position papers tabled at multilateral engagements on WIPO and WRC-19	One position paper on WIPO Broadcasting Treaty	The Department has tabled the WIPO Broadcasting Treaty on the 10th of October 2019 at the WRC-19 meeting in Geneva, Switzerland. The Department has also tabled the WIPO Broadcasting Treaty on the 10th of October 2019 at the WRC-19 meeting in Geneva, Switzerland.	None	None

### 3.4 PROGRAMME 4: ENTITY OVERSIGHT

The purpose of the Programme is to monitor the implementation of policies by SOEs and regulatory institutions, and provide guidance and oversight on their governance matters.

The Programme consists of the following Sub-programmes:

- **Programme Management for Entity Oversight** strengthens the capacity of the department and that of its SOEs to effectively deliver on their public mandates.
- **Broadcasting and Community Media** monitors the implementation of broadcasting and community media policies and provides guidance in and oversight of the governance matters of SOEs.
- **Communication and Branding** monitors the implementation of communications and branding policies and provides guidance in and oversight of the governance matters of SOEs.
- **Regulatory Institutions** monitors the implementation of policies and provides guidance in and oversight of the governance matters of regulatory institutions.

#### 3.4.1 Programme 4 highlights of the quarter

The Department of Communication has adopted the Policy Framework and Procedure on Oversight and Governance of Public Entities and Statutory Institutions (Entity Oversight Policy) from the Department of Trade and Industry and adapted it to our environment. The purpose of the Policy is to regulate the relationship between the Minister and the entities, in particular outlining the principles, structures and the modus operandi of how the Minister exercises oversight over the entities and how the entities complies with governance prescripts. The Entity Oversight Policy is underpinned by two concepts, namely, Oversight and Governance.

Oversight means scrutinising the work of entities and giving direction and leadership on the part of the Ministry. Governance can be defined broadly as good institutional culture, systems, and practices that conform to set norms and standards, legislative and regulatory prescripts applicable to the entities.

The Programme achieved all the planned first quarter targets. Five quarterly oversight reports were analysed and submitted to the Executive Authority. The purpose of the oversight reports is to provide the Minister with an analysis of the performance against key deliverables that were set for the fourth quarter of the 2016/17 financial year for the DoC Public Entities. The overall achievement for the 2016/17 4<sup>th</sup> quarter per Public Entity is, BrandSA - 96%, FPB - 82%, MDDA - 70%, ICASA - 70% and SABC is at 18%. The programme also processes three funding requests from entities. Feedback letters based on the analysis reports are submitted to Chairpersons of the Board.

FPB had a total of 74 milestones planned for the quarter under review. The entity achieved 61 milestones (82%) and the remaining 13 (18%) were not achieved. The entity was requested to ensure that the following matters are addressed: finalisation of the Online Policy; delays in responding to queries; costing of key targets against available funds; lack of co-operation with distributors; and poor response rate by universities for partnerships on the Classification course. ICASA had planned to deliver a total of 73 key targets in the fourth quarter of the 2016/17 financial year. ICASA achieved 51 key targets with 22 targets not achieved (70%). The programmes that contributed to the non-achievement of key targets were Policy, Research & Analysis and Engineering & Technology due to capacity constraints.



BrandSA had 48 targets planned for the period under review. 44 targets were achieved and only 4 were not achieved. The overall achievement of BrandSA is 96%. The key target that was not achieved relates to market activations in the UK, USA, China, UAE and on the continent (including GSA). This target was not achieved due to the absence of the Country heads. The overall achievement of the SABC for the fourth quarter reflects 18% (3 targets out of 18). Significant key targets that were not achieved are the digitisation of radio and television studios as well as the migration of 1 channel (Encore) to DTT platforms; management of revenue and expenditure in accordance with the approved budget; approved performance management implementation plan; and performance contracts in place for all staff. In order to correct the deteriorating financial status, the department recommended that SABC provides a comprehensive turnaround plan and ensure that performance agreements for executives, seniors and the entire staff are put in place.

MDDA had a total of 30 performance targets across its five programmes in the fourth quarter. The agency achieved 21 (70%) and the remaining key targets were not achieved. The main targets that were not achieved relate to the production of the digital migration strategy; production of a concept document on the review of the MDDA Act as well as the signing of MoUs with stakeholders. The department noted the challenges (lack of capacity in critical positions) faced by the MDDA in the 2016/17 financial year. The department requested the Board to ensure the filling of positions as a matter of urgency and furnish the Ministry with a recruitment plan outlining timelines for filling vacant positions.

Strategic Goal: Effective and efficient strategic leadership, governance and administration					
Strategic objective: Ensure viability and sustainability of SOEs by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
Programme 4: Entity Oversight					
Number of entities quarterly oversight reports submitted to the Executive Authority	20 quarterly oversight reports of entities (SABC, MDDA, BrandSA, FPB and ICASA) reports submitted to the Executive Authority	Five quarterly oversight reports submitted to the Executive Authority	Five quarterly oversight reports were analysed and submitted to the Executive Authority	None	None
Number of funding requests compliant to the	12 funding requests compliant to the draw-down conditions	Three funding requests compliant to the draw-down conditions		None	None

Strategic Goal: Effective and efficient strategic leadership, governance and administration					
Strategic objective: Ensure viability and sustainability of SOEs by 2019					
Programme performance indicator	2017/18 Annual target as per Annual Performance Plan(APP)	Quarter 1 Progress		Comments	
		Quarter 1 Target as per APP	Quarter 1 Output-Preliminary	Reason for Deviation	Corrective Action
draw-down conditions					



#### 4. EXPENDITURE REPORT

<b>PROGRAMME</b>	<b>BUDGET R'000</b>	<b>Q1 EXPENDITURE R'000</b>	<b>TOTAL EXPENDITUR E R'000</b>	<b>% SPENT AGAINST BUDGET</b>
P1: ADMINISTRATION	62 771	16 097	16 097	26%
P2: COMMUNICATION POLICY, RESEARCH & DEVELOPMENT	8 492	1 147	1 147	14%
P3: INDUSTRY AND CAPACITY DEVELOPMENT	22 290	5 900	5 900	26%
P4: ENTITY OVERSIGHT	1 331 542	310 545	310 545	23%
<b>TOTAL</b>	<b>1 425 095</b>	<b>333 689</b>	<b>333 689</b>	<b>23%</b>

## 5. APPROVAL

This is to confirm that the MANCO of the Department of Communications discussed the Department's performance report for the first quarter of the 2017/18 financial year at its meeting held on the 27<sup>th</sup> of July 2017 and that MANCO is satisfied with the contents of the report reflecting the DOC's performance for the period covered of April to June 2017.

.....  
**QINISILE DELWA**

**ACTING DIRECTOR-GENERAL**

**DATE:**