



uMhlobo
Wenene fm



METRO FM

THOBELAFM
MOSATE WA TSEBO LE BOITHABUO



truFm

PHALAPHALA
87.9 - 107.8



ukhozi fm

MUNGHANA LOKENE FM
MAKOMBA NOLELA

Lotus fm
share the experience

RADIO
2000

RSG 100.0 - 104.0 fm
DIS DIE EEN



Motswedding FM
87.9 - 107.9



SABC 1
Mzansi fo sho

SABC 2
you belong.

SABC 3
The stage is yours

SABC ENCORE 7

SABC NEWS
Independent. Impartial.

PRESENTATION TO THE PORTFOLIO COMMITTEE ON COMMUNICATIONS ON SABC MATTERS

12 March 2019

SABC

TABLE OF CONTENTS

- SABC CURRENT SITUATION
- PROGRESS REPORT ON TURNAROUND STRATEGIES
- LABOUR MATTERS
- IMPLEMENTATION OF AD-HOC COMMITTEE RECOMMENDATIONS
- SABC ELECTION READINESS

SABC CURRENT SITUATION

- The SABC has been working hard during the past number of months to implement its Turnaround Strategies which are aimed at ensuring that the SABC is able to operate competitively in the evolving media and digital landscape while fulfilling its public mandate to provide informative, educational and entertaining content to all South Africans.
- Additional effort went into enhancing revenue generation from traditional and alternative revenue streams. Despite the economic downturn and other related challenges, the SABC was able to grow its advertising revenue quarter-on-quarter. Other revenue initiatives are showing early signs of positive returns. TV Licence revenue is also displaying encouraging growth and is slowly recovering from losses suffered through a third party service provider.
- Cost containment measures are in place and Year-to-Date the SABC realised savings of R785m. This amount is unfortunately not enough to elevate the current and projected losses of the Corporation. Additional cost saving initiatives are being reviewed for implementation.
- A major focus area is the review of the SABC's operating model and structure and good progress has been made in this regard. The SABC has to review its operating model to keep up with the shifting competitive landscape, customer needs, markets and competitive threats. A reviewed operating model and structure will ensure that the SABC can respond with agility to competition in a digital environment.

SABC CURRENT SITUATION

- The SABC is undergoing a process of rehabilitation and renewal. It should be noted that many factors – structural and symptomatic – have impacted on the SABC's viability over the past years.
- These have led to the situation that the SABC is currently finding itself in. The following are some of the main contributors to the Corporation's dire financial status:
 - Funding model of the SABC (over-reliance on commercial / advertising revenue);
 - Regulatory / legislative framework not keeping pace with growth of digital technology, the convergence of media, technology and telecommunications;
 - Global slowdown in economic growth and related foreign exchange fluctuations significantly affecting the core business of the SABC, as it needs to acquire content, sports rights and technology;
 - Multinational advertisers have reduced their industry-wide spending over the past 24 months;
 - SABC's operating environment – having to compete with commercial broadcasters, while complying with public sector operating guidelines;
 - Cost of mandate (compounded by higher costs related to delivery on the mandate, especially for events of national importance of which sports is a major contributor, both planned and unplanned).

SABC CURRENT SITUATION

- In the last few years, the SABC has also faced many internal challenges, including a decline in audience and revenue, due to some decisions that were taken which were detrimental to the SABC's revenue and reputation, as well as leadership instability that prevented the timely implementation of policy and business decisions to stabilise the institution.
- Good progress has been made in terms of stabilising the SABC, strengthening its governance and internal controls as well as instilling a culture of financial discipline.
- The SABC is also managing a number of disciplinary cases emanating from more than 180 forensic reports with cases of wrongdoing by employees. Some of these cases date back a number of years, others were left incomplete or abandoned without the allegations being tested and concluded and others are current. Most of these cases emanate from the past legacy of a total disregard of policies and procedures as well as a lapse in internal controls and governance.
- The SABC will continue to implement the recommendations of the Ad Hoc Committee, the Public Protector's remedial actions, pursue sexual harassment cases, irregular appointments, and irregular salary increases. In all these matters, due processes are followed.
- Furthermore, in order to properly transition the SABC into the Fourth Industrial Revolution, the Corporation has commenced development of a comprehensive digital strategy which will ensure that, over time, all SABC radio and television services are available and affordable everywhere on all devices and platforms.

SABC CURRENT SITUATION

- The SABC applied for Government Funding due to its severe liquidity crisis which is threatening the Corporation's status as a going concern, as also highlighted by the Auditor General.
- The application is based on the Corporation's dire financial situation, along with its approved Strategic Roadmap and turnaround plans designed to stabilise the SABC and return it to profitability whilst fulfilling its public mandate.
- The SABC's cash flow is depleted and therefore the SABC cannot honour payments to service providers, adhere to its committed contracts, and commission local content productions.
- The SABC cannot guarantee that it will be able to pay its employees salaries at the end of March 2019.
- Should this crisis not be addressed as a matter of urgency, the SABC would be unable to operate and the "black-on-air" scenario is a real and highly possible threat.
- Several major content providers of key programming (e.g. 'soapies') have ceased production and are retaining content until outstanding payments have been received.
- The public broadcaster relies heavily on these programmes to generate advertising revenue and the inability to invest in content negatively affects the financial sustainability of the SABC and the local production industry.

SABC CURRENT SITUATION

- Service providers that have successfully tendered for the upgrading or implementation of broadcast critical equipment are now declining tenders or demanding upfront payment. Many service providers have stopped bidding for tenders in totality.
- Maintenance on the SABC's infrastructure and buildings cannot be performed placing the Corporation in an extreme risky position in terms of health and safety matters.
- Sports Rights cannot be acquired and the SABC is facing increased public pressure and outcry for the non-broadcasting of Sports of National Interest.
- The SABC is not receiving any funding for the broadcasting of Events of National Interest and therefore some of these productions will have to be ceased.
- On 13 December 2018, the Companies and Intellectual Property Commission (CIPC) issued a notice to the SABC in terms of section 22(2) of the Companies Act of 2008 to show cause regarding reckless trading or trading under insolvent circumstances. A response was provided to the Commission, however, the Commission indicated that the situation will be monitored closely.

SABC CURRENT SITUATION

- At the end of February 2019, the SABC's total Trade and Other Payables stood at R1.4 billion with creditor payment days at 114 days.
- Significant suppliers due and overdue are Sentech (R315m), SuperSport (R208m), SAMRO (R101m) various providers of content (R145m).
- The SABC's projected figures show factual insolvency by 31 March 2019.
- Forecasts indicate that the SABC will end the financial year with a net loss of R568m against a Budgeted Loss of R288m and Trade and Other Payables are expected to be R2 billion.
- Government Funding will be used to recapitalise the SABC. The funds would be used to alleviate the SABC's solvency crisis and allow the Corporation to honour its committed and overdue contracts, embark on local content procurement strategy ensuring the fulfilment of its public broadcast mandate, as well as to procure and upgrade critical technology and infrastructure for broadcasting that is past its useful life and that has become expensive to maintain.
- Government Funding will also enable the conclusion of the 2018/19 Annual Financial Statements and enable the Board to approve the Financial Statements having been prepared on the basis of the organisation being and remaining a going concern.

SABC CURRENT SITUATION

- **The SABC is also working with the Department of Communications on the following:**
 - Receiving input from DoC and National Treasury's GTAC team on the SABC's existing, Board approved, strategic roadmap and turnaround strategy. The consolidated input into the turnaround strategy will be submitted to the Minister of Communications by September 2019.
 - The SABC's funding model in a multimedia and multichannel environment.
 - Accelerating the implementation of digital migration.
 - A new institutional model.
 - Costing and funding of the SABC's public service mandate.
 - Critical policy and regulatory amendments to be driven by DoC.
- On-going engagements are taking place with the Minister of Communications regarding the SABC's immediate funding requirements. Funding needs up to the end of the financial year have been submitted to the Minister for consideration.

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FINANCIAL OVERVIEW - SUMMARY

FINANCIAL PERFORMANCE AS AT END OF JANUARY 2019

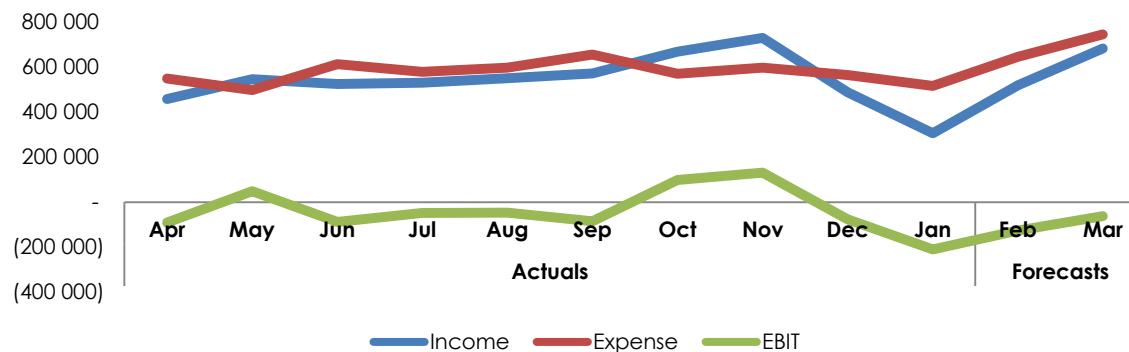
Description	Year to date				
	Actual	Budget	Variance	%	Prior
Revenue	(5,399,603)	(6,153,741)	754,138	(12)	(5,833,196)
Other income	(44,542)	(35,885)	(8,657)	24	(14,694)
Revenue & other income	(5,444,145)	(6,189,626)	745,481	(12)	(5,847,890)
Expenses	5,746,760	6,531,945	(785,185)	(12)	5,745,019
Operating loss before finance costs and tax	302,615	342,319	(39,704)	(12)	(102,871)
Finance income	(3,439)	0	(3,439)	0	(21,094)
Finance expenses	39,487	50,950	(11,463)	(22)	1,328
(Profit)/Loss for the year	338,662	393,269	(54,606)	(14)	(122,637)

- Revenue: R5.4 billion – R745m (12%) below target
- Expenditure: R5.7 billion – savings of R785m (12%)
- Net loss year-to-date: R339m – R54m better than budgeted loss

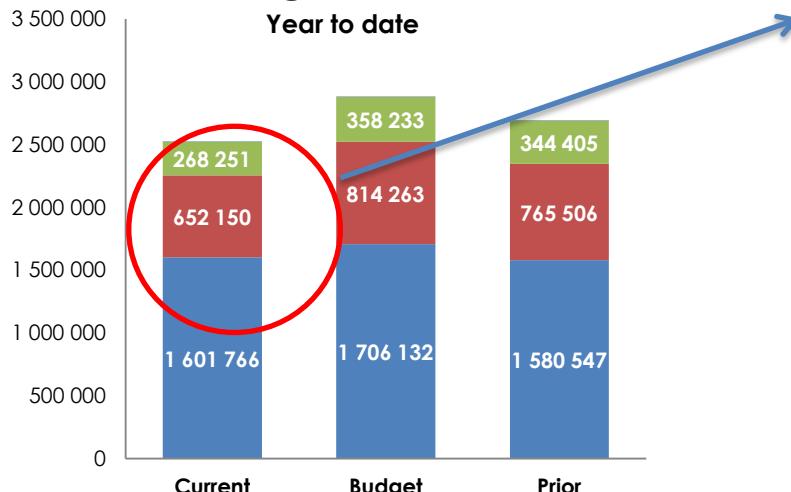
FINANCIAL OVERVIEW - REVENUE

FINANCIAL PERFORMANCE AS AT END OF JANUARY 2019 - REVENUE

SABC Group Profitability R'000

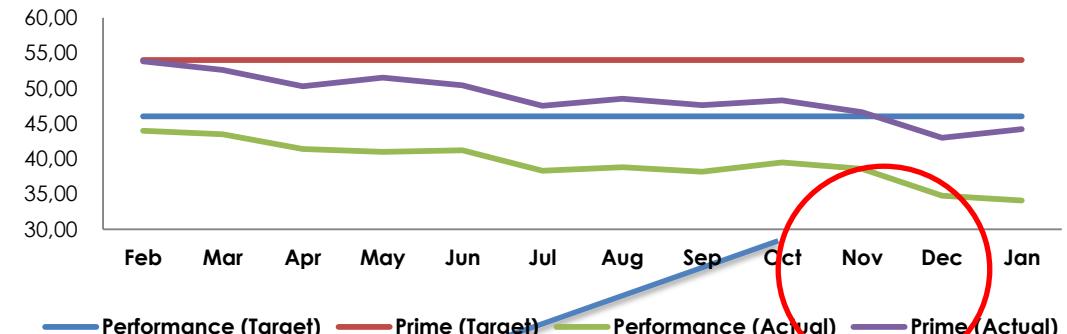


TV Advertising Revenue R'000



- Audience share has been declining since Oct. Prime slightly improved, but is still below Performance Target.
- Revenue generated (for all platforms) was both below target and prior year performance. Except for SABC 1 (YTD)
- Further decline of revenue is expected in the 4th quarter

Audience share (%)



Dependency on **SABC 1** still poses financial sustainability **threat**

Non-payment of content providers and governance challenges in terms of commissioning is about to result in significant audience flight as TV will be forced into a position of primetime tentpole repeats. This will have a catastrophic impact on revenue.

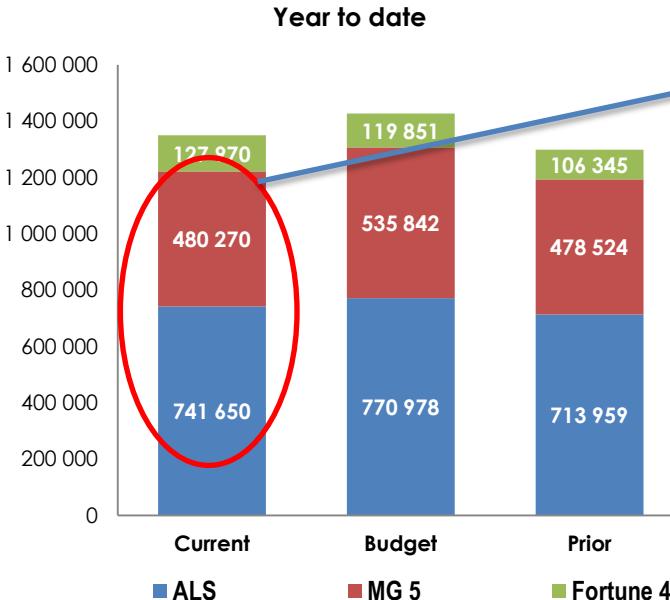
REMEDIAL ACTION

- Retention of current clients strategy
- Lapsed business & share shift strategy
- New business strategy
- News & Encore channel packaging refinement



FINANCIAL OVERVIEW - REVENUE

Radio Revenue R'000



- Fortune 4 stations have been performing well compared to budget and prior year.
- MG 5 & ALS stations' performance has improved from the prior year, however is struggling to meet its current year targets. This is due to the shortages of resources in the Agency Business.
- Sports sales are also missing targets.



- **Total radio revenue is trailing behind budget by only 5%**

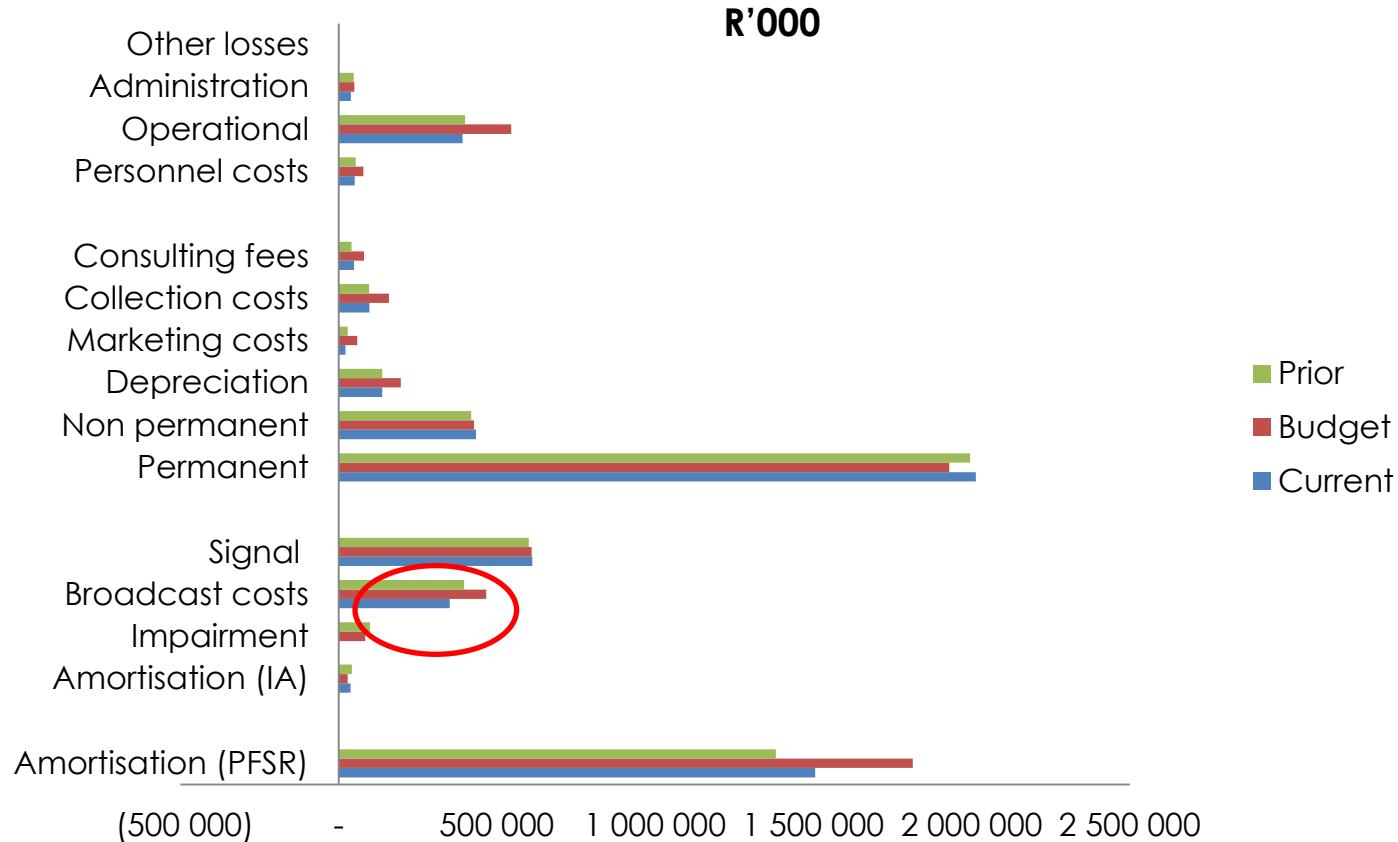
REMEDIAL ACTIONS

- There is a focus in enhancing digital media revenue, which is the major reason for declining of conventional advertising revenue in main stream platforms (television and radio).
- Going forward, the accrual adjustment must be processed monthly to ensure there are no anomalies/variances in year numbers for Licence fees.

TV Licence Cash Collected R'000

Revenue Stream	Year to Date			
	Actual R'000	Budget R'000	Variance R'000	%
Operational	(745,593)	(867,000)	121,407	(14)

FINANCIAL OVERVIEW - EXPENDITURE



- Cost to income (YTD) – 106%
- Permanent and non-permanent employee costs amount to 45% of total expenses
- PFSR amortisation comprise 26% of total expenses
- YTD expenses at R6.5bn is R785m below budget

- Total saving YTD of R785m against budget.
- Savings on Operational costs are due to delays in maintenance of infrastructure, limited marketing, less travelling, lower royalties and general austerity measures. Travelling is however expected to increase with the coverage of Pre-Elections 2019 events.
- Due to liquidity challenges, lower investment has been made in new content and has been supplemented by more repeats.

FINANCIAL OVERVIEW - FORECASTS

	Forecasts FY2018/19	Corporate Plan FY2018/19
	R'000	R'000
Revenue & Other Income	(6,659,992)	(7,481,133)
Expenses	7,180,368	7,764,158
EBIT	520,376	283,025
Net Financing (Income) / Loss	47,702	4,592
Net (profit) / loss	568,078	287,617

Revenue

- Projecting a net loss of R568m.
- Total revenue is forecasted at R6.662bn, R821m below Budget, mainly due to commercial revenue being R483m lower than budget, TV Licences R107m below budget.
- The forecast is better than prior year performance by 1%.

Expenditure

- Total expenses forecasts at R7.18bn, which is below budget by R584m and mainly attributable to the R319m amortisation of content (less investment being made during the current year).
- Broadcast cost has also been affected by the revised commercial revenue projections.
- The maintenance plan has also not been executed resulted in reduced projections on operational cost.

FINANCIAL POSITION REVIEW

 CURRENT RATIO
0.75 TIMES (1.62TIMES)
TARGET 1.63 TIMES

 DEBTOR COLLECTION
45 DAYS (51 DAYS)
TARGET 60 DAYS

 CREDITOR PAYMENT TERMS
114 DAYS (62 DAYS)
TARGET 60 DAYS

 CASH BALANCE
R271M (R90M PRIOR YEAR)

Cash flow statement	Jan 2019 R'000	Jan 2018 R'000
Net cash (outflow) / inflow from operating activities	57,146	418,156
Net cash outflow from investing activities	(123,238)	(135,842)
Net cash inflow from financing activities	206,756	151,903
Net increase in cash and cash equivalents	140,664	434,217
Cash and cash equivalents - beginning of the financial year	130,517	81,742
Closing cash & cash equivalents	271,179	515,958

- Persistent net current liability position throughout the financial year, expected to be R870m (0.68) by March 2019.
- Equity reserve has drastically decreased, owing to further net losses. Even though the revised net losses are less than previously stated, SABC will reach factual insolvency within the next 2 months.
- Lower investment into capex is also diminishing the asset base (negatively affecting the balance sheet).
- The last quarter is the worst period for the SABC's revenue potential, expectation is cash revenue will not be sufficient to cover monthly operating expenses during **March**.
- Trade and other payables are expected to be R2bn due to poor revenue expected in the next 2 months.

TRADE AND OTHER PAYABLES



CREDITOR PAYMENT TERMS

114 DAYS (62 DAYS)

TARGET 60 DAYS

Trade creditors	(818,578)
Accruals	(326,803)
Programme, film & sports rights (accrual)	(110,303)
Other payables	(148,630)
Total	(1,404,313)

- 54% of Trade Payables is over 90 days (R403m)
- Significant suppliers aged over 90 days are Sentech (R219m), SuperSport (R147m), SAMRO (R43m)

PROGRESS AGAINST AG AUDIT FINDINGS

Responsible Division Description	Assigned	Complete	In Progress	Opened	Grand Total
Company Secretary		6		1	7
Corporate Affairs & Marketing		2			2
Finance		40	2	5	47
Group Human Resources	2	1	2	13	18
Logistical Services		1			1
Media Technology Infrastructure	17	20	15	2	54
News		3		1	4
Policy & Regulatory Affairs				2	2
Radio		1			1
SABC Sport		1			1
SAP CCC		2			2
Strategy			8	11	19
Supply Chain Management		15	21	7	43
Television		8	7	2	17
Grand Total	19	100	55	44	218

Target

PROGRESS

- 100 findings (46%) already completed as at 28 February 2019
- There is a project to address the audit qualification on fixed assets which is in its conclusion stages. This will address 30 findings by 31 March 2019

85% resolution by 31 March 2019

- With assistance from the National Treasury, the audit qualification on content will be addressed by 31 March, addressing an additional 7 findings
- On target to address 85% of the AGSA findings. The organisation has some structural issues that result in some of the findings taking longer to address, especially on SCM. However, processes are already underway to improve controls

TURNAROUND STRATEGIES - HIGHLIGHTS

The following turnaround plans have been implemented and are starting to show positive return:

KPA	PROGRESS
REVENUE ENHANCEMENT	<ul style="list-style-type: none">• Increasing clients engagements to claw-back lost revenue• Focus on Government Sales and Business Development streams• Bulk advertising deals• Partnerships to increase digital adspend• Newly launched television schedule – sales opportunities• Changes to Radio programme line-ups and Radio talent – new sales opportunities• New pricing strategies• Partnership with Viu, subsidiary of PCCW Media, concluded. Further content-based revenue generating partnership deals in the pipeline• Content exploitation revenue increasing.• Sport sponsorship revenue increase around upcoming events• Merchandising deals linked to specific SABC brands and retail outlets• Partnerships with financial institutions (Cash Loans and Funeral products)• Trade marketing initiatives• Focused TV licence debt collection initiatives (Smartz Chat, WhatsApp, Coupon Drive)• TV licence marketing activities; SMS, online payment and #MadePossibleByYou campaign

TURNAROUND STRATEGIES - HIGHLIGHTS

KPA	PROGRESS
	<ul style="list-style-type: none">• Savings of R785m YTD (January 2019)• Utilising technology and production methods to reduce costs on internal productions• Acquisition of Sports Rights is based on past revenue performance (positive ROI to curb costs and losses)
COST CONTAINMENT	<ul style="list-style-type: none">• Savings on travel, accommodation, marketing, consultants costs• Capex projects being deferred to save costs• Investment on content deferred, repeat programming in place• Reviews of all programmes and slots to establish financial viability of the content• Review of Independent Contractors / Freelance costs

TURNAROUND STRATEGIES - HIGHLIGHTS

KPA	PROGRESS
AUDIENCE SHARE	<ul style="list-style-type: none">Total TV audience share marginally up at 44% (Prime Time) and 33% (Performance Period). SABC 1 audiences are stable after achieving 2% month-on-month share growth for January, while SABC 2 & 3 enjoyed a slight uptick.Increases in YouTube consumption continue; however moving forward focus will be on diversification of platforms; with the aim of building audiences on multiple platforms24% growth in social media followers of Television platformsRadio audience share at 72.1%. Represents an increase of 0.3% from the previous diary and a 0.6% improvement from the previous year level of 71.5%102% increase in traffic from 1,987m in December to 4,013m in January 2019News Audience Share increased on SABC 1 and SABC 2.SABC News website page views reached 1 139 073 views for January 2019, up from 715 445 page views in December 2018Views on the SABC News YouTube channel improved to 8 752 407 from a low of 5 519 723 in December

TURNAROUND STRATEGIES - HIGHLIGHTS

KPA	PROGRESS
OPERATIONAL EFFICIENCIES	<ul style="list-style-type: none">• New positioning proposition for SABC 3 is underway• Evaluation of all unsolicited content proposals is complete and pitching sessions is underway• 95% of TV content is meeting new HD, 16:9 technical specifications, better positioning SABC for digital environment• The repositioning of the channel, schedule changes, re-imaging and aggressive marketing of the channel is yielding positive results• The Business Requirements Specifications (BRS) for SCM Online Supplier Registration has been developed• In January, Radio 2000 and Goodhope FM were the main focus for Radio Broadcast Resources (RBR) where RBR implemented the last change requirement with regards to removing ad old license (RCS) requirement from Commercial Radio which has now moved to the new operating system DIRA!.• The internet service provider tender was awarded to Internet Solutions.• The IP PBX RFP third phase of the Supply Chain Management evaluation process as well as site visits have been finalised.• The Printing Solution national roll-out is 99% complete.• IBM - RS (Resiliency Services) Contract: Contract has been finalised and signed off by all relevant parties.

TURNAROUND STRATEGIES - HIGHLIGHTS

KPA	PROGRESS
HUMAN RESOURCES	<ul style="list-style-type: none">• Performance contracting and Performance Reviews• Establishment of Divisional and Provincial Talent Boards• Preparations for Skills Audit• Career Progression Framework finalised• Learning and skills development (limited owing to cash crisis)• Communications – CEO has weekly meetings with staff from different divisions, weekly letters to staff, staff addresses

TURNAROUND STRATEGIES - HIGHLIGHTS

KPA	PROGRESS
COMPLIANCE	<ul style="list-style-type: none">• Resolving Internal Audit Findings (63%)• Resolving External Audit Findings (46%)• ICASA Licensing Conditions Compliance Reports• Declaration of Business Interest (87%)• Review of Policies (19%)• Divisional strategic and operational risk assessments completed

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REVIEW OF OPERATING MODEL AND STRUCTURE

In order to successfully review the Corporation's current structure the following interventions are envisaged:

STEP ONE – FEBRUARY TO JUNE 2019

- Revise Job Descriptions and Designations.
- Grade Positions in Accordance with Broadband Principles.

STEP TWO – FEBRUARY TO JUNE 2019

- Conduct a Skills Audit to Determine the Skills Gap.
- Conduct a Remuneration Review.

STEP THREE – JULY TO AUGUST 2019

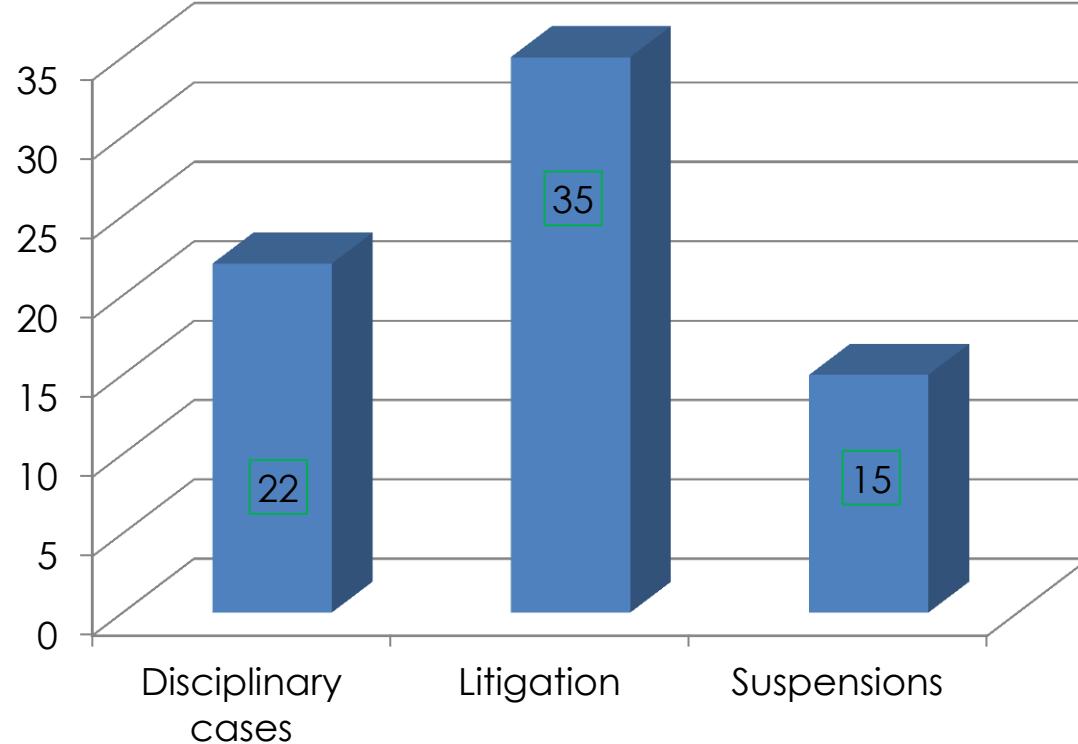
- Populate the Revised Structure

STEP FOUR – SEPTEMBER TO DECEMBER 2019

- Operationalise the Revised Structure.
- Realise the Value of the Revised Structure.

CONSEQUENCE MANAGEMENT

The Employee Relations Department in conjunction with divisional and provincial Human Resources Business Partners deal with disciplinary cases, employee related legal cases and suspensions within the organisation. The graph below indicates the number of cases as at the end of December 2018.



- A total of 38 disciplinary cases were concluded & closed during this financial year
- A total of 6 disciplinary cases relating to sexual harassment were lodged. These cases arose out the Sexual Harassment commission report. Five (5) are currently underway and one (1) has been concluded.
- A total of 22 disciplinary cases are pending as at 4 March 2019 (these are scheduled cases or still to be scheduled).
- The number of suspensions is a concern due to the financial implications. Measures are currently being looked at to mitigate this risk/cost to the organisation.
- **More than 180 Forensic Audit Reports has been issued and consequence management is being instituted where required.**

CONSULTATION WITH ORGANISED LABOUR

The SABC has consulted with Organised Labour on the following matters YTD:

MATTERS
Performance Management
Career Progression
Section 189
Skills Audit
Sales Commission Scheme Policy
Annual Salary Increases

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IMPLEMENTATION OF AD-HOC COMMITTEE RECOMMENDATIONS

No	RECOMMENDATION	STATUS	
1	Investigate validity of MOI signed in October 2014 and recommend amendments to align it to the Broadcasting Act	Resolved	●
2	Company secretary should ensure that members of the interim Board are inducted within a reasonable time	Resolved	●
3	Board takes reasonable steps to regularise previous decisions that may pose a financial or legal risk	Resolved	●
4	Establish Board Subcommittees	Resolved	●
5	Initiate disciplinary action against any official who made and permitted irregular, fruitless and wasteful expenditure section 51(e)(iii) of PFMA)	In progress. The SIU investigations resulted in legal action being instituted to recover monies and pensions being withheld.	●
6	Institute independent forensic investigation into questionable and irregularly-awarded contracts	In progress. The SIU investigations were concluded and the SABC and the SIU have proceeded with legal action against a number of ex-service providers.	●
7	Evaluate the feasibility of entering into agreements with rival broadcasters - ANN7 and MultiChoice	In progress. The TNA contract was terminated. TNA initiated arbitration proceedings against the SABC for losses allegedly suffered. The SIU is reviewing the 2013 MultiChoice contract.	●

IMPLEMENTATION OF AD-HOC COMMITTEE RECOMMENDATIONS

No	RECOMMENDATION	STATUS	
8	Take appropriate action against current and former employees and Board members who are found to have been complicit in the SABC incurring wasteful expenditure as a result of irregular activities.	In progress. Legal action instituted against 4 individuals to recover losses and pensions are being withheld.	●
9	Submit progress report to Parliament	On-going	●
10	Fill top executive positions with suitably qualified people	Resolved	●
11	Enter into performance agreements with employees within 60 days	In progress. Executive Directors and Group Executives have all contracted. 62% of all managers have performance contracts. Organised Labour has lodged a dispute against the SABC for implementation of performance management for members in the bargaining unit.	●
12	Start the process of appointing a new Company Secretary	Resolved	●
13	Ensure that all legal costs incurred as a result of the court challenge by the previous SABC Chairperson in his personal capacity is recovered as per Court Order	Resolved	●
14	Ensure all senior management appointees are vetted by the SSA	Resolved	●

IMPLEMENTATION OF AD-HOC COMMITTEE RECOMMENDATIONS

No	RECOMMENDATION	STATUS	
15	Review Human Resource policies to ensure compliance with legislation	In progress. Amendments to HR policies are taking longer than expected as most of it requires consultation with organised labour.	●
16	Investigate the nature of the SSA's activities within the SABC	Resolved	●
17	Perform an audit of all remedial action, recommendations and orders that have been issued over the last 3 years to determine the SABC's compliance in this regard	In progress. The SIU is conducting a forensic audit on the fruitless and wasteful expenditure incurred and the SABC's internal forensic audit unit is conducting an audit on the irregular expenditure for that period.	●
18	Evaluate financial and legal implications of unilateral changes to policies	In progress. Legal action has been instituted where necessary and pensions are being withheld.	●

IMPLEMENTATION OF AD-HOC COMMITTEE RECOMMENDATIONS

No	RECOMMENDATION	STATUS	
19	<i>Implement the PP's remedial action outlined in the Report, "When Governance and Ethics Fail". Recovery of monies irregularly spent through unlawful and improper actions from the appropriate persons.</i>	<p>In progress.</p> <ul style="list-style-type: none"> Summons issued against two individuals to recover all losses suffered by the SABC as a result of misconduct during their tenure at the SABC. Repayment schedule and withholding of pension proceedings in place. Various other disciplinary cases have been instituted against employees identified by the SIU as complicit in unlawful actions. 	●
	<i>A public apology is made to former employees who had suffered prejudice due to the SABC management and Board's maladministration.</i>	A letter of apology has been dispatched to the relevant individuals.	●
	<i>Irregular appointments, salary increases and promotions be investigated and corrective measures be implemented</i>	Human Resources, in conjunction with Internal Audit and Legal are currently investigating all irregular appointments, promotions and salary increases between 2011 and 2018. The SABC is in the process of implementing corrective measures in cases found to be irregular.	●

IMPLEMENTATION OF AD-HOC COMMITTEE RECOMMENDATIONS

No	RECOMMENDATION	STATUS	
21	<i>Ensure an environment free of fear and intimidation or abuse of power</i>	On-going. A Commission of Inquiry into Sexual Harassment was launched and in November 2018 the Commission issued its final report together with the recommendations which are being implemented.	●
22	<i>Implement action against the Acting GCEO for defying Parliament</i>	Resolved	●
23	<i>Investigate the former Company Secretary's conduct and if necessary charge her in terms of Section 17(2)(e) of the Privileges Act</i>	Resolved	●
24	<i>Attorneys and the Company Secretary should face appropriate consequences for denying Parliament access to documents</i>	Resolved	●

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SABC ELECTION READINESS

The SABC will be covering the 2019 National Elections, scheduled to take place on May 8, 2019. The pre-election coverage commenced in the second quarter of 2018/2019, and is progressing in different phases, until the commencement of the term of the new National Assembly, provincial legislatures and new administration as well as Presidential inauguration.

In order to reflect the South African elections story in its totality, the SABC needs to deploy as widely as possible within the limits of the prevailing resource and budget constraints. The elections coverage plan is being rolled out over the following five phases:

- Phase 1: Election Build up;
- Phase 2: Final Voter Registration and Party Manifestos ;
- Phase 3: Campaign Period and Town hall Debates;
- Phase 4: Election Week and Election Results;
- Phase 5: Constitution of the National Assembly and Provincial Legislature, Presidential Inauguration.

THANK YOU