usaasa

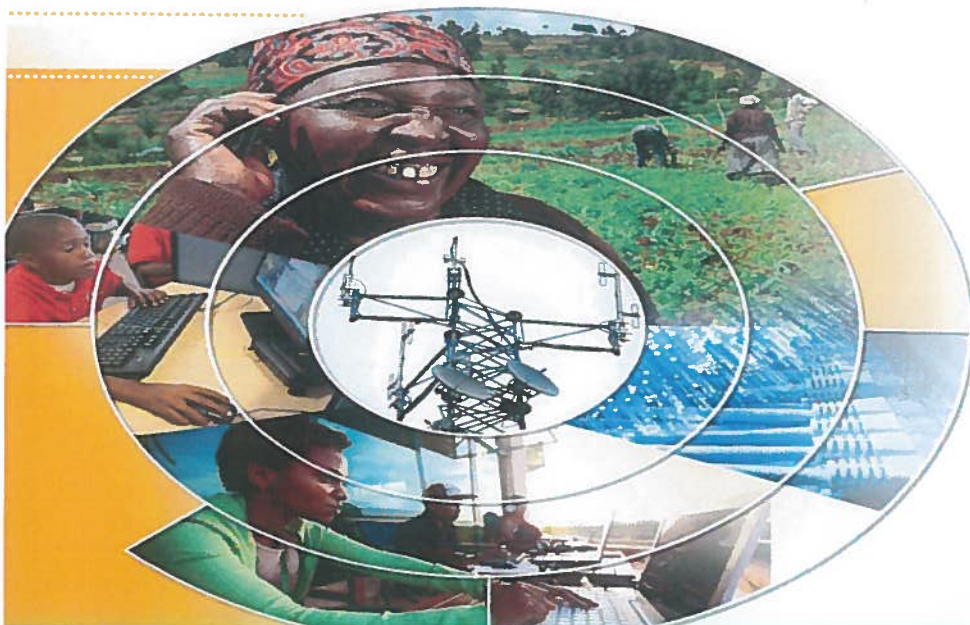Universal Service and Access Agency of South Africa

USAASA ANNUAL PERFORMANCE PLAN

Financial Year: 2016 - 2017

Universal Access and Service to ICT's for All!

GO DIGITAL

Foreword by the Chief Executive Officer

I am pleased to present the Annual Performance Plan for the Universal Service and Access Agency of South Africa (USAASA) reflecting the Agency's pre-determined objectives, key performance indicators and targets for the 2016 - 2017 performance cycle.

The Agency has a mandate that is expressed in both the Constitution of South Africa (section 16 of The Bill of Rights) and in the underpinning legislation – the Electronic Communications Act 36 of 2006 - as amended, which now enables USAASA to collect all the licensed operator levies due to the Universal Service Fund (USAF) from the Independent Communications Authority of South Africa (ICASA).

The ICT Policy Review Panel, reporting to the Minister of Telecommunications and Postal Services, made recommendations that will have an impact on the Agency's strategic and shorter-term activities. In preparation for the USAASA 2016 - 2017 Annual Performance Plan the precise impact of the ICT policy review outcomes remained uncertain and could thus not be factored into the strategic planning processes. The policy review will have implications on Universal Service as it proposes the revision of services and access based on the outcome of the research conducted to support the policy revision. The ICT policy review report suggests that USAASA should be reformulated into an ICT Development Fund and stipulates contributions by licensees into the fund. The establishment of an ICT Development Fund will effectively remove USAASA's policy making and regulatory functions, leaving the organisation to focus on funding and project management. The motivation behind this shift in institutional framework is to allow USAASA to focus on its main priority which is service and access delivery to the nation. However, we remain confident that the Agency's 2017-2021 Strategic Plan will fit into the overall framework of the panel's considerations and that our 2016 – 2017 Annual Performance Plan can be adapted to accommodate any changes in priorities that may arise from the review process.

During the 2015-2016 financial year the Agency undertook an organisational development review with the focus of ensuring that its human capital and processes are fit-for-purpose in terms of delivering value-for-money support to the achievement of its objectives. Our aim is to be adequately resourced in terms of technical and other requisite skills, with an experienced and motivated human capital that is supported by cost-effective and efficient
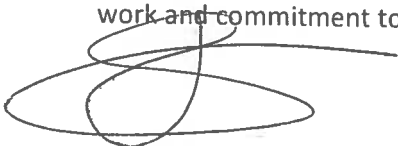
processes. Some of the deliverables relating to the organisational development process are to be concluded by the end of 2015 - 2016, including the new operational structures, job profiles, skills profile and matching of individual employees to jobs thus paving the way for the implementation of a Work Skills Plan (WSP) in 2016-2017 to ensure all identified skills gaps are adequately addressed.

Another key 2015-2016 focus area was the finalisation of the Enterprise Resource Planning (ERP) system that will provide an integrated approach to all business processes. The ERP system is to be fully implemented (go-live) on 1st April 2016 and will make a significant positive impact on our performance as an Agency. The outstanding commitment displayed by the USAASA ERP Project Steering Committee, as well as, management of the Agency in steering the Agency towards the achievement of all the required ERP project milestones needs to be commended.

The Agency continues to face challenges in terms of operating with limited financial resources which impact negatively on its ability to stretch its performance targets far beyond what it is currently able to achieve and thus ensure USAF projects have a much broader reach in terms of closing universal service and access gaps in the country. We, however, remain confident that our shareholder will assist the Agency by ensuring its continued financial stability.

I wish to convey a word of thanks to the outgoing USAASA Board of Directors for their commitment and dedication in continuously guiding and supporting the management team of the Agency to fulfil the objectives of USAASA. The Agency has indeed turned the corner and there can be no better reflection of this than the 2014 -2015 Auditor General unqualified audit opinion which indicated zero findings in key areas such as Supply Chain Management. With support and guidance from the newly appointed Board of Directors the main focus of the USAASA team for 2016-2017 will remain on strengthening financial and other internal controls with the aim of obtaining a clean audit opinion from the Auditor General.

In conclusion, sincerest gratitude goes to entire staff compliment of the Agency for their hard work and commitment to pursuing the goal of universal service and access to ICT's for all.

Zami Nkosi
Chief Executive Officer

OFFICIAL SIGN - OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of USAASA under the guidance of the Universal Service and Access Agency of South Africa (USAASA) Board of Directors.
- Was prepared in line with the current situation of South Africa with regards to Universal Access and Service.
- Accurately reflects the strategies and targets which USAASA will endeavour to achieve given the resources and capabilities at its disposal.

Mrs. Linda Ngcwembe
Acting Chief Financial Officer

Signature:

Mrs. Vuyo Ntshoko
Head Official Responsible for Planning

Signature:

Mr. Zami Nkosi
Chief Executive Officer

Signature:

Mr. Mawethu Cawe
Acting Chairperson: USAASA Board of Directors

Signature:

Approved By:

Dr. Siyabonga Cwele, MP

Signature:

Minister: Department of Telecommunications and Postal Services

List of Acronyms

AG	Auditor General
BDM	Broadcasting Digital Migration
EC	Eastern Cape
ECA	Electronic Communications Act
ERP	Enterprise Resource Planning
FS	Free State
GRAP	Generally Recognised Accounting Practice
HRD	Human Resource Development
ICASA	Independent Communications Authority of South Africa
ICT	Information and Communication Technology
IT	Information Technology
KZN	KwaZulu-Natal
LP	Limpopo
MBPS	Mega Bytes per Second
MP	Mpumalanga
NC	Northern Cape
NDP	National Development Plan
NW	North West
OD	Organisational Development
REMCO	Human Resources & Remuneration Committee
SAP	Systems, Applications and Products
SAPO	South African Post Office
SCM	Supply Chain Management
SIP 15	Strategic Integrated Plan 15
USAF	Universal Service and Access Fund
USAASA	Universal Service and Access Agency of South Africa
WSP	Work Skills Plan

Contents

Part A: Strategic overview

1. Updated situational analysis

1.1 Performance delivery environment

USAASA exercises its functions in accordance with Electronic Communications Act (ECA) 36 of 2005, which came into operation on 19 July 2006. It is accountable to the Department of Telecommunications and Postal Services through a governance arrangement. The function of USAASA is to promote the goals of universal access and universal service through the application of the Universal Service and Access Fund (USAF) and providing advice and support to the industry and Ministry regarding universal service and access issues. This ultimately contributes s to the mission of a sustainable knowledge society as envisioned by the National Development Plan's (NDP's) 2030 vision.

UNESCO, 2013[1], indicates that building of inclusive knowledge societies is about developing those environments in which everyone has an opportunity to gather and share information; to create and share knowledge in order to enhance their capabilities; and to fully participate in social, economic, political and cultural life of their communities. Some of the aspects of society related to Information and Communication Technology (ICT) are:

- **Freedom of expression**: media freedom, and freedom of information;
- **The Internet and new media**: social networks and other Web 2.0 applications have enabled communities to be more informed and enriched public discourse;
- **Education and learning**: e-education;
- **Access to information and knowledge**: creative collaboration between public, private and non-profit sectors, leveraging the potential of new technology, for example the full potential of e-government; and
- **Linguistic and cultural diversity**: are essential if ICTs and the internet are to benefit people from all communities throughout the world.

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[1] United Nations Educational, Scientific and Cultural Organisation (UNESCO), 2013; Towards Knowledge Societies for Peace and Sustainable Development – First WSIS+10 Review Event, 25 -27 February 2013, UNESCO Headquarters, Paris; http://www.uis.unesco.org/Library/Department of Telecommunications and Postal Servicesuments/towards-inclusive-knowledge-societies-wsis-communication-ict-2010-en.pdf

Many international conventions, commitments and policies affect universal service and access. One is the World Summit on Information Society (WSIS) commitments that South Africa has signed up to; and the other is the UN Convention on the Rights of Persons with Disabilities (UNCRPD), of which South Africa is a signatory. The WSIS commitments include:

1) to connect villages with ICTs and establish community access points;
2) to connect universities, colleges, secondary schools and primary schools with ICTs;
3) to connect scientific and research centres with ICTs;
4) to connect public libraries, cultural centres, museums, post offices and archives with ICTs;
5) to connect health centres and hospitals with ICTs;
6) to connect all local and central government departments and establish websites and email addresses;
7) to adapt all primary and secondary school curricula to meet the challenges of the Information Society, taking into account national circumstances;
8) to encourage the development of content and to put in place technical conditions in order to facilitate the presence and use of all world languages on the Internet;
9) to ensure that more than half the world's inhabitants have access to ICTs within their reach.

USAASA has made great strides in assisting the country to meet these goals and recognises the importance of making the DTPS and other stakeholders aware of this. USAASA also keeps cognisance of the value of its contribution to the UNCRPD goals as it is not unusual for Funds to be used to support persons with disabilities (PWD's). A number of countries have either used their USAFs for promoting access by PWD, or have permission in law, explicitly, to do so. These include:

- Australia
- France
- Ireland
- Italy
- Jamaica
- Kenya
- Lithuania
- Malaysia
- New Zealand

- Pakistan
- Poland
- Portugal
- Slovak Republic
- Slovenia
- Sweden
- **South Africa**
- Thailand
- United Kingdom
- United States

Globally, in an attempt to mainstream ICT access for PWD, the following specific recommendations have been made for Funds. It is suggested that they should engage in:

- Promoting accessible public access facilities;
- Subsidising accessible handsets and/or monthly subscriptions;
- The provision of relay services and the purchase of accessible and Assistive Technology (AT) tools;
- Funding customisation of basic AT tools, e.g. in local languages including text-to-speech, voice recognition, captioning applications and screen readers;
- Providing incentives for research and development (R&D) of AT tools e.g. development of speech-to-text engines in the official languages;
- Facilitating the training of persons with disabilities in using accessible ICTs;
- Facilitating the development of curricula and training of information technology professionals on mobile ICT accessibility; and
- Providing accessible set top boxes (incl. to persons with disabilities) to facilitate digital migration.

Key issues in USAASA's delivery environment were considered during the strategic planning process for 2016/17 – 2020/21. The main change driver for USAASA is government's priority to expand broadband access and ICT penetration as set in the National Broadband Policy.

The government's commitment to universal access, including broadband access, is a major opportunity for USAASA as it provides the organisation with strategic focus and direction.

1.2 Organisational environment

The National Broadband Policy (South Africa Connect, 2013) has a direct impact on USAASA's resources and capacity requirements and organisational structure. This policy places universal access and service obligations high on the agenda for building an inclusive and connected South Africa. SA Connect guides the ICT sector as a whole, and USAASA in particular in terms of the approach taken to promoting broadband deployment, usage and uptake.

Project delivery and implementation are provided by the Operations Division. As a result, the Agency remains focused on ensuring that the technical capacity of Operations Division is enhanced and current human resources re-aligned. In order to handle the increased workload that will be created by the requirement for speedy broadband rollout activities, the Financial Management capacity will also be enhanced with additional resources deployed to focus on the management and administration of USAF.

Over the past 5 financial years (i.e. 2011/12 to 2015/16), USAASA has been allocated a limited budget that has hindered the organisation's ability to stretch its performance targets far beyond what it is currently able to achieve and thus ensure USAF projects have a much broader reach in terms of closing universal service and access gaps in the country. The Agency continues to engage the shareholder and other key stakeholders to address this challenge. In addition, during the 2015 – 2016 financial year USAASA embarked on a drive to seek alternative supplementary funding and enter into partnerships to ensure that it is better able to meet its mandate.

1.2.1 Business Process Re-engineering

The aim of the USAASA Enterprise Resource Planning (ERP) project was to fundamentally review the following key components of the entire business – Policies, Processes and Systems – to bring about improvements in performance.

USAASA had various organisational systems including Pastel which was used for Finance and Supply Chain Management, Microsoft Project for Operations, formerly known as Business Development Services ("BDS"), and VIP for Human Resources; however these systems were not integrated thus necessitating the rollout of the Enterprise Resource Planning (ERP) project in order to ensure the rollout of automated and integrated business processes across the organisation by 1st April 2016.

1.2.2   Human Capital Development

The Revised USAASA Human Capital Strategy of 2015 outlines a process that is followed in development of people to support the future growth of the organisation. In relation to this project, the Human Resource Development (HRD) process will also encompass the introduction or improvement of the following aspects:

- **Transforming for the future**: Leadership development from executive to first line management training.

- **Stable delivery platform**: Talent management, development and implementation of human resourcing plans.

- **Performance management**: Determine the most effective skills development methods for addressing the performance problem.

1.2.3   Organisational Development Project

Organisational development is a planned, comprehensive and systematic process aimed at improving the overall effectiveness of an organisation, in this case USAASA, involving intervening in the processes; organisational design and structure; and culture of the organisation. The effective implementation of the Organisational Development project is critical for USAASA to become a centre of excellence for ICT universal access and service.

Following the approval of a new functional and resources structure by the Board at the close of the 2014/2015 financial year, the focus of the Agency in 2015/2016 was on the implementation and finalisation of the Organisational Development project in order to ensure that the Agency has competent and well-positioned employees across all divisions. Most of the deliverables relating to the Organisational Development process are to be achieved by the end of the 2015/2016 financial year, including the new operational structures, job profiles, skills profile and matching of individuals to jobs thus paving the way for the implementation of a Work Skills Plan (WSP) in 2016-2017 to ensure all identified skills gaps are adequately addressed.

This project is premised on the implementation of an organisational design that includes organisational architecture and structure, and change management designed to improve organisational performance.

The USAASA Human Capital strategy, discussed above, outlines the strategic thrust and process that will address organisational performance improvement. The OD project will also introduce or improve the following aspects:

- **Employee Advocate (Caring for people)**: engage and empower employees, enhance retention and development of talent, creating a positive work climate and ensuring labour legislative compliance.

- **Strategic Partner (architecting for competitive advantage and aligning with business requirements)**: organisational design for optimal businesses efficiency, change management, and internal promotion for the benefits of universal access and service.It will also propose new positions to enable the Agency to meet its mandate.

2.   Revisions to legislative and other mandates

2.1   Constitutional Mandate

There have been no changes to USAASA's constitutional mandate.

2.2   Legislative Mandate

There have been no changes to USAASA's legal mandate. The latest developments, as reflected in the 2015 – 2016 Annual Performance Plan (APP), related to changes to the ECA in the form of the Electronic Communications Amendment Act (1 of 2014) which became effective on 1 May 2014. Amongst its objectives relevant to the Agency, it made provision for the e-rate to be paid on behalf of qualifying institutions, improved the governance provisions of USAASA, and provided for the use of the money in the Fund.

The ICT Policy review, and impending Integrated ICT White paper may result in changes to USAASA's mandate and structure, and this might entail procuring additional resources in the organisation in future.

2.3   Policy Mandate

In terms of the Electronic Communications Act, 2005 (Act No.36 of 2005), the Department of Communications of South Africa published a policy document "South Africa Connect: Creating Opportunities, Ensuring inclusion: South Africa's Broadband Policy". This was gazetted on 6 December 2013.

Table 1 SA Connect Targets

Target	Penetration measure	Baseline (2013)	By 2016	By 2020	By 2030
Broadband access in Mbps user experience	% of population	33.7% Internet access	50% at 5Mbps	90% at 5Mbps 50% at 100Mbps	100% at 10Mbps 80% at 100Mbps
Schools	% of schools	25% connected	50% at 10 Mbps	100% at 10Mbps 80% at 100Mbps	100% at 1Gbps

Target	Penetration measure	Baseline (2013)	By 2016	By 2020	By 2030
Health facilities	% of health facilities	13% connected	50% at 10Mbps	100% at 10Mbps 80% at 100Mbps	100% at 1Gbps
Public sector facilities	% of government offices		50% at 5Mbps	100% at 10Mbps	100% at 100Mbps

Source: DTPS, 2014

SA Connect is a four-pronged strategy, consisting of 4 "sub-strategies" which will move the country from the current state to achieving its targets over the next ten years. The four prongs or 'sub-strategies' of SA Connect are:

- Digital readiness
- Digital development
- Digital future
- Digital opportunity

SA Connect guides the ICT sector as a whole, and USAASA in particular in terms of the approach taken to promoting broadband deployment, usage and uptake.

The Minister of Telecommunications and Postal Services announced in his budget vote, 2015 the following eight (8) district municipalities will be the areas of focus for the next three years as the first phase of broadband rollout under the auspices of the South Africa Connect Policy:

- Dr. Kenneth Kaunda (NW)
- Gert Sibande (MP)
- O.R. Tambo (EC)
- Pixley ka Seme (NC)
- Thabo Mofutsanyane (FS)
- Umgungundlovu (KZN)
- Umzinyathi (KZN)
- Vhembe (LP)

USAASA is aligning its activities to these municipalities in order to align to the South Africa Connect policy objectives and implementation plans. The Accounting Authority of USAASA

approved the National Strategy for Universal Service and Access which is the response to the NDP, SIP 15 and South Africa Connect, 2013 and also an integrated broadband model is also proposed which is depicted below:

Figure 1: Integrated broadband model
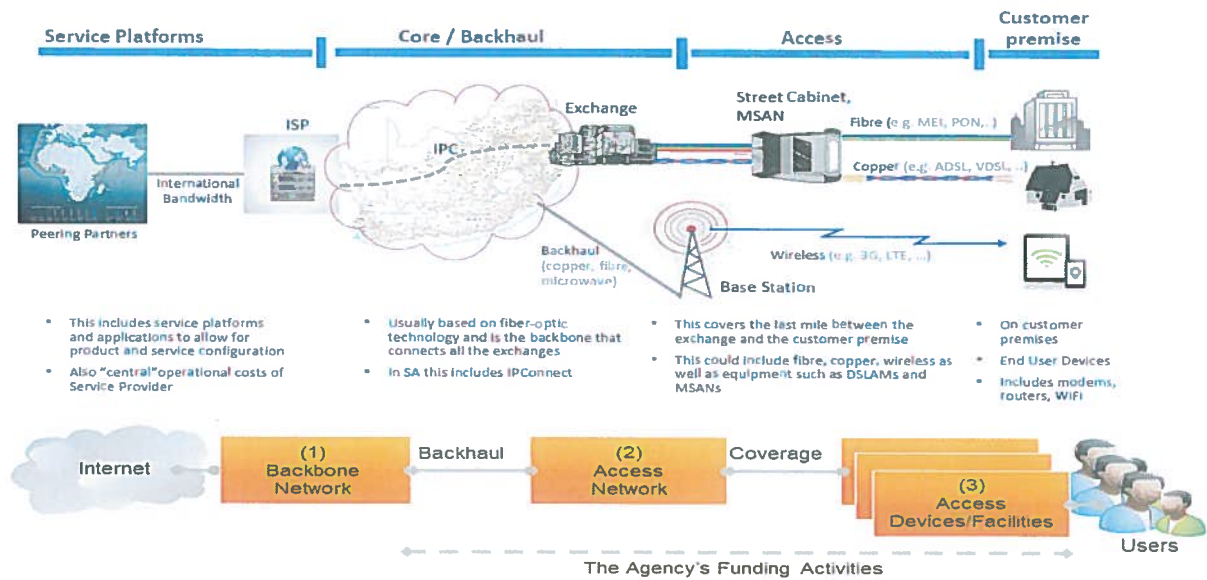
The model is the most cost effective and sustainable broadband programme as it encourages both public and private sector participation on the rollout of broadband in under-serviced areas. The model has successfully been implemented in Msinga Local Municipality (KwaZulu-Natal); Emalahleni Local Municipality (Eastern Cape), Joe Morolong Municipality (Northern Cape), Ratlou (North West Province), Mutale Local Municipality (Limpopo) and Chief Albert Luthuli Local Municipality (Mpumalanga). The Agency's focus remains on the 8 District Municipalities announced by the Minister of Telecommunications and Postal Services as the first phase of implementing the National Health Insurance Pilot Phase. During the 2015/2016 financial year USAASA deployed broadband infrastructure in two underserviced areas: Mutale Local Municipality (Vhembe District Municipality, Limpopo) and Chief Albert Luthuli Local Municipality (Gert Sibande District Municipality, Mpumalanga).

The USAF Annual Performance Plan for 2016/2017 sets a target for two (2) underserviced areas to receive broadband services with work being planned in underserviced parts of the OR Tambo District in the Eastern Cape.

3.   Financial Resources for 2011/2012 to 2015/2016

Over the 5-year period of 2011/12 to 2015/16, USAASA received funding totalling R531 million. This funding is appropriated by Parliament through the Department of Telecommunications and Postal Services.   The budget allocation is for organisational administrative expenses including employee costs, operational expenditure and capital expenditure.

Figure 2 below displays the USAASA budget allocation patterns over a 5-year period. The smallest budget during the entire period was allocated during financial year 2012/13, constituting 11% of the total 5-year allocation. The 2015/16 budget was the largest, at 49% of the R531 million. The 2015/16 budget allocation spike was mainly attributable to an additional allocation of R196 million which was to be utilised for the Broadcasting Digital Migration project management and distribution costs.

Figure 2: USAASA's Five-Year Budget 2011/12 to 2015/16

4. Overview of 2016/17 Budget and MTEF Estimates

Table 2: Overview of Budget and MTEF Estimates

R thousand (R'000)	2012/13		2013/14		2014/15		2015/16	2012/13 - 2015/16			Medium-Term Estimates		
	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Audited Outcome	Budget estimate	Outcome / Budget Average	Average growth rate (%)	Expenditure / total: Average (%)	2016/17	2017/18	2018/19
Revenue													
Tax revenue													
Non-tax revenue	-	352	-	530	-	905	-	-	0,0%	0,4%	-	-	-
Sale of goods and services other than capital assets													
of which:													
Other non-tax revenue		352		530		905			-	0,4%			
Transfers received	59 801	59 801	60 090	60 090	65 376	65 376	262 429	0%	103,6%	99,6%	69 045	75 684	80 074
Total revenue	**59 801**	**60 153**	**60 090**	**60 620**	**65 376**	**66 281**	**262 429**	**100%**	**103,6%**	**100%**	**69 045**	**75 684**	**80 074**
Expenses													
Current expenses	58 033	60 411	60 090	63 228	65 376	65 191	262 429	100%	104,6%	100%	69 045	75 684	80 074
Compensation of employees	29 475	33 398	35 810	39 419	38 522	40 035	41 161	32,5%	12,0%	34,1%	43 713	46 686	49 393
*Goods and services	27 050	23 711	20 936	21 042	26 854	21 813	221 268	66,4%	243,2%	63,8%	25 270	28 933	30 612
Depreciation	1 422	3 194	3 299	2 767	-	3 269	-	1,1%	0,0%	2,0%	-	-	-
Interest, dividends and rent on land	86	108	45	-	-	74	-	0,0%	0,0%	0,0%	62	65	69
Transfers and subsidies									0,0%				
Total expenses	**58 033**	**60 411**	**60 090**	**63 228**	**65 376**	**65 191**	**262 429**	**100,0%**	**104,6%**	**100,0%**	**69 045**	**75 684**	**80 074**
Surplus/(Deficit)	1 768	-258	-	-2 608	-	1 090	-	-	-	-	-	-	-
*Goods and services include CAPEX relating to IT equipment, furniture & fittings:											1 117	3 380	3 576

4.1 Estimated 2016/17 – 2018/19 budget

The agency's main source of revenues is transfers received from the Department of Telecommunications and Postal Services. To deliver on this strategy, USAASA will require financial resources for the 2016/17 – 2018/19 three-year period as illustrated on the table below:

Table 3: Estimated 2016/17 – 2018/19 budget

Rand thousand	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	USAASA Past Financial Performance			Approved Budget Estimate	Budget Estimate	Budget Estimate	Budget Estimate
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Economic classification:							
Employee Compensation	33 398	39 419	40 035	41 161	43 713	46 686	49 393
Goods and services	27 013	23 809	25 156	221 268	25 270	28 933	30 612
Interest, dividends and rent on land	-	-	-	-	62	65	69
Total Expenditure	**60 411**	**63 228**	**65 191**	**262 429**	**69 045**	**75 684**	**80 074**

4.1.1 Expenditure Trends

Expenditure is expected to stagnate over the medium term as the spending focus will be on the same items that the budget has always been spent on historically. The main historical cost driver has been employee compensation which averaged 60% of the total annual budget, followed by goods and services at an average 40% of the total budget. The significant increase in the budget for 2015/16 was due to an additional amount of R196 million allocated to cover the distribution and project management costs for the Broadcasting Digital Migration project.

PART B: RISK MANAGEMENT

The key strategic risks of the Agency are depicted below:

Risks	Mitigation Plan	Timeframes
Inability to deliver on the USAF mandate due to inadequate relevant technical skills pool	Expediting the finalisation of the organisational development process in order to ensure the organisational structure fully supports the USAF mandate Positions that become vacant are to be filled with technical personnel – focus will be on capacitating Operations with technically qualified employees	Ongoing process
Lack of institutionalisation of the ERP system	Change management: to ensure employee buy-in Decommissioning of legacy systems ERP system training Incorporating SAP training in the induction programme	2016/17 Financial year
Inability to effectively recover should a disaster occur	Develop a Business Continuity Plan Periodic testing to determine availability of business systems	2016/17 Financial year
Failure to produce GRAP compliant financial statements resulting in an undesirable audit opinion	Ensure that the preparers of the financial statements are involved in continuous professional development (GRAP updates)	2016/17 Financial year
Lack of clarity on the role of USAASA in the implementation of South Africa Connect	Maintain a communication programme with stakeholders on the role of USAASA in implementing South Africa Connect	2016/17 Financial year
Negative stakeholder perceptions and their impact on business imperatives	Vigorous and continuous campaigns targeting key stakeholders to share the USAASA and USAF successes and to ensure stakeholders support the vision of the Agency	This is to remain a focus area for the entire MTSF period of 2016/17 - 2020/21
Inability to continue operating for the foreseeable future due to declarations made in the ICT review recommendations document	USAASA to engage with DTPS and relevant stakeholders	2016/17 Financial year

Part C: Programme and Sub-Programme Plans

Strategic Objective Annual Targets for 2016/2017

Strategic Objectives, key performance indicators and annual targets 2016/17 – 2018/19

Sub programme: Human Resources

Strategic Objective	Key Performance Indicator (KPI)		Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets			
			2012/13	2013/14	2014/15		2016/17	2017/18	2018/19	
Optimise organisational efficiency by 2021 to support the project delivery of the Universal Service Fund	1	Human capital training and development programmes aligned to organisational strategy	New indicator	New indicator	Competency assessments initiated	Alignment of USAASA organisational design according to approved organisational structure during the 2015/16 financial year	Implementation of the organisational Work Skills Plan (WSP)	Review Annual Work Skills Plan	Review Annual Work Skills Plan	
								Implementation and monitoring the impact of the training and development strategy	Monitor and evaluate alignment of organisational structure and training and development strategy to organisational strategy	

Sub programme: Human Resources

Strategic Objective	Key Performance Indicator (KPI)	Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Optimise organisational efficiency by 2021 to support the project delivery of the Universal Service Fund	2 Optimally functional Human Resources policies and systems aligned to organisational strategy	New indicator	New indicator	New indicator	New indicator	Review and implement functional human resources policies	Review and implement functional human resources policies	Review and implement functional human resources policies
		New indicator	New indicator	New indicator	New indicator	Develop and Implement an HR Service Level Agreement (SLA)	Review and Implement an HR Service Level Agreement (SLA)	Review and Implement an HR Service Level Agreement (SLA)

Quarterly targets for 2016/2017 - Sub programme: Human Resources

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa
Strategic Objective	Optimise organisational efficiency by 2021 to support the project delivery of the Universal Service Fund
Objective Statement	Implementation of the organisational Work Skills Plan (WSP) and Training and Development Strategy by 2021 with a view to ensure that training and development interventions address identified skills gaps
Baseline	Alignment of USAASA organisational design according to approved organisational structure during the 2015/16 financial year

Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Human capital training and development programmes aligned to organisational strategy	Quarterly	Implement the organisational Work Skills Plan (WSP)	Implement the Work Skills Plan (WSP) outlining the interventions to address identified skills gaps Evidence criteria: Report on implementation of the Work Skills Plan (WSP)	Implement the Work Skills Plan (WSP) interventions to address identified skills gaps Evidence criteria: Report on implementation of the Work Skills Plan (WSP)	Implement the Work Skills Plan (WSP) interventions to address identified skills gaps Evidence criteria: Report on implementation of the Work Skills Plan (WSP)	Implement the Work Skills Plan (WSP) interventions to address identified skills gaps Evidence criteria: Report on implementation of the Work Skills Plan (WSP)

Quarterly targets for 2016/2017 - Sub programme: Human Resources

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa
Strategic Objective	Optimise organisational efficiency by 2021 to support the project delivery of the Universal Service Fund
Objective Statement	Develop and implement functional Human Resources policies and systems in support of the Human Resources Strategy by 2021
Baseline	Alignment of USAASA organisational design according to approved organisational structure during the 2015/16 financial year

Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Optimally functional Human Resources policies and systems aligned to organisational strategy	Quarterly	Review and implement functional human resources policies	Review Resourcing & Deployment policy Evidence criteria: Board approved Resourcing & Deployment policy	Review Learning & Development policy Evidence criteria: Board approved Learning & Development policy	Review Performance & Progression policy Evidence criteria: Board approved Performance & Progression policy	Develop a Health, Safety & Wellness policy Evidence criteria: Board approved Health, Safety & Wellness policy
		Develop and Implement an HR Service Level Agreement (SLA)	Develop and approve an SLA for HR services: Recruitment, Training, Industrial Relations, Change Management, Employment Equity, and Employee Wellness Evidence criteria: Approved HR SLA	Monitor and report on SLA implementation Evidence criteria: Report on implementation of the HR SLA	Monitor and report on SLA implementation Evidence criteria: Report on implementation of the HR SLA	Monitor and report on SLA implementation Evidence criteria: Report on implementation of the HR SLA

Strategic Objectives, key performance indicators and annual targets 2016/17 – 2018/19

Sub programme: Information Technology

Strategic Objective	Key Performance Indicator (KPI)	Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Ensure availability of automated and integrated business processes by 2021 to support the project delivery of the Universal Service Fund	3 Automated and integrated business processes	New target			ERP rollout and implementation: system developed and system completion certificate obtained	ERP system rollout and system usage	ERP system support and maintenance	ERP system support and maintenance

Sub programme: Information Technology

Strategic Objective	Key Performance Indicator (KPI)	Audited/Actual Performance				Estimated performance 2015/16	Medium-term targets			
		2012/13	2013/14	2014/15			2016/17	2017/18	2018/19	
Ensure availability of responsive IT systems by 2021 to support the project delivery of the Universal Service Fund	4 Percentage availability of business systems to support USAASA and USAF business processes and operations	New indicator		95% availability of business systems	98% availability of business systems	98.5 % availability of business systems in line with the approved IT Service Level Agreement (SLA)	99% availability of business systems in line with the approved IT Service Level Agreement (SLA)	99% availability of business systems in line with the approved IT Service Level Agreement (SLA)	

Quarterly targets for 2016/2017

Sub – programme: Information Technology

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa
Strategic Objective	Ensure availability of automated and integrated business processes by 2021 to support the project delivery of the Universal Service Fund
Objective Statement	Provide automated and integrated business processes by 2021 to enhance organisational efficiency
Baseline	ERP rollout and implementation: system developed and system completion certificate obtained

Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Automated and integrated business processes	Quarterly	ERP system rollout and SAP capacity building	ERP system go-live for the following functional areas: Financial Management; Supply Chain Management; Human Capital Management; Operations Management; Legal Services; Stakeholder Relations and Performance management	ERP System maintenance and support of the implemented modules	ERP System maintenance and support	ERP System maintenance and support
			Capacitation of IT Human Resources through recruitment and Training of SAP Critical skills	Capacitation of IT human resources through training on SAP Critical skills	Capacitation of IT human resources through training on SAP Critical skills	Capacitation of IT human resources through training on SAP Critical skills
			Evidence criteria: IT reports on ERP system usage and training	**Evidence criteria:** IT reports on ERP system usage and training	**Evidence criteria:** IT reports on ERP system usage and training	**Evidence criteria:** IT reports on ERP system usage and training

Sub – programme: Information Technology

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa
Strategic Objective	Ensure availability of responsive IT systems by 2021 to support the project delivery of the Universal Service Fund
Objective Statement	Provide and maintain responsive IT systems by 2021 to ensure business operations continue irrespective of risks encountered
Baseline	98% availability of business systems

Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Percentage availability of business systems to support USAASA and USAF business processes and operations	Quarterly	98.5% availability of business systems in line with the approved IT Service Level Agreement (SLA)	Revise and approve a Service Level Agreement (SLA) for IT Services	Monitor and Report on percentage availability of business systems	Monitor and Report on percentage availability of business systems	Monitor and Report on percentage availability of business systems
			Monitor and report on percentage availability of business systems	Evidence criteria:	Evidence criteria:	Evidence criteria:
			Evidence criteria:	Report on percentage availability of business systems	Report on percentage availability of business systems	Report on percentage availability of business systems
			Approved SLA for IT services			
			Report on percentage availability of business systems			

Strategic Objectives, key performance indicators and annual targets 2016/17 – 2018/19

Sub programme – Legal Services

Strategic Objective	Key Performance Indicator (KPI)		Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets		
			2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
*Provide legally sound services to the Agency by 2021 to support the project delivery of the Universal Service Fund	5	Number of days for providing legal services in accordance with relevant legislation and policy	New target	New target	Appointment of legal representative to act on behalf of the Agency during litigations associated with the Agency	Ensure sound legal advice and resolution strategies are provided within 7 (seven) working days	Ensure sound legal services provided to the Agency	Ensure sound legal services are provided to the Agency	Ensure sound legal services are provided to the Agency

*Legally sound: within the parameters of the law

Quarterly targets for 2016/2017 - Sub programme – Legal Services

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa
Strategic Objective	*Provide legally sound services to the Agency by 2021 to support the project delivery of the Universal Service and Access Fund
Objective Statement	Promotion of legal compliance and provision of legally sound services to USAASA's internal stakeholders by 2021 to promote compliance and minimise risk of litigation
Baseline	Sound legal advice and resolution strategies provided within 7 (seven) working days

Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Number of days for providing **legal services in accordance with relevant legislation and policy	Quarterly	Ensure sound legal services are provided to the Agency	Promote legal compliance by providing written legal opinions and/or advice within 7 working days and drafting contracts with 21 working days from date of receipt of all relevant information	Promote legal compliance by providing written legal opinions and/or advice within 7 working days and drafting contracts with 21 working days from date of receipt of all relevant information	Promote legal compliance by providing written legal opinions and/or advice within 7 working days and drafting contracts with 21 working days from date of receipt of all relevant information	Promote legal compliance by providing written legal opinions and/or advice within 7 working days and drafting contracts with 21 working days from date of receipt of all relevant information
			Evidence Criteria:	Evidence Criteria:	Evidence Criteria:	Evidence Criteria:
			Copies of written legal opinions / advice and contracts	Copies of written legal opinions / advice and contracts	Copies of written legal opinions / advice and contracts	Copies of written legal opinions / advice and contracts
			Report on turnaround times for providing written legal opinions / advice and drafting contracts	Report on turnaround times for providing written legal opinions / advice and drafting contracts	Report on turnaround times for providing written legal opinions / advice and drafting contracts	Report on turnaround times for providing written legal opinions / advice and drafting contracts

*Legally sound: within the parameters of the law

** Legal services include the following: providing legal opinions / advice, contracts and litigation.

Strategic Objectives, key performance indicators and annual targets 2016/17 – 2018/19

Sub programme: Research, Policy and Regulatory

Strategic Objective	Key Performance Indicator (KPI)	Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
USAASA established as a centre of excellence for universal access and universal service market information, knowledge and expertise by 2021	6 Information on provision of universal access and universal service	New indicator			Monitor and evaluate the impact of universal access and universal service provision and disseminate the findings	Monitor and evaluate the impact of universal access and universal service provision on access gaps and disseminate the findings	Review of universal service and access models to foster sustainability of ICT access	Monitor and evaluate the impact of universal access and universal service provision on access gaps and disseminate the findings

Sub programme: Research, Policy and Regulatory

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa.				
Strategic Objective	USAASA established as a centre of excellence for universal access and universal service market information, knowledge and expertise by 2021				
Objective Statement	Continuous assessment of the ICT access gaps and the impact of USAF projects in addressing identified gaps by 2021				
Baseline	Disseminate information on provision of universal service and access in the country				
Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Information on impact of the provision of universal access and universal service	Quarterly	Monitor and evaluate the impact of universal access and universal service provision on access gaps and disseminate the findings	Impact assessments in three (3) identified USAF subsidised local municipal areas	Impact assessments in three (3) identified USAF subsidised local municipal areas	Consolidated impact assessment report developed on the six (6) identified USAF subsidised local municipal areas developed and presented to key stakeholders	Development of a project closure report outlining key lessons learnt and recommendations for future USAF projects

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa.			
Strategic Objective	USAASA established as a centre of excellence for universal access and universal service market information, knowledge and expertise by 2021			
Objective Statement	Continuous assessment of the ICT access gaps and the impact of USAF projects in addressing identified gaps by 2021			
Baseline	Disseminate information on provision of universal service and access in the country			
Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Information on impact of the provision of universal access and universal service	Quarterly	Monitor and evaluate the impact of universal access and universal service provision and disseminate the findings	Evidence criteria: Impact Assessment Reports for 3 identified USAASA subsidised local municipal areas	Evidence criteria: Impact Assessment Reports for 3 identified USAASA subsidised local municipal areas	Evidence criteria: Consolidated Impact Assessment Report for the six (6) identified local municipal areas presented to key stakeholders	Evidence criteria: Project closure report reflecting lessons learnt and recommendations for future USAF projects

Sub programme: Stakeholder Engagement

Strategic Objective	Key Performance Indicator (KPI)	Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Promotion of good stakeholder relations for purposes of enhancing the USAASA & USAF brands by 2021	7 Positive messages about the Agency on media and social platforms	New indicator			Development of a Stakeholder Engagement Strategy	Implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy	Development and implementation of an annual Stakeholder Engagement Plan	Review and implementation of the annual Stakeholder Engagement Plan

Sub – programme: Stakeholder Engagement

Strategic Goal	Positioning the Agency as a focal point for universal service and access to ICT
Strategic Objective	Promotion of good stakeholder relations for purposes of enhancing the USAASA & USAF brands by 2021
Objective Statement	Regular engagements with key stakeholders by 2021 with a view of pro-actively creating positive awareness about the Agency and its projects
Baseline	Development of a Stakeholder Engagement Strategy for approval by the Board

Key Performance Indicator	Reporting period	Annual target 2016/17	Quarterly Targets			
			1st	2nd	3rd	4th
Positive messages about the Agency on media and social platforms	Quarterly	Implementation of the Stakeholder Engagement and Integrated Communications Policy	Develop an Integrated Communications Policy for approval by the Board Implementation of the Stakeholder Engagement Strategy to promote awareness about the Agency Evidence criteria: Board approved Integrated Communications Policy Report on implementation of the Stakeholder Engagement Strategy	Implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy Evidence criteria: Report on implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy	Implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy Evidence criteria: Report on implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy	Implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy Evidence criteria: Report on implementation of the Stakeholder Engagement Strategy and Integrated Communications Policy

Sub programme: Corporate Governance

Strategic Objective	Key Performance Indicator (KPI)		Audited/Actual Performance			Estimated performance 2015/16	Medium-term targets			
			2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Promotion of legal and regulatory compliance by 2021 to support the project delivery of the Universal Service and Access Fund	8	Clean administration in compliance with applicable legal and regulatory prescripts	New indicator			Unqualified 2014/15 audit opinion	Compliance with the Public Finance Management Act (PFMA) and Treasury Regulations Checklist for Public Entities	Compliance with the Public Finance Management Act (PFMA) and Treasury Regulations Checklist for Public Entities	Compliance with the Public Finance Management Act (PFMA) and Treasury Regulations Checklist for Public Entities

Sub – programme: Corporate Governance

Strategic Goal	Centre of Excellence on Universal Service and Access in South Africa					
Strategic Objective	Promotion of legal and regulatory compliance by 2021 to support the project delivery of the Universal Service and Access Fund					
Objective Statement	Promotion of legal and regulatory compliance by all USAASA's internal stakeholders with the objective to promote accountability and obtain a clean audit opinion by 2021					
Baseline	Unqualified audit opinion by the Auditor General					
Key Performance Indicator	**Reporting period**	**Annual target 2016/17**	**Quarterly Targets**			
			1st	**2nd**	**3rd**	**4th**
Clean administration in compliance with applicable legal and regulatory prescripts	Quarterly	Compliance with the Public Finance Management Act (PFMA) and Treasury Regulations Checklist for Public Entities	Monitor and report on organisational compliance with the PFMA and Treasury Regulations Checklist for Public Entities Evidence criteria: PFMA and Treasury Regulations Compliance Checklist	Monitor and report on organisational compliance with the PFMA and Treasury Regulations Checklist for Public Entities Evidence criteria: PFMA and Treasury Regulations Compliance Checklist	Monitor and report on organisational compliance with the PFMA and Treasury Regulations Checklist for Public Entities Evidence criteria: PFMA and Treasury Regulations Compliance Checklist	Monitor and report on organisational compliance with the PFMA and Treasury Regulations Checklist for Public Entities Evidence criteria: PFMA and Treasury Regulations Compliance Checklist

Part D: Links to Other Plans

5.   Links to the long-term infrastructure and other capital plans

The Agency has an important role to play to facilitate and co-ordinate infrastructure development in the ICT sector in South Africa. The establishment of USAASA as a Centre of Excellence for Universal Service and Access is key to this function. The Agency aims to be the pivotal organisation for information gathering and dissemination regarding ICT networks in South Africa.

6.   Conditional grants

USAASA does not have any conditional grants on which to report.

7.   Public-private partnerships

USAASA has not engaged in any Public Private Partnerships.

ANNEXURE: Indicator Profiles

Corporate Services

Indicator title	Human capital training and development programmes aligned to organisational strategy
Short definition	The aim is to ensure that USAASA is capacitated with the right skills in order to deliver on its mandate
Purpose/importance	To enable the Agency to deliver on its Mandate by ensuring the identified skills gaps are addressed through appropriate training and development interventions
Source/collection of data	WSP implementation reports
Method of calculation	Not applicable
Data limitations	None
Type of indicator	Output and Impact
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	No
Desired performance	A well-resourced Agency with appropriate skills to deliver on its mandate
Indicator responsibility	Executive Manager Corporate Services

Indicator title	Optimally functional human resources policies and systems aligned to organisational strategy
Short definition	The aim is to ensure that USAASA's HR systems and policies are aligned to business processes and needs
Purpose/importance	To enable the Agency to deliver on its Mandate by ensuring HR policies and systems are aligned to the organisational Human Resources Strategy and effectively support the business
Source/collection of data	Human resources policies and reports on implementation of the HR Service Level Agreement
Method of calculation	Not applicable
Data limitations	None
Type of indicator	Output and Impact
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	A well-resourced Agency that attracts, retains and develops talent with appropriate skills to deliver on its mandate
Indicator responsibility	Executive Manager Corporate Services

Information Technology

Indicator title	Automated and integrated business processes
Short definition	Integrated business systems in order to improve the operations of the Agency
Purpose/importance	To increase the operational efficiency of the Agency
Source/collection of data	Systems generated reports
Method of calculation	Not applicable
Data limitations	None
Type of indicator	Output and Impact
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	No
Desired performance	Implementation of automated and integrated business systems
Indicator responsibility	Senior Manager Information Technology

Information Technology

Indicator title	Percentage availability of business systems to support USAASA and USAF business processes and operations
Short definition	Availability of IT systems to support the USAASA and USAF business activities
Purpose/importance	To increase the operational efficiency of the Agency through effective and available business systems that support business requirements
Source/collection of data	Systems generated reports
Method of calculation	Calculation of the percentage business systems availability as per the uptime and downtime statistics reflected by IT system reports
Data limitations	None
Type of indicator	Impact
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	98.5% systems uptime in line with the approved IT Service Level Agreement
Indicator responsibility	Senior Manager Information Technology

Legal Services

Indicator title	Number of days for providing legal services in accordance with relevant legislation and policy
Short definition	Legal services provided within the specified turnaround periods
Purpose/importance	Monitor the proportion of legal opinions and / or advice provided within the specified turnaround period of 7 working days and contracts drafted within 21 working days from receipt of all relevant documentation to promote legal compliance. Legal services include the following: providing legal opinions / advice, contracts and litigation.
Source/collection of data	Copies of legal opinions / records reflecting turnaround times from providing legal opinions/advice as well as contracts drafted
Method of calculation	Count working days from date of receipt of all relevant information and documentation by Legal Services unit
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Monitoring the performance of legal services against the specified turnaround periods for providing legal services and / or advice and drafting contracts
Indicator responsibility	Senior Manager Legal Services

Research, Policy and Regulatory

Indicator title	Information on impact of the provision of universal access and universal service
Short definition	Information on provision of universal access and universal service utilised for purposes of conducting impact assessments on completed USAF projects
Purpose/importance	Impact analysis outcomes and recommendations utilised for making informed decisions on closing ICT access gaps in underserviced areas
Source/collection of data	Educational Institutions and primary health care facilities subsidised through USAF funding
Method of calculation	Not applicable
Data limitations	None
Type of indicator	Impact
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Impact analysis outcomes and recommendations to be utilised in developing a coherent approach on closure of ICT access gaps in underserviced areas
Indicator responsibility	Senior Manager: Research

Stakeholder Engagement

Indicator title	Positive messages about the Agency on media and social platforms
Short definition	Pro-active management of stakeholder relations to create awareness about the Agency
Purpose/importance	An improvement in media coverage and brand value of USAASA and USAF
Source/collection of data	Exposure of USAASA & USAF successes and projects to various ICT forums and media platforms
Method of calculation	Not applicable
Data limitations	External influences and negative perceptions about USAASA & USAF
Type of indicator	Impact
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Enhanced stakeholder awareness about the Agency and the Fund and their contribution to the ICT sector
Indicator responsibility	Brand Communications Specialist

Corporate Governance

Indicator title	Clean administration in compliance with applicable legal and regulatory prescripts
Short definition	Monitoring and reporting on the compliance of all internal stakeholders with the applicable legal and regulatory prescripts
Purpose/importance	Promoting accountability and obtaining a clean audit opinion by 2021
Source/collection of data	Quarterly PFMA and Treasury Regulations Compliance Checklists and audit reports from Internal Audit and the Auditor General
Method of calculation	Not applicable
Data limitations	None
Type of indicator	Impact
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Full compliance with the PFMA and Treasury Regulations Compliance Checklists
Indicator responsibility	All USAASA Divisional Heads