



Independent Communications Authority of South Africa

Quarter 4

Performance Information Report

31 March 2021

Table of Contents

Executive Summary	3
1. Introduction	5
2. Mandate	5
2.1 Legislative Mandates (Sustained Agenda)	5
2.2 Policy Mandates (Change Agenda)	5
3. Impact Statement	5
4. Programmes Outcomes	6
5. Performance against Quarterly Output Targets	6
5.1 Statistical Data	6
5.2 Achievement by Programme in Percentages	7
1.3 Overall Quarterly Performance	8
1.4 Performance Trends	9
6. Detailed Performance by Programme	9
7. Financial Performance	20
7.1 Statement of Financial Performance	20
7.1.1 Revenue	20
7.1.2 Grants	20
7.1.3 Interest Income	20
7.1.4 Other Income	21
7.1.5 Deferred grants realised	21
7.2 OPEX	21
7.2.1 Programme 1: Council	22
7.2.2 Programme 1: Chief Executive Officer	22
7.2.3 Programme 1: Chief Operating Officer	22
7.2.4 Programme 1: Finance	22
7.2.5 Programme 1: Human Resources Management	23
7.2.6 Programme 1: Legal, Risk and CCC	23
7.2.7 Programme 1: Internal Audit	23
7.2.8 Programme 1: Corporate Services	23
7.2.9 Programme 2: Licensing	24

7.2.10	Programme 3: Engineering and Technology	24
7.2.11	Programme 4: Policy Research and Analysis (PRA)	24
7.2.12	Programme 5: Compliance and Consumer Affairs	24
7.2.13	Programme 6: Regions	24
7.3	Normal Projects	25

Executive Summary

The report presents the Independent Communications Authority of South Africa (the Authority)'s performance for the quarter ending 31st March 2021. It is based on re-tabled Annual Performance Plan 2020/21 approved by Parliament.

Overview of quarterly performance

The first year of the 2020/21 to 2024/25 strategic plan period has been challenging for the Authority. Notwithstanding the challenges the Authority has managed to ensure that it improved its organisational performance from 73% in the third quarter to 86%. The notable challenges and the key areas of improvement in Q4 (relative to Q3) are detailed in the report (and the accompanying covid19 Interventions Report).

Impact of covid-19 pandemic

The Authority's operations continued to be affected by the national state of disaster occasioned by the covid-19 pandemic. To this end, measures that were implemented to ensure continued operations through remote means during Q3, were continued and in some respects strengthened with the Q4 updates to the risk adjusted strategy - as more fully outlined in the Q4 Covid19 Interventions Report. It is notable that, the Authority did not experience any Covid19 positive cases amongst its staff complement during Q4.

Implementation of covid19 risk-adjusted-strategy

The Authority continues to implement adequate measures to mitigate the risks and ensure improved performance for the remainder of the year and attainment of annual targets. To this end, the Authority ensured adherence to a comprehensive workplace plan and risk assessment management to manage risks associated with the covid19 pandemic in the workplace and the impact thereof on operations.

In terms of operations, and in line with the Authority's updated risk adjusted strategy for Q4, the Authority was able to improve on the execution of its regulatory mandate during the period in review when compared to Q4. This was largely due to the key

measures implemented under the updated risk adjusted strategy which included implementation of rotational plans for attendance at work, use of virtual means for conducting of public consultations (public hearings) etc.

Council Committees

It is critical to note that during the course of Q4, Council experienced a resignation of one member of Council and therefore Council did not comprise of full complement of nine (9) members as contemplated in terms of the ICASA Act. However, the resignation did not cause any disruption to continuity of Council Committees. The Committees were able to ensure adherence to applicable delegations and prescripts – thereby leading to improvement in the performance of core programmes.

Outcomes / Output Risk Management

Finally, the Authority has highlighted litigation as an inherent risk for its processes. To this end, it is to be noted that as of the end of Q3, litigation was launched against the licensing process for the high demand spectrum through the auction process as well as the licensing of the wireless open access network. The decision of the court was handed down during Q4 and the court ruled in favour of the applicants and interdicted the licensing process. The Authority has resolved to appeal the decision whilst also engaging in possible settlement negotiations with the litigants.

As regards resource risk, the Authority continues to engage with key stakeholders (including the DCDT, National Treasury, National Assembly etc.) During the period in review the Authority continued to follow up on representations made to both DCDT and National Treasury regarding the review of its funding model.

1. Introduction

The document presents the Independent Communications Authority of South Africa's ("the Authority") performance for the quarter ending 31st March 2021. It is based on the Authority's Revised Annual Performance Plan 2020/21 approved by the Authority's Council on 1st September 2020 and re-tabled by the Minister of Communications and Digital Technologies in Parliament

2. Mandate

The Authority's activities for the quarter were carried out in line with the Authority's mandates which are listed below.

2.1 Legislative Mandates (Sustained Agenda)

1. The Constitution of the Republic of South Africa, 1996
2. The Independent Communications Authority of South Africa Act 13 of 2000, as amended
3. The Broadcasting Act No. 4 of 1999
4. The Promotion of Administrative Justice Act, No 3 of 2000
5. The Postal Services Act, No 124 of 1998

2.2 Policy Mandates (Change Agenda)

1. National Development Plan 2030
2. Broadband Policy (SA-Connect) – Universal Broadband Provision
3. 14 National Priority Outcomes

3. Impact Statement

Impact is a long-term change that a development project makes in the lives of its target beneficiaries. Pursuit of the Authority's quarterly targets was in line with the long-term impact statement below, which outlines the long-term change the Authority would like to make in its service delivery environment in the public interest.

Impact Statement	Access for all South Africans to a variety of safe, affordable & reliable communication services for inclusive economic growth
-------------------------	--

4. Programmes Outcomes

Outcomes are medium-term results from implementation of developmental projects. Table 4.1 below presents the Authority's outcomes which must lead to the achievement of the impact stated in the impact statement in section 3. The outcomes are underpinned by different outputs which must be delivered by the Authority's Programmes on a quarterly or annual basis.

Table 4.1: ICASA Outcomes

Outcome	Outcome Indicator	Baseline	Target
Access to quality broadband Services Increased	Average download speed	15Mbps	50Mbps
Status of Social Cohesion (inclusive of Diversity of Views) enhanced	Percentage of status of Social Cohesion (inclusive of Diversity Views) enhanced	-	50%
Rights of Consumers Protected	Level of Consumer Rights Protection	-	5
Competition in the ICT Sector Promoted	Number of procompetitive Regulatory interventions	3	15

5. Performance against Quarterly Output Targets

Outputs are the reasons for which development projects are given resources. Table 5.1 below presents the Authority's performance in achieving targets towards delivery of its quarterly and annual outputs for the fourth quarter of the 2020/21 financial year in absolute number terms.

5.1 Statistical Data

Table 5.1: Quarterly performance in Numbers

Quarterly Performance in Numbers			
Q4 Targets			
Programme	Achieved	Not Achieved	Planned
Programme 1: Administration			
Corporate Services	4	0	4
Finance	0	0	0
Human Resources	4	0	4

Internal Audit	2	0	2
Legal, Risk & CCC	4	0	4
Programme 2: Licensing			
Licensing	9	1	10
Programme 3: Policy Research and Analysis			
Policy Research and Analysis	8	1	9
Programme 4: Engineering & Technology			
Engineering & Technology	3	4	7
Programme 5: Regions			
Regions	2	0	2
Programme 6: Compliance and Consumer Affairs			
Compliance and Consumer Affairs	2	0	2
Total	38	6	44

A total of forty-four (44) targets were set for the quarter under review, out of which the Authority achieved thirty-seven (38) and did not achieve seven (6).

5.2 Achievement by Programme in Percentages

Table 5.2: Performance in Percentages

Programme	Percentage
Programme 1: Administration	
Corporate Services	100%
Finance	
Human Resources	100%
Internal Audit	100%
Legal, Risk & CCC	100%
Programme 2: Licensing	
Licensing	90%
Programme 3: Policy Research and Analysis	
Policy Research and Analysis	89%
Programme 4: Engineering & Technology	
Engineering & Technology	43%
Programme 5: Regions	
Regions	100%
Programme 6: Compliance and Consumer Affairs	
Compliance and Consumer Affairs	100%

Table 5.2 above presents performance of the Authority in percentage terms. The four sub-programmes under Programme 1 namely; Corporate Services, Human

Resources, Internal Audit, Legal Risk & Compliance Complaints Committee all achieved hundred percent (100%) of all the targets they set for the quarter under review. Programme 5, Regions and Programme 6, Compliance and Consumer Affairs also achieved hundred percent (100%) for all the targets set for the quarter under review. Licensing achieved ninety percent (90%) while Policy Research & Analysis achieved eighty-nine percent (89%). Engineering & Technology achieved forty-three percent (43%). Reasons for the performance realised are explained in detail under each Programme in Section 6.

1.3 Overall Quarterly Performance

Figure 1: Overall Quarter 4 Performance

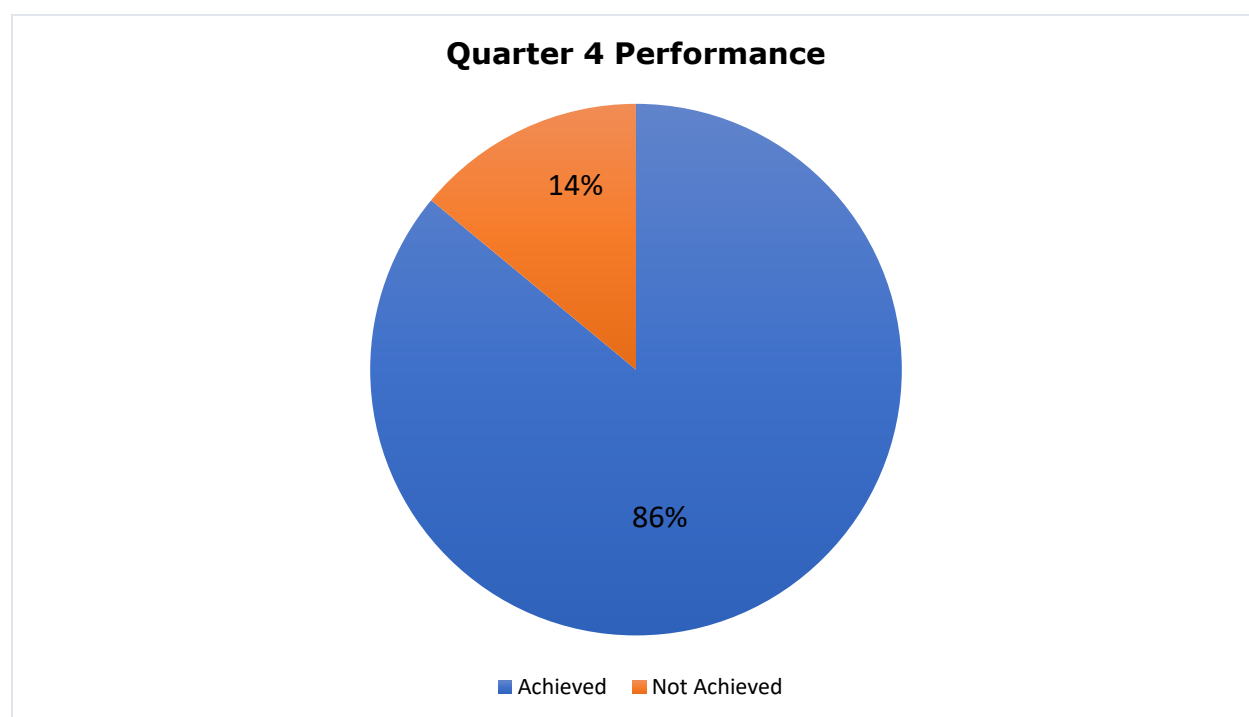


Figure 1 above presents the overall performance of the Authority for the quarter under review. The organisation achieved eighty six percent (86%) of the targets it planned for the quarter under review.

1.4 Performance Trends

Figure 2: 2020-21FY Performance Trend Per Quarter

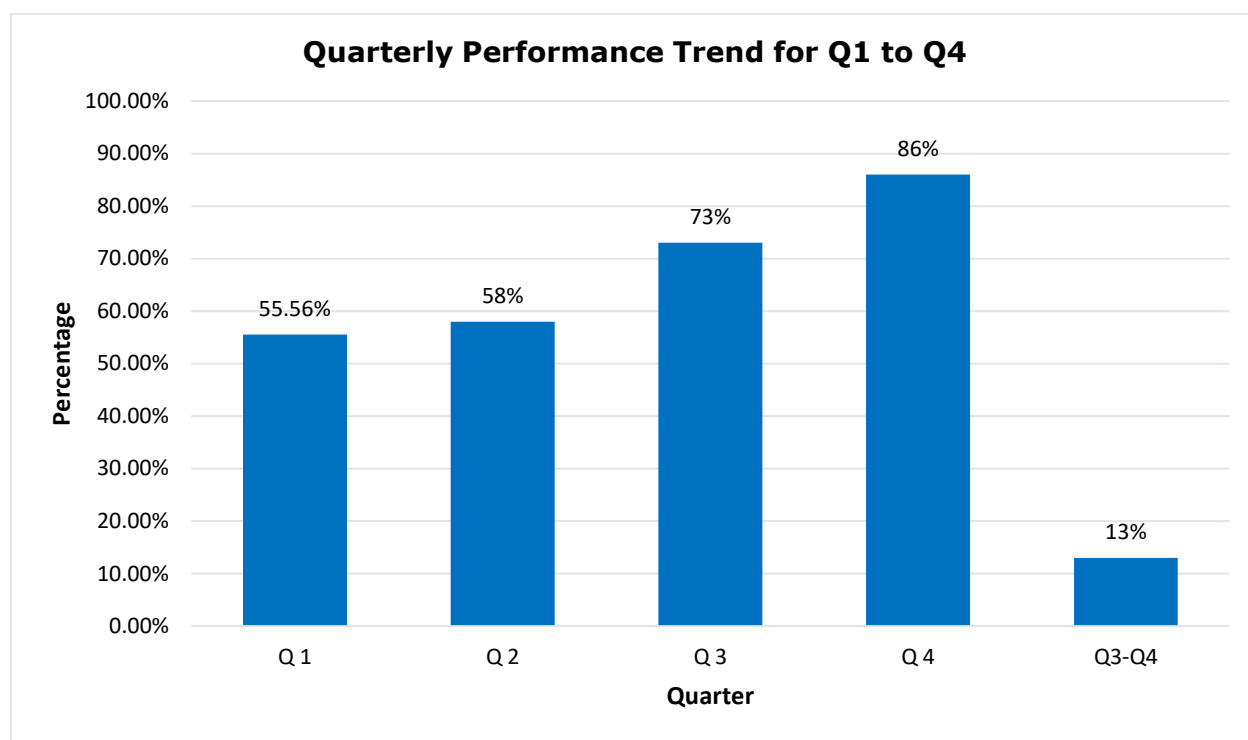


Figure 2 above presents the Authority's performance trend from implementation of the APP for the period 1st April 2020 to 31st March 2021. The Authority's performance trend is an upward one at an improvement margin of thirteen (13) percentage points from the third quarter to the fourth quarter.

6. Detailed Performance by Programme

6.1 Programme 1: Administration

Purpose: The Programme provides coordinated strategic leadership, management and support to the Authority to deliver on its mandate.

6.1.1 Sub-Programme: Corporate Services

Purpose: To provide corporate support services to the Authority through communications, information technology and facilities, security and administration of high quality.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Percentage of stakeholders satisfied with the service that is being offered by ICASA	70%	70%	77%	The COVID-19 pandemic and increased usage of data due to working from home and the need for online education has increased the visibility of the services offered by ICASA, resulting in more stakeholders engaging ICASA for assistance and support.		
Number of international affiliations subscribed/maintained in terms of international/regional bodies across postal/broadcasting/telecoms sectors	6	6	6			
Amount of business intelligence gathered from analysis of integrated business systems data	1	1	1			
Number of offices maintained	9	9	9			

6.1.2 Sub-Programme: Finance

Purpose: To provide an efficient and effective support services to the Authority from a finance perspective, through implementation of sound financial management and ensuring compliance with all applicable legislation and policies.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Audit Opinion	Unqualified Audit	No Target	-	-	-	-

6.1.3 Sub-Programme: Human Resources

Purpose: To ensure that the Authority can plan for required human resources, recruit the right talent in the right positions at the right time, continuously develop the talent to maintain the required levels of competence and create a conducive environment that enables employee engagement and a high-performance culture.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Staff vacancy rate maintained	7%	7%	4.2%	Despite moratorium on recruitment, HR filled more vacant positions than planned based on motivations for critical positions required for business continuity.		
Number of HR Strategies reviewed	1	1	1			
Number of OD Strategies developed	1	1	1			
Percentage of Workplace Skills Plan implemented	100%	25%	25%			

6.1.4 Sub-Programme: Internal Audit

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Level of assurance provided	Level 4	Level 4	Level 4			
Number of consulting assignments completed	4	1	4	There was an increase in requests for assurance review and control breakdown assessments from both AREDC and Management during the period under review		

6.1.5 Sub-Programme: Legal Risk & Complaints Compliance Committee

Purpose: The Legal, Risk and Complaints and Compliance Committee's primary role is to safeguard the Authority's interests and to ensure that all its actions and decisions are legally compliant with the Constitution, enabling legislation and other applicable laws. The ICASA Act provides that the actions, findings or decisions of the Authority be subject to judicial review. The Sub-Programme advises the Authority and ensures that the Authority is properly represented in judicial reviews. The Sub-Programme also promotes good governance through ensuring effective risk management, including fraud risk management; regulatory compliance and business continuity.

The Sub-programme also supports the Complaints and Compliance Committee (CCC) in discharging its mandate as prescribed in terms of the ECA and the ICASA Act.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Percentage of legal services	80%	80%	93%	There was an increase in		

provided to client within SLA turnaround times				requests for legal vetting and support during the quarter. Where necessary, the team enlisted the support of external lawyers to deal with more complex matters whilst keeping commitment to adhere to turnaround times.		
Risk maturity level of the organisation	Level 3	Level 3	Level 3			
Compliance maturity level of the organisation	Level 2	Level 2	Level 2			
Percentage of cases assessed for adjudication by the CCC in accordance with the CCC Handbook	85%	85%	100%	There was an increase in referrals to CCC. However, the team implemented measures to ensure adherence to turnaround times for assessment of cases for adjudication.		

Programme 2: Licensing

Purpose: To issue, renew, amend, transfer and revoke broadcasting service, electronic communications service, electronic communications network service, postal service and radio frequency spectrum licenses; authorize use of numbering and other scarce resources; grant equipment type approval; authorize channels as well as licence exemptions for the purposes of facilitating socio-economic development and promotion of competition.

Output Indicator	Target for 2020/21 as per	Quarter Target	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
------------------	---------------------------	----------------	-------------------------	----------------------	---------------------	------------------------

	Annual Performance Plan (APP)	as per APP				
Percentage of the process to assign broadband spectrum completed	90%	90%	0%	On 08 March 2021, ICASA was interdicted from proceeding with the spectrum auction process, pending the final determination of the order sought in Part C of the Telkom and e.tv review application.	ICASA is instituting an appeal against the interdict issued in Part B of the matter between ICASA and Telkom / e.tv which is likely to be heard by June 2021. In parallel with the appeal process, ICASA is in a negotiation process with affected parties.	
Percentage of the process to develop Regulations on Limitation of Ownership and Control and Equity Ownership by Historically Disadvantaged Groups completed	100%	100%	100%			
Percentage of the process to develop the Regulations on Equipment Authorisation completed	50%	50%	50%			
Percentage of the process to amend the Standard Terms and Conditions Regulations for Class Licenses completed	100%	100%	100%			
Percentage of the process to amend the Processes and Procedures Regulations for Class Licenses completed	100%	100%	100%			
Percentage of the process for licensing of Digital Community Television Broadcasting	50%	50%	50%			

services on MUX 1 completed						
Percentage of the process for licensing of an Individual Electronic Communications Network Service Licence completed	50%	50%	50%			
Percentage of the process for licensing of Community Sound Broadcasting Services completed	100%	100%	100%			
Percentage of the process on the Licensing of Commercial Sound broadcasting services in the Northern Cape completed	25%	25%	25%			
Percentage of the intervention to enable the ICT sector to respond to declared state of disaster (COVID-19 pandemic) completed	100%	100%	100%			

6.2 Programme 3: Policy Research and Analysis

Purpose: To conduct research and policy analysis into all the regulatory sectors in line with the mandate of the Authority.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Number of findings documents into the Must Carry Obligation produced	1	1	1			

Number of regulations on broadcasting of national sporting events reviewed	1	No Target				
Number of regulations on broadcasting of municipal elections reviewed	1	1	1			
Number of SAPO tariffs approved	1	1	1			
Number of regulations on pricing of reserved postal services reviewed	1	1	1			
Number of draft regulations on customer care in the postal sector developed	1	1	1			
Number of discussion documents on Regulation relating to the definition of advertising and the regulation of Infomercials and Programme Sponsorship in Respect of Broadcasting Activities developed	1	1	1			
Number of bi-annual tariff analyses	2	1	1			
Number of draft regulations on subscription television broadcasting market produced	1	1	0	Research data on which the Findings Document was based has become outdated.	The Committee is reviewing the work done thus far in light of latest market dynamics and research data and update its findings.	

Number of findings documents on the mobile broadband services market published	1	1	1		
--	---	---	---	--	--

6.3 Programme 4: Engineering & Technology

Purpose: To develop, coordinate and manage the regulatory framework for management of radio frequency spectrum including development of equipment technical standards and representing ICASA at international regulatory forums.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Percentage of updated National Radio Frequency Plans	100%	100%	0%	Delay in procurement due to the resignation of one the Bid Evaluation Committee members which resulted in the reconstitution of the BEC.	Project to be finalised during 2021-22 FY.	
Percentage of Frequency Migration plan implemented	100%	100%	0%	Tender readvertised due to bids being submitted electronically by bidders	Project to be finalised during 2021-22 FY.	
Percentage of IMT roadmap implemented	100%	100%	0%	Tender readvertised due to bids being submitted electronically by bidders	Project to be finalised during 2021-22 FY.	
Percentage of the Certification of the Secondary Geolocation Spectrum Database providers completed	50%	No Target				No target for the quarter

Percentage of Network Performance Management System developed	20%	20%	15%	A decision was taken to make the NPMS part of the multi-modular compliance system bid. The composite bid for multi-modular compliance system was published in February 2021.	Project to be finalised during 2021-22 FY.	
Number of recommendations produced, towards enabling South Africa's uptake of 5G technologies	2	1	1			
Number of regulations for the introduction of digital sound broadcasting (DSB) in South Africa produced						No targets. However, deliverables completed in line with content in the TID.
Number of fixed spectrum Monitoring sites around Karoo Central Astronomy Advantage Area (KCAAA) established	1	1	1			
Number of provinces monitored for Quality of Service	4	2	2			

6.4 Programme 5: Regions

Purpose: To enable unimpeded national provision of electronic communications, broadcasting and postal services through compliance monitoring and enforcement.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Percentage of reported Radio	96%	96%	100%	42 of the 42 cases that were		

Frequency interference cases resolved in 30 working days				resolved during this period were all resolved within 30 working days.		
Number of compliance monitoring inspections conducted	5125	1200	3150	The Q1 and Q2 targets were not met by the Division for this deliverable. The plans were put in place to ensure that the shortfall is met in Q4 in order for the annual target to be achieved.		

6.5 Programme 6: Compliance and Consumer Affairs

Purpose: To ensure compliance with license terms and conditions, the requirements of the enabling legislation and underlying regulations; and to protect the interest of consumers in the ICT sector.

Output Indicator	Target for 2020/21 as per Annual Performance Plan (APP)	Quarter 4 Target as per APP	Quarter 4 Actual output	Reason for Deviation	Corrective Measures	Comments for Quarter 4
Percentage of complaints resolved	86%	86%	95%	There was increased collaboration with licensees to ensure speedy resolution of complaints including through the use of the pre Alternative Dispute Resolution processes.		
Number of Advisories provided to ICASA by the Consumer Advisory Panel	1	1	1			

7. Financial Performance

7.1 Statement of Financial Performance

7.1.1 Revenue

	Year To Date			
Category	YTD - Budget	YTD - Actual	YTD Variance	YTD Var %
Total grants appropriated	(496 423 000)	(459 019 000)	(37 404 000)	7.5
Deferred grants realised	0	(10 190 051)	10 190 051	0.0
Interest Income	(15 240 000)	(9 773 227)	(5 466 773)	35.9
Other Income	(10 260 431)	(568 606)	(9 691 825)	94.5
	(521 923 431)	(479 550 885)	(42 372 546)	8.1

7.1.2 Grants

The Authority's grant is received on quarterly basis from the Department of Communications and Digital Technologies (DCDT). Total amount of **R 459 019 000** was received for the four quarters from the Department and was in line with the annual drawdown schedule which represented **100%** of the full year allocation.

7.1.3 Interest Income

Total amount of **R 9 773 227 (64.1%)** was earned during the year from the short-term investments against the budget of **R 15 240 000**. The reduced prime rate had direct impact on the Authority's accrued interest earned from financial institutions as it translated at lesser earned interest. The total amount collected to date was inclusive of **R 4 599 054** which was interest earned from thirty days' investment on the collected license fees. The total interest earned year to date was **R 5 466 773 (35.9%)** less than the budget.

7.1.4 Other Income

A total amount of **R 568 606** was collected to date. Included in the total amount collected is an amount of **R 389 945** received from MICT SETA during the current financial year, **R 73 161** was received for insurance claims settled.

7.1.5 Deferred grants realised

The Authority was allocated ring-fenced funding towards spectrum auctioning of 5G frequency spectrum and related projects as well as the automated spectrum management system. To date an amount of **R 10 190 051** has been spent, the bulk of funds were not spent in Q4 as the anticipated auction didn't take place.

The Authority's revenue as at the end of March 2021 was **R 479 550 885** which was **R 42 372 546 (8.1%)** less than the year to date budget.

7.2 OPEX

A. Summary spending per Programme/Division (Annual Budget and Year to Date expenditure);

Programmes Summary Report - 31 March 2021							
OPC Rollup OPEX							
OPEX			Year To Date				
Class	Programme	Division	YTD - BU	YTD - Actual	YTD Variance	YTD Var %	
Expenses	Programme 1: Administration	CEO	8 674 156	5 198 854	3 475 303	40.1	
		COO	1 446 976	411 980	1 034 997	71.5	
		Corporate Affairs	102 827 731	78 829 787	23 997 945	23.3	
		Council	26 307 101	20 273 758	6 033 343	22.9	
		Finance	64 264 222	54 074 177	10 190 045	15.9	
		Human Capital Management	25 720 318	14 954 294	10 766 024	41.9	
		Internal Audit	14 487 848	12 113 029	2 374 819	16.4	
		Legal, Risk and Compliance	33 728 168	26 625 345	7 102 823	21.1	
	Programme 2: Licensing	Licensing	55 731 639	53 398 739	2 332 900	4.2	
	Programme 3: Engineering & Technology	Engineering & Technology	21 887 967	15 353 312	6 534 655	29.9	
	Programme 4: Policy Research & Analysis	Policy Research & Analysis (PRA)	25 337 202	21 401 838	3 935 364	15.5	
	Programme 5: Compliance & Consumer Affairs	Compliance and Consumer Affairs	27 661 888	23 372 086	4 289 802	15.5	
	Programme 6: Regions	Regions	87 737 863	71 625 711	16 112 151	18.4	
Expenses Total			495 813 080	397 632 910	98 180 170	19.8	

7.2.1 Programme 1: Council

A total amount of **R 20 273 758 (77.1%)** was spent against a budget of **R 26 307 101**. The savings of **R 6 033 343 (22.9%)** were mainly from six vacant positions in the first quarter and less travel activities due to Covid-19 lockdown.

7.2.2 Programme 1: Chief Executive Officer

A total amount of **R 5 198 854 (59.9%)** was spent against a budget of **R 8 674 156**. Savings of **R 3 475 303 (40.1%)** were on the following budget items:

- Travel costs due to Covid-19 lockdown;
- Conferences & Meetings; and
- Vacant Senior Manager position which was filled in Q3

7.2.3 Programme 1: Chief Operating Officer

A total amount of **R 411 980 (28.5%)** was spent against a budget of **R 1 446 976**.

Underspending of

R 1 034 997 (71.5%) was due to:

- Delayed spending on consultants; and
- Vacant Senior Manager position.

7.2.4 Programme 1: Finance

A total amount of **R 54 074 177 (84.1%)** was spent against a budget of **R 64 264**

222. Underspending of **R 10 190 045 (15.9%)** was due to the following: -

- Number of vacant positions;
- External audit fees;
- Depreciation less because of low additional acquisitions from projects; and
- Delayed spending on consultancy.

7.2.5 Programme 1: Human Resources Management

A total amount of **R 14 954 294 (58.1%)** was spent against a budget of **R 25 720 318**. Savings of **R 10 766 024 (41.9%)** were on the following budget items:

- Training due to Covid-19 lockdown; and
- Staff Costs and related costs.

7.2.6 Programme 1: Legal, Risk and CCC

A total amount of **R 26 625 345 (78.9%)** was spent against a budget of **R 33 728 168**. Underspending of **R 7 102 823 (21.1%)** was due to:

- Delays in invoicing by the lawyers for work done in Q3 and Q4;
- Some of the high value legal expenses being paid from other cost centers (e.g. IMT / WOAN legal expenses, elections regulations opinion etc); and
- lesser litigation expenditure being paid during the year than anticipated as the result of Covid-19 lockdown and committees.

7.2.7 Programme 1: Internal Audit

A total amount of **R 12 113 029 (83.6%)** was spent against a budget of **R 14 487 848**. Savings of **R 2 374 819 (16.4%)** were on the following budget items:

- Savings on Staff Costs; and
- Delayed spending on consultants.

7.2.8 Programme 1: Corporate Services

A total amount of **R 78 829 787 (76,7%)** was spent against a budget of **R 102 827 731**. Underspending of **R 23 997 945 (23.3%)** was on the following budget items:

- Head office rental;
- Delayed spending on consultants;
- Travel Costs; and
- Delayed spending on IT related costs.

7.2.9 Programme 2: Licensing

A total amount of **R 53 398 739 (95.8%)** was spent against a budget of **R 55 731 639**. Underspensing of **R 2 332 900 (4.2%)** was due to Covid-19 lockdown. However, spending has been kept under control.

7.2.10 Programme 3: Engineering and Technology

A total amount of **R 15 353 312 (70.1%)** was spent against a budget of **R 21 887 967**. The underspending of **R 3 908 924 (29.9%)** was on the following budget items:

- Repairs and Maintenance;
- Travel Costs; and
- Vacant positions within the division.

7.2.11 Programme 4: Policy Research and Analysis (PRA)

A total amount of **R 21 401 838 (84.5%)** was spent against a budget of **R 25 337 202**. Savings of **R 3 935 364 (15.5%)** were due to vacant positions within the division.

7.2.12 Programme 5: Compliance and Consumer Affairs

A total amount of **R 23 372 086 (84.5%)** was spent against a budget of **R 27 661 888**. Underspensing of **R 4 289 802 (15.5%)** was on the following budget items:

- Staff Costs; and
- Travel Costs.

7.2.13 Programme 6: Regions

A total amount of **R 71 625 711 (81.6%)** was spent against a budget of **R 87 737 863**. Savings of **R 16 112 151 (18.4%)** were on the following budget items:

- Advertising & Publicity;
- Protective Clothing;
- Regional office rental and related costs;

- Vacancies for North West and Northern Cape; and
- Less travel costs incurred during the quarter.

The Authority's year to date total OPEX expenditure excluding **normal projects** and **capital costs** was **R 397 632 910 (80.2%)** against the budget of **R 495 813 080**. Total underspending for the year was **R 98 180 170 (19.8%)**.

7.3 Normal Projects

Programmes Summary Report - 31 March 2021							
OPC Rollup		Projects					
Projects			Year To Date				
Class	Programme	Division	YTD - BU	YTD - Actual	YTD Variance	YTD Var %	
Expenses	Programme 1: Administration	Corporate Affairs	3 685 891	2 474 281	1 211 610	32.9	
		Human Capital Management	4 976 441	5 000	4 971 441	99.9	
	Programme 2: Licensing	Licensing	40 550 711	7 629 194	32 921 517	81.2	
	Programme 3: Engineering & Technology	Engineering & Technology	15 476 199	373 912	15 102 287	97.6	
	Programme 4: Policy Research & Analysis	Policy Research & Analysis (PRA)	6 011 946	2 322 233	3 689 713	61.4	
	Programme 5: Compliance & Consumer Affairs	Compliance and Consumer Affairs	7 359 133	(0)	7 359 134	100.0	
		Regions	1 577 495		1 577 495	100.0	
Expenses Total			79 637 816	12 804 619	66 833 196	83.9	

Actual expenditure of **R 12 804 619 (16.1%)** was spent to date against a rolled over budget of **R 79 637 816**. Underspending was **R 66 833 196 (83.9%)**. The projects were negatively impacted by the lockdown in all four quarters. Committee funds will be rolled over to the next financial year.