



**FEEL IT**  
It is here

11 June - 11 July. SABC. The only official broadcaster of the 2010 FIFA World Cup.





**NO SUBSTITUTE  
FOR OUR BRILLIANCE.**

64 Games, 3 TV Channels, 18 Radio Stations, 11 Languages, 11 June - 11 July



**FEEL IT.** It is here. **SABC** 



# TECHNOLOGY STRATEGIES IN SHORT



## Technology plan for TV – pre-coverage

- All the necessary technical facilities are already in place to meet SABC Sport's pre-tournament production plans
- In the run up to 11 June, SABC Sport has already undertaken a number of rehearsals and is planning further rehearsals in the coming months based on actual matches (PSL, Bafana Bafana friendlies, etc)
- This will enable the SABC to test plans that will be put in place for the tournament coverage
- Radio is also involved in these rehearsals





# Technology plan for TV - facilities

- Up to four **HD OB vans** will be used for the coverage of the 12 matches presented live from stadiums
- **Two HD MPUs** together with two **EVS vans** will be used for the coverage of the 8 matches presented live from PVAs
- **One OB van** and **one SD MPU** will be on hot stand-by for unexpected events and productions
- **Two DSNG** units with two cameras each will be used for the live contributions from the 47 PVAs (one per day)
- **Ten ENG teams** will gather stories in Host Cities

MPU - Multi-Purpose Unit

EVS - video server used on OBs

DSNG - Digital Satellite Newsgathering





## Technology plan for radio – tournament coverage

- Technology services in place to meet production requirement of outside broadcast (OB) and studio based coverage:
  - **Radio 2000** will broadcast live coverage of all 64 matches from stadiums and will broadcast presentation from approx 4 public viewing events (still to be confirmed)
  - **10 PBS radio stations** will broadcast live coverage of 12 matches from stadiums with all other match commentaries broadcast live from purpose built off-tube commentary facilities in Radio Park
  - **Metro FM** will broadcast from Fan Fests





# Thank You





**B.**

# **AGSA REPORT**

Acting Chief Operating Officer





## B. AGSA REPORT Background

- On 1st July 2009, Parliament's Portfolio Committee on Communications requested the Auditor- General of South Africa (AGSA) to conduct an investigation at the South African Broadcasting Corporation Ltd (SABC),
- The allegations were categorised as;
  - supply chain management issues;
  - matters of potential fruitless and wasteful expenditure and
  - human resource-related matters.
- The findings related to Supply Chain Management deficiencies are predominantly due to non-adherence to policies, directives and delegated authority by senior management of the SABC.
- These findings therefore point to inadequate monitoring and oversight by the leadership of the SABC and the creation of the environment at the SABC where the “tone at the top” is not appropriate, which in turn seems to have created a culture where management is not focused on public accountability or acting in the best interest of the SABC.
- The deficiencies were further amplified by a number of instances where the internal audit function and/or the audit committee have brought to the attention of leadership serious concerns, which were not acted on timeously and decisively.



## B. AGSA REPORT

### Approach to update

- NEW SABC BOARD has taken the following approach to address the AG report; in tabular format
  - AG findings,
  - AG Recommendations,
  - SABC Action Points and/or Progress,
  
- The approach is generally accepted in the Auditing and Accounting industry,
- The approach will enable Board to monitor progress and report progress to the stakeholders (Department of Communications and Parliament)
- Due to time constraints, substantial amount of recommendations were not attended to by the Interim Board,
- New SABC Board has applied its mind on the findings and recommendations and actions required to correct the deficiencies and non compliances,
- Disciplinary actions progress report resulting from the report is further addressed individually for clarity purposes,



## B. AGSA REPORT

### Conflict of Interest

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) Various employees were identified as directors or members of companies and/or CCs, but it was not investigated if they had had approval to perform outside work and if such approval was based on a proper evaluation confirming that the employees' outside interest would not affect their SABC work performance.</p> <p>b) Several employees were identified who had an interest in entities doing business with the SABC although this is prohibited by the SABC procurement policy which states " It shall be the SABC's policy not to purchase any goods or services from any employee ...". A total of R3,378 million was paid to the identified employee related entities.</p>	<p>a) The interim SABC board, as the accounting authority, should determine if the employees identified performed other work outside the SABC. If so, the following should be established:</p> <p>(i) If they had approval from the GCEO to perform other work and the basis on which such approval was granted.</p> <p>(ii) Appropriateness of disciplinary actions against employees performing other work outside the SABC without the required approval</p> <p>b) A central control register containing all approvals to conduct outside work should be established.</p>	<p>a) The New SABC boards has commenced with the process of investigations to determine if the employees identified performed other work outside the SABC. The target date for completion is 31<sup>st</sup> May 2010. Following the results of the investigations appropriate disciplinary actions will be initiated.</p> <p>b) Board will ensure a register is established by 31<sup>st</sup> May 2010.</p>



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# B. AGSA REPORT

## Procurement of Goods and Services

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) In various instances, evidence could not be found that deviations from the tender process as well as the awarding and approval of tenders were done in accordance with the delegated levels of authority as stipulated in the DAF.</p> <p>b) Members of the BAC were not appointed in writing by the GCEO and all recommendations and decisions made by the BAC were therefore made by individuals whose appointment was not formalised.</p>	<p>a) The interim SABC board should determine whether expenditure incurred amounted to irregular expenditure where the approvals were not in accordance with the Group SCM Policy and as defined in the PFMA and, if so, the necessary action should be taken as prescribed in section 51(1)(e) of the PFMA.</p> <p>b) The interim SABC board should take notice that according to paragraphs 5.11.1 and 5.11.2 of the Delegation of Authority "Non-compliance with any provision of this policy shall be an offence punishable in terms of the disciplinary code of the SABC. In particular, the improper splitting of invoices or projects and the exceeding of the authority levels conferred upon any employee in terms of this DAF, for whatever reason, shall be subject to disciplinary action in terms of the SABC's disciplinary code".</p>	<p>a) Interim Board has taken action against Head of Procurement, as prescribed in section 51(1)(e) of the PFMA. The employee was suspended and the disciplinary hearing is in progress.</p> <p>b) Interim Board has taken action against Head of Procurement, (Chairperson of Bid -Adjudication Committee), as prescribed in section 51(1)(e) of the PFMA. The employee was suspended and the disciplinary hearing continues.</p>



# B. AGSA REPORT

## Procurement of Goods and Services

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<p>a) In various instances, evidence could not be found that deviations from the tender process as well as the awarding and approval of tenders were done in accordance with the delegated levels of authority as stipulated in the DAF.</p> <p>b) Members of the BAC were not appointed in writing by the GCEO and all recommendations and decisions made by the BAC were therefore made by individuals whose appointment was not formalised.</p>	<p>c) The interim SABC board should ensure that all committee members of the various procurement committees are appointed in writing and that their roles and responsibilities are clearly stated in the appointment letters.</p> <p>d) Furthermore, all supply chain role players should be trained to implement all SCM policies and procedures.</p>	<p>c) The appointment of SABC Bid Adjudication Committee will done by SABC Board per Shareholders Compact. The process of establishing BAC and employment of members will be concluded on 31<sup>st</sup> March 2010. The appointment of the committee members will be done in writing, clearly detailing the roles and responsibilities.</p> <p>d) All members of BAC and other role players within procurement value chain will be trained on Supply chain management policies and procedures, This will be continuous.</p>





# B. AGSA REPORT

## Appointment of Consultants

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) The stipulations of the PFMA and the Group SCM Policy were disregarded in most instances in appointing consultants by not inviting competitive quotations and/or tenders.</p> <p>b) Approvals for deviations from the normal procurement process in appointing consultants could also not be submitted to the AGSA.</p> <p>c) In some instances, the SABC was invoiced for services rendered by consultants, but without proper contracts being in place for these services.</p> <p>d) Contracts/agreements signed between the SABC and consultants in some instances did not specify measureable deliverables, performance criteria and timelines, which makes it difficult to determine if contractual deliverables were met.</p>	<p>a) The interim SABC board should evaluate the following with regard to the appointment of consultants:</p> <p>I. Reasons why consultants were appointed without following the approved Group SCM Policies and stipulations of the PFMA.</p> <p>II. If deviations from the approved policies in appointing consultants were approved in accordance with the DAF.</p> <p>III. Possible actions against employees, in terms of the PFMA and the disciplinary code of conduct and grievances procedures of the SABC, who appointed consultants in contradiction to the stipulations of the PFMA and approved Group SCM Policy.</p> <p>IV. Whether expenditure incurred amounts to irregular expenditure as defined in the PFMA.</p> <p>V. If the SABC received value for money for the consultants appointed</p>	<p>a) (i), (ii), (iii), (iv) &amp; (v) The evaluations were completed by the interim SABC board and decided to charge the Chief Financial Officer. Disciplinary hearing is concluded with a sanction of a formal written warning, which is to endure for a period of 9 months.</p>





# B. AGSA REPORT

## Appointment of Consultants

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>e) In signing contracts, approved levels were exceeded and decisions of the Group Executive Committee were disregarded.</p> <p>f) Contracts were extended without following due process or payments continued although contracts were not extended.</p> <p>g) Segregation of duties did not always exist in the awarding of contracts, certification of services rendered and approval of payments.</p>	<p><b>b)</b> The interim SABC board should introduce measures to ensure that all agreements with consultants do contain measurable deliverables, performance criteria and specific timelines.</p> <p><b>c)</b> For the period 1 September 2007 to June 2009 an exception report had been created by the AGSA to include all payments made to consultants amounting to R279,797 million. It is recommended that the appointments as well as allegations with regard to the appointment of consultants not yet investigated be investigated to determine if similar shortcomings exist in the appointment, payment and management of consultants.</p>	<p>b) The SABC Board will ensure that there is policy and procedures for the appointment of Consultant, that will ensure that all agreements with consultants do contain measurable deliverables, performance criteria and specific timelines. 31<sup>st</sup> April 2010.</p> <p>c) SABC Board has instructed management, Internal Audit to investigate identified areas and further disciplinary processes will take effect where necessary.</p>



# B. AGSA REPORT

## Appointment of Consultants

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# B. AGSA REPORT

## Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<ul style="list-style-type: none"> <li>a) The problems or shortcomings with regard to international acquisition were already identified and reported by the Group Internal Audit Unit to the audit committee of the SABC in March 2007.</li> <li>b) Detail findings by the legal firm have already been communicated to the acting GCEO, CFO, chairperson of the audit committee and the SABC board in September 2008 and in March 2009.</li> <li>c) On 18 March 2009 the audit committee allocated responsibilities and actions to be taken as a result of the report.</li> </ul>	<ul style="list-style-type: none"> <li>a) The interim SABC board should follow up if policies and procedures for the Content Enterprises Division have been subsequently compiled and approved to ensure the implementation thereof. The company secretariat should keep a proper record of approved policies and Group Executive Committee/SABC board minutes and submissions for reference purposes to ensure a proper audit trail and safeguarding of company records.</li> <li>b) Civil action or legal proceedings should be instituted as a matter of urgency to recover any overpayments as identified and to minimise any further losses</li> <li>c) The results of the investigation should be used to determine the accuracy of financial and operational data to ensure accuracy and completeness of records</li> </ul>	<ul style="list-style-type: none"> <li>a) SABC Board will review the current policy and procedure for the acquisition of content in line with the turnaround strategy. The company secretariat will keep a proper record of approved policies and Group Executive Committee/SABC board minutes and submissions for reference purposes to ensure a proper audit trail and safeguarding of company records.</li> <li>b) The interim Board instructed the lawyers to issue letters of demands to those alleged to have been overpaid. The results proved that there were some overpayments. These vendors are willing to engage with the SABC and the GCEO will open discussions with them.</li> <li>c) See b above,</li> </ul>



## B. AGSA REPORT

### Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>d) Although material overpayments, underpayments, double payments, material procured but not received and titles acquired more than once have been identified in the reports of the legal firm, no evidence could be submitted that corrective actions were implemented by the SABC board or management to minimise this in future or that actions have been taken against employees for possible transgressions in the acquisition of international content.</p>	<p>d) The interim SABC board should consider disciplinary action in terms of laid down policies and procedures in terms of section 51(e) of the PFMA against employees for transgressions with regard to international acquisitions.</p>	<p>d) The interim SABC board considered and instituted disciplinary action in terms of laid down policies and procedures in terms of section 51(e) of the PFMA against the Group Executive: Content Enterprises and other junior staffers within the divisions. The GE: Content Enterprise has since left the SABC and the SABC is pursuing the possibility of civil or criminal charges.</p>



# B. AGSA REPORT

## Fruitless and Wasteful Expenditure

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## B. AGSA REPORT

### Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<ul style="list-style-type: none"> <li>a) Petrol cards were issued to senior and top managers and the current policy did not place a limit on the usage of the cards.</li> <li>b) The benefit of participating in the scheme is not linked to the travelling duties of the position.</li> <li>c) Monitoring by the Finance Department takes place on an ad hoc basis and no structured management information on the actual costs for individuals is available.</li> <li>d) Management information on the usage of petrol cards is not submitted to, or considered in, management meetings of some divisions</li> <li>e) There was a sharp increase in the number of petrol cards issued to employees from September 2008 to October 2008.</li> </ul>	<ul style="list-style-type: none"> <li>a) Management should investigate the number of cards issued and verify that only qualifying members of top and senior management were allocated petrol cards.</li> <li>b) The policy should be reconsidered (as per needs analyses of travel and maintenance for business purposes) and should at least include mandatory evaluations of monthly usage as part of the Finance Department's function and capping of the monthly amount that an employee could spend.</li> <li>c) The policy should also be revised to include disciplinary or corrective actions for cases of excessive use.</li> <li>d) Structured management information should be submitted to and considered during executive management meetings.</li> <li>e) The expenditure incurred on petrol cards should be properly analyzed and all excessive costs should be investigated. Where appropriate, disciplinary action should be instituted.</li> </ul>	<ul style="list-style-type: none"> <li>a) Management has investigated the number of cards issued and indeed only qualifying members of top and senior management were allocated petrol cards.</li> <li>b) The policy and practice has been reviewed by management and a proposal will be presented to Board for consideration before 31<sup>st</sup> March 2010.</li> <li>c) See b) above</li> <li>d) See b above</li> <li>e) The expenditure incurred on petrol cards were properly analyzed and all excessive costs were investigated. The policy is just too open for any disciplinary actions to take effect, this is addressed by the new policy and practice in b) above.</li> </ul>





# B. AGSA REPORT

## Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) The travel arrangements made by the private company were not in line with the SABC Travel Policy which states that the SABC Travel Office must be used for all travel and accommodation arrangements.</p> <p>b) The private travel company did not submit bank statements and did not pay the profit sharing in accordance with the agreement.</p> <p>c) The business plans for international travel were approved by the Group Executive: Content Enterprises without the delegated authority.</p> <p>d) Income tax was not deducted on the taxable benefit received by delegates who were accompanied by their partners.</p> <p>e) The private travel company invoiced the SABC for more travelling packages for both the Beijing Olympics and the Beijing Paralympics than the number of people who actually travelled to Beijing. However, no evidence was provided that the SABC attempted to recover the overpayment or that the private travel company refunded the SABC.</p>	<p>a) The interim SABC board should evaluate the license agreement with the private travel company, in consultation with the National Treasury and the Department of Communications, to determine if due process was followed in entering into this Agreement.</p> <p>b) The General Manager: Business Development must, in the interim, ensure that the private travel company comply with its obligations in terms of the agreement.</p> <p>c) The SABC should ensure adherence to their travel policy and disciplinary action should be considered against those who contravened the policy.</p> <p>d) The interim SABC board should investigate if the total payments made for the trips should be regarded as irregular expenditure and, if so, the interim SABC board should report such irregular expenditure in accordance with section 55(2)(b)(i) and (ii) of the PFMA.</p>	<p>a) SABC board have evaluate the license agreement with the private travel company, and has deiced to utilize the SABC Airwave Travel and withdraw the relationship in the private Travel Company after the SABC has recovered all its assets.</p> <p>b) Content Enterprises has been instructed , in the interim, to ensure that the private travel company comply with its obligations in terms of the agreement.</p> <p>c) The SABC will, at all times, ensure adherence to their travel policy and disciplinary action will be considered against those who contravene the policy.</p> <p>d) The SABC board will investigate if the total payments made for the trips should be regarded as irregular expenditure and, if so, the SABC board will report such irregular expenditure in accordance with section 55(2)(b)(i) and (ii) of the PFMA.</p>



# B. AGSA REPORT

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# B. AGSA REPORT

## Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) A bursary was granted to the Manager: Television and Sales bursary according to paragraph 4.1 of the SABC Bursary Policy. An agreement was subsequently signed between the SABC Report of the Auditor-General on an investigation at the South African Broadcasting Corporation 59 and the Manager: Television and Sales. The General Manager: Human Resources was tasked with the responsibility to recover the funds.</p> <p><b>Presidential Golf Day</b></p> <p>a) From available documentation inspected it was noted that the SABC paid actual cost of R2 280 for prizes for the event. The value of free air time offered for the event amounted to R340 500.</p> <p>b) Internal production costs of R34 056 were incurred to produce an audio visual, which have not yet been invoiced.</p> <p>c) No business plan, approved for the sponsorship of the Presidential Golf Day as required by paragraph 9.6.5 of the DAF, could be provided to the AGSA.</p>	<p>a) The SABC must ensure that the former Manager: Television and Sales sign an acknowledgement of debt for the outstanding bursary money not recovered from his salary and that the money is recovered.</p> <p>a) Sponsorships, which includes the provision of free air time to market and provide coverage of events, should be considered and authorised with due cognisance of the financial austerity plan of the SABC. Business plans should be compiled and approved for all sponsorships given by the SABC as required by paragraph 9.6.5 of the DAF.</p>	<p>a) SABC legal department has commenced with the litigation to recovery the outstanding amount due to the SABC from the former General Manager: Television Sales.</p> <p>a) All Sponsorships, which includes the provision of free air time to market and provide coverage of events, are covered by the Sales policy and DAF and non adherence will be dealt with in accordance with SABC disciplinary policy. authorised with due cognisance of the financial austerity plan of the SABC. Business will always be prepared and approved by the appropriate levels of delegation.</p>



## B. AGSA REPORT

### Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) The SABC paid for security at the houses of the former GCEO and the former chairperson of the SABC board for the period 1 October 2007 to 30 July 2009 amounting to R206 513 and R186 243, respectively. No approval could be provided for the security costs of the former chairperson of the SABC board. Both the former GCEO and the former chairperson were also not taxed on this fringe benefit.</p>	<p>a) The taxable benefit received by the former GCEO and the former chairperson of the SABC board should be dealt with in accordance with the Income Tax Act.</p> <p>b) Systems should be put in place to ensure all taxable benefits are taxed in terms of the requirements of the Income Tax Act.</p> <p>c) The interim board should determine if the security at the chairperson of the SABC board's house was approved at the correct level and if the SABC suffered any losses, because no agreements existed between the SABC and the former GCEO and the former chairperson of the SABC board. Based on the outcome, appropriate actions should be taken against those responsible.</p>	<p>a) The taxable benefit received by the former GCEO and the former chairperson of the SABC board will form part of SARS audit in April 2010.</p> <p>b) Management has been instructed to ensure that such is in place and the SARS audit will validate and discover deficiencies, if any that will acted upon by management.</p> <p>c) The Board will determine if the security at the chairperson of the SABC board's house was approved at the correct level and if the SABC suffered any losses, because no agreements existed between the SABC and the former GCEO and the former chairperson of the SABC board.</p> <p>d) Based on the outcome, appropriate actions will be taken against those responsible.</p>



## B. AGSA REPORT

### Fruitless and Wasteful Expenditure

AUDITOR GENERAL'S FINDING	AUDITOR GENERAL'S RECOMMENDATION	SABC ACTION/PROGRESS
<p>a) The former GCEO resigned from the SABC with effect from 1 February 2009. A settlement and a Restraint of Trade Agreement was signed between the chairperson of the interim board and the former GCEO on 14 August 2009. The outstanding balance is due by the end of October 2009.</p> <p>b) A minimum of 34 employees were suspended for an average of 10.4 months during the period April 2006 to August 2009 before the suspensions were finalised and in some cases the suspensions lasted up to 39 months (3.3 years). The salary (cost to company) cost incurred by the SABC in respect of the suspended employees is estimated at approximately R8,3 million.</p>	<p>a) The delays in finalising the cases should be investigated and in cases where individuals failed to exercise their management functions in an effective way, they should be held accountable.</p>	<p>a) The settlement agreement between the SABC and the former GCEO Adv Dali Mpfu was agreed and settled by the SABC, in accordance with the settlement.</p> <p>a) The SABC have outsourced the disciplinary processes for the senior management and will consider outsourcing, of course considering the costs, to avoid delays in finalising the cases.</p>



## B.

# AGSA REPORT

## Disciplinary Cases – Senior Executives

- Group Executive: Content Enterprises
  - The employment contract has expired on the 28<sup>th</sup> February 2010,
  - Due to the application lodged by former GE member, the matter is now sub-judice
  
- Chief Financial Officer:
  - Disciplinary hearing concluded,
  - Sanctions awarded,
  - Formal written warning, to endure for 9 months



## B.

# AGSA REPORT

## Disciplinary Cases – Senior Management

- Head of Audience Services,
  - The matter is concluded and the sanction handed,
  - A final written warning for six(6) months.
  
- Head of Procurement,
  - The hearing is progressing
  - Delayed due to the employee ill health.
  
- Group Executive: Commercial Enterprise, (Mr. Gab Mampone)
  - Suspended,
  - Further investigation continues,
  - Charges will be drafted in due course



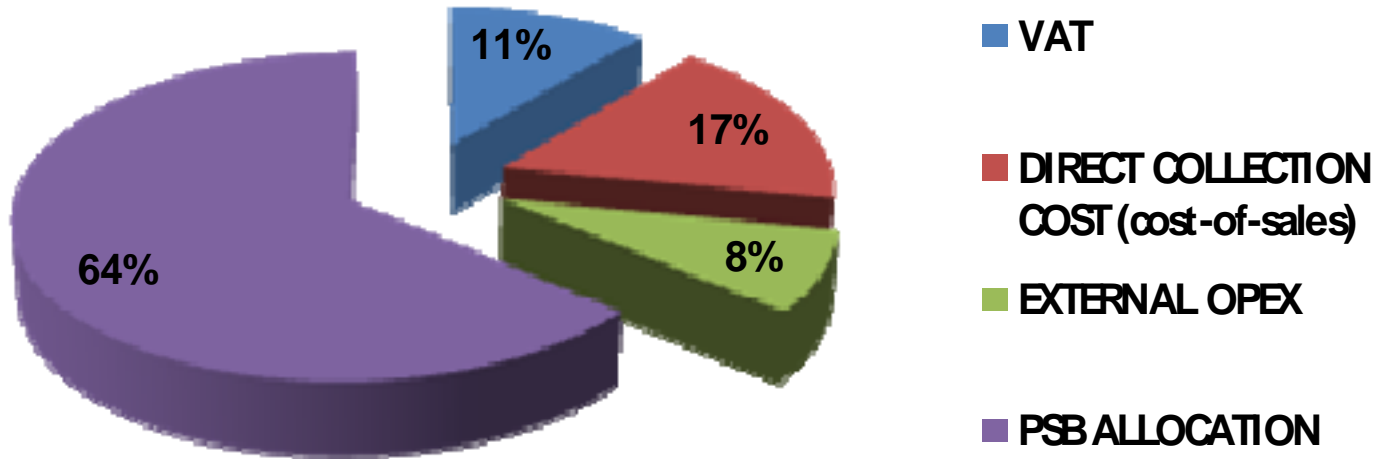
# C. TELEVISION LICENSES

Chief Financial Officer



# C. TELEVISION LICENSE FEE

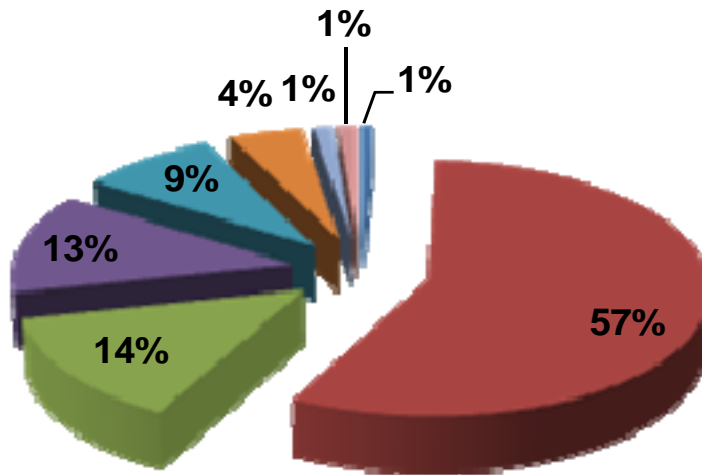
## R250 License Fee Components





# C. TELEVISION LICENSE FEE

## Analysis of Direct Collection Costs



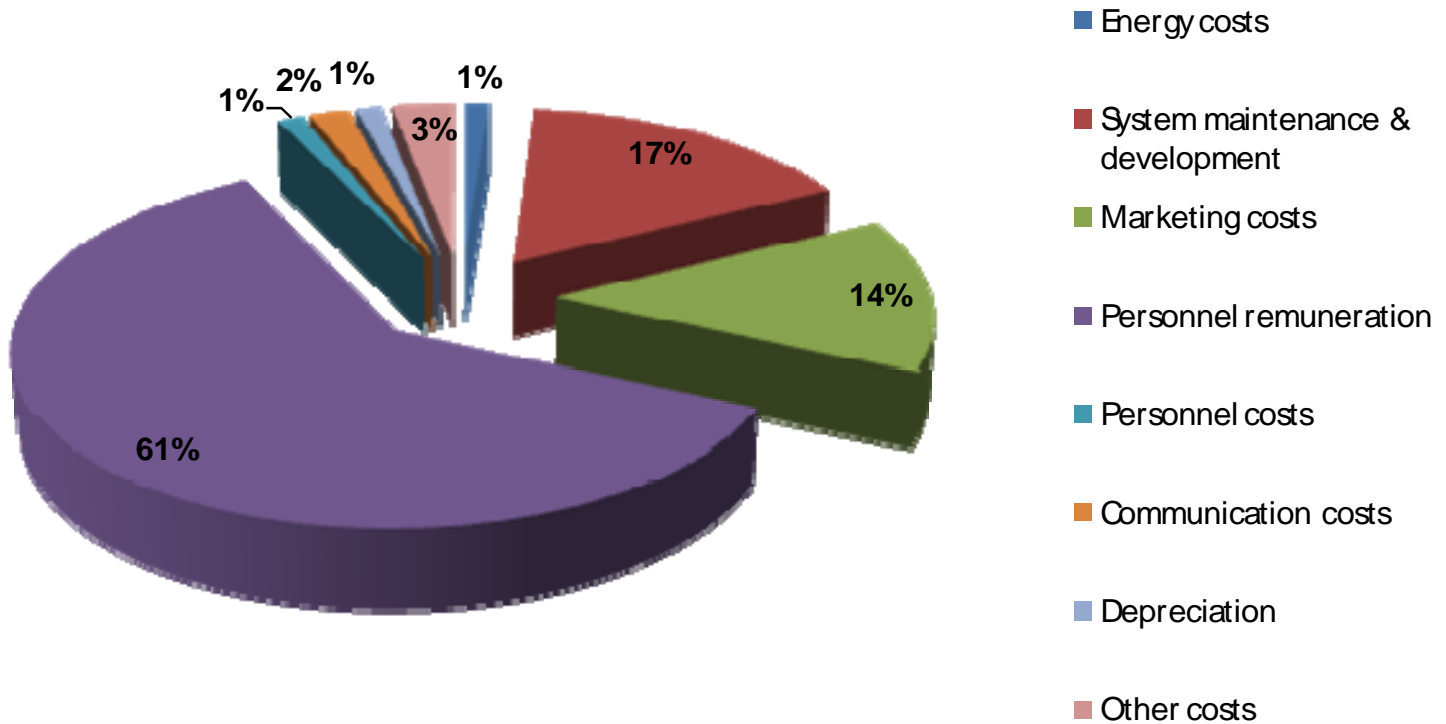
- Data Capturing & Cleaning
- Debt Collection Commission
- Collection Agent Commission
- Postage
- Post Office Commission
- Printing
- Inspectorate Commission
- SMS Messages





# C. TELEVISION LICENSE FEE

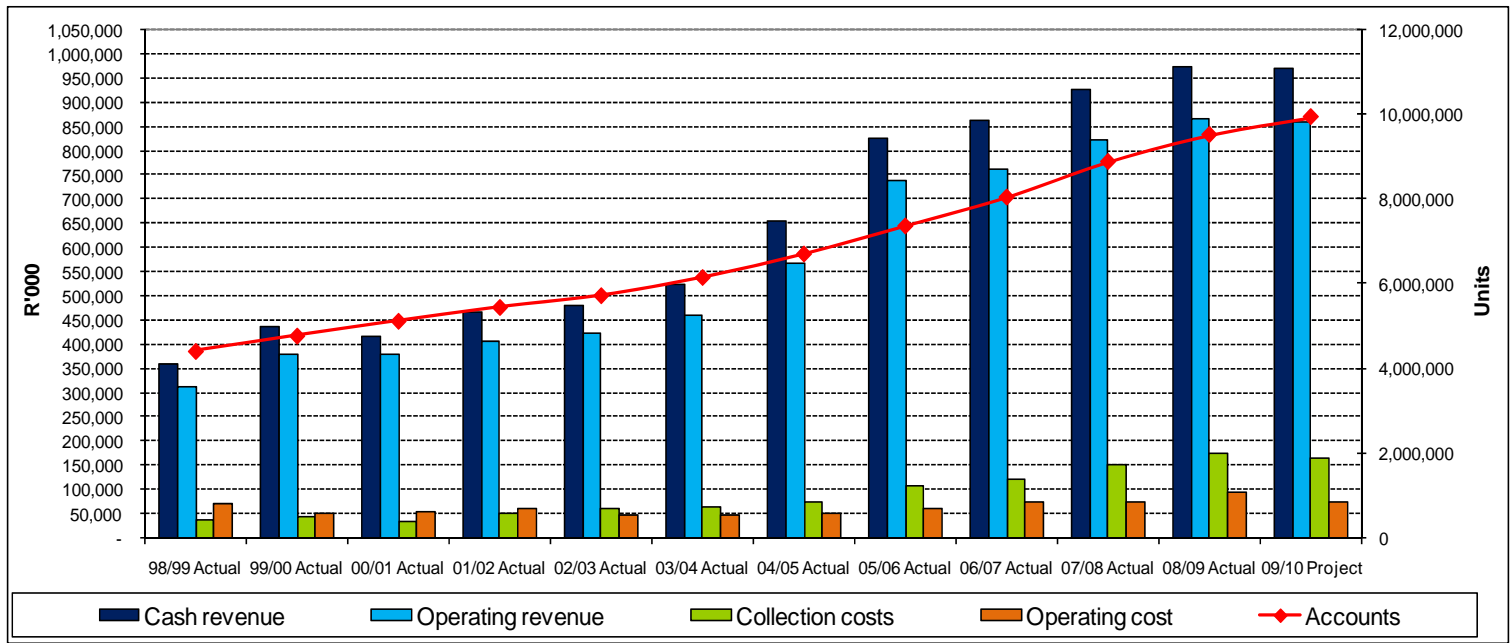
## Analysis of Operating Expenditure





# C. TELEVISION LICENSE FEE

## Cost Drivers



- Licence fee collection efficiencies have been improved steadily and TV licence revenue has been increased with only six tariff increases over the past 19 years.
- Had the fee been allowed to increase with CPI it would now have stood at R576.00 per annum and the SABC would have collected an estimated R795m more in FY2008/09.
- Despite the increase in the number of accounts (55% growth from 2004 to 2009) and the resultant higher workload (servicing of accounts), collection costs and operating expenditure have been contained.



## C. TELEVISION LICENSE FEE

### Conclusion

- Income from TV License Fees currently contributes  $\pm 18\%$  to the SABC's annual operating revenue. (FY2009/10 projected cash revenue is R970m)
- Audience Services (TV Licences) total expenditure constitutes 5% of the SABC's annual operating expenditure. (FY2009/10 projected direct collection cost is R164m and projected operating expenditure is R75m)



# D. TURNAROUND PLANNING UNIT



## D. TURNAROUND PLANNING UNIT

- On 19 January 2010, the Board of the SABC established the Turnaround Planning Unit (TPU) as proposed by the Interim Board in the Government Guarantee application to the Department of Communications.
- The Board also established a Turnaround Sub-Committee (TASC) to oversee the development and implementation of the turnaround strategy
- To date, the TASC and the TPU activities have been focused on preparing the SABC Corporate Plan for MTEF 2010 – 2013, which was presented to this house earlier today; and other strategic work related to the SABC's normal reporting processes to the Department of Communications.
- The Board has also approved a short-to-medium term planning framework and project plan for the TPU for implementation beginning in April 2010. The proposed plan is as follows:



# D. TURNAROUND PLANNING UNIT

STAGE 1 Organisation Structure	
Key Deliverable	Key Objective
Interim Structure	<ul style="list-style-type: none"> <li>Interim structure that will allow for effective and efficient executive management of the Corporation and provide additional capacity in the office of the GCEO</li> </ul>
Skills Audit	<ul style="list-style-type: none"> <li>Understand gap between current skills and desired skills based on strategic imperatives</li> </ul>
Rightsizing Organisation	<ul style="list-style-type: none"> <li>Reduction of headcount and wage bill as part of the Government Guarantee condition</li> </ul>



# D. TURNAROUND PLANNING UNIT

STAGE 2 Annual Business Strategy Planning	
Key Deliverable	Key Objective
Group Strategy	<ul style="list-style-type: none"> <li>Business strategy for the Group Executives that addresses current financial crisis and results in sustainable public broadcasting business model within the future digital broadcasting environment. Primary objective is for shared Group Strategy Framework and Parameters               <ul style="list-style-type: none"> <li>Broadcasting and media landscape</li> <li>Positioning and role of SABC</li> <li>Business and operating model</li> </ul> </li> </ul>
Annual Business Strategy Planning Process	<ul style="list-style-type: none"> <li>Detailed Divisional/Business Unit strategic and operational plans based on the Group Strategy Framework and Parameters</li> </ul>
Policy Reviews	<ul style="list-style-type: none"> <li>Alignment of all SABC policies with Corporate Goals and Group Strategy</li> </ul>



**THANK YOU**