

# CHIEF EXECUTIVE OFFICER'S OVERVIEW

I am honoured to present the Annual Report of the Independent Communications Authority of South Africa (ICASA) for the financial year ending March 2007.

I am pleased to report that, thanks to the contributions, commitment and efforts of Council and employees, ICASA received an unqualified audit report from the Auditor General.

In order to enhance ICASA's accountability and transparency with regard to revenue that it collects on behalf of the National Revenue Fund, we have, for the first time, prepared separate sets of financial statements.

Corrective measures were put in place to address the shortcomings highlighted by the Auditor General during the 2005-2006 audit process. These measures included:

- The development (and/ or revision) and implementation of policies dealing with the following: Asset Management, Budget, Administered Revenue, Supply Chain Management, Leave, Travel and Subsistence, Home Owners Allowance, Termination of Service, Cellular Phone and Data Card.
- Scheduled Budget and Projects review meetings, held monthly, quarterly and half yearly.
- The implementation of the Electronic Funds Transfer (EFT) system.

## Human Capital Matters

Taking into cognizance the human capital challenges faced by ICASA in the previous financial year, ICASA elevated the position of head of human resources to the level of General Manager, and has also appointed a Chief Financial Officer. ICASA is currently in the process of filling vacancies at other levels.



During the financial year under review, the following Human Resources projects were undertaken:

- **Postal Regulator Staff** - With effect from 1 January 2007, ICASA took over staff from the Postal Regulator who previously reported to the Department of Communications.
- **Performance Management Review Process** - ICASA implemented a performance management system based on performance contracting. This was achieved with the valued contribution of the Communications Workers' Union to ensure that ICASA would achieve its organisational objectives.
- **Job Grading and Salary Benchmarking** - ICASA undertook and finalised a job grading exercise and benchmarked its salary levels with both the national market and the public sector.

## Organisational realignment

On 19 July 2006, both the Electronic Communications Act, 2005 and the amendments to the ICASA Act came into effect. Council recognised the need to provide strategic direction and leadership to ICASA to give effect to the intentions of Parliament. To this end, Council approved a high-level structure focusing on ICASA's legislative mandate in respect of the following:

- Licensing
- Markets and Competition
- Consumer Affairs
- Legal and CCC (Complaints and Compliance Committee)
- Engineering and Technology.

In line with the high-level structure, Executive appointments were being finalised. Executive management was further tasked by Council with the responsibility of undertaking the organisational realignment process below the Executive layer. Executive management is in the process of finalizing the mapping of the human capital that currently exists in ICASA. Further, the human capital that was transferred from the Postal Regulator has now been fused into the portfolios referred to above. A service provider will be engaged to assist with taking the process forward. This will include the necessary consultative processes with the Communications Workers' Union and other stakeholders.

## Information Technology

With a view to enhancing its spectrum-monitoring capabilities, ICASA purchased Direction Finding mobile units, 110 GHz Spectrum Analysers and 40GHz EMI Test Receivers. We are also in the process of implementing an IP based PABX system, which will promote ICASA's ability to do business cost-effectively and ensure that the organisation is at the cutting edge of technology. This will result in changes in ICASA's telephone contact details, but changes will be communicated to all stakeholders at the relevant time.

ICASA reviewed both the frequency spectrum management system (LS system) and the finance management system (JD Edwards) to assess their interoperability and interface. A decision has been taken to upgrade the JD

Edwards system. A Request for proposals on a spectrum management system that will interface with the JD Edwards system is being prepared for interested parties. All proposals will be considered, whereafter an appropriate spectrum management system will be chosen.

## Acknowledgements

I would like to thank Council, past and present employees whose valued contribution, dedication and diligence ensured that ICASA can deliver on its mandate and within its allocated budget. I would also like to thank Parliament's Portfolio Committee on Communications; the Honourable Dr Ivy Matsepe-Cassaburi MP, Minister of Communications; the Department of Communications under the stewardship of Director-General Ms. Lyndall Shope-Mafole; National Treasury and the Auditor-General for their continued support and guidance.



**Stanley Mamaregane**

**Acting Chief Executive Officer**

**31 July 2007**