

SABC may have new board this week, says Dlodlo

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The SABC board is likely to be approved this week and permanent executives will be appointed before the end of January, Communications Minister Ayanda Dlodlo told Parliament on Tuesday.



Minister of Communications Ayanda Dlodlo. Image: [GOS/Elmond Jiyane](#)

Dlodlo, who was leading a delegation from the SABC to discuss the broadcaster's latest annual report, faced tough questions from MPs on the crisis at the public broadcaster and the delays in appointing the board and executive directors.

The minister appeared to criticise the interim board for recommending "underqualified" candidates for the permanent senior executive positions of CEO, chief financial officer and chief operating officer.

It has been suggested that President Jacob Zuma wants to gain control of the SABC by delaying the announcement of a new board, so that he and Dlodlo can place their preferred candidates in executive positions.

A group of journalists at the public broadcaster has written to Parliament's communications portfolio committee articulating their concern over the possible "recapture" of the SABC.

The absence of a board and permanent executive directors has raised fears that the broadcaster's financial woes could

worsen. The auditor-general has warned about its going-concern status, noting that the entity was commercially insolvent at the end of March. The Treasury is considering a request for a R3bn guarantee.

The interim board, whose six-month term expired in September was tasked with ensuring the appointment of permanent executives. The board conducted interviews and submitted the names to Dlodlo for approval before its term ended, but the minister said the proposed individuals were not sufficiently qualified.

"I had to be circumspect when considering the SABC senior management appointments ... some [of the proposed candidates] had no executive level experience. Some were [TV/radio] presenters," Dlodlo said.

She said current legislation gave the minister the right to approve or decline suggested appointments for executive positions.

DA MP and communications spokesperson Phumzile Van Damme raised concern about Dlodlo's interference with the process to appoint the board, saying the broadcasting act did not allow the minister to be involved.

Current legislation requires Parliament's portfolio committee on communications to interview and shortlist candidates for the board and to present a final list to the president. Dlodlo said the Constitution did not preclude the minister from having a say, and in any case she was asked by the presidency to assist with the vetting process.

In September, Parliament drew up and adopted the 12 names of individuals to sit on the board. The list was submitted to Zuma, but he has yet to approve the proposed candidates, saying he wanted to ensure that they possessed the qualifications stated on their CVs, among other routine checks.

The SABC's 2016-17 annual report showed how bad management decisions, leadership instability, and the negative publicity the broadcaster received in recent months contributed to its enormous losses.

The broadcaster received an adverse audit opinion from the auditor-general and recorded a staggering loss of R1.1bn versus R593m in the previous financial year.

Contributing to its massive losses were the additional content costs owing to an increase in local content, increase in royalty fee payments, increase in sports rights, decrease in sponsorships and TV licence revenue, the coverage of unplanned events and above-inflation rate salary increases.

Acting CEO Nomsa Philiso told MPs that the broadcaster was looking to diversify its revenue streams to avoid relying predominantly on advertising. The SABC was therefore looking to build partnerships with various entities and to attract more sponsorships. The broadcaster was also embarking on cost containment initiatives, she said.

Source: Business Day