KWAZULU-NATAL PROVINCE

COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2020/21 FINANCIAL YEAR

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

PROVINCE OF KWAZULU-NATAL

VOTE NO. 11

GROWING
KWAZULU-NATAL
TOGETHER

2.2 CONTENT

2.5 PART C: GOVERNANCE

PART A- GENERAL INFORMATION

GROWING
KWAZULU-NATAL
TOGETHER

2.3.1. DEPARTMENT GENERAL INFORMATION

Department of Cooperative Governance and Traditional Affairs

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2.3.2. LIST OF ABBREVIATIONS/ACRONYMS

Acronym	Definition
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
ANC	African National Congress
APP	Annual Performance Plan
AU	African Union
BAS	Basic Accounting System
CAPEX	Capital Expenditure
CARC	Cluster Audit and Risk Committee
CFO	Chief Financial Officer
CMET	Comprehensive Monitoring and Evaluation Tool
CoC	Code of Conduct
COGTA	Department of Cooperative Governance and Traditional Affairs
COHOD	Committee Of Heads Of Departments
CSC	Community Service Centres
CWP	Community Works Programme
CSD	Central Supplier Database
DDA	District Development Agency
DDM	District Development Model
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EPWP	Expanded Public Works Programme
GREC	Governance, Risk and Ethics Committee
GRAP	Generally Recognized Accounting Practice
HDI	Historically Disadvantaged Individuals
HOA	Home Owners Allowance
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IYM	In Year Monitoring
KZN	KwaZulu-Natal
KZN COGTA	KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs
KZNTLGA	KwaZulu-Natal Traditional Governance and Leadership Act No.5 of 2005
LED	Local Economic Development
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPSA	Minister for the Public Service and Administration
MSA	Municipal Systems Act
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
OHS	Occupational Health and Safety
PIAS	Provincial Internal Audit Services
PFMA	Public Finance Management Act
PGDP	Provincial Growth and Development Plan
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDBIP	Service Delivery Budget Improvement Plan
SDF	Spatial Development Framework
SDG	Sustainable Development Goals
SDIP	Service Delivery Improvement Plan
SHE	Safety, Health and Environmental
SMME	Small, Medium and Micro Enterprise
SMS	Senior Management Services
SPLUMA	Spatial Planning and Land Use Management Act
TAC	Traditional Administrative Centres
TB	Tuberculosis
TC	Traditional Council

2.3.3. FOREWORD BY THE MEC

Mr S.E Hlomuka
MEC for Cooperative Governance
and Traditional Affairs, MPL

I am pleased to present the Annual Report for the 2020/2021 financial year for the Department of Cooperative Governance and Traditional Affairs. This report gives an overview of the efforts we directed towards empowering KZN's 54 municipalities and towards ensuring that they are managed optimally. This we have notably achieved against the backdrop of the Covid-19 pandemic – a global health emergency that has severely disrupted our lives and the economy since March 2020.

At the outset, I would like to report with pride that the department has received a clean audit for the 2020/2021 financial year. This is a major feat which builds on the clean audit performance in the previous audit cycle. Being able to manage our own resources is the ultimate recommendation for being able to inspire the same spirit of financial accountability in the entire sphere of local government in KZN. Our clean audit would not have materialised without the hard work of our team of officials.

Throughout 2020/2021, the department forged ahead with a range of innovative solutions, including the continuous assessment of the state of local government embarked upon in 2019 or the deployment of local government specialists to municipalities. Both of these initiatives have helped to create - and maintain - municipalities that are properly equipped and capacitated to govern and manage themselves towards long-term viability and sustainability.

Similarly, our rollout, during the year under review, of the District Development Model with the help of all relevant stakeholders contributed massively towards rationalising local economic development and service delivery at a district level. This novel development model may be young but its impact is already being felt in local government institutions which are now beginning to concentrate their planning budgeting and implementation of catalytic projects at a district level.

In the same breath, I would like to report on the completion of the KZN Provincial Water Master Plan during the year under review. As a department, we are immensely proud of this achievement which is already being lauded as a model for other provinces in tackling the perennial issue of water provision in municipalities. The plan outlines both the existing challenges and the long-, medium and short-term solutions for every community in our province.

As for challenges, our assessment of the latest audit outcomes of municipalities has revealed persistently high levels of unauthorised, irregular, fruitless and wasteful expenditure in a number of municipalities. This calls for renewed efforts in consequence management and, in response to the urgency, we provided targeted support and the requisite training for both councillors and municipal officials centred on the work of Municipal Public Accounts Committees.

Another challenge proved to be poor revenue collection in many municipalities. In some of them, this contributed to the non-payment of debt owed to Eskom which in turn led to threats of several municipalities facing disconnections from the national power grid. The department stepped in rapidly to assist municipalities with negotiating affordable payment plans with Eskom and these have largely eliminated all arrears due to the country's power utility during 2020/2021.

By far the greatest challenge of all came in March 2020 with the outbreak of the Covid-19 pandemic. Apart from the obvious damage to the socio-economic fabric of KZN, the spread of the novel coronavirus and the related lockdowns deepened poverty and in many instances also exacerbated various social ills in our communities. From our side as a department, the pandemic necessitated a major paradigm shift in our priorities and expenditure patterns in 2020/2021.

As I write, we continue to fight the spread of Covid-19 against the backdrop of a national vaccination campaign but, more importantly, we continue to assist municipalities to discharge their constitutional mandate as providers of basic services to communities. Our key approach to this global emergency is to provide the kind of targeted support our municipalities require so that they themselves become problem solvers where in matters most – in the communities they serve.

Throughout 2020/2021, we also laid the groundwork for the Local Government Elections scheduled to take place in late 2021 or early 2022. Although the elections are primarily the responsibility of the Independent Electoral Commission, the department plays a supporting role in ensuring that this democratic process unfolds as envisaged. After all, we believe that municipal elections ultimately enhance the legitimacy of local government among the general public.

Going forward, we will, as a department that supports the sphere of local government, also be working hard to alleviate the impact of the social unrest that swept through KZN in July 2021 and caused devastation in many of our municipalities. As always, we will be taking a bottom-up approach, engaging broadly with communities and businesses and providing support to local government institutions where necessary.

As I conclude, I wish to acknowledge the contribution of our Head of Department, Mr T Tubane, all managers and employees as well as various stakeholders to our achievements as we look towards economic recovery in a post-Covid era. Without their dedication and commitment this report would not be an account of the success that it is. I now have the pleasure of presenting this 2020/2021 Annual Report of KZN Cogta to the Provincial Legislature and all our stakeholders.

Approved by:______________________

MR. S.E. HLOMUKA - MPL

MEC OF THE DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

2.3.4. DEPUTY MINISTER STATEMENT (if applicable)

This is not applicable for KZN COGTA.

2.3.5. REPORT OF THE ACCOUNTING OFFICER

Mr T. Tubane

Head of Department for Cooperative Governance and Traditional Affairs

As the Accounting Officer, it is with a sense of accomplishment that we submit the 2020/21 Annual Report of the KZN Department of Cooperative Governance and Traditional Affairs (hereafter referred to as the "Department") to the Provincial Legislature, Provincial Treasury, the media and the general public. It is also pleasing to mention that the 2020/21 Annual Report follows a very successful financial year for the Department, as the Auditor-General rewarded our hard work with a clean audit report for both Vote 11 and for the Traditional Levies and Trust Account. This achievement echoes the Department's commitment to clean governance.

The synopsis of the 2020/21 Annual Report provides an outline of the key deliverables of the Department in the year under review. The report indicates that during the reporting period, the Department achieved 93% (103 of 111) planned annual targets set in the 2020/21 Annual Performance Plan and spent 100% of its allocated budget. The slight under expenditure of R 56 000 can be attributed to the number of debt written off that was lower than the anticipated amount. These achievements reverberates the Department's continued commitment to outstanding performance, accelerated service delivery and clean governance.

The 2020/21 financial year was an extremely challenging year in the work place and in communities across the world due to the impact of the Corona-19 pandemic. The Department alone lost 10 of its dedicated and valued employees in the financial year, which included two senior managers who were pivotal in servicing the institution of traditional leadership in the Province. However, despite such challenges, the Department remained committed in undertaking all legally permissible means to ensure clean governance. This included institutionalising specific measures to ensure the effective implementation of the audit improvement plan. One of such measures, included holding weekly Audit Warroom meetings (and daily meetings during the audit season) and other monthly Management meetings, in order to closely monitor the implementation of the audit improvement plan and to unblock challenges immediately when they were identified. The Department also prioritized the strict implementation of all identified controls in accordance with all applicable plans.

As we approach the end of the local government electoral term, the Department continues to discharge its constitutional mandate and responsibility to support, monitor and build the capacity of municipalities in the Province with diligence, guided by the available resources. In line with the National Development Plan and the Provincial Growth and Development Plan, economic transformation and job creation remained priorities in the implementation of departmental programmes. In the 2020/2021 financial year, the Department created 46 316 job opportunities, including 250 in-service trainees, 45 250 CWP workers, 500 municipal interns, 222 job opportunities through EPWP infrastructure projects monitoring, 36 infrastructure young professionals, 15 assistants to financial experts deployed to municipalities and 65 departmental interns. Of these, more than 12 000 are youth, more than 38 000 are females, and more than 400 are people living with disabilities.

In an effort to address various challenges in municipalities which often lead to regression in audit outcomes and governance matters, the Department, in the 2019/20 financial year, undertook an extensive assessment of the state of local government in the Province. The purpose was to identify key performance areas of focus in the upcoming financial year, to improve governance, ensure sound financial management and service delivery in municipalities. The assessment identified 21 municipalities as distressed. In response, targeted Municipal Improvement Plans were developed for each of the municipalities. Of the 21 municipalities supported with targeted interventions during 2020/2021, a total of 12 municipalities returned to stability. Close monitoring continues in the remaining municipalities and in municipalities under intervention through weekly Nerve Centre meetings and dedicated support through departmental Local Government Specialist allocated to each district.

The Department also continued to provide support to municipalities under constitutional intervention. During the 2020/2021 financial year, nine municipalities under intervention were monitored in line with the recovery plans. The recovery plans monitored include those of Mpofana, Msunduzi, Richmond, uThukela district, Inkosi Langalibalele, uMzinyathi district, Mtubatuba, eMadlangeni, and Abaqulusi municipalities. The intervention in Richmond was terminated as the municipality displayed vast improvement. Seven out of these nine municipalities have established War Rooms to monitor progress on interventions. The other two municipalities, namely, Nquthu and Umkhanyakude, were also placed under constitutional intervention in the financial year, although the decisions were subsequently met with some challenges, which have, however, been addressed.

The newly established District Development Model ("DDM") continues to enhance intergovernmental relations to achieve integrated planning, budgeting and implementation among the three spheres of government with our municipal districts at the forefront of these efforts. In 2020/2021, the Department facilitated the identification of the catalytic projects in the context of the DDM. Following the establishment of 11 DDM technical hubs, the process of finalising joint plans has commenced, which included the finalisation of district profiles and catalytic projects. This resulted in a joint understanding of the key issues impacting our communities. These issues became the key informants of the projects that sectors will be implementing. The Covid-19 pandemic delayed the process during 2020/2021 and in 2021/22, the Districts will finalise their list of catalytic projects, which will include provincial registered projects as per the Infrastructure Master Plan, the IDP and SDF projects, the DGDP projects and the recent Economic Recovery Projects, which will be subject to review and confirmation by the DDM structures.

The Department continues to monitor the yellow plant equipment provided to various municipalities in need and which was originally valued at R117,03 million, including graders, water tankers, rollers, excavators, waste trucks, honey suckers and TLBs. Through this initiative, the Department continues to record speedy delivery of water to communities with water challenges, especially in Ugu, uThukela and Amajuba.

The Department also successfully completed the state of service delivery infrastructure assessment in August 2020, which was aimed at assessing the state of existing water, sanitation and electricity infrastructure in each district and the metro. In the process, approximately 15 000 infrastructure sites or installations were physically assessed and 75 000 condition assessment reports were produced and digitally captured regarding the various components at these sites. The assessment was at a cost of R100-million. Its results form a key component of the KZN Provincial Water Master Plan that has been developed by the Department and which is a first of its kind. It contains an analysis of the current level of access and available water services in each ward in the province, an evaluation of the current demand and future trends, the estimates of projected and future demand (up to 2050), an analysis of available water resources focused on the smaller dams, and an extensive assessment of the condition of existing water infrastructure. The findings revealed that approximately 425 000 households in the Province still lack access to water via installed water infrastructure. The plan identifies the municipal wards where access is most limited and where efforts and resources need .to be directed.

The KZN Provincial Water Master Plan also demonstrates that the current re-instatement cost for dysfunctional water, sanitation and electricity infrastructure across the province is approximately R11- billion. The Department is now in possession of the facts on the ground and has ascertained the required budget attached to the immediate as well as long-term needs. This has placed the Department in a better position to lobby for funding and amendments to the national fiscal policy priorities in the 2021 /22 financial year.

The Department also made available a grant of R84-million to various Water Service Authorities to accelerate the delivery of water in some hotspots. This included acceleration projects in Ugu district, focusing on the Mtamvuna pump station upgrade of electricity supply to the value of R14-million, the installation of the salt containment berm on the Umzimkhulu river in Ugu district, additional 30 boreholes for Harry Gwala district to the value of R15-million, upgrade of water to the royal palaces to the value of R1 .9-million and another R2.3-million for Amajuba district to address urgent water challenges in eMadlangeni and Dannhauser. In partnership with MISA, the Department is also working on the Abaqulusi-Emondlo refurbishment of the WWTW to address compliance issues. A budget of R20-million was made available for this project, which is underway.

In 2020/2021, the Department rehabilitated 11 TACs in Umnini Trust, Isimahle, Khabazela, Ximba, Maphumulo, Manyavu, Cele P, Chwezi, Amangwane, Thoyana, and Khumalo (Ilembe) to ensure improved functionality of numerous Traditional Councils across the province. To facilitate public access to government services, two new Community Service Centres are being completed at Umvoti (Amatimatolo) and Maphumulo (Mvozane) at a combined cost of R23.9-million and will be operational in 2021/2022.

Two Digital Centres at Bergville and Kwambonambi were also completed and are operational in collaboration with the Moses Kotane Institute. Their contribution is towards youth technology upskilling, broader economic development and 41R implementation. The Community Development Centres also played a pivotal role in the fight against the Covid-19 pandemic by providing conduits for social relief awareness in addition to access to mobile clinics.

The Department continues to support Traditional Leadership in order for the sector to provide effective support to the communities. Following the Departmental assessment of 287 Traditional Councils in the Province to identify areas requiring intensive support, the Department continues to implement support plans developed for each Traditional Council to provide interventions towards self-sustainability and competency. A total of 13 family trees were also successfully updated in order to address some of the prevalent succession disputes. These included the Khanyile, Dlamini/Setuse, Shabalala, Dlamini/Makhuzeni, Matheni, Mpungose, Mkhize, Mkhulise, Molefe, Nkwanayana, Zulu/ Madzikane, Mabaso and Mdluli family trees. The Department is continuing to dedicate efforts in ensuring that all other prevalent succession disputes are resolved.

The Department has also continued to attend to the outstanding issues raised by the Traditional Councils and Amakhosi, such as the payment of sitting allowances for 1690 Traditional Council members and the payment of outstanding increment for izinduna. Various meetings were held in the 2020/21 financial year with the affected National Ministers and their Departments in an effort to finding a workable way forward.

With the above said, the Department continues to remain committed to ensuring the fulfilment of its constitutional and legislative mandates. The municipalities and the institutions of traditional leadership are central within these mandates. I wish to thank the Executive Authority for the trust placed on me as Accounting Officer of this Department. In addition, I also wish to extend appreciation to the management and staff of the Department as they were responsible for driving all the achievements in the 2020/21 financial year. We also appreciate the support and guidance from the KwaZulu-Natal Legislature Oversight Committees, including the Cooperative Governance and Traditional Affairs Portfolio Committee, the Standing Committee on Public Accounts, the Audit Committee as well as the KwaZuluNatal Provincial Treasury as our partner.

Approval and sign off

MR. T. TUBANE

HEAD OF DEPARTMENT

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 11

2.3.6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended on 31 March 2021.

Yours faithfully

MR. THANDO TUBANE

HEAD OF DEPARTMENT

COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

2.3.7. STRATEGIC OVERVIEW

Vision

Capable and Cooperative Governance for Sustainable Service Delivery.

Mission

"KZN COGTA will coordinate and foster cooperation amongst governance institutions and build capacity to accelerate delivery of high quality services to communities".

Values

VALUE	DEFINITION
Transparency, integrity, professionalism and objectivity	Allowing service beneficiaries and staff to ask questions and responding to their enquiries honestly, frankly and timeously.
A high standard of fiscal discipline and accountability	All expenditure be accounted for and be aligned to departmental objectives.
Value for money	Adding value to the lives of service beneficiaries.
Open communication and consultation	Listening to, taking account of the views and paying heed to the needs of service beneficiaries, when deciding what services should be provided.
Respect for staff and investment in them as a valued asset	Treating staff with consideration and respect and assigning development programmes in line with the Department's objectives and providing a wellness programme.
Recognition of performance excellence	Rewarding and recognising staff for good performance.
Service excellence through teamwork, sound planning and committed implementation	Support programmes developed by the Department are designed and monitored to impact on service beneficiaries.

2.3.8. LEGISLATIVE AND OTHER MANDATES

CONSTITUTIONAL MANDATE

The following Sections of the Constitution of Republic of South Africa, 1996 stipulate mandates of the Department of Cooperative Governance and Traditional Affairs:

- Section 139 provides for provincial intervention in local government. This intervention in municipalities, includes the issuing of directives, and managing interventions by the Provincial Executive Council in accordance with the provisions of section 139(1) (a), (b) and (c);
- Section 154 determines that provincial governments must provide support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions in accordance with the provisions of section 154(1) and (2);
- Section 155(5) and (6) determines the types of municipalities in KwaZulu-Natal, and establishes municipalities in KwaZulu-Natal, thereafter the Municipalities, by legislative and other measures, must be monitored and supported, in addition to which the Department must promote the development of local government capacity, to enable municipalities to perform their functions and manage their own affairs; and
- Section 155 (7) stipulates that provincial governments have legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in section 156(1).
- Chapter 12 of the Constitution of the Republic of South Africa, 1996 recognises the institution of traditional leadership and emphasises the significant role it plays in preserving the customs of traditional communities. It further defines the institution as an organ of state that justifies its place in the democratic dispensation especially in relation to governance issues.

LEGISLATIVE MANDATES

The Department administers the following legislations:

- Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Local Government: Municipal Financial Management Act, 2003 (Act No. 53 of 2003)
- Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004)
- Local Government Demarcation Act, 1998 (Act No. 6 of 2004)
- Local Government Municipal Electoral Act, 2000 (Act No. 27 of 2000)
- Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003)
- The National House of Traditional Leaders Act 2009 (Act No. 22 of 2009)
- The KwaZulu-Natal Traditional Leadership and Governance Act 2005 (Act Np. 5 of 2005)
- The White Paper on Traditional Leadership
- Disaster Management Act, 2002 (Act No. 57 of 2002)
- Spatial Planning and Land Use Management Act, 2013: (Act No. 16 of 2013)
- Infrastructure Development Act, 2014 (Act No. 23 of 2014)
- Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007)
- Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)
- KwaZulu-Natal Planning and Development Act, 2008 (Act No. 6 of 2008)
- KwaZulu-Natal Pounds Act, 2006 (Act No. 3 of 2006)
- KwaZulu-Natal Cemeteries and Crematoria Act, 1996 (Act No. 32 of 2000)
- KwaZulu-Natal Determination of Types of Municipalities Act, 2000 (Act No. 7 of 2000)
- KwaZulu-Natal Traditional Leadership and Governance Act, 2005 (Act No. 5 of 2005)
- Fire Brigade Services Act, 1987 (Act No. 99 of 1987)

POLICY MANDATES

Policy mandates in the past created the parameters within which laws are developed. For example, the White Paper on Developmental Local Government created the policy environment for the development of the Municipal Structures, Systems, Financial Management and Intergovernmental Relations Acts. Policy mandates are also associated with policy pronouncements such as: The National Development Plan (NDP), Medium Term Strategic Framework (MTSF) and the Provincial Growth and Development Plan (PGDP) which then enhance the mandate for Cooperative Governance.

Sustainable Development Goals (SDG)

Department contributes to the following Sustainable Development Goals:

- SDG 1: End Poverty
- SDG 5: Gender Equality
- SDG 6: Clean water and sanitation
- SDG 7: Affordable and clean energy
- SDG 8: Decent work and economic growth
- SDG 9: Infrastructure, industrialization and innovation
- SDG 10: Reduce inequality
- SDG 11: Sustainable cities and communities
- SDG 13: Climate action
- SDG 16: Peace, justice and strong institutions
- SDG 17: Strengthened partnerships for goals

African Union Agenda 2063

African Union Agenda is a "global strategy to optimise the use of Africa's resources for the benefits of all Africans" (African Union Agenda 2063, 2015:1). It is a robust plan based on Pan Africanism and Renaissance with the intentions of addressing past injustice, learning from the lessons of the past. At the same time, build a bright future for the continent. African Union (AU) commits itself to Pan African vision of "an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic in the international arena" (African Union Agenda 2063, 2015:1).

COGTA has an obligation towards goal 7 of the AU Agenda 2063, environmentally sustainable and climate resilience and natural disasters preparedness and prevention.

National Development Plan (NDP)

The National Development Plan is a plan for South Africa and provides a broad strategic framework to guide key choices and actions in order to eliminate poverty, reduce inequality and unemployment by 2030. The NDP approach draws extensively on the notion of capabilities, active citizenry and inclusive economy, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. As with the Freedom Charter, NDP calls on our people to be part of an active citizenry and to take greater collective responsibility for their own development.

COGTA contributes to the delivery of the following chapters of the NDP:

- Chapter 4: Economic infrastructure
- Chapter 5: Environmental sustainability and resilience
- Chapter 6: Inclusive rural economy
- Chapter 8: Transforming Human Settlements
- Chapter 13: Building safer communities
- Chapter 15: Nation building and social cohesion

African National Congress (ANC) 2019 Election Manifesto

The 2019 ANC Election Manifesto pursues the vision of the NDP and seeks to address the triple challenges of unemployment, poverty and inequality. The commitments contained in the manifesto are in the spirit of "Thuma Mina" and aims to provide a better life for all. The seven priorities of the manifesto have been categorised as follows:

- Transforming the economy to serve all the people
- Advancing social transformation
- Security and comfort for all
- Safe communities, safe lives
- Capable, honest government
- A nation united in diversity
- South Africa. Africa and the world

Medium Term Strategic Framework (MTSF) 2019 - 2024

The 2019-24 MTSF represent priorities derived from the Manifesto of the ruling party

The MTSF identifies key areas, priorities, or goals for implementation by the 6th Administration. The goals are as follows:

- Capable, Developmental & Honest Government
- Economy and Jobs
- Education, Skills and Health
- Social Wage
- Spatial Development & Human Settlements, Local Government
- Social Cohesion and Safe Communities
- Africa & The World

The precondition for successful implementation or the inhibitors is highly anchored on the following:

- Energy Supply risk from ESKOM and high cost of electricity
- Supply of water and high cost of Water
- Access to Rail particularly branch line network
- Access to good road infrastructure
- Good Governance at State Owned and Public Entities
- Implement Climate Change Adaptation and Mitigation
- Establish Economic Regulators in Water &Transport Sectors

The MTSF further identified Women, Youth and People Living with Disabilities as priority for the 6th Administration.

Provincial Growth and Development Plan (PGDP)

The KwaZulu-Natal Provincial Growth and Development Plan (PGDP) is a comprehensive document that addresses the enormous triple challenge of poverty, inequality and unemployment. The PGDP espouses the Provincial vision that KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World. This is a long-term plan, which sets ambitious but achievable targets that will be realised by the year 2035. The National Development Plan guides the Department's operations and expressed in the Provincial Growth and Development Plan as outlined in the strategic goals and objectives below.

STRATEGIC GOALS	OBJECTIVES
Inclusive Economic Growth	• Develop and promote the agricultural potential of KZN • Enhance sectoral development through trade investment and business retention • Enhance spatial economic development • Improve the efficiency, innovation and variety of government-led job creation programmes • Promote SMME and entrepreneurial development • Enhance the Knowledge Economy
Human Resource Development	• Improve Early Childhood Development, Primary and Secondary Education • Support Skills alignment to Economic Growth • Enhance youth and adult skills development and life-long learning
Human And Community Development	• Eradicate poverty and improve social welfare services • Enhancing Health of Communities and Citizens • Safeguard Sustainable Livelihoods & Food Security • Promote Sustainable Human Settlements • Enhancing Safety & Security • Advance Social Cohesion and social capital • Promote Youth, Gender and Disability Advocacy & the Advancement of Women
Infrastructure Development	• Development of Ports and Harbours Seaports and Airports • Development of Road & Rail Networks • Development of ICT Infrastructure • Ensure availability and sustainable management of water and • sanitation for all • Ensure access to affordable, reliable, sustainable and modern energy for all • Enhance KZN waste management capacity
Environmental Sustainability	• Enhance resilience of ecosystem services • Expand the application of green technologies • Adapt and respond to climate change
Governance and Policy	• Strengthen Policy, Strategy Co-ordination and Intergovernmental Relations (IGR) • Building Government Capacity • Eradicate Fraud & Corruption • Promote Participative, Facilitative & Accountable Governance
Spatial Equity	• Enhance the resilience of new and existing cities, towns and rural • nodes, ensuring equitable access to resources, social and economic opportunities • Ensure integrated land management use across the Province, ensuring equitable access to goods and services, attracting social and financial investment

KZN Poverty Eradication Master Plan

KZN Poverty Eradication Master Plan is a programme adopted by KZN government. The plan aims to ensure that government in partnership with all non-governmental partners work together to eradicate poverty through Operation Sukuma Sakhe. The KwaZulu-Natal Poverty Eradication Master Plan regards agriculture to be the principal driving force for rural economies in the Province. The plan focus on the five strategic pillars. These five strategic pillars include Social security, Agriculture, Enterprise development and Skills development.

Back to Basics

The government launched the "Back to Basics programme" with the theme of "Serving Our Communities Better" and with the objective of ensuring a focused and strengthened local government by getting the basics right, providing basic services efficiently and effectively and in a caring manner.

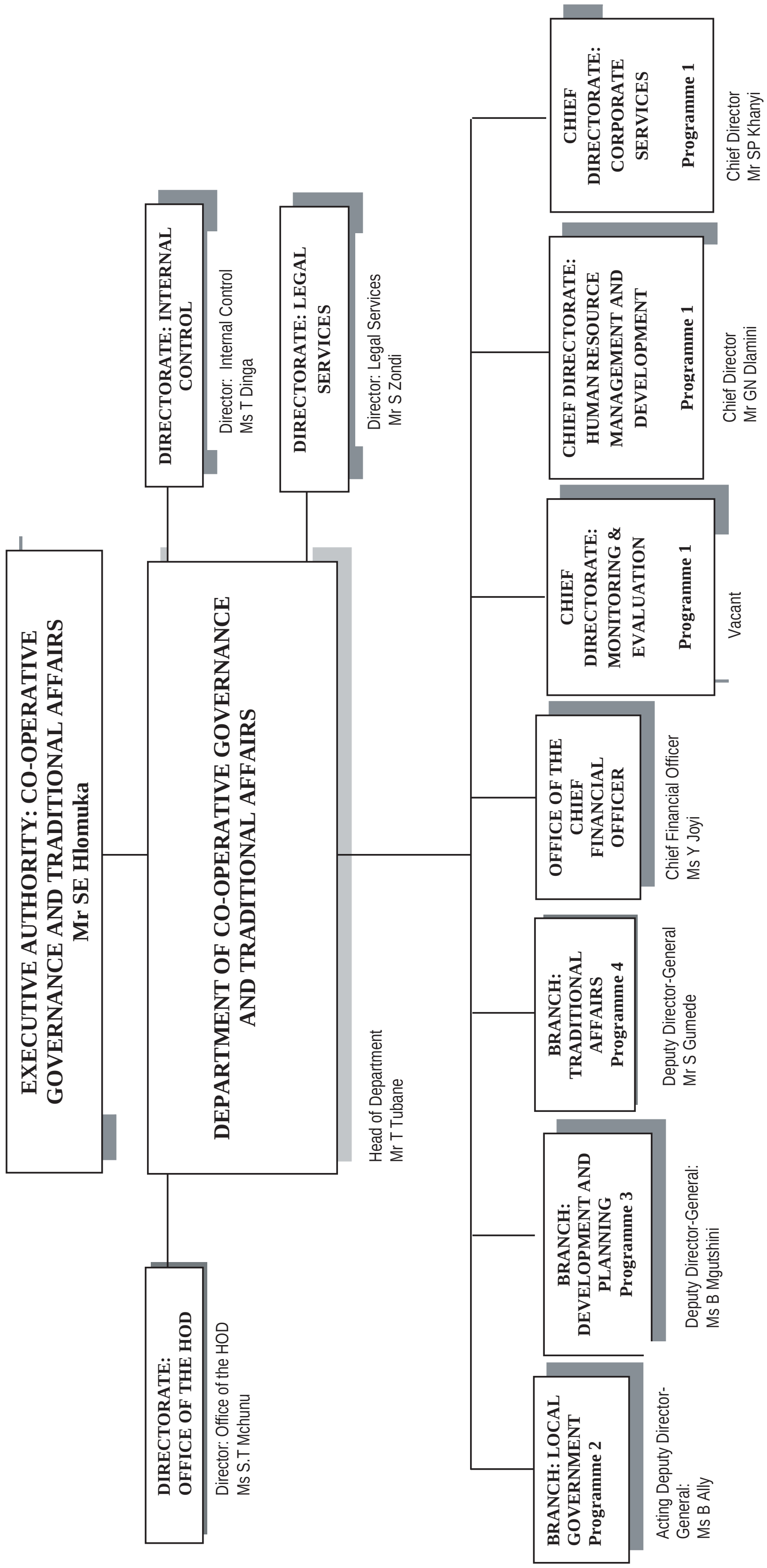
The five pillars of the programme are:

- Putting People First: Listening and communicate
- Adequate and community orientated service provision
- Good governance and transparent administration
- Sound financial management and accounting
- Robust institutions with skilled and capable staff.

The Back to Basics transformational agenda recognises that there are widely divergent levels of performance between different categories of municipalities – in terms of services, public engagement, good governance, financial management and technical capacity. The aim is to encourage all municipalities to become positively functional centres of good governance. There was also a need to set the proper standards for municipal performance.

- **Priority 1:** For those municipalities in a dysfunctional state, the aim was to provide support to them to perform at the very least the basic functions of local government. This will be through the monitoring of applicable policies and legislation and monitoring of performance to ensure accountability.
- **Priority 2:** For those municipalities who are functional but are not doing enough in critical areas of service delivery, they will receive support for them to progress to a higher path. Here the focus will be providing support to build strong municipal administrative systems and processes as well as to oversee the filling of administrative positions.
- **Priority 3:** Supported municipalities that are performing well to maintain their status as well as encouraged to move beyond the basics and transform the local space economy and integrate and densify communities to improve sustainability.
- **Priority 4:** Monitored municipalities in respect of their response to fraud and corruption in order to ensure that these practices are rooted out.

2.3.9. ORGANISATIONAL STRUCTURE



2.3.10. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC as indicated in the table below:

Name of Entity	Legislative Mandate	Financial Relationship	**Nature of Operations**
Nil	Nil	Nil	Nil

PART B - PERFORMANCE INFORMATION

GROWING KWAZULU-NATAL TOGETHER

2.4.1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 123 of the Report of the Auditor General, published as Part E: Financial Information.

2.4.2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

Service Delivery Environment

The 2020/21 financial year unfolded during the global Covi-19 pandemic – the single biggest challenge we have had to face as a country, province and the Department since the advent of democracy in 1994. The outbreak of Covid-19 pandemic necessitated a massive reprioritisation of all available resources through the implementation of cost-cutting exercise on our programmes.

The Department implemented cost-cutting exercise to restore the sustainability of the provincial focus without compromising on our key priorities to facilitate the rollout of basic services such as water, that was essential during the fight against the spread of Covid-19. The budget resource allocation continues to shrink, pressuring for efficient use resources but still maximize productivity with the little resources at our disposal.

The municipalities felt the socio-economic impact of Covid-19 as it affected their revenue collection significantly, while they had the responsibility to maintain the increasing demand for water and electricity. Unfortunately, the debt owed to municipalities drastically increased because consumers could not afford to pay for water and electricity services. The municipalities further fell back on their payments for water with the Water Boards and electricity with ESKOM.

Amidst the turbulence period brought about the Covid-19 pandemic on government operations, the Department continued with its developmental trajectory to ensure equitable access to basic services. Water remains a basic need for our communities. Therefore, the completion of the Provincial Water Master Plan was a priority. It will be important for all stakeholders to cooperate towards institutionalizing lasting solutions in addressing water challenges by prioritizing the implementation of the Water Master Plan. The Department further developed and implemented the Water intervention programme to address water challenges.

Consistent availability of Electricity is central to job creation and economic growth. It was this reason that the Department had to focus on addressing the electricity challenges facing the municipalities with the payment of debt owed to ESKOM. The Department facilitated successful engagements with the municipalities and ESKOM to support the municipalities for the benefit of the communities.

The Premier, Hon. Zikalala is the State of the Province Address, said, "We must quicken the tempo to lift our physical recovery, our emotional recovery, our economic recovery and create jobs. The successful implementation of CWP, Expanded Public Works Programme and various infrastructure related projects were central to the economic recovery. The Department is committed to the development of unemployed youth in the Province in order to ensure sustainability of the agenda of a capable state. As a result, the Department continue to implement internships programme and bursary programme to benefit the youth and women to work in the Department and in the municipalities.

The Department always remain committed to ensure good governance and sound financial management. The Audit Outcomes of 2019/20 proved this correct by achieving a clean audit from the Auditor-General. To emulate the similar success, the Department successfully implemented the Financial Expert Programme to support the municipalities to improve their audit outcomes. Furthermore, the Department made serious strides on the implementation of the District Development Model with the required structures developed and launched.

Infrastructure development is a catalyst for economic growth and future investment. Following the enforcing of the lockdown regulations, the Department had to accelerate water and sanitation provision. As a result, the Department successfully facilitated the sanitization of all municipal and traditional community spaces and public transport facilities.

Service Delivery Improvement Plan

The Department has completed and implemented a Service Delivery Improvement Plan. The tables below highlight the service delivery plan and the actual achievements.

Main services and standards

Key Service 1

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Support and strengthen capacity of municipalities to effectively deliver infrastructure services to the required standards	Municipalities	13 Water Service Authorities were supported in 2017/18 FY with yard water connections and provision of basic level of sanitation. 53 municipalities were monitored on the delivery of infrastructure as required standards	Support 31 municipalities in implementing infrastructure plans	Assessments for the state of infrastructure in municipalities was completed in the 2nd quarter of 2020/21 FY. Water masterplan was completed and presented to the Office of the Premier
			Strengthen the capacity of 31 municipalities to efficiently deliver infrastructure services	Project steering committee meetings were held in Big 6 Hlabisa LM (Ekuphindisweni/Gabadela projects), Mzumbe LM (Siphofu project), Msinga (mzweni projects) and eNdumeni LM (Fankomo project) For COGTA in-house programme, DRT approvals were achieved for the Abaqulusi ward 2,3 and Jozini ward 4 electrification projects COGTA supported Eskom in the stakeholder coordination for the implementation of the Ariadne-Venus 400KV transmission line that spans through Inkosi Langalibalele, Mpofana, mngeni, Msunduzi and Richmond LMs COGTA, in collaboration with the Office of the Premier held a community meeting in Abaqulusi ward 1 (Louwsburg) addressing the electricity related public protest issues
			Monitor 31 municipalities on the implementation of infrastructure delivery programmes	53 municipalities were monitored as per collated data set.
			53 municipalities supported with the implementation of the Municipal Infrastructure Grant	51 Municipalities were supported with Municipal Infrastructure Grant (MIG)

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation	Consultation will be done through the 11 District IGR forums	Coordinating structures are convened at provincial and district level to share water, sanitation, electricity, roads, and other infrastructure related programmes, progress and challenges.
Courtesy	Respond and acknowledge to municipal queries within 7 working days.	The coordinating structures are utilised to resolve challenges and provide intervention on issues related to municipal infrastructure
Access	Review and publish a step-by-step guideline to assist 31 municipalities with infrastructure planning circulated at IGR forums and Action Work Groups	The department supported Municipalities with compliance to Division of Revenue Act (DORA). The department continues to provide support with the preparation of payment schedules and drawdowns to ensure MIG transfers are aligned with municipal implementation plans, project readiness, municipal budgets and provincial targets.
Information	Information should be shared with municipalities 7 days before meetings via e-mails	Monthly meeting are held to support municipalities with project planning, financial performance, service delivery, compliance reporting and other conditions relating to infrastructure service delivery.
Openness & Transparency	Provide quarterly progress and feedback to stakeholders and beneficiaries on projects implemented.	Reports are shared with stakeholders in the coordinating forums.
Redress	100% of municipal infrastructure issues resolved.	100% of remedial actions were monitored for implementation
Value for money	100% of municipalities completing projects and submitting close out reports within timeframe and budget.	28.22% completed connections and 60% achieved for the massification project

Key Service 2

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provide support for community development to municipalities and institutions of traditional leadership	Municipalities	Sections C regarding Batho Pele was assessed on the draft IDPs for 2018/2019 financial year utilising the IDP Framework Guideline & Criteria issued to assess all municipalities. 17 municipalities indicated to have a Batho Pele policy and procedure manual as well as a Service Delivery Charter and Standards. 10 municipalities indicated to have an Service Delivery Improvement Plan (SDIP) in place and 12 indicated to have identified a service to be improved.	Support 54 municipalities with the implementation of Service Delivery Charter and Service Standards	54 Municipalities were supported with the implementation of SDIP, Service Delivery Charter and Service Standards in the year 2020/21 FY through a workshop and through the Provincial BP Forum

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation	1X quarterly Forum with Municipal BP/ Complaints Officer	Forums were held with municipal/ complaints officers per quarter of 2020/21 FY.
Courtesy	Respond to Municipal BP/ Complaints Officers queries within 7 working days	Over and above the 7 days standards, queries related to Batho Pele are addressed at the COGTA provincial Rapid Response and Integrated Complaints Forum and the Provincial BP Forum.
Access	Allocate and provide contact details of staff to support 54 municipalities on the implementation of Service Charter and SDIP	Contact details were shared with all municipal BP coordinators.
Information	Annual municipal Batho Pele learning network and the Forum meetings will be utilized to share information relevant to the successful implementation of BP at Local Government level.	Information of the implementation of BP and Service Delivery Improvement Plan was shared at the Provincial BP Forum on the 25-26th March 2021.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Openness & Transparency	IDP assessment reports shared with BP/ Complaints Officers on the status of BP at Local Government level	Reports on the status of municipalities were shared with coordinators at the quarterly Rapid Response and Integrated Complaints Forum.
Redress	100% of feedback surveys from municipalities analysed and communicated to municipal BP/ Complaints Officers	Feedback is provided to municipalities at the level of the Rapid Response and Integrated Complaints Forum.
Value for money	100% of municipalities implementing BP Programmes	63.6% of municipalities are implementing BP programmes.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Comprehensive Monitoring and Evaluation Tool (CMET)	CMET dashboard	10 Electronic dashboards implemented

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
The department utilises various sources of complaints mechanism as established by the policy mainly through complaints receive telephonically, suggestion boxes and Presidential hotline	Electronic complaints system	The electronic complaints system has not been implemented, however, the department is utilising a manual system of recording complaints that are received through e-mail, telephone, social media sites of the department and walk-ins. These are recorded on a register.

Organisational environment

The Department is structured around four programmes, which are as follows.

- Programme 1: Administration - is the support service for the other three Programmes by ensuring that staff in the Department are capacitated to perform their functions.
- Programme 2: Local Governance - responsible for supporting Local Government structures in the municipalities on governance, administration, and financial management, legislative mandates of the municipalities, public participation, and capacity building and monitoring the performance of the municipalities.
- Programme 3: Development and Planning - responsible to provide planning and development support to the municipalities in KwaZulu-Natal through implementing programmes to accelerate service delivery in the communities. This include providing support related to disaster management, infrastructure for basic services, spatial planning and enhancing Local Economic Development.
- Programme 4: Traditional Affairs - support the Institutions of Traditional leadership on governance, conflict management, partnerships and participation on Municipal Councils in terms of Section 81 of the Municipal Structures Act 1998 (Act No.117 of 1998).

As of 31 March 2021 KZNCOGTA had a total of 1218 filled posts. Males constitute 39.5% (481) while females constitute 60.5% (737) of the workforce. At the senior management level males constitutes 35% (19/53) and females is 64% (34/53). The recruitment and selection processes of the Department are categorically focused towards achieving the employment levels in accordance with the Department of Public Service and Administration (DPSA) Transformation targets.

Going forward, the Department will continue to focus on the following areas of employment policy or practice barriers, to drive the achievement of our employment equity targets as stipulated in the Employment Equity Plan; recruitment procedures, appointments, training and development, promotions, succession and experience planning, and retention of designated personnel.

RACE/GENDER PER SALARY LEVEL AS AT 31 MARCH 2021										POST STATUS INFORMATION			
Salary Level	African		Coloured		Indian		White		Grand Total	Active Filled	Active Vacant	Total Posts	Disabled Employees
	Female	Male	Female	Male	Female	Male	Female	Male					
1	0	0	0	0	0	0	0	0	0	0	0	0	0
2	11	4	0	0	0	0	0	0	15	15	0	15	0
3	28	27	0	0	0	0	0	0	55	55	6	61	0
4	3	16	0	0	0	0	0	0	19	19	3	22	1
5	82	51	1	1	3	2	1	1	142	142	11	153	12
6	275	153	1	0	1	1	4	1	436	436	6	442	2
7	70	20	1	0	8	2	4	0	105	105	12	117	5
8	50	42	5	1	6	5	7	0	116	116	7	123	3
9	32	19	4	0	4	2	1	0	62	62	16	78	2
10	24	10	1	0	7	5	4	6	57	57	3	60	3
11	25	27	1	1	3	6	2	2	67	67	17	84	0
12	23	41	0	1	9	8	2	7	91	91	8	99	2
13	17	11	1	0	4	1	2	1	37	37	10	47	0
14	7	4	0	0	1	0	1	0	13	13	3	16	0
15	1	1	0	0	0	0	0	0	2	2	1	3	0
16	0	1	0	0	0	0	0	0	1	1	0	1	0
TOTAL	648	427	15	4	46	32	28	18	1218	1218	103	1321	30

Disability target	2%
SMS Target for Female	50%
All level target for Female	54%

Percentage Economically Active Population Group	KZN EAP
	QLFS 4-2017
African Female	42.84%
African Male	43.72%
Coloured Female	0.72%
Coloured Male	1.01%
Indian Female	3.32%
Indian Male	4.93%
White Female	1.36%
White Male	2.10%
Total	100%

It is the responsibility of the Department to organise itself in a manner that will maximise service delivery whilst fulfilling its mandate. The Department has examined its internal organizational environment and agrees that it needs to reconfigure its working arrangement to enhance the responsibility of co-ordination within and outside the Department. This environmental change will have very significant impact in the next five years. With the new reconfigured arrangement, the Department anticipates becoming more vigorously responsive to the needs of its clients. In addition, filling of critical posts remains critical for COGTA. Continuous capacitating of employees as per Personal Development Plans will work towards improving the service delivery.

Key policy developments and legislative changes

There has been no major changes to relevant policies or legislation that affected our operations during the reporting period under review besides the Covid-19 outbreak.

2.4.3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACT AND OUTCOMES

COGTA is committed ensure that Local Government and Traditional Institutions improve their functionality. The main aim is to achieve the impact of "Sustainable, responsive and accountable Local Government and Traditional Institutions".

COGTA aim to realize this impact over five years through achieving the following outcomes:

a) Improved municipal and traditional institutional capacity
b) Improved coordination of service delivery
c) Improved institutional capacity.

Impact Statement	Outcomes	Outcome Indicators	Baseline	2021 Actual	5 Year Target	Comments
sustainable, responsive and accountable Local Government and Traditional Institutions	**1. Improved municipal and traditional institutional capacity**	1. Number of municipalities with improved audit outcomes	9	9	54	Eight municipalities recorded improvement in their audit outcomes. One municipality maintained the clean audit and no further improvement is possible.
		2. Number of municipalities under statutory interventions	9	10	0	Council resolved to terminate statutory intervention to one municipality, extended for eight municipalities and resolved for additional two municipalities to be under statutory interventions during the financial year.
		3. Number of Traditional Institutions with improved functionality	New	-*	307	*The process of assessing the functionality of the TC was not completed was not completed for 2020/21 financial year.
	2. Improved coordination of service delivery	4. Number of municipalities increasing households with access to basic services	New	-*	54	*The process of reconciling data on basic services provision was not completed due to certain important data that was not readily available for assessment.
	3. Improved institutional capacity	5. Number of Departmental Clean Audit outcomes achieved	0	1	5	Department achieved clean audit outcomes on AFS, Performance Information and Trust and Levies Account.

The Department will continue to place importance on providing hands on support to our clients. This aims to ensure that municipalities improve their audit outcomes, municipalities under statutory intervention improve their governance and financial systems and traditional institutions function optimally to improve service delivery in rural communities and increasing access to basic services.

2.4.4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME ONE: ADMINISTRATION

Programme Purpose

This programme is dedicated to supporting all sub-programmes with the Department to be able to render quality services to the municipalities under the umbrella of Corporate Services.

List of sub-programme:

1. Office of the MEC
2. Office of the Head of Department
3. Organisational Development and Efficiency Service
4. Human Capacity Development
5. Auxiliary Services
6. Information Communication Technology
7. Financial Management
8. Internal Control
9. Strategic Planning and Service Delivery
10. Monitoring
11. Evaluation
12. Policy and Research
13. Legal Services
14. Corporate Communications

List of institutional outcomes:

- Improved institutional capacity

Table: 2.4.4.1

Programme One : Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved institutional capacity	Site inspections conducted	**Number of site inspections conducted**	-	-	**2**	-	-	Target was not due in the 1st quarter but the 2nd and 4th quarter of 2021 financial year.	None
Improved institutional capacity	Clean Audit Opinion achieved	**Number of Departmental clean audit opinions achieved**	0	0	**1**	-	-	Target was not due in the 1st quarter but the 2nd quarter of 2021 financial year.	None
Improved institutional capacity	Payment of suppliers within 30 days	**Percentage of suppliers paid within the thirty day period**	94.75%	98%	**100%**	97%	-3%	Some invoices were not paid in 30 days due to (1) Incorrect order numbers being quoted, thus delaying the payment process, (2) Unavailability of funds and (3) delayed processing due to office shutdowns as result of positive Covid-19 cases	None
Improved institutional capacity	Development of Standard Operating Procedures	**Number of Standard Operating Procedures developed**	-	-	**12**	3	0	None	None
Improved institutional capacity	Organisational Functionality Assessment	**Number of Organisational Functionality Assessments undertaken**	-	-	**1**	-	-	Target was not due in the 1st quarter but the 4th quarter of 2021 financial year.	None
Improved institutional capacity	All employees disclosing financial interests	**Percentage of employees compliant with financial disclosure submission**	-	-	**100%**	-	-	Target was not due in the 1st quarter but the 2nd quarter of 2021 financial year.	None
Improved institutional capacity	Consequence management for under-performing staff	**Percentage of underperforming staff Performance Improvement Plans monitored**	-	-	**100%**	-	-	Target was not due in the 1st quarter but the 3rd quarter of 2021 financial year.	None
Improved institutional capacity	Creation of youth employment opportunities	**Number of interns appointed**	-	-	**32**	35	+3	A budget was available to appoint 3 more interns	None
Improved institutional capacity	Competency assessment conducted on Deputy and Assistant Directors	**Percentage of Deputy and Assistant Directors assessed for competency**	-	-	**100%**	-	-	Target was discontinued	Indicator was removed from the APP, due to the Departmental budget being cut by R2,029 million

Improved institutional capacity	Departmental Buildings compliant with the Occupational Health and Safety Act	**Percentage of Departmental Buildings compliant with the Occupational Health and Safety Act**	100%	100%	**100%**	100%	0%	None	The Technical Indicator description was for the indicator was amended to include compliance to COVID-19 regulations
Improved institutional capacity	Provision of ICT Systems in relation to departmental needs	**Percentage of compliance with ICT governance framework**	-	-	**100%**	75%	-25%	•The Desktop Disaster Recovery Plan (DRP) tests could not be conducted, as currently there was a technology change over servers. •Adapting to the new ways of working during the pandemic was not as fast as expected.	None
Improved institutional capacity	Mitigation for financial mismanagement	**Percentage reduction of UIFW**	-	-	**50%**	-	-	Target was not due in the 1st quarter but the 4th quarter of 2021 financial year.	None
Improved institutional capacity	Departmental programmes spending in line with the approved budget	**Percentage of programme budgets spent in accordance with approved budget**	4	4	**4**	4	0%	None	None
Improved institutional capacity	Procurement awarded to vulnerable groups	**Percentage of procurement awarded to SMMEs, Cooperatives, Townships/Rural Enterprises and people with disabilities**	49.45%	74%	**30%**	86%	81%	Demand Management section within the Department selects companies from Central Suppliers Database which are SMMEs, Cooperatives, Township/ Rural Enterprises and people with disabilities. The quarter 1 target is 5%.	None
Improved institutional capacity	Implementation of Procurement Plan	**Percentage compliance with the Procurement Plan**	84%	98.50%	**100%**	26.46%	1.46%	The procurement of the R29 million order for the Biometrics system resulted in the target being overachieved by 1%. The quarter 1 target is 25%.	None
Improved institutional capacity	Determination testing conducted on UIFW	**Percentage of transactions subjected to determination tests on UIFW conducted**	-	-	**100%**	100%	0%	None	None
Improved institutional capacity	Audits conducted on Bid Processes	**Percentage of bid compliance audits conducted**	-	-	**100%**	100%	0%	None	None
Improved institutional capacity	Financial transactions assessed to identify irregular expenditure	**Percentage of transactions assessed to identify irregular expenditure**	-	-	**100%**	0%	-100%	Financial transaction for this Quarter was not submitted to Internal Control by Finance in order to identify irregular expenditure.	None
Improved institutional capacity	Annual Performance Plan developed in line with National and Provincial Imperatives	**Number of Annual Performance Plans developed**	-	-	**1**	-	-	Target was not due in the 1st quarter but the 4th quarter of 2021 financial year.	None

Improved institutional capacity	Annual Operational Plans aligned to Strategic Plans	**Number Annual Operational Plans aligned to Strategic Plans**	-	-	**1**	-	-	Target was not due in the 1st quarter but the 4th quarter of 2021 financial year.	None
Improved institutional capacity	Excellence Programme implemented	**Number of excellence programmes implemented**	1	1	**1**	0	-1	Due to the nature of the Programme it was not possible for implementation, however nominations for a Special HODs Awards as a category of the main programme was implemented.	None
Improved institutional capacity	SDIP Implementation Monitored	**Number of SDIPs monitored**	1	1	**1**	1	0	None	None
Improved institutional capacity	Performance of the Department compliant with Annual Performance Plan requirements	**Number of Performance reviews conducted**	1	1	**4**	1	0	None The quarter 1 target is 1.	Technical indicator description was amended to exclude quarterly review sessions. Budget cuts and COVID-19 restrictions affected the hosting of the quarterly review sessions.
Improved institutional capacity	Evaluation of performance of departmental programmes	**Number of evaluation studies conducted on Departmental programmes**	8	8	**4**	1	0	None The quarter 1 target is 1.	None
Improved institutional capacity	Review of Departmental Policies	**Number of Policies reviewed**	8	25	**8**	2	2	None The quarter 1 target is 2.	None
Improved institutional capacity	Implementation of departmental policies monitored	**Percentage of policies monitored**	-	-	**100%**	100%	0%	None	None
Improved institutional capacity	Research studies undertaken to improve service delivery and innovation	**Number of research studies conducted**	8	8	**4**	1	0	None The quarter 1 target is 1.	None
Improved institutional capacity	Department compliant with legislation, policies and prescripts	**Percentage compliance with legislation**	60%	70%	**100%**	97%	-3%	Some intervention measures have not yet been implemented and the effects of others are not yet reflected.	None
Improved institutional capacity	Internal Communication Strategy implemented	**Number of Communication Strategies Implemented**	1	1	**1**	-	-	Target was not due in the 1st quarter but the 4th quarter of 2021 financial year.	None
Improved institutional capacity	Local Government Communication Plan implemented	**Number of Local Government Communication Plans implemented**	1	1	**1**	-	-	Target was not due in the 1st quarter but the 4th quarter of 2021 financial year.	None

PROGRAMME TWO: LOCAL GOVERNANCE

Programme Purpose:

The purpose of this Programme is to co-ordinate, support, promote and enhance governance administration and public participation in local government. Local Governance is responsible for supporting Local Government structures in the municipalities. The focus is to promote good governance; to coordinate municipal developments; to coordinate municipal IDP processes; to support municipalities to maintain sound financial management systems; to monitor the implementation of legislative mandates and policies of the municipalities; to promote community development and public participation; to enhance capacity and monitor the performance of the municipalities. This programme consists of the following sub-programmes:

List of sub-programme:

1. Local Government Specialists
2. Intergovernmental relations
3. IDP Coordination
4. Municipal Performance, Monitoring, Reporting and Evaluation
5. Municipal Governance and Administration
6. Synergistic Partnerships
7. Municipal Forensics
8. Municipal Finance
9. Public participation

List of institutional outcomes:

Improved municipal and traditional institutional capacity

ACHIEVEMENTS: PROGRAMME 2

Programme Two : Local Governance									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved municipal and traditional institutional capacity	Distressed municipalities supported	**Percentage of distressed municipalities supported**	-	-	**100%**	100%	0%	None	None
Improved coordination of service delivery	District & Metro Hubs operational	**Number of Districts and Metro Development Hubs operational**	-	-	**11**	11 established Districts and Metro Development Hubs	0	None	None
Improved coordination of service delivery	Technical Clusters operational	**Number of Technical Clusters supported**	-	-	**44**	44	0	None	None
Improved coordination of service delivery	Aligned integrated planning and implementation across departments and spheres of government	**Number of municipal IDPs aligned to One Plans (District Development Plans)**	-	-	**54**	54	0	None	Target was due and achieved in the 1st quarter
Improved coordination of service delivery	Ward Based Plans aligned to IDPs	**Number of municipalities with ward based plans aligned to IDPs**	44	44	**44**	44	0	None	Target was due and achieved in the 1st quarter
Improved coordination of service delivery	Support provided to Traditional Authorities to participate in IDP formulation and implementation	**Number of Traditional Authorities supported to participate in IDP process**	-	-	**11**	2	0	None The quarter 1 target is 2.	None
Improved coordination of service delivery	Support provided to municipalities to develop IDPs	**Number of municipalities supported with the development of IDPs**	**54**	54	**54**	54	0	None	Target was due and achieved in the 1st quarter
Improved coordination of service delivery	Municipalities supported with Performance Management Systems	**Number of municipalities supported to institutionalise performance management systems**	**54**	54	**54**	54	54	None	None
Improved coordination of service delivery	Municipal Performance Report Compiled	**Number of section 47 reports compiled as prescribed by the MSA**	1	1	**1**	1	0	None	Target was due and achieved in the 1st quarter

Improved coordination of service delivery	Municipal Evaluations conducted	**Number of evaluation studies conducted**	1	1	**1**	-	-	Not applicable	None
Improved coordination of service delivery	Quarterly Municipal Performance assessments conducted in monitoring implementation of municipal IDPs & SDBIP's	**Number of assessments conducted on municipal performance**	-	-	**4**	1	0	None The quarter 1 target is 1.	None
Improved municipal and traditional institutional capacity	Administration support provided to municipalities	**Number of municipalities supported to comply with the legal requirements for appointment of senior managers**	54	54	**54**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Oversight Structures Functional	**Number of Municipalities supported to maintain functional oversight structures**	-	-	**54**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Municipalities under intervention monitored in line with the municipal turn around plans	**Percentage of municipalities under intervention monitored in line with recovery plan**	-	-	**100%**	100%	0%	None	None
Improved municipal and traditional institutional capacity	Municipal accountability, consequence management, legislation and policies implemented	**Percentage of fraud, corruption and maladministration cases investigated**	100%	100%	**100%**	100%	0%	None	None
Improved municipal and traditional institutional capacity	Municipal accountability, consequence management, legislation and policies implemented	**Percentage of forensic investigation findings implemented**	-	-	**100%**	100%	0%	None	None
Improved municipal and traditional institutional capacity	Participation of Traditional Leaders in municipal councils	**Number of municipalities with the participation of traditional leaders**	52	52	**52**	52	0	None	None
Improved municipal and traditional institutional capacity	Reduction of UIFW in municipalities	**Percentage reduction in UIFW**	-	-	**10%**	-	-	Not applicable	None

Improved municipal and traditional institutional capacity	Municipalities achieving unqualified audit outcomes	**Number of municipalities supported to achieve unqualified audit outcomes**	-	-	**54**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Reduction of Eskom debt owed by municipalities	**Percentage reduction of Eskom Debt owed by municipalities**	-	-	**10%**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Reduction in consumer debt through active citizen participation (Masakhane Campaign)	**Percentage reduction in consumer debt**	-	-	**10%**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Reduction in Government Debt	**Number of municipalities supported to reduce government debt**	54	54	**54**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Section 131 of the MFMA submitted	**Number of Reports submitted on state of municipal finance in terms of section 131 of the MFMA**	1	1	**1**	0	-1	Due to COVID-19 and Lockdown the oversight reports and finalisation of the report has been delayed.	The finalisation of the section 131 Report was moved to the second quarter, in which the 7th of August 2020 was set as the amended deadline. As a result, the target was moved to the second quarter as per the amended deadline.
Improved municipal and traditional institutional capacity	Capacity Building strategy developed and implemented	**Number of integrated capacity building strategy for local government implemented**	-	-	**1**	1	0	None	The Technical Indicator Description was amended to incorporate to show support without accredited training. The roll out of some Accredited training courses was suspended due to budget cuts.

Improved municipal and traditional institutional capacity	Local Government Toolkit implemented	**Number of municipalities capacitated on the Local Government Toolkit**	-	-	**54**	-	-	Not applicable	The Technical indicator description was amended to incorporate one virtual workshop per quarter and discontinue on site workshops. The discontinuation of the workshops was due to budget cuts.
Improved municipal and traditional institutional capacity	Capacity Assessment conducted on District municipalities to implement District Development Model	**Number of Districts assessed on capacity to implement the District Development Model**	-	-	**10**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Skills Audit conducted on municipalities	**Number of skills audit conducted in municipalities**	-	**1**	**1**	-	-	Not applicable	None
Improved coordination of service delivery	Ward Committees functional	**Number of municipalities supported with functional ward committees**	44	44	**44**	44	0	None	None
Improved coordination of service delivery	Ward Committees functional	**Number of War Rooms with CDWs functional**	-	-	**320**	104	24	Covid-19 interventions were rendered through CDWs using their respective war rooms as platforms. The quarter 1 target is 80.	None
Improved coordination of service delivery	Municipal Rapid Response Teams functional	**Number of municipal Rapid Response Teams functional**	51	54	**44**	18	-26	Covid-19 regulations particularly on the restrictions of gatherings.	None

PROGRAMME THREE: DEVELOPMENT AND PLANNING

Programme Purpose:

The purpose of this programme is to promote informed integrated planning and development in the Province. Accelerated sustainable development can be achieved through effective integrated planning, local economic development and implementation of schemes and provision of basic services. This programme consists of the following sub-programmes:

List of sub-programme:

1. Local Economic Development (LED)
2. Spatial Planning
3. Development Information Services
4. Land Use Management
5. Survey Services
6. Municipal Infrastructure
7. Disaster Management

List of institutional outcomes:

- Improved coordination of service delivery

ACHIEVEMENTS: PROGRAMME 3

Programme Three: Development and planning

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved coordination of service delivery	Support functionality of District Development Agencies (DDAs)	**Number of District Development Agencies supported to achieve 80% functionality**	-	-	**10**	10	0	None	1st quarter target was achieved in terms of development of 10 support plans. 2 indicator and targets were subsequently created, with one focusing with the supporting the 7 functional District development agencies, while the second focused on the establishment of 3 agencies (Amajuba, Zululand and King Cetshwayo)
Improved coordination of service delivery	Monitor implementation of Municipal LED Strategies	**Number of municipal LED Strategies monitored for implementation**	-	-	**54**	-	-	Not applicable	None
Improved coordination of service delivery	Implementation of Red Tape reduction framework	**Number of municipalities monitored on the implementation of the Red Tape Reduction Framework**	-	-	**54**	-	-	Not applicable	The target was reduced from 54 to 41 as local municipalities fulfil the function of the implementation of the red tape reduction framework and not the district municipalities. Further to this Ethekwini Metro, KwaDukuza Local Municipality and Alfred Duma were excluded in the support on red tape reduction as they were supported by other stakeholders
Improved coordination of service delivery	Rehabilitated Towns	Number of small towns rehabilitated	-	-	**4**	-	-	Not applicable	Target was reduced to 2 in line with the Budget Cuts, as there was a R10 million-budget cut on the Programme. The prioritized municipalities were eDumbe and Mtubatuba local municipalities as there was funding commitments for the 2 municipalities.
Improved coordination of service delivery	Township/Village economies – facilitate Municipal implementation of the Township/ Village economy strategy	**Number of municipalities supported to institutionalise the Township/Village economy strategy**	-	-	**54**	-	-	Not applicable	The indicator was reworded to 'Number of municipalities supported with alignment to the Township/Village economy strategy' and the target was reduced from 54 to 44 municipalities. This is because of the delayed national process, which contributes to the implementation of the programme. Furthermore, Local Municipalities fulfil the function rather than district municipalities.

Improved coordination of service delivery	Increase participation in public employment programmes	**Number of CWP work opportunities monitored**	45 252	44 913	**40500**	-	-	Not applicable	Indicator and target was amended in line with budget cuts. The indicator was amended as the targeted number if jobs would have not been created due to financial constraints. The indicator was amended to 'Municipalities supported to implement the Community Works Programme'.
Improved coordination of service delivery	Increase participation in public employment programmes	**Number of EPWP work opportunities created**	1 757	1 837	**1500**	-	-	Not applicable	Target was reduced to 250 in line with budget cuts. A budget cut of R20 million was made on the programme. This resulted in the amendment of the target from 1500 to 250.
Improved coordination of service delivery	Utilisation of Yellow Plant Monitored	**Percentage of Yellow Plant fleet monitored on utilisation**	-	-	**100%**	-	-	Not applicable	None
Improved coordination of service delivery	Municipalities supported with Waste Management through EPWP	**Number of Municipalities supported with Waste Management**	-	-	**44**	-	-	Not applicable	None
Improved coordination of service delivery	Community Service Centres (CSCs) rehabilitated/ maintained	**Number of identified CSCs Rehabilitated/ maintained**	-	-	**39**	-	-	Not applicable	Target was reduced from 39 to 11. This was a result of a R8 million budget cut on the programme, resulting in the reduction in the number of CSCs identified for rehabilitation.
Improved coordination of service delivery	CSCs rehabilitated/ maintained	**Number of CSCs constructed**	-	-	**2**	-	-	Not applicable	None
Improved coordination of service delivery	Imizi Yezizwe rehabilitated/ maintained	**Number of Imizi Yezizwe rehabilitated**	-	-	**25**	-	-	Not applicable	Target was reduced from 25 to 2. This was as a result of the R31 million-budget cut on the programme, resulting in the reduction in the number of Imizi Yezizwe identified for rehabilitation.
Improved coordination of service delivery	Municipalities and TCs supported with functionality	**Number of municipalities supported with Grade 1 CSCs Functionality**	21	22	**22**	22	0	None	None
Improved coordination of service delivery	Municipalities and TCs supported with functionality	**Number of Traditional Councils supported with Grade 2 CSCs Functionality**	30	30	**30**	30	0	None	None

Improved coordination of service delivery	Municipalities supported with digitized service delivery	**Number of CSCs digitized**	-	-	**2**	-	-	Not applicable	None
Improved coordination of service delivery	Provincial SDF adopted	**Number of reviewed Provincial SDFs adopted**	-	-	**1**	-	-	Not applicable	The indicator was reworded to accommodate budget cuts on the Provincial SDF project. This was because of a 1 million-budget cut on the project. Further to this, the current pandemic restricted public engagements and this would have hindered the finalization of the SDF. The indicator was amended to 'Number of Draft Provincial SDFs developed'.
Improved coordination of service delivery	Municipal SDFs comply with SPLUMA Provisions	**Number of municipal SDFs compliant with SPLUMA development principle provisions**	54	54	**54**	-	-	Not applicable	None
Improved coordination of service delivery	Strengthened municipal enforcement of SPLUMA principles in Land Use Schemes	**Number of Schemes for historical spatially segregated towns reviewed**	-	-	**5**	-	-	Not applicable	Indicator and target was removed due to budget cuts. This was because of the R750 000 budget cut on the project.
Improved coordination of service delivery	Strengthened municipal enforcement of SPLUMA principles in Land Use Schemes	**Number of Land Use Schemes compliant with SPLUMA development principle provisions**	-	-	**29**	-	-	Not applicable	The target was reduced from 29 to 17. This was because of the R467 000-budget cut on the project.
Improved coordination of service delivery	District and Metro joined up Plan developed	**Number of District and Metro Joined-Up Plans developed**	-	-	**11**	-	-	Not applicable	None
Improved coordination of service delivery	Provincial Integrated Land Information System established	**Number of functional Integrated Land Information Systems implemented**	-	-	**1**	-	-	Not applicable	None
Improved coordination of service delivery	Spatial Equity Monitoring and Planning Tool maintained	**Number of functional Spatial Equity Monitoring and Planning Tool maintained**	-	-	**1**	1	0	None	None
Improved coordination of service delivery	Institutional GIS capacity strengthened	**Number of institutional GIS capacity strengthening programmes implemented**	-	-	**4**	1	0	None The quarter 1 target is 1.	None

Improved coordination of service delivery	Co-ordinated awareness programmes on the importance and impact of land use management and planning	Number of awareness programmes on the importance and impact of land use management and planning conducted	-	-	**4**	1	0	None The quarter 1 target is 1.	None
Improved coordination of service delivery	Municipalities supported towards Establishing functional Municipal Enforcement Units	**Number of Municipalities supported towards establishing functional Municipal Enforcement Units**	-	-	**30**	-	-	Not applicable	The indicator and target was removed. This was due to the Department noting from engagements with municipalities, which support more intense than that which was planned, needed to be provided in the establishment of enforcement units. It was established that the status quo in terms of enforcement was far dire and wider than anticipated.
Improved coordination of service delivery	Municipal development applications monitored	**Number of Municipalities monitored in terms of development applications**	-	-	**44**	44	44	None	None
Improved coordination of service delivery	Norms and Standards developed to regulate and guide land use management and planning on areas of provincial interest	**Number of Provincial Norms and Standards developed**	2	1	**1**	-	-	Not applicable	The indicator was reworded to accommodate budget cuts on the Norms and Standards project. This was because of a R762 000-budget cut on the project and staff capacity constraints. The indicator was reworded to 'Draft Provincial Norms and Standards developed'.
Improved coordination of service delivery	TCs supported to have clearly demarcated boundaries enabling integrated Land Use Management Systems	**Percentage of TCs supported with boundary applications**	100%	100%	**100%**	100%	0	None	None
Improved coordination of service delivery	Infrastructure coordinating structures functional (Water, Sanitation Task Team, Electricity Task Team, MIG Forum)	**Number of Infrastructure coordinating structures achieving 80% functionality**	-	-	**3**	3	0	None	None

Improved coordination of service delivery	Consolidated Provincial Water Master Plan	**Number of Provincial Water Master Plans developed**	-	0	**1**	1	0	None	Whilst the Water Master plan had been developed, request for the Premier's coordinating forum for additions into the plan were made. This then resulted in deadline being set for October 2020.
Improved coordination of service delivery	Water Service Authorities monitored on implementation of the Operation and Maintenance	**Number of WSAs monitored on the implementation of Operation and Maintenance**	-	-	**14**	14	0	None	None
Improved coordination of service delivery	Municipalities supported to increase yard water connections	**Number of municipalities supported with increasing yard water connections**	13	13	**13**	13	0	None	None
Improved coordination of service delivery	Municipalities supported to increase provision of basic level of sanitation services	**Percentage of sanitation projects monitored of implementation**	-	-	**100%**	100%	0%	None	None
Improved coordination of service delivery	Maintenance and refurbishment of municipal electricity networks supported	**Number of licensed electricity distributors (LEDs) assessed on state of electricity infrastructure**	-	-	**24**	-	-	Not applicable	None
Improved coordination of service delivery	Households electrified through grid connection	**Number of Households electrified through grid connection**	-	-	**450**	-	-	Not applicable	Indicator and target was amended due to budget cuts. This was a result of a R16 million-budget cut on the projects, to which municipalities would have not met the target due to budget constraints. The projects have been deferred to the next financial year. The indicator was amended to 'Number of municipalities supported with the implementation of electrification programmes'.
Improved coordination of service delivery	Gauging stations Monitored on refurbishment	**Percentage of gauging stations monitored for refurbishment**	-	-	**100%**	100%	0%	None	None
Improved coordination of service delivery	Reduce delays in water use licenses	**Percentage of water use licence applications monitored for approval**	-	-	**100%**	100%	0%	None	None

Improved coordination of service delivery	Develop electricity asset management framework	**Number of electricity asset management frameworks developed**	-	-	**1**	-	-	Not applicable	None
Improved coordination of service delivery	Annual assessment of all WSAs	**Number of WSAs assessed on the state of water infrastructure**	-	-	**14**	-	-	Not applicable	An amendment was made to the target, moving the timeframe from the 2nd quarter to the third quarter.
Improved coordination of service delivery	Bulk water supply projects monitored for Implemented	**Number of regional bulk infrastructure projects Monitored for implementation**	-	-	**10**	10	0	None	None
Improved coordination of service delivery	Alternative water resource supplies provided to municipalities	**Number of alternative water resource supply programmes implemented in municipalities**	-	-	**3**	-	-	Not applicable	The target was reduced from 3 to 2, due to a R65 million-budget cut on the programme.
Improved coordination of service delivery	Municipal Water Conservation/ Water Demand Management strategies Implemented	**Number of Municipal Water Conservation/ Water Demand Management strategies Implemented**	-	-	**1**	-	-	Not applicable	The indicator and target were removed from the Annual Performance Plan due to budget cuts. This was due to a R65 million-budget cut on the Programme.
Improved coordination of service delivery	Districts supported to improve spending on National Grants(MIG/RBIG)	**Number of Districts supported to improve spending on National Grants**	-	-	**10**	-	-	Not applicable	The indicator and target were amended due to budget cuts. A budget cut of R1, 2 million was made, affecting the planned appointment of an external service provider. The indicator was amended to 'Number of Districts monitored on the spending on National Grants'.
Improved coordination of service delivery	Districts supported with development of District Wide Infrastructure Plans	Number of Districts supported with development of District Wide Infrastructure Plans	-	-	**10**	-	-	Not applicable	Indicator and target was removed due to budget cuts along with the rationalization with Water Master Plan that includes chapter per district and similarly Energy Master Planning.
Improved coordination of service delivery	Energy Supply Management Strategy Developed	**Number of Energy Supply Management Strategy Developed**	-	-	**1**	-	-	Not applicable	Indicator and target was removed as the Provincial energy supply variables of the Strategy were covered in the State of Infrastructure assessments, Asset Management Assessments and the Energy Master Plan.

Improved coordination of service delivery	Municipalities supported to maintain functional Disaster Management Centres	**Number of municipalities supported to maintain functional Disaster Management Centres**	11	11	**11**	11	0	None	The Technical Indicator description was amended to include supporting municipal institutional arrangements and not include the provision of emergency relief equipment.
Improved coordination of service delivery	Integrated Communication systems installed	**Number of Integrated Communication systems installed**	0	0	**1**	-	-	Not applicable	Indicator and target were removed from the APP due to budget cuts. The indicator and target was included in the 2020/21 Annual Operation plan as a non-APP indicator
Improved coordination of service delivery	Disaster Management Advisory Forums held	**Number Provincial Disaster Management Advisory Forums held**	-	-	**4**	1	0	None The quarter 1 target is 1.	None
Improved coordination of service delivery	Municipalities supported on Fire Brigade Services	Number of municipalities supported on Fire Brigade Services	11	11	**11**	-	-	Not applicable	The Technical Indicator description was amended to include the development of the funding model for fire & rescue services.
Improved coordination of service delivery	Districts and Metro supported with the development of Disaster Management Policies	**Number of Districts and Metro supported with the development of Disaster Management Policies**	-	-	**11**	-	-	Not applicable	The Technical Indicator description was amended to include the development and review of the disaster management policy framework.

PROGRAMME FOUR: TRADITIONAL INSTITUTIONAL MANAGEMENT

Purpose of the Programme

The purpose of this programme it to support and enhance the capacity if traditional institutions. It provides support on the establishment and functionality of the Institution of Traditional Leadership in KZN province for good governance. Good governance is critical for the Institutions of Traditional Leadership to provide effective support to the communities. This programme consists of the following sub-programmes:

List of sub-programme:

1. Traditional Institutional Administration
2. Traditional Resources Administration

List of institutional outcomes:

- Improved municipal and traditional institutional capacity

ACHIEVEMENTS OF PROGRAMME 4

Programme Four: Traditional Affairs									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved municipal and traditional institutional capacity	Regulations to strengthen the regulatory environment within the traditional leadership institution developed	**Number of regulations/ guidelines/policies developed**	-	6	**16**	1	-15	There was no consultation and engagements with relevant stakeholders due to COVID 19 regulations. Most officials had no tools of trade.	None
Improved municipal and traditional institutional capacity	Performance management system developed	**Number of performance management system developed**	-	-	**1**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Resolution of succession claims/disputes	**Percentages of succession claims/disputes resolved**	100%	100%	**100%**	17%	-83%	The restrictions of national lockdown affected the performance of the department since the staff could not travel to conduct relevant meetings with imiNdeni to deal with conflicts.	None
Improved municipal and traditional institutional capacity	Functionality of the Provincial and Local House(s) and its sub-committees monitored	**Number of Provincial Houses monitored for functionality**	1	1	**1**	1	0	None	None
Improved municipal and traditional institutional capacity	Functionality of the Provincial and Local House(s) and its sub-committees monitored	**Number of Local Houses monitored for functionality**	11	11	**11**	11	0	None	None
Improved municipal and traditional institutional capacity	Maintained consolidated data base of support given to Amakhosi (Provincial House)	**Number of databases of coordinated government support maintained**	-	-	**1**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Maintained database of Izinduna	**Number of Izinduna Databases maintained**	-	-	**1**	-	-	Not applicable	None
Improved municipal and traditional institutional capacity	Amakhosi recognized	**Percentages recognitions Amakhosi concluded within 18 months of becoming vacant**	100%	100%	**100%**	100%	100%	None	None
Improved municipal and traditional institutional capacity	Family Trees updated	**Percentage of recognised Amakhosi with updated family trees**	100%	100%	**100%**	100%	100%	None	None
Improved municipal and traditional institutional capacity	Participation of Amakhosi in Municipal Councils supported	**Percentage of Amakhosi supported to participate in municipal councils**	-	-	**100%**	100%	100%	None	None
Improved municipal and traditional institutional capacity	Traditional Affairs turn around strategies implemented	**Number of Traditional Affairs turn around strategies implemented**	-	-	**1**	-	-	Not applicable	None

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PROGRAMME ONE: ADMINISTRATION

Table 2.4.4.2

Programme One : Administration								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Improved institutional capacity	Site inspections conducted	**Number of site inspections conducted**	-	-	2	**2**	**0**	None
Improved institutional capacity	Clean Audit Opinion achieved	**Number of Departmental clean audit opinions achieved**	0	0	1	1	0	None
Improved institutional capacity	Payment of suppliers within 30 days	**Percentage of suppliers paid within the thirty day period**	94.75%	98%	100%	94%	-6%	Non-availability of funds to pay suppliers because of budget reprioritisation in response to the Covid-19 pandemic. This was also coupled by the late certification of invoices and shut down of offices due to noted positive Covid-19 cases.
Improved institutional capacity	Development of Standard Operating Procedures	**Number of Standard Operating Procedures developed**	-	-	9	11	2	The overachievement was due to requests for unplanned SOP's being received in the 3rd quarter, and the Unit needing to finalise the additional requests within the quarter.
Improved institutional capacity	Organisational Functionality Assessment	**Number of Organisational Functionality Assessments undertaken**	-	-	1	1	0	None
Improved institutional capacity	All employees disclosing financial interests	**Percentage of employees compliant with financial disclosure submission**	-	-	100%	99%	-1%	13 employees did not submit financial disclosures due to 5 Exits from service, 5 officials on incapacity leave and 3 labour issues.
Improved institutional capacity	Consequence management for under-performing staff	**Percentage of underperforming staff Performance Improvement Plans monitored**	-	-	100%	100%	0%	None
Improved institutional capacity	Departmental Buildings compliant with the Occupational Health and Safety Act	**Percentage of Departmental Buildings compliant with the Occupational Health and Safety Act**	100%	100%	100%	100%	0%	None
Improved institutional capacity	Provision of ICT Systems in relation to departmental needs	**Percentage of compliance with ICT governance framework**	-	-	100%	100%	0%	None
Improved institutional capacity	Mitigation for financial mismanagement	**Percentage reduction of UIFW**	-	-	50%	98%	48%	The Department implemented controls to ensure the drop in UIFW. These controls included the operation of the HOD Audit War room, and the regular monitoring & assessments of transactions to determine possible UIFW.

Improved institutional capacity	Departmental Programmes spending in line with approved budget	**Number of programme budgets spent in accordance with approved budget**	4	4	4	4	0	None
Improved institutional capacity	Procurement awarded to vulnerable groups	**Percentage of procurement awarded to SMMEs, Cooperatives, Townships/Rural Enterprises and people with disabilities**	49.45%	74%	30%	45%	15%	During the planning stage, vulnerable groups in a number of industrial sectors were targeted. Most procurement that took place in the first two quarters related to these industrial sectors and this resulted in over-achievement of the target.
Improved institutional capacity	Implementation of Procurement Plan	**Percentage compliance with the Procurement Plan**	84%	98.50%	100%	100%	0%	None
Improved institutional capacity	Determination testing conducted on UIFW	**Percentage of transactions subjected to determination tests on UIFW conducted**	-	-	100%	100%	0%	None
Improved institutional capacity	Audits conducted on Bid Processes	**Percentage of bid compliance audits conducted**	-	-	100%	100%	0%	None
Improved institutional capacity	Financial transactions assessed to identify irregular expenditure	**Percentage of transactions assessed to identify irregular expenditure**	-	-	100%	100%	0%	None
Improved institutional capacity	Annual Performance Plan developed in line with National and Provincial Imperatives	**Number of Annual Performance Plans developed**	-	-	1	1	0	None
Improved institutional capacity	Annual Operational Plans aligned to Strategic Plans	**Number Annual Operational Plans aligned to Strategic Plans**	-	-	1	1	0	None
Improved institutional capacity	Excellence Programme implemented	**Number of excellence programmes implemented**	1	1	1	1	0	None
Improved institutional capacity	SDIP Implementation Monitored	**Number of SDIPs monitored**	1	1	1	1	0	None
Improved institutional capacity	Performance of the Department compliant with Annual Performance Plan requirements	**Number of Performance reviews conducted**	1	1	3	3	0	None
Improved institutional capacity	Evaluation of performance of departmental programmes	**Number of evaluation studies conducted on Departmental programmes**	8	8	3	3	0	None
Improved institutional capacity	Review of Departmental Policies	**Number of Policies reviewed**	8	25	6	36	30	The increased number of reviewed policies was caused by the request that all policies be reviewed annually.
Improved institutional capacity	Implementation of departmental policies monitored	**Percentage of policies monitored**	-	-	100%	100%	0%	None

Improved institutional capacity	Research studies undertaken to improve service delivery and innovation	**Number of research studies conducted**	8	8	3	3	0	None
Improved institutional capacity	Department compliant with legislation, policies and prescripts	**Percentage compliance with legislation**	60%	70%	100%	98%	-2%	Provincial house of Traditional Leaders could not be notified on the new recognitions or appointments for some of Amakhosi and Amabambabukhosi as required by the legislation. They will be notified going forward.
Improved institutional capacity	Internal Communication Strategy implemented	**Number of Communication Strategies Implemented**	1	1	1	1	0	None
Improved institutional capacity	Local Government Communication Plan implemented	**Number of Local Government Communication Plans implemented**	1	1	1	1	0	None

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

No	Areas of underperformance	Strategy to overcome underperformance
1	**Non-compliance to certain statutory processes:** This relates to employee submitting the financial disclosures, payment of suppliers within 30 days and compliance with legislation	Recommend that the financial disclosure system to allow officials who had exited public service on the day opening the system not to be included in the system.
		Non-compliance reports will be shared with management for further investigation and actions
		Strict measures will be taken against non-compliant staff
		Notify the Provincial House of Traditional Leaders on all recognitions or appointments.

PROGRAMME TWO: LOCAL GOVERNANCE

Table 2.4.4.2

Programme Two : Local Governance								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Improved municipal and traditional institutional capacity	Distressed municipalities supported	**Percentage of distressed municipalities supported**	-	-	100%	100%	0%	None
Improved coordination of service delivery	District & Metro Hubs operational	**Number of Districts and Metro Development Hubs operational**	-	-	11	10	-1	Umkhanyakude structure is not operational due to the fact there are governance challenges experienced in the district municipality and that the clusters had not met.
Improved coordination of service delivery	Technical Clusters operational	**Number of Technical Clusters supported**	-	-	44	44	0	None
Improved coordination of service delivery	Support provided to Traditional Authorities to participate in IDP formulation and implementation	**Number of Traditional Authorities supported to participate in IDP process**	-	-	9	9	0	None
Improved coordination of service delivery	Municipalities supported with Performance Management Systems	**Number of municipalities supported to institutionalise performance management systems**	54	54	54	54	0	None
Improved coordination of service delivery	Municipal Evaluations conducted	**Number of evaluation studies conducted**	1	1	1	1	0	None
Improved coordination of service delivery	Quarterly Municipal Performance assessments conducted in monitoring implementation of municipal IDPs & SDBIP's	**Number of assessments conducted on municipal performance**	-	-	3	3	0	None
Improved municipal and traditional institutional capacity	Administration support provided to municipalities	**Number of municipalities supported to comply with the legal requirements for appointment of senior managers**	54	54	54	54	0	None
Improved municipal and traditional institutional capacity	Oversight Structures Functional	**Number of Municipalities supported to maintain functional oversight structures**	-	-	54	54	0	None

Improved municipal and traditional institutional capacity	Municipalities under intervention monitored in line with the municipal turn around plans	**Percentage of municipalities under intervention monitored in line with recovery plan**	-	-	100%	100%	0%	None
Improved municipal and traditional institutional capacity	Municipal accountability, consequence management, legislation and policies implemented	**Percentage of fraud, corruption and maladministration cases investigated**	100%	100%	100%	100%	0%	None
Improved municipal and traditional institutional capacity	Municipal accountability, consequence management, legislation and policies implemented	**Percentage of forensic investigation findings monitored for implementation**	-	-	100%	100%	0%	None
Improved municipal and traditional institutional capacity	Participation of Traditional Leaders in municipal councils	**Number of municipalities with the participation of traditional leaders**	52	52	52	52	0	None
Improved municipal and traditional institutional capacity	Reduction of UIFW in municipalities	**Percentage reduction in UIFW**	-	-	10%	35%	25%	The Department supported MPACs through workshops on roles and responsibilities, especially in terms of UIFW investigations. The Department also monitored the status of the UIFW within municipalities and developed guidelines to assist municipalities in reducing UIFW.
Improved municipal and traditional institutional capacity	Participation of Traditional Leaders in municipal councils	**Number of municipalities with the participation of traditional leaders**	52	52	52	52	0	None
Improved municipal and traditional institutional capacity	Reduction of UIFW in municipalities	**Percentage reduction in UIFW**	-	-	10%	35%	+25%	The Department supported MPACs through workshops on roles and responsibilities, especially in terms of UIFW investigations. The Department also monitored the status of the UIFW within municipalities and developed guidelines to assist municipalities in reducing UIFW.
Improved municipal and traditional institutional capacity	Municipalities achieving unqualified audit outcomes	**Number of municipalities supported to achieve unqualified audit outcomes**	-	-	54	54	0	None
Improved municipal and traditional institutional capacity	Reduction of Eskom debt owed by municipalities	**Percentage reduction of Eskom Debt owed by municipalities**	-	-	10%	33%	+13%	3 of the 7 (Abaqulusi, Mthonjaneni and Msunduzi) municipalities settled their debts earlier than planned. This as a result improved the reduction percentage
Improved municipal and traditional institutional capacity	Reduction in consumer debt through active citizen participation (Masakhane Campaign)	**Percentage reduction in consumer debt**	-	-	10%	-	-	The analysis of consumer debt would have been undertaken based on audited financial statements for the financial year ending June 2020. An MFMA exemption was granted due to the impact of Covid-19 extending timeframes for submission of AFS to 31 May 2021.

Improved municipal and traditional institutional capacity	Reduction in Government Debt	**Number of municipalities supported to reduce government debt**	54	54	54	54	0	None
Improved municipal and traditional institutional capacity	Section 131 of the MFMA submitted	**Number of Reports submitted on state of municipal finance in terms of section 131 of the MFMA**	1	1	1	1	0	None
Improved municipal and traditional institutional capacity	Capacity Building strategy developed and implemented	**Number of integrated capacity building strategy for local government implemented**	-	-	1	1	0	None
Improved municipal and traditional institutional capacity	Local Government Toolkit implemented	**Number of municipalities capacitated on the Local Government Toolkit**	-	-	54	54	0	None
Improved municipal and traditional institutional capacity	Capacity Assessment conducted on District municipalities to implement District Development Model	**Number of Districts assessed on capacity to implement the District Development Model**	-	-	10	10	0	None
Improved municipal and traditional institutional capacity	Skills Audit conducted on municipalities	**Number of skills audit conducted in municipalities**	-	1	1	1	0	None
Improved coordination of service delivery	Ward Committees functional	**Number of municipalities supported with functional ward committees**	44	44	44	44	0	None
Improved coordination of service delivery	Ward Committees functional	**Number of War Rooms with CDWs functional**	-	-	240	240	0	None
Improved coordination of service delivery	Municipal Rapid Response Teams functional	**Number of municipal Rapid Response Teams functional**	51	54	44	44	0	None

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

No	Areas of underperformance	Strategy to overcome underperformance
1	Umkhanyakude Development Hubs not operational in 4th quarter of the financial year	Attend to the governance challenges affecting the development hubs at Umkhanyakude.
		Support the structures to be operational.
		Conduct quarterly assessments to determine their state of being operational.

PROGRAMME THREE: DEVELOPMENT AND PLANNING

Table 2.4.4.2

Programme Three : Development and planning								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Improved coordination of service delivery	Support functionality of DDAs	**Number of District Development Agencies supported to achieve 80% functionality**	-	-	7	7	0	None
Improved coordination of service delivery	Support the establishment of DDAs	**Number of District Development Agencies supported with establishment**	-	-	3	3	0	None
Improved coordination of service delivery	Monitor implementation of Municipal LED Strategies	**Number of municipal LED Strategies monitored for implementation**	-	-	54	54	0	None
Improved coordination of service delivery	Implementation of Red Tape reduction framework	**Number of municipalities monitored on the implementation of the Red Tape Reduction Framework**	-	-	41	41	0	None
Improved coordination of service delivery	Rehabilitated Towns	**Number of small towns rehabilitated**	-	-	2	0	-2	The 2 projects implemented in eDumbe and Mtubatuba could not be completed by the end of the 2020/2021 financial year as they are multiyear projects
Improved coordination of service delivery	Township/Village economies – facilitate Municipal implementation of the Township/ Village economy strategy	**Number of municipalities supported with alignment to the Township/Village economy strategy**	-	-	44	44	0	None
Improved coordination of service delivery	Municipalities supported to implement the Community Works Programme	**Number of Municipalities supported to implement the Community Works Programme**	-	-	44	44	0	None
Improved coordination of service delivery	Increase participation in public employment programmes	**Number of EPWP work opportunities created**	1757	1837	250	250	0	None

Improved coordination of service delivery	Utilisation of Yellow Plant Monitored	**Percentage of Yellow Plant fleet monitored on utilisation**	-	-	100%	100%	0%	None
Improved coordination of service delivery	Municipalities supported with Waste Management through EPWP	**Number of Municipalities supported with Waste Management**	-	-	44	44	0	None
Improved coordination of service delivery	CSCs rehabilitated/ maintained	**Number of identified CSCs Rehabilitated/ maintained**	-	-	11	11	0	None
Improved coordination of service delivery	CSCs rehabilitated/ maintained	**Number of CSCs constructed**	-	-	2	2	0	None
Improved coordination of service delivery	Imizi Yezizwe rehabilitated/ maintained	**Number of Imizi Yezizwe rehabilitated**	-	-	2	2	0	None
Improved coordination of service delivery	Municipalities and TCs supported with functionality	**Number of municipalities supported with Grade 1 CSCs Functionality**	21	22	22	22	0	None
Improved coordination of service delivery	Municipalities and TCs supported with functionality	**Number of Traditional Councils supported with Grade 2 CSCs Functionality**	30	30	30	30	0	None
Improved coordination of service delivery	Municipalities supported with digitized service delivery	**Number of CSCs digitized**	-	-	2	2	0	None
Improved coordination of service delivery	Draft Provincial SDF developed	**Number of Draft Provincial SDFs developed**	-	-	1	1	0	None
Improved coordination of service delivery	Municipal SDFs comply with SPLUMA Provisions	**Number of municipal SDFs compliant with SPLUMA development principle provisions**	54	54	54	54	0	None
Improved coordination of service delivery	Strengthened municipal enforcement of SPLUMA principles in Land Use Schemes	**Number of Land Use Schemes compliant with SPLUMA development principle provisions**	-	-	17	17	0	None
Improved coordination of service delivery	District and Metro joined up Plan developed	**Number of District and Metro Joined-Up Plans developed**	-	-	11	0	-11	Poor of cooperation and participation by relevant stakeholders

Improved coordination of service delivery	Provincial Integrated Land Information System established	**Number of functional Integrated Land Information Systems implemented**	-	-	1	1	0	None
Improved coordination of service delivery	Spatial Equity Monitoring and Planning Tool maintained	**Number of functional Spatial Equity Monitoring and Planning Tool maintained**	-	-	1	1	0	None
Improved coordination of service delivery	Institutional GIS capacity strengthened	**Number of institutional GIS capacity strengthening programmes implemented**	-	-	3	3	0	None
Improved coordination of service delivery	Co-ordinated awareness programmes on the importance and impact of land use management and planning	**Number of awareness programmes on the importance and impact of land use management and planning conducted**	-	-	3	3	0	None
Improved coordination of service delivery	Municipal development applications monitored	**Number of Municipalities monitored in terms of development applications**	-	-	44	44	0	None
Improved coordination of service delivery	Norms and Standards developed to regulate and guide land use management and planning on areas of provincial interest	**Number of Draft Provincial Norms and Standards developed**	2	1	1	1	0	None
Improved coordination of service delivery	TCs supported to have clearly demarcated boundaries enabling integrated Land Use Management Systems	**Percentage of TCs supported with boundary applications**	100%	100%	100%	100%	0%	None
Improved coordination of service delivery	Infrastructure coordinating structures functional (Water, Sanitation Task Team, Electricity Task Team, MIG Forum)	**Number of Infrastructure coordinating structures achieving 80% functionality**	-	-	3	3	0	None
Improved coordination of service delivery	Consolidated Provincial Water Master Plan	**Number of Provincial Water Master Plans developed**	-	0	1	1	0	None

Improved coordination of service delivery	Water Service Authorities monitored on implementation of the Operation and Maintenance	**Number of WSAs monitored on the implementation of Operation and Maintenance**	-	-	14	14	0	None
Improved coordination of service delivery	Municipalities supported to increase yard water connections	**Number of municipalities supported with increasing yard water connections**	13	13	13	13	0	None
Improved coordination of service delivery	Municipalities supported to increase provision of basic level of sanitation services	**Percentage of sanitation projects monitored of implementation**	-	-	100%	100%	0%	None
Improved coordination of service delivery	Maintenance and refurbishment of municipal electricity networks supported	**Number of licensed electricity distributors (LEDs) assessed on state of electricity infrastructure**	-	-	24	24	0	None
Improved coordination of service delivery	Municipalities supported with the implementation of electrification programmes	**Number of municipalities supported with the implementation of electrification programmes**	-	-	15	17	+2	An urgent Departmental intervention was needed in uMdoni as the 20/21 INEP grant for its 3 electrification projects was to be withdrawn by the Department of Minerals & Energy due to reporting non-compliance. Impendle was supposed to be supported in the second quarter, but due the municipality's readiness matters, their support was postponed to the 4th quarter
Improved coordination of service delivery	Gauging stations Monitored on refurbishment	**Percentage of gauging stations monitored for refurbishment**	-	-	100%	100%	0%	None
Improved coordination of service delivery	Reduce delays in water use licenses	**Percentage of water use licence applications monitored for approval**	-	-	100%	100%	0%	None
Improved coordination of service delivery	Energy Masterplans developed	**Number of Energy Masterplans developed**	-	-	1	1	0	None
Improved coordination of service delivery	Annual assessment of all WSAs	**Number of WSAs assessed on the state of water infrastructure**	-	-	13	13	0	None
Improved coordination of service delivery	Bulk water supply projects monitored for Implemented	**Number of regional bulk infrastructure projects Monitored for implementation**	-	-	10	10	0	None
Improved coordination of service delivery	Alternative water resource supplies provided to municipalities	**Number of alternative water resource supply programmes implemented in municipalities**	-	-	2	2	0	None

Improved coordination of service delivery	Districts monitored on the spending of National Grants	**Number of Districts monitored on the spending on National Grants**	-	-	10	10	0	None
Improved coordination of service delivery	Electricity Asset Management Framework developed	**Number of Electricity Asset Management Frameworks developed**	-	-	1	1	0	None
Improved coordination of service delivery	Municipalities supported to maintain functional Disaster Management Centres	**Number of municipalities supported to maintain functional Disaster Management Centres**	11	11	11	11	0	None
Improved coordination of service delivery	Disaster Management Advisory Forums held	**Number Provincial Disaster Management Advisory Forums held**	-	-	3	3	0	None
Improved coordination of service delivery	Municipalities supported on Fire Brigade Services	**Number of municipalities supported on Fire Brigade Services**	11	11	11	11	0	None
Improved coordination of service delivery	Districts and Metro supported with the development of Disaster Management Policies	**Number of Districts and Metro supported with the development of Disaster Management Policies**	-	-	11	11	0	None

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

No	Areas of underperformance	Strategy to overcome underperformance
1.	**Small Town Rehabilitation projects not finalized.**	To accommodate this project to be multi-year in the Departmental planning processes.
2	**The development of Districts and Metro Joined-up Plans not finalized**	To encourage the cooperation and participation of all relevant stakeholder.
		To facilitate the development of Joined-up plans to be finalized by the end of the 1st quarter of 2021/22.

PROGRAMME FOUR: TRADITIONAL AFFAIRS

Table 2.4.4.2

Programme Four : Traditional Affairs								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Improved municipal and traditional institutional capacity	Regulations to strengthen the regulatory environment within the traditional leadership institution developed	**Number of regulations/ guidelines/policies developed**	-	6	15	15	0	None
Improved municipal and traditional institutional capacity	Performance management system developed	**Number of performance management system developed**	-	-	1	1	0	None
Improved municipal and traditional institutional capacity	Resolution of succession claims/ disputes	**Percentages of succession claims/ disputes resolved**	100%	100%	100%	81%	-19%	The achievement of the target was affected by the restrictions of national lockdown. The staff could not travel to conduct meetings to be able to resolve disputes with the financial year.
Improved municipal and traditional institutional capacity	Functionality of the Provincial and Local House(s) and its sub-committees monitored	**Number of Provincial Houses monitored for functionality**	1	1	1	1	0	None
Improved municipal and traditional institutional capacity	Functionality of the Provincial and Local House(s) and its sub-committees monitored	**Number of Local Houses monitored for functionality**	11	11	11	11	0	None
Improved municipal and traditional institutional capacity	Maintained consolidated data base of support given to Amakhosi (Provincial House)	**Number of databases of coordinated government support maintained**	-	-	1	1	0	None
Improved municipal and traditional institutional capacity	Maintained database of Izinduna	**Number of Izinduna Databases maintained**	-	-	1	1	0	None
Improved municipal and traditional institutional capacity	Amakhosi recognized	**Percentages recognitions Amakhosi concluded within 18 months of becoming vacant**	100%	100%	100%	100%	0%	None
Improved municipal and traditional institutional capacity	Family Trees updated	**Percentage of recognised Amakhosi with updated family trees**	100%	100%	100%	100%	0%	None

Improved municipal and traditional institutional capacity	Participation of Amakhosi in Municipal Councils supported	**Percentage of Amakhosi supported to participate in municipal councils**	-	-	100%	100%	0%	None
Improved municipal and traditional institutional capacity	Traditional Affairs turn around strategies implemented	**Number of Traditional Affairs turn around strategies implemented**	-	-	1	1	0	None

STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

No	Areas of underperformance	Strategy to overcome underperformance
1.	**Succession claims/disputes not finalized on time for the 4th quarter:** Achievement of the target was affected by national lockdown when the country was moved from alert level one to level three	Develop and implement an action plan for these outstanding dispute matters to be resolved within the 1st quarter of 2021/22 financial year.

Performance in relation to Standardized Outputs and Output Indicators for Sector with Concurrent Functions

Not applicable in the financial year 2020/21. The new planning cycle often includes the Planning Framework for the term and a standard set of indicators to be used for the term.

Based on the above, the Planning Framework for the term was finalized. However, the process of finalizing the standardized indicators to be used for the term had not been concluded in time to be used in the 2020/2021 financial year. The indicators had subsequently been finalized and will be used for the 2021/2022 financial year onwards.

REPORTING ON THE INSTITUTIONAL RESPONSE TO THE COVID-19 PANDEMIC

Internal interventions

The COVID-19 pandemic is a situation unlike any other the South African government has been confronted with before. The virus poses an unprecedented health and economic crisis that threatens to reverse the country's development progress achieved in recent years, if not handled correctly. On the 15th of March 2020, the President of the Republic of South Africa declared COVID-19 a State of National Disaster, and instituted a Level 5 nation-wide lockdown that came into effect on the 26th of March 2020.

After a State of Disaster was declared, all sectors of South African society were called upon to respond to the COVID-19 pandemic. What was evident from the way, in which the pandemic was affecting countries globally, was that the country required a radical adjustment to the normal way of functioning, if the impact of the virus was to be minimised in South Africa.

Governments are on the forefront when it comes to responding to the spread of COVID-19. As such, they are required to respond to this societal health emergency with effective and immediate action. During the Level 5 lockdown, most of the Departmental staff were at home, working remotely, with the exception of a few essential staff to ensure continued support to the local government sector, and ultimately, the uninterrupted provision of basic services such as water, electricity and sanitation; services that are critical in fighting the community transmission of the Corona virus. The specific interventions employed by COGTA during this time are described in the findings section of this report.

The Department conducted the following interventions to ensure that all COGTA staff are safe from any risks:

- Health Awareness campaigns - Information, Education and Communication (IEC) material were collated from the WHO and NDOH and posted on the Departmental intranet.
- Procurement of Personal Protective Equipment (PPEs) for all staff.
- Print media in English and IsiZulu have been distributed to all COGTA offices for display at strategic points (i.e. toilets, entrances to departmental buildings, exits, and passages). This includes basic hand washing, hygiene practices and social distancing.
- Health promotion - Health talks on COVID-19 were conducted at all COGTA Offices on sanitization, self-isolation and social distancing.
- Distribution of hand sanitizers to all COGTA offices.
- A requisition has also been submitted for infrared thermometers.
- Only essential staff members are at work whilst the rest of the staff are working from home.
- Auxiliary cleaning staff have been workshopped on the use of PPE's as well as the cleaning of door handles, taps and to ensure that soap dispensers are always filled.
- Flu vaccines was provided to all consenting staff to prevent them from contracting the COVID-19 virus but to strengthen the immune system especially for staff members who have comorbidities.

External interventions

In response to the announcements made by the President of the Republic of South Africa; calling for a national lockdown in relation to the outbreak of the corona virus and the steps designed to contain it. The KZN COGTA MEC, Mr. SE Hlomuka, put in place processes to give practical effect to the far reaching measures required to stem the tide of this pandemic. The Regulations issued, together with published Directions and Guideline Circulars were dispatched to all municipal structures through the channels established by KZN COGTA, to ensure that essential services could continue while the communities remained indoors during the lockdown.

The Department has implemented several lockdown interventions to curb the spread of COVID-19 at both a provincial and local level. Overall, these intervention measures included:

- The monitoring of hotspot cases and potential threats;
- Provision of basic services, mostly water and sanitation – distributed a total of 3000 static water tanks to communities across the province;
- The Department has also made several transfers to municipalities, to the value of R84 million, with the intention of improving access to water;
- Sanitation of public facilities and spaces – the Department purchased 19 "honeysuckers" under the Operation Khawuleza programme in 2019. These "honeysuckers" have been allocated to different Water Service Authorities.
- Identification of Quarantine and Isolation sites;
- Identification of homeless shelters and provision of possible support;
- Awareness campaigns and distribution of hand sanitisers; and
- Capacity assessment of funeral parlours and cemeteries.

The Department has also undertaken several measures to educate and raise community awareness about Covid-19. These measures include:

- Distribution of pamphlets and posters in strategic areas;
- Loud hailing by district and local municipalities;
- Increased political visibility through visits by leadership to taxi ranks and community facilities to enforce regulations; and
- Monitoring of unauthorised social gatherings.

The Traditional Leaders played a significant role in combating the spread of COVID-19, particularly, in the traditional rural areas of the KwaZulu-Natal Province. This was done primarily through the distribution of social relief parcels to the financially distressed in the province, in collaboration with the Local Government structures. The Department allocated permits to all EXCOs of the Local House of Traditional Leaders to ensure that AmaKhosi could continue carrying out mandatory work relative to curbing the spread of Covid-19.

The Department has also procured and distributed Personal Protective Equipment (PPEs) to Traditional Councils. Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Administration	Advertising in the media re Covid – 19 Gagasi and Ukhozi were utilised	Province-wide adverts and interviews.	Reached approximately 9 million people	Not possible	595	577	Communication Strategy implemented	Created awareness about COVID-19 in the Department and communities in the Province
Administration	Sanitising of office buildings and procurement of sanitisers	Ugu, Umkhanyakude, King Cetshwayo, Zululand, ilembe, Uthukela, Amajuba, Umzinyathi, Harry Gwala, Umgungundlovu, Mkondeni, SLP, Natalia, Mayville, Westville, Wadley and Queensburgh	17 COGTA office buildings Once-off disinfecting of 309 Traditional councils	10 District Offices 3 eThekwini offices 4 PMB offices 309 TCs	790	786	Departmental Buildings compliant with the Occupational Health and Safety Act (COVID-19 Regulations)	Minimized the impact and the massive spread of COVID-19 in COGTA Buildings
Administration	Personal protective equipment	Ugu, Umkhanyakude, King Cetshwayo, Zululand, ilembe, Uthukela, Amajuba, Umzinyathi, Harry Gwala, Umgungundlovu, Mkondeni, SLP, Natalia, Mayville, Westville, Wadley and Queensburgh	2763	Programme 1 - 673 Programme 2 – 535 plus 400 CDWs Programme 3 - 189 Programme 4 – 166 plus 500 for TCs Interns - 300	1 503	0	Departmental Buildings compliant with the Occupational Health and Safety Act (COVID-19 Regulations)	Minimized the impact and the massive spread of COVID-19 in COGTA Buildings
TOTAL					7 788	4 281		

Budget Programme	Intervention	Geographic location (Province/ District/ local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Development and Planning	Provision of water (tanks, water station containers) to districts for facilities with insufficient water supply.	•Ugu District Municipality •Umgungungundlovu District Municipality •uMsunduzi Local Municipality •Uthukela District Municipality •Umiznyathi District Municipality •Newcastle Local Municipality •Amajuba District Municipality •Zululand District Municipality •Umkhanyakude District Municipality •King Cetshwayo District Municipality •uMhlathuze Local Municipality •Ilembe District Municipality •Harry Gwala District Municipality •Ethekwini Metro Municipality	14 water service authorities	Water service authorities which include: •10 District Municipalities •3 Local municipalities •1 District municipality	R18 million	R18 million	None	Increased the accessibility of water to support COVID-19 intervention Improved coordination of service delivery
Development and Planning	Hiring of water tankers		350 hh	Not Possible	R4 900	R2 914	Provision of Alternative Water Supply (Covid 19 rapid response)	Increased the accessibility of water to support COVID-19 intervention Improved coordination of service delivery
		Zululand District	450 hh	Not Possible				
		uMkhanyakude District	600 hh	Not Possible				
Development and Planning	The Disinfection of public areas	•Umdoni Local Municipality •Mpofana Local Municipality •Impendle Local Municipality •Msunduzi Local Municipality •Okhahlamba Local Municipality •Endumeni Local Municipality •Newcastle Local Municipality •uPhongolo Local Municipality •Jozini Local Municipality •Umlalazi Local Municipality •Ndwedwe Local Municipality •Umzimkhulu Local Municipality	12	12 Local municipalities	Internal Resources		None	Minimized the impact and the massive spread of COVID-19

Development and Planning	The Functionality of District Task Teams and Local Task teams in the implementation of the District Development Model	•Ugu District •Umgungungundlovu District •Uthukela District •Umiznyathi District •Amajuba District •Zululand District •Umkhanyakude District •King Cetshwayo District •Ilembe District •Harry Gwala District •Ethekwini District	11	11 District Development Models	Internal Resources			Operation Sukuma Sakhe has been integrated into the District Development Model. Engagements were held with the Office of the Premier in August 2020, to chart a way forward on the integration. It was agreed Local Task Teams would form part of the Technical Clusters and the District Task Team members would form part of the District Hubs. The agreed arrangement has been effected in all 11District structures. Furthermore, OSS Champions are mandated to report to socials on the status of functionality.

LINKING PERORMANCE WITH BUDGETS: PROGRAMME EXPENDITURE

VOTE 11	2020/2021			2019/2020		
PROGRAMMES	Final Appropriation	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	363 772	363 772	0	420 978	420 978	0
LOCAL GOVERNANCE	302 261	302 261	0	317 434	317 429	5
DEVELOPMENT AND PLANNING	302 561	302 505	56	624 056	599 574	24 482
TRADITIONAL INSTITUTIONAL MANAGEMENT	545 330	545 330	0	628 982	628 818	164
TOTAL	1 513 924	1 513 868	56	1991 450	1991 450	24 651

PROGRAMME ONE: ADMINISTRATION

Sub-programme expenditure

Sub- Programme Name	**2020/2021**			**2019/20**		
	Final Appropriation	**Actual Expenditure**	**(Over)/ Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/ Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Office of the MEC	12,716	12,716	0	18,602	18,602	0
Corporate Services	351,056	351,056	0	402,376	402,376	0
Total	**363,772**	**363,772**	**0**	**420,978**	**420,978**	**0**

PROGRAMME TWO: LOCAL GOVERNANCE

Sub-programme expenditure

	2020/2021			2019/2020		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/ Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Municipal Administration	54,035	54,035	0	71,578	71,578	0
Municipal Finance	45,708	45,708	0	18,066	18,066	0
Public Participation	165,349	165,349	0	191,592	191,593	(1)
Capacity Development	10,473	10,473	0	11,183	11,183	0
Municipal Performance, Reporting & Evaluation	26,696	26,696	0	9,972	9,966	6
IDP Co-Ordination	0	0	0	**15,043**	15,043	**0**
Total	**302,261**	**302,261**	**0**	**317 434**	**317 429**	**5**

PROGRAMME THREE: DEVELOPMENT AND PLANNING

Sub-programme expenditure

	2020/2021			2019/2020		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Spatial Planning	25,464	25,464	0	44,675	44,728	(53)
Land Use Management	27,414	27,414	0	30,165	30,252	(87)
Local Economic Development	88,697	88,697	0	179,546	179,204	342
Municipal Infrastructure	143,903	143,903	0	321,441	297,264	24,177
Disaster Management	17,083	17,027	56	48,229	48,126	103
Total	302 561	302 505	56	624 056	599 574	24 482

PROGRAMME FOUR: TRADITIONAL AFFAIRS

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	R'000	R'000	R'000	R'000	R'000
Traditional Institutional Administration	471,476	471,476	0	552,844	552,844	0
Traditional Resource Administration	73,854	73,854	0	76,138	75,974	164
Total	**545 330**	**545 330**	**0**	**628 982**	**628 818**	**164**

2.4.5. TRANSFER PAYMENTS

The Department implement strict monitoring systems on all the transfers to the Public Entities and the Municipalities guided by the Transfer Manual. The Public Entities and Municipalities are required to sign agreements, provide approved business and implementation plans before the transfer is made. The agreements include breach clauses and remedy measures. Once the transfer is made, the Public Entities and Municipalities are expected to submit expenditure and progress reports to monitor implementation and expenditure on each transfer as part of the agreement. If some of the conditions of the agreement are not met and not resolved with the stipulated timeframe, the Department notifies the relevant Public Entities in writing and sometimes lead to the cancellation of the agreement and recovery of such transfer with incurred interest.

TRANSFERS MADE TO PUBLIC ENTITIES

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
N/A	N/A	N/A	N/A	N/A

There was no transfers made to the public entities during the 2020/21 financial year.

TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
N/A	N/A	N/A	N/A	N/A	N/A	N/A

There was no transfers made to other organisations during the 2020/21 financial year.

The table below reflects the transfer payments that were budgeted for in the period 1 April 2020 to 31 March 2021, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Ndwedwe Municipality	Schemes Support Programme	500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Maphumulo Municipality	Schemes Support Programme	1 000	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Ugu District Municipality	Spatial Development Framework Support	1 000	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Msunduzi Municipality	Spatial Development Framework Support	1 500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Uthukela District Municipality	Spatial Development Framework Support	1 500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Newcastle Municipality	Spatial Development Framework Support	1 500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Amajuba District Municipality	Spatial Development Framework Support	1 500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Umkhanyakude District Municipality	Spatial Development Framework Support	1 500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Harry Gwala District Municipality	Spatial Development Framework Support	1 500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Nongoma Municipality	Ward Based Plan	500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Ulundi Municipality	Ward Based Plan	500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.

Umhlabuyalingana Municipality	Ward Based Plan	650	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Jozini Municipality	Ward Based Plan	500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.
Umfolozi Municipality	Ward Based Plan	500	0	The Department's transfers to local government budget was reduced in order to fund the provincial response to the Covid-19 pandemic.

2.4.6. CONDITIONAL GRANTS

CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

1. The table below describes each of the conditional grants and earmarked funds paid by the department.

Department/ Municipality to whom the grant has been transferred	Nil
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	
Amount transferred (R'000)	
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	
Reasons for the funds unspent by the entity	Nil
Monitoring mechanism by the transferring department	

CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

2. The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2020 to 31 March 2021.

3. Conditional Grant: EPWP-Food for Waste Programme

Department who transferred the grant	KZN Cooperative Governance and Traditional Affairs
Purpose of the grant	To provide EPWP funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised and expansion of job creation in line with the EPWP guidelines
Expected outputs of the grant	1) Expansion of public employment programmes by creation of more work opportunities. (2) Compensation of employees in line with the minimum wage rate of R95.44 (3) Reporting of the grant to the Provincial Treasury in the monthly In-Year tool used by Treasury (copy Public Works)
Actual outputs achieved	On track - the first tranche of the grant hasn't been disbursed yet No outputs achieved yet.
Amount per amended DORA	R 1 994 million
Amount received (R'000)	R0, 000
Reasons if amount as per DORA was not received	Reason: Payment schedules (1) 25% - 14 May 2021 (2) 45% - 13 August 2021 (3) 30% - 12 November 2021 In addition, the Department has delayed submission of the Conditional Grant Agreement and the project list, this will impact the disbursement go the first tranche.
Amount spent by the department (R'000)	R0, 000
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	The grant is yet to be received by the Department in line with the disbursement schedule.
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	(1) In-Year Monitoring Reports (2) Quarterly Evaluation Reports (3) Annual Evaluation Report

2.4.7. DONOR FUNDS

Donor Funds Received

Name of donor	Nil
Full amount of the funding	
Period of the commitment	
Purpose of the funding	
Expected outputs	
Actual outputs achieved	
Amount received in current period (R'000)	
Amount spent by the department (R'000)	
Reasons for the funds unspent	
Monitoring mechanism by the donor	

2.4.8. CAPITAL INVESTMENT

Capital investment, maintenance and asset management plan

Infrastructure projects	2020/2021			2019/2020		
	Actual Expenditure	(Over)/Under Expenditure	Actual Expenditure	(Over)/Under Expenditure	Actual Expenditure	(Over)/Under Expenditure
New and replacement assets	87 303	87 303	0	9 292	11 167	(1 876)
Existing infrastructure assets	0	0	0	0	0	0
- Upgrades and additions	0	0	0	0	0	0
- Rehabilitation, renovations and refurbishments	12,080	12,080	0	2 551	288	2 263
- Maintenance and repairs	1 531	1 531	0	0	0	0
Infrastructure transfer	0	0	0	0	0	0
Current	0	0	0	21 450	21 450	0
Capital	0	0	0	249 170	249 170	0
Total	**100 914**	**100 914**		**282 463**	**298 216**	**387**

PART C - GOVERNANCE

GROWING KWAZULU-NATAL TOGETHER

2.5.1. INTRODUCTION

The Department is commitment to maintain the highest standards of governance, which is fundamental to the management of public finances and resources. The Department has good governance structures in place to effectively and efficiently economically utilize the state resources, which is funded by the taxpayers.

2.5.2. RISK MANAGEMENT

The Accounting Officer has committed the Department of Cooperative Governance and Traditional Affairs to a process of Risk Management that is aligned to the principles of good Corporate Governance, as supported by the Public Finance Management Act (PFMA), Act 1 of 1999 as amended by Act 29 of 1999. The Accounting Officer made certain that the Department has and maintains effective, efficient and transparent risk management in terms of Section 38(a) of the PFMA. Risk Management is not only the responsibility of the Accounting Officer, but is extended to all levels of management. The Risk Management function falls within the Internal Control business unit, which is the custodian of the Risk Management Policy and its accompanying Strategy. It coordinates the Risk Management activities throughout the Department.

The Department has an approved Risk Management policy, Risk Management Strategy and an approved Risk Management implementation plan.

The Department conducts regular risk assessments to determine the effectiveness of its risk management strategy and to identify new and emerging risks. The reviews on Departmental risk register are conducted on an annual basis and monitored on a quarterly basis.

The Department has a Risk Management Committee that is formally appointed and fully functional. The implementation of risk mitigation plans was monitored and discussed at the Internal Governance, Risk and Ethics Committee (GREC) meetings where the committee advised management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. At the quarterly Cluster Audit and Risk Committee (CARC) meetings the committee advised the department on risk management and independently monitored the effectiveness of the system of risk management.

The Audit Committee advises the department on risk management and independently monitors the effectiveness of the system of risk management. The top 20 risks register is being presented to the Audit Committee on a quarterly basis.

The Department saw great progress in the management of risks. As a result, The Department has maintained a clean audit opinion obtained in 2019/20 financial year.

The unit has supported and advised management components in identifying and assessing risks while ensuring adherence to the approved Risk Appetite and Tolerance Framework of the Department; and also monitored and evaluated the implementation of risk mitigation plans across the Department.

The implementation of risk mitigation plans was monitored and discussed at the Internal Governance, Risk and Ethics Management Committee (GREC) meetings where the committee advised management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. At the quarterly Cluster Audit and Risk Committee (CARC) meetings the committee advised the department on risk management and independently monitored the effectiveness of the system of risk management.

The Department focused on the following key areas in the 2020-2021 financial year:

- The Departmental (GREC), chaired by the Accounting Officer of the Department was tasked, inter alia, to ensure the implementation of Enterprise Risk Management through its Terms of Reference.
- Review of Risk Management Strategy 2020/21 FY.
- Risk assessment workshops were conducted to review the register of the Department and to identify and assess any emerging risks.
- Review of Ethics and Corruption Risk Register.

- Development of DDM Risk Register.
- Development of COVID 19 Risk Register.
- Interventions to manage fundamental risks were put in place by management to enhance the internal control environment.
- Monitoring of the implementation of the 2020/2021 Risk Action/mitigation Plans.
- The annual statistics for 20/21 financial year show that out of eighty-two (82) action plans that were agreed upon, forty-nine (49) have been implemented. This amounts to ninety-four percent (94 %) of action plans implemented. The 6% that was not implemented was the Amendment of cell phone policy/ 3G policy to include lower level officials, develop and implement formal agreement in one plan one budget within the Province, engagement with National Treasury on adjustment of the Policy to influence alignment of one plan one budget in Provincial and Local Government, appointment of security (in house and service provider) and training of fire fighters.
- The risk register of the Department was also reviewed quarterly to ensure an improvement in the Department's Risk Management systems and maturity.
- The department has seen progress in the management of risks and this has transmitted into improvements in the department's performance.

2.5.3. FRAUD AND CORRUPTION

The Department has an Anti-Fraud and Corruption Management Policy and its accompanying Strategy that includes a Fraud Prevention Plan. Through these strategies, the Department aims to pronounce and adhere to its stance of "Zero tolerance to Fraud and Corruption". In light of this stance the Department has developed prevention, detection, response and deterrence mechanisms and attends to all fraud and corruption by applying these four pillars.

Focus Areas		Initial rating	Recommendations			2020/21 Q4 Progress		
		Q1	Action Plan	Owner	Date	Revised Rating	Status	Progress Report
Governance	Code of Conduct	3	The department should customize and approve the public sectors' code of conduct, and reference it correctly in the department's fraud prevention plan.	Department	30/06/17	5	Completed	In terms of the PSA, the KZN provincial government is a legal entity, for all Labour issues the Department receives regulations from the provincial structures that has been approved by the provincial bargaining chamber and COHOD. The Department therefore cannot customize the Code of Conduct and such has been verbally communicated to CARC.
		3	The department should ensure that all employees sign annual declarations as confirmation of receipt and knowledge of the code of conduct.	Department	31/09/18	5	Completed	The Code of Conduct together with the declaration form has been signed by all Departmental officials. A copy of the CoC is provided to all new recruits who also sign a declaration for it. HRM&D also conducts presentations on the CoC at the induction courses and officials sign attendance registers.
	Fraud prevention Plan	4	The department's fraud policy should be reduced to 2 pages.	Department	31/03/17	5	Completed	The Department has benchmarked against other Policies and found that the current policy complies with the minimum requirements and will hence not be reducing it two pages.
		3	The fraud prevention and implementation plans should be reviewed as detailed in the FPP assessment report.	Department	31/07/17	5	Completed	The Fraud Prevention plan of the Department now incorporates the action plans as per the report. The action plans have also been included on the Annual business plan to ensure implementation. The plan is being updated on a quarterly basis.
	Roles & responsibilities	4	Ethics Champion should be formally appointed, and the terms of reference of the existing Internal Risk Committee should be strengthened with detailed ethics-related functions.	Department	30/06/17	5	Completed	The Governance Risk and Ethics Committee (GREC) Terms of Reference have been updated to include Ethics management responsibilities. And the committee meets quarterly. The Ethics champion and officer have been appointed.
Prevention	Fraud Awareness	3	The PAIS should assist the department in conducting independent surveys to measure the effect of the fraud awareness training.	PIAS	28/02/17	5	Completed	Currently the department is conducting the Fraud and Ethics awareness workshops and the surveys are being conducted at the workshops. A virtual Anti-fraud and anti-corruption workshop was held in partnership with OTP on 14 August 2020 for the whole Department where we had presentations from the Special Investigation Unit and Special Commercial Crime
	Conflict of Interest	3	The department should amend its policies to regulate conflict of interest declaration during supplier and employee recruitment processes.	Department	30/06/17	5	Completed	In terms our SCM processes all suppliers declare interest on the SBD4 form and verification is conducted on the CSD. For employee recruitment, all interview panel members sign a declaration of interest form. All employees declare their financial interests annually. From Deputy Director level upwards and for all Finance Officials, deglaciations are done on the E-Disclosure system. Assistant Director level and lower declare manually.
	Gift and Awards	3	The department should enforce the policy, including institution of disciplinary actions against non-compliance.	Department	31/12/17	5	Completed and monitored	The policy was work shopped extensively. Gifts registers are submitted on monthly bases. Disciplinary action will be instituted for non-compliance.
	Pre-employment Screening	3	The department should take stock of all outstanding pre-employment screenings, and finalize them as a matter of urgency.	Department	30/06/17	5	Completed	All officials are vetted and screened before they are appointed.
	Fraud Risk Assessments	3	PIAS should assist the department with fraud risk assessments.	PIAS	28/02/17	5	Completed	The Fraud Risk Register is in place and is being reviewed on a regular basis as part of ongoing risk assessments.

Focus Areas		Initial rating	Recommendations			2020/21 Q4 Progress		
		Q1	Action Plan	Owner	Date	Revised Rating	Status	Progress Report
Detection	Avenues for reporting fraud and recording	3	The department should develop fraud incident report that will enable it to collect information related to perpetrated fraud.	Department	30/09/17	5	Completed	The Fraud Incident report has been developed by the Department and is being updated on a regular basis.
			Whistleblowing policy should be duly approved and signed as a stand-alone document. The policy should be widely distributed and work shopped to employees.	Department	30/04/17	5	Completed	The policy has been approved by the Accounting officer as a stand-alone document on 17 August 2020. The policy has been communicated to all officials through distribution on the Departmental notices.
			The department should maintain a centralized fraud incident register to record all allegations of fraud emanating internally and externally.	Department	30/09/17	5	Completed	The Fraud Incident report has been developed by the Department and is being updated on a regular basis
	Monitoring of fraud red flags	1	The department should identify and adopt appropriate set of red flags as part of its fraud risk assessment/surveys so that these can be monitored and acted upon on a regular basis.	Department	30/06/17	5	Completed	A Red flags register has been developed and is being updated on a quarterly basis.
	Internal Audit	3	Internal audit planning should be improved to pro-actively identify and include fraud risks in departmental internal audit plans.	PIAS	30/04/17	5	Completed	The audit plan includes fraud risks.
	Responding to reported allegations	3	The department should supplement its fraud response with a decision matrix that will guide decisions to be taken along each crucial stage of dealing with reported allegations of fraud.	Department	31/05/17	5	Completed	The Fraud response procedure is included on the Investigations methodology which has been approved.
	Investigations Root Cause Analysis	0	The department should develop a forensic investigation methodology.	Department	30/06/17	5	Completed	The Investigations Methodology has been approved on the 25th June 2019.
		2	In each instance where fraud is detected, the department should reassess the adequacy and effectiveness of the internal control environment, and actively implement improvements.	Department	31/01/17	5	Completed and monitored	This exercise is being conducted by the Department after each incident. This is also part of the Department's Fraud incident report which has been developed and is updated on a regular basis.
	Review of fraud prevention policies.	3	Fraud prevention plan policy documents should be reviewed on a regular basis, while the fraud implementation plan should be reviewed on a quarterly basis.	Department	01/04/17	5	Completed and monitored	The Department reviews these documents on an annual basis or as a need arise. Recommendations of the Fraud Prevention Plan review are taken into account. Anti-Fraud Policy was last approved on the 3rd June 2019.
Monitoring evaluation & reporting	Review of fraud risk register	1	The department should review and update its fraud risks on a quarterly basis.	Department	30/04/17	5	Completed and monitored	The Department conducts Risk Register reviews on a quarterly basis and Fraud risks are part of these reviews.
	Annual reporting	3	The department should comply fully with the reporting requirements of section 40(3) of the PFMA, and National Treasury Annual Report guidelines.	Department	30/09/17	5	Completed	The Department reported properly in the previous Annual report where full details of all Investigations were reported on. This also included the response plan by the Department which is aligned to the fraud which had transpired.
	56%					100%	Optimized	The department has implemented all of the recommendations.

The Department strives to identify and prevent fraud and/ or corruption before it actually occurs and apply mitigating controls through conducting Fraud Risk Assessments. In addition, all allegations of Fraud are investigated and followed up by the application of all remedies available within the full extent of the law as well as the application of appropriate prevention and detection controls. As a result, the Department had no fraud related case in the 2020/21 financial year.

2.5.4. MINIMISING CONFLICT OF INTEREST

In terms of Treasury Regulations 16A8.3, all Supply Chain Management (SCM) officials or other role players must disclose any conflict of interest that may arise. Therefore, all committee members are required to sign a declaration of interest at each bid committee meeting. Any official that has an interest in a particular bid may recuse himself or herself from that particular meeting. During the 2020/2021, financial year 3 members recused themselves.

If a SCM official or other role player or any family member have any business interest in any contract to be awarded, that official must disclose that interest and withdraw from anticipating in any manner what so ever in the process of that particular contract.

All bid documents must compel all bidders to declare any conflict of interest in a specific bid.

The Department is implementing the following measures to minimise conflict of interest and these are:

1. Annual financial disclosures by all officials particularly SCM staff;
2. Conduct of annual audit by internal audit on SCM unit;
3. Signing of Code of Conduct by staff particularly SCM staff;
4. Declarations of conflict of interests that are mandatory signed bid committee members;
5. Verification of declaration of interest signed by service providers when submitting bids; and
6. Conduct verification by using a prescribed checklist that test compliance of entities participating either on quotations and open tender bid.

2.5.5. CODE OF CONDUCT

All newly appointed employees undergo induction programme where they are workshopped on the code of conduct, ethics management and departmental policies. In the event where employees transgress any policy, the departmental disciplinary steps are taken against those employees.

2.5.6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

Occupational Health and Safety (OHS), aims to protect employees from health and safety hazards in the workplace, which is governed by the OHS Act 85 of 1993. The employer is obliged to provide a workplace that is healthy and free from hazards, OHS Act 85 (section 1(b). The primary responsibility for ensuring a safe and healthy work environment that is without risk to employees and others lies with the Accounting Officer. The Department considers its employees as the most valuable assets and undertakes to safeguard them through providing and maintaining, as far as reasonably practical, a working environment that is safe and without risk to health of its employees.

In order to comply with the OHS Act mentioned above, the following can be noted:

- Workplace inspections are carried out on a quarterly basis for all 17 COGTA buildings to help identify existing hazards so that appropriate action can be taken. Safety Representatives also conduct monthly inspections in their respective buildings. Reporting is done at EXCO level every quarter, remedial actions are also taken in sorting out defects found during inspections through the departmental maintenance team or Department of Public Works or service providers.
- Occupational Health and Safety Steering Committee meetings are held quarterly where OHS reports for various buildings are interrogated and departmental OHS issues are discussed to ensure implementation and monitoring of the OHS programme.
- Departmental OHS Risk register is available and used to monitor and mitigate health and safety risks. It is reviewed and updated quarterly.

On the 15th of March 2020, the President of South Africa announced the declaration of the COVID-19 pandemic as a National Disaster, since this announcement was made, the issue of the Department being compliant to all the Covid-19 Regulations by the Department of Labour and the Department of Public Service and Administration had to be prioritised. The following control measures were put in place to ensure infections are minimised within the department: -

As per DPSA circular 18 of 2020, The Safety, Health, Environment, Risk and Quality (SHERQ) Policy was reviewed and updated to include COVID-19 protocols, it was certified by the departmental Legal Services and approved by the Executive Committee.

- As designated by the HOD in writing and contemplated in the Regulations issued in terms of the Disaster Management Act, 2002 and the Department of Labour COVID19 Workplace Plan (Regulation 16(6)(b)), the Compliance Officer who is also a member of the Departmental Occupational Health and Safety Committee will hereby ensure that all COVID-19 protocol measures are in place to safeguard the employees of the Department of COGTA.
- COVID-19 protocol compliance inspections are conducted by Safety, Health and Environmental (SHE) representatives in all 17 buildings. All non-compliance are reported to the OHS Compliance Officer. SHE reps also advise on new measures and assist in the revision of the OHS and COVID-19 protocols
- All security entrances have the following tools at all times as per Security Entrances Procedures that was developed: -
- Sanitizers (70% alcohol based), Body Temperature Infrared Thermometer/s, COVID-19 Tracing Register, COGTA officials and visitors continue to be screened at entrances in all departmental buildings.
- PPE, including masks and sanitizers are distributed per programme every quarter to issue to their different business units.
- All COGTA office buildings, including District offices are disinfected monthly, ad hoc disinfecting is done when a positive case has been reported. More staff was trained on how to disinfect buildings by Department of Agriculture and Rural Development.
- Training on COVID-19 protocols was provided to security personnel and cleaning staff. COVID-19 awareness training was also provided to CDWs, new measures on COVID-19 continue to be communicated via departmental notices and posters.
- Managers/ Supervisors were advised to minimize the number of workers on at the workplace at any given time by remote working arrangements and rotation of employees, rotation plan was implemented to ensure that social distancing is observed.

The effectiveness of the COVID-19 protocols in the Department was audited by Provincial Treasury through their Internal Audit team. Matters raised in the draft reports were attended to as a continuous process and within the provided target dates.

2.5.7. PORTFOLIO COMMITTEES

DATE OF THE MEETING	MATTERS RAISED / RESOLUTION TAKEN	DEPARTMENTAL RESPONSES
15/03/2020	Committee resolved: COGTA15/03/2020 That the Department should correct the Final APP as per the corrections raised by the Committee.	The APP was amended accordingly.
09/07/2020	Committee **resolved:** That after the conclusion of the engagements on budget cuts, a report be tabled at the next meeting of the Committee, including the impact that the budget cut will have on the APP.	The presentation on Budget Cuts was discussed under the item 7.3 of the agenda (Revised Budget). The report on the impact that the budget cut will have on the APP was also presented.
10/07/2020	Committee **resolved:** That the department should table a comprehensive report on the savings realized because of Covid-19.	No savings were realised because of COVID-19; the department is projecting a budget shortfall at year-end.
12/07/2020	Committee **resolved:** That the matter on payment of TC Secretaries be included as an agenda item at the next meeting of the Committee.	The report was submitted to the committee and it was discussed under the item 6.1 of the agenda (Report on the Salaries for TC Secretaries)
15/10/2020	Committee **resolved:** That a detailed report on spending by Municipalities on Covid-19 be dealt with thoroughly by COGTA and be re-tabled to the Committee at the next meeting.	A detailed report was presented to the Committee.
16/11/2020	Committee **resolved:** That a detailed report on the transfer and the utilization of the R106 million transferred to municipalities for water interventions be presented to the Committee at the next meeting.	A detailed report was presented to the Committee.
17/11/2020	Committee **resolved:** That COGTA should present the Water Development Master Plan at the next meeting of the Committee as well as the presentation on the assessment of water and electricity infrastructure study.	A detailed report was presented to the Committee.
18/01/2021	Committee resolved: That there should be a Committee workshop where the department will table the detailed report on the Water Master Plan and take the Committee through on how to utilize the Application (APP). The progress report on the implementation of the Water Master plan must be presented to the Committee quarterly.	The workshop is anticipated to take place in June 2021.
19/01/2021	**Committee resolved:** That a list of Amakhosi that have not been installed be presented to the Committee at the next meeting, this to be accompanied by a report on disputes.	A detailed report was presented to the Committee.
21/01/2021	Committee resolved: That COGTA should ensure that municipalities adhere to the regulation of setting aside the 8% for maintenance.	COGTA actively encourages municipalities to comply with the 8% norm as per the Treasury Guidelines on an annual basis through Circulars and support provided during the budgetary processes. The Department has also addressed correspondence to each municipality to provide written advice on the areas of priority in the budget, including highlighting concerns on the adherence to the 8 % norm. In addition, the matter has also been escalated to various Provincial Executive Council Lekgotlas held previously, and at the Provincial Executive Council Lekgotla held in November 2020, all Water Services Authorities were directed to allocate funding for operations and maintenance in line with the 8% threshold set by the Treasury. The issue was again raised by the Department at the Provincial Executive Council Lekgotla held in February 2021.
22/01/2021	Committee **resolved:** That the report on the eThekwini audit findings be presented to the Committee at the next meeting of the Committee	A detailed report was presented to theCommittee by eThekwini Metro.
23/01/2021	Committee **resolved:** That a comprehensive report on provision of houses be tabled by the Municipality at the next meeting of the Committee.	The report was submitted to the Committee.
24/01/2021	Committee **resolved:** That the City should submit to the Committee, a list of Government Departments that owe the City and the amount owed.	The report was submitted to the Committee.

2.5.8. SCOPA RESOLUTIONS

STANDING COMMITTEE ON PUBBLIC ACCOUNTS (SCOPA) RESOLUTIONS FOR THE 2020/21 FINANCIAL YEAR

Date of the Meeting	Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
Discussed on 03 February 2021	**51/2020**	**Material uncertainty related to financial sustainability**	Noting that: As reported by the Department in October 2019, the matter was tabled at the budget forum called by the Minister of Finance, where it was resolved that the Minister of Finance and Minister of COGTA will meet to discuss the matter. No further progress has been reported. The committee resolves: - That the Accounting Officer report to the Committee by 12 August 2020 on progress made in resolving the matter.	Various attempts have been made by the Department to secure the availability of the National Minister to discuss the matter. The Minister had, subsequently, guided that an invitation must also be extended to the Minister of Finance, through the National Department of Cooperative Governance and Traditional Affairs. Accordingly, the Office of the Premier was requested in October 2020 to facilitate the meeting in order for the delegation from the Province to be led by the Honourable Premier. In addition, correspondence on this matter was also addressed to the Presidency. On 10 November 2020, the Department received communication from the Office of the Premier that the request has been made to the Minister. Reminders have also been facilitated. At this stage, therefore, confirmation of the date of the meeting is currently awaited. Essentially, the Province seeks to recommend to the National Ministers that: (a) the liability for the back pay of Izinduna be funded through the national fiscus, through National Treasury; and (b) in the event that the request cannot be acceded to, the Province will be left with no option, but to declare an intergovernmental dispute, as contemplated in terms of the Intergovernmental Relations Framework Act, and/or to seek to relieve itself of the financial obligation by seeking a declaratory order from a Court of law on the matter. It should also be noted that the Department seeks to remove such financial liability as a provision in its financial statements, and to only disclose it as a contingent liability.	No - in progress
Discussed on 03 February 2021	**52/2020**	**Commitments to resolve previous audit findings**	Noting that: [1] Three transfer payments made to uMkhanyakude District Municipality are due to be paid back to the Department. [2] The iziNduna overpayments have either been collected or will be written off as the IziNduna cannot be located. The committee resolves: - That the Accounting Officer report to the Committee by 12 August 2020 on progress made in the recovery of the transfer payments to uMkhanyakude Municipality.	The status is as follows: R7 954 866.86 for the Massification project has been cleared. The Close out report, including invoices, were submitted, vetted, and the project was inspected and deliverables verified. R 11300 for the Accredited Councillor Training has not been cleared due to an outstanding invoice for additional Councillor Training conducted as reported by the municipality; and R 35 500. 00 for the Citizen Satisfaction Survey also remains outstanding due to outstanding invoices. A number of meetings have been held between the Department and the Municipality, with an undertaking from the municipality that the outstanding invoices will be submitted. The Subcommittee on the Recovery and Monitoring of Grants, subsequently, resolved to recover the funds due to the municipality's lack of cooperation in submitting outstanding invoices. Recovery proceedings have been initiated and a letter in this regard has been addressed to the municipality to request a refund.	No - in progress
Discussed on 03 February 2021	**53/2020**	**Directorate for Priority Crime Investigation**	Noting: That the HAWKS have closed the criminal investigation and no criminal charges can be instituted as the perpetrators cannot be identified. The Director: HRA has resigned and disciplinary charges cannot be proceeded with. The committee resolves: - That the Department consider initiating civil recovery proceedings against the former Director: HRA for losses suffered by the Department due to the overpayments and that the Accounting Officer report to the Committee by 12 August 2020 on the outcome.	The legal guidance provided on the matter was that there were low prospects of success, if any, in the recovery of the losses, taking into account the fact that the losses arose from a fraudulent act. The HAWKS had also concluded that the actual perpetrators could not be identified. Accordingly, it was found that there were no legal grounds to attribute the loss exclusively to the then Director: HRA.	Yes

Date of the Meeting	Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
Discussed on 03 February 2021	**54/2020**	**Irregular expenditure**	Noting that: The Department has submitted its request for condonation of irregular expenditure to Provincial Treasury and is awaiting the outcome. The Department suffered no losses but disciplinary action was instituted against officials responsible for the irregular expenditure. Some of these proceedings are still underway. The committee resolves: That Accounting Officer report to Committee by 12 August 2020 on the outcome of the application for condonation submitted to provincial Treasury as well as progress made in the finalisation of all disciplinary matters, with time frames for finalisation.	The irregular expenditure is now reflected at R303 222 205.42 in the financial statements and can be reconciled as follows: Opening balance: R606 827 956.07 Prior period error: (R90 048 010.98) Restated Balance : R516 779 945.09 Condoned: (R213 557 739.67) Balance outstanding: R303 222 205.42 The outstanding balance can be explained as follows: R95 802 733.28, has already been submitted to the Provincial Treasury's Condonation Committee and is awaiting verifications. Follow-ups have been made with the Provincial Treasury team. R3 458 481.39 will be removed from the irregular expenditure schedule based on the determination tests undertaken and also from this process an additional submission for condonation will be prepared for R26 358135.31. R181 773 971.65 is currently under investigation by the Office of the Premier. R1 593 121.68 is currently subject to an analysis of outcome. The progress made in the finalization of disciplinary process arising from the investigation reports is as follows: **1. HOWARD ELECTRICAL MATTER:** A written warning has been issued against the one official who is still in the employ of the Department. The 3 other officials are no longer in the Department. Letters inviting them to make representation were sent and they disputed all allegations. No further disciplinary steps could be taken, thereafter, except to advise their new employers of the impending matter against them, should the Department become aware of their employment. **2.THABETHE CEBEKHULU MATTER:** The official has requested an audience with the Department's Legal Services in order to seek clarity and to understand the basis of the allegations. A decision will be taken on further steps to be undertaken upon receipt of the written representations, With regard to the litigation, the matter is still pending before the High Court where the Department is defending a claim by the same firm for payment for services allegedly rendered. **3. DIGES GROUP MATTER:** Save for the two main officials who are no longer with the Department, the members of the BAC have been requested to provide written representations on the matter in order to consider appropriate steps.	No - in progress
Discussed on 03 February 2021	**55/2021**	**Fruitless and wasteful expenditure**	Noting that: All fruitless and wasteful expenditure has been investigated. Some expenditure has been recovered and the Department will take steps to recover further expenditure from officials responsible. The Department has also referred certain matters to Labour Relations for disciplinary action. The committee resolves: That Accounting Officer report to Committee by 12 August 2020 on progress made in the recovery of losses from officials responsible and in the matters referred for disciplinary action.	The progress made in the recovery of losses from officials responsible and in the matters referred for disciplinary action are as follows: **No shows** The amount of R3 925 has been recovered through this process as at 20 January 2021. **Izinduna payments** The matter concerning the Izinduna payments are currently subject a full forensic investigation which is being undertaken internally. A close-out report is due on 31 March 2021. **Telkom** This matter is currently subject to a dispute. Be that as it may, the Department has communicated its stance to the officials to recover the amount of R 31 012.28 and the process is driven directly by the Chief Finance Officer in order to expedite the matter. E-mails (with the last e-mail sent on 28 January 2021) have also been sent to Telkom to propose for the signing of a debt form or for Telkom to issue a credit note regarding the incorrect charging of interest to the Department. A response is still awaited. **Overpaid salary to an intern** An out of service debt of R9,461.22 has been setup on the system and the recovery is underway. The debtor has still not yet signed the acknowledgement of debt as yet despite reminders in order to effect the refund. The matter will be closely monitored by the Chief Finance Officer.	Yes

Date of the Meeting	Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
Discussed on 03 February 2021	**56/2020**	**Procurement and Contract Management**	Noting: The action plans implemented by the Department to address the audit findings on procurement and contract management which include reporting those officials who did business with the Department but failed to disclose their employment with the State to their relevant Departments for disciplinary action and taking disciplinary action against the official responsible for not advertising a bid for the required period. The committee resolves: That the Accounting Officer report to the Committee by 12 August 2020 on progress regarding the disciplinary matters.	Letters were addressed to the affected persons to submit representations on the allegation. Further letters were also addressed to the Heads of the relevant Institutions to inform them of the allegations and to request appropriate steps to be undertaken. Only the Department of Economic Development, Tourism and Environmental Affairs provided an undertaking to institute disciplinary processes. No further responses were received by the Department's Legal Services on the steps taken or to be taken by the various other institutions against the implicated employees. Due to the employees not being in the employ of the Department, it is requested that these matters be raised directly with the affected Departments in order to secure cooperation.	No - in progress
Discussed on 03 February 2021	**57/2020**	**Forensic investigations**	Noting that: The Department will commence disciplinary action against the officials identified under FR 30/2016 and FR 09/2017. The Committee resolves: That the Accounting Officer report to the committee by 12 August 2020 on progress in the disciplinary proceedings.	FR09/2017 Both employees are no longer in the employ of the Department and, consequently, the Department no longer has authority to institute disciplinary proceedings against them. **FR30/2016** The disciplinary process has been initiated. The affected employee has requested a meeting in order to obtain clarity on the allegations prior to submitting a written response. The request has been granted as it is in keeping with the rules of natural justice. The meeting will be held in February 2021. A decision will be taken on further steps to be undertaken upon receipt of the written representations.	No - in progress
Discussed on 03 February 2021	**58/2020**	**Internal investigations**	Noting that: The Department has concluded one investigation and four are still in progress. Disciplinary action will be commenced against officials implicated in the finalised investigation. The committee resolves: That the Accounting Officer submit a progress report to the Committee by 12 August 2020 on the disciplinary action taken and the finalisation of the outstanding investigations, as well as time frames for completion.	**1. SCM PROCEDURES NOT FOLLOWED MATTER:** A disciplinary enquiry was conducted against the implicated official and a sanction of 3 months suspension without pay was imposed. In view of the sanction imposed, the Accounting Officer sought to review the sanction imposed, but the legal opinion provided was that the prospects of success were minimal, particularly in the light of the stringent test applied by the Courts when an employer seeks to review the decision of an internal disciplinary hearing. This matter is accordingly finalized. **2. HOWARD ELECTRICAL MATTER:** A written warning has been issued against the one official who is still in the employ of the Department. The 3 other officials are no longer in the Department. Letters inviting them to make representation were sent and they disputed all allegations. No further disciplinary steps could be taken, thereafter, except to advise their new employers of the impending matter against them, should the Department become aware of their employment **3.THABETHE CEBEKHULU MATTER:** The official has requested an audience with the Department's Legal Services in order to seek clarity and to understand the basis of the allegations. The meeting will be held in February 2021. A decision will be taken on further steps to be undertaken upon receipt of the written representations. With regard to the related litigation, the matter is still pending before the High Court where the Department is defending a claim by the same firm for payment for services allegedly rendered.	No - in progress

<table>
<tr><th>Date of the Meeting</th><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>Discussed on 03 February 2021</td><td>59/2020</td><td>Risk Management</td><td>Noting:
The report of the Department on its risk mitigation plans.
The committee resolves:
That the Accounting Officer submit to the Committee by the 12 August 2020 its updated Risk Register, indicating progress made in addressing critical and major risks.</td><td>The updated Risk Register is attached as Annexure "A".</td><td>Yes</td></tr>
<tr><td>Discussed on 03 February 2021</td><td>60/2020</td><td>Commitments on audit findings</td><td>Noting:
[1] The steps taken by the Department to recover unspent transfer payments from municipalities who are in breach. Three municipalities remain on the red flag list (uMkhanyakude, Ndwedwe and Mpofana). The commitment remains in progress.
[2] The steps taken by the Department to recover overpayments made to iziNduna. Not all overpayments have been recovered and the commitment remains in progress.
The committee resolves:
That the Accounting Officer report to the Committee by 12 August 2020 on progress made in resolving the audit findings relating to recovery of unspent transfer payments from municipalities and to recovery of overpayments made to iziNduna.</td><td>[1] Due to lack of cooperation from the Umkhanyakude and Ndwedwe Municipalities, the Subcommittee on Recovery and Monitoring of Grants resolved that the grants should be recovered. The matter has been referred to Legal Services in order to undertake the recovery process on the basis of the breach of contract. Letters highlighting the breach and requesting a refund have been issued to the municipalities and a response is awaited.
With regard to Mpofana Municipality, the Municipal Manager is undertaking a process of purchasing the yellow plant equipment as per the Business Plan. A further meeting will be held in February 2021 in order to confirm if the equipment has been purchased.
[2] The status of recovery is as follows:
(a) X2 Izinduna - backpay was used to settle the debt, leaving a balance of R5.11 (R2.06 +R1.56)
(b) X1 Induna - back pay was used to settle the debt leaving a balance of R19 023.65.
(c) X1 Induna – the Induna was not due for a back pay, and the debt has since accumulated to R132 059.79.
(d) X1 Induna – was not due a back pay and the outstanding balance (R17 947.90)
Consideration is being given on whether the amounts in question may be written off.</td><td>No - in progress</td></tr>
<tr><td>Discussed on 03 February 2021</td><td>81/2020</td><td>Inter-departmental claims owing to Public Works</td><td>Noting:
[1] That inter-departmental claims balances owing by Provincial Departments to Public Works as at 31 December 2019 amounted to R293.109 million.
[2] R79.9 million of that amount was 120 days or more overdue, R9.265 million was 90 days or older, R77.111 million was 60 days or older and R26.414 million was 30 days or older.
[3] The delays in settlement of claims by client departments has resulted in an adverse audit finding against Public Works on material impairment of claims recoverable.
The committee resolves:
That the Accounting Officer of each Department report to the Committee by 12 August 2020 on:
a) the amount owing to Public Works as at 31 March 2020, together with an age analysis;
b) the reasons for the delays and defaults in the settlement of claims payable to Public Works; and
c) measures implemented to ensure that payment of invoices will be made to Public Works within 30 days as required by Treasury Regulation 8.2.3.</td><td>The status of payment of invoices:
<table>
<tr><th>AGEING</th><th>TOTAL</th></tr>
<tr><td>20 + DAYS</td><td>460 093.44</td></tr>
<tr><td>90 DAYS</td><td>0.00</td></tr>
<tr><td>60 DAYS</td><td>1 287 514.10</td></tr>
<tr><td>30 DAYS</td><td>3 481 061.98</td></tr>
<tr><td>CURRENT</td><td>2 898 134.88</td></tr>
<tr><td>TOTAL</td><td>8 126 804.40</td></tr>
</table>
TOTAL
8 126 804.40
<u>Current</u>
These invoices are currently with Responsibility Managers for certification and validation.
<u>30 Days</u>
The invoices reflected on 30 days have been captured for payment and are awaiting a BAS run.
<u>60 Days</u>
The invoices reflected on 60 days have been submitted for capturing and will be paid as soon as funds are available.
<u>120+ days</u>
The invoices under this category are in dispute. Both Departments are engaging in order to find a solution an amicable solution to the matter.</td><td>No - in progress</td></tr>
</table>

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2.5.9 PRIOR MODIFICATIONS TO AUDIT REPORTS

The outcomes of 2019-20 Auditor General regulatory audit yielded positive results for the Department, as the Department received a clean audit opinion (no modifications).

2.5.10 INTERNAL CONTROL UNIT

The Department is committed to improved internal controls and risk management. It manages internal controls by setting objectives and by ensuring that the required control mechanisms and activities are in place. During the year under review, the Department continually assessed and evaluated internal controls to assure that the existing control activities are effective, efficient, transparent and updated when necessary.

The departmental Risk Register was revised and updated throughout the year. The Risk Management Implementation Plan was developed and reported on a quarterly basis.

Internal audits were conducted to ensure that systems and controls are in place and adequately implemented. The Audit Improvement Strategy for the findings raised in the Internal Audit Reports was compiled in order to monitor the implementation of Management Action Plans.

Auditor General's Audit Improvement Strategy was also compiled and monitored to ensure that all findings raised were addressed.

In the 2020/21 financial year the Internal Control Unit continued to review bids for SCM compliance. All bids that were provided to Internal Control were scrutinized before the Accounting Officer signed to award the bids. This assisted in the reduction of instances of Irregular Expenditure stemming from not following SCM processes.

In addition, the Internal Control unit to confirm the occurrence of irregular expenditure and fruitless & wasteful expenditure by the Department performed determination tests.

Determination tests were performed on the:

- alleged irregular expenditure registers for the 2018-19 & 2019-20 financial years, and,
- alleged fruitless & wasteful expenditure registers were performed on the 2019-20 and 2020-21 financial years.

The Determination tests reports were provided to the Accounting Officer and reflected:

- the root causes of the irregular expenditure and fruitless & wasteful expenditure incurred,
- officials that were responsible,
- recommendations for the improvements in controls, and
- Consequence management where necessary.

Internal Control also reviewed 100% of the payment vouchers from quarter 2 to quarter 4 of the financial year to determine if the Finance & SCM business units did implement compliance checklists to identify possible irregular expenditure. This also assisted the Department in improving controls to curb the occurrence of irregular expenditure.

2.5.11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the Internal Audit

The Provincial Internal Audit Services (PIAS) exists as an independent, objective assurance and consulting service designed to add value and improve the KZNPG's operations. It helps the KZNPG departments to enhance and protect organisational values by providing risk-based and objective assurance, advice and insight and thereby accomplishes its objective by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

Summary of audit work done

PIAS-Assurance Services had completed 7 audit assignments for the year in terms of the annual internal audit operational plan as approved by the Cluster Audit and Risk Committee. These audits included full reviews as well as follow up reviews on both previous internal audit reports and the Auditor General reports. Full scope audit assignments for the current financial year included audits on Supply Chain Management, Covid-19 Procurement, Interim Financial Statements, Performance Information and Review of audit improvement strategy.

key activities and objectives of the Audit Committee

Internal Controls, Accounting Systems & Internal Audit
Review of the internal audit reports to manage critical risks and to ensure the adequacy and effectiveness of the departmental internal control structure including: Financial and internal controls, Accounting systems and reporting and Corporate governance
Review any significant matters reported by the internal auditors and the extent to which the recommendations have been implemented by management; and provide any additional recommendations to Accounting Officers.
Direct the Accounting Officer to provide status reports detailing the progress made in implementing the Committee's recommendations.
Through PIAS reports, evaluate IT governance systems and the related internal controls.
Ensure that the relevant departmental management demonstrates accountability over internal control functions.
Consider the fact and potential of any limitation on the scope of internal audit, and if there is, report to the MEC for Finance via the Provincial Audit & Risk Committee.
Fraud Prevention
Ensure that the Accounting Officer develops and implement strategies, policies, procedures and systems to prevent and detect fraud and corruption.
Ensure that the Accounting Officer demonstrates some pro-activeness in maintaining anti-fraud and corruption strategies to protect the Provincial assets entrusted to them.
Review and evaluate the effectiveness of such strategies, policies/procedures.
Should a report to the Audit Committee, whether from the PIAS or any other source, implicate the Accounting Officer in fraud, corruption or negligence, the chairperson of the CARC must promptly report this to the relevant executive authority via the Chairperson of PARC.
Financial Statements
Ensure that the timing and nature of reports from the external auditor(s) are in accordance and comply with the requirements of the PFMA.
Consider key matters arising in the AGSA management report and audit report (including illegal acts or irregularities) and satisfy themselves that they are being properly followed up and resolved.
Consider the reports and function of the External Audit Steering committee to ensure that external audits are performed efficiently and that management co-operates with the AGSA.
Comment on its evaluation of the annual financial statements, the interim financial reports, the preliminary announcement of the AGSA report and any other announcement regarding the KZNPG's results or other financial information to be made public, prior to the submission to and approval by the Accounting Officer and/or Executive Authority.
Consider any accounting treatments, significant unusual transactions, or accounting judgments, which could be contentious to ensure that these are properly addressed.
In line with TR 3.1.13 (b), comment on the quality of IYM and monthly/quarterly reports submitted in terms of the PFMA and DoRA.

Risk Oversight
The Committee is an integral component of the risk management process and shall oversee: Financial reporting risks Fraud risk as it relates to financial reporting IT risk as it relates to financial reporting All other strategic and operational risks that may impede the department from achieving their business objectives.
Review the procedures for identifying business risks and mitigating their impact on the department.
Ensure that the Accounting Officer and Accounting Authority maintains and regularly reviews the system of risk management within their areas of responsibilities.
Review the results of the risk assessment to determine the material risks to which the departments may be exposed and evaluate strategies to mitigate those risks.
Ensure that the Accounting Officer has incorporated reputational and ethical risks and opportunities in the risk management process.
Combined Assurance
Ensure a coordinated approach to all assurance activities, and in particular the CARC shall: Ensure that the combined assurance model relevant to the department is appropriate to address all the significant risks facing the department. Monitor the relationship between the external and internal assurance providers. Comment on the effectiveness of the combined assurance model.
Integrated Reporting
Review the integrated report, including the financial statements, and should have regard to all factors and risks that may impact on the integrity of the integrated report, and in particular the Committee must: Have regard to all factors that may impact on the integrity of the integrated/ annual report, including factors that may predispose management to present a misleading picture, significant judgements and reporting decisions made, monitoring or enforcement actions by a regulatory body, any evidence that brings into question previously published information; forward looking statements or information. Review disclosure of sustainability issues in the integrated report to ensure that it does not conflict with the financial information. Comment in the annual financial report on the financial statements, the accounting practices and the effectiveness of the internal financial controls. Consider whether the content of the summarised information provides a balanced view.
Ethics
Review the internal audit reports on compliance with the ethical code of conduct and policies of the Department based on the number of statutory, common law and other requirements which cover the ethical behaviour of senior management, and officials of the Departments.
Identify through PIAS reports, any violation of ethical conduct, environmental and social issues.
Provide advice on any identified potential conflict of interest.
Reporting Responsibilities
The Committees must report and make recommendations to the Accounting Officer on a regular basis (TR 3.1.12) – preferably quarterly.
The Committees should engage with Accounting Officers of respective departments at least on a quarterly basis.
The Committees may communicate any concerns they deem necessary to the executive authorities, Head of Provincial Treasury and the AG SA (TR 3.1.15).

Attendance of Audit Committee meetings by members of the Audit Committee Members

Information for the table to be provided by PT

2.5.12. AUDIT COMMITTEE REPORT

Information for the table to be provided by PT after the audit

2.5.13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The Departments RET Objectives are implemented by utilising a holistic and focused strategy to promote Black Economic Empowerment by ensuring that 60% of all bids are awarded to Africans. The Departments SCM procurement preferential strategy where appropriate is to target BBBEE level 1 service providers and for amounts above R5m, provide for the sub-contracting of at least 30% of the contact value to a suitable Level 1 B-BBEE supplier or a Black-owned Company. During the 2020/2021 financial year, 64.36% of the procurement spent was awarded to BBBEE level 1 companies.

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion** ***(include a discussion on your response and indicate what measures have been taken to comply)***
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	This is not applicable to COGTA.
Developing and implementing a preferential procurement policy?	Yes	The SCM Policy implements preferential procurement initiatives in line with latest Preferential Procurement Regulations of 2017. The department apply measures of preference by introducing pre-conditions that advances preferential procurement preferences.
Determining qualification criteria for the sale of state-owned enterprises?	No	This is not applicable to COGTA
Developing criteria for entering into partnerships with the private sector?	No	This is not applicable to COGTA
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	This is not applicable to COGTA

PART D- HUMAN RESOURCE MANAGEMENT

GROWING KWAZULU-NATAL TOGETHER

2.6.1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

The Department prescribes to the value of investing in staff as a valued asset and implements a health and wellness programme that is underpinned by the following policies:

HIV/Aids and TB Management Policy.

Health and Productivity Management Policy.

Wellness Management Policy.

The Novel Corona Virus required a different way of conducting wellness events and health risk assessments at all COGTA Offices. The implementation of National Guidelines for mitigating COVID-19 risks in the workplace and the application of standard operating procedures provided a unique but safe experience for our employees. It was unfortunate that all sporting activities in the province were put on hold but employees were encouraged to exercise cautiously at home. Information, education and communication health promotion material on HIV, AIDS, STI's and TB; financial literacy, substance abuse, psychosocial elements, COVID-19 and chronic diseases were disseminated to all employees via electronic platforms. The pandemic also meant that the wellness centre was inundated with requests to assist with referrals for COVID-19 testing, care and support and contact tracing. Moreover, all community Development Workers were trained on the Covid-19 pandemic. Staff were provided with sanitisers, two cloth masks and PPE to keep safe whilst further decisions were taken by the Business Continuity Management Committee on staff rotation, regular decontamination of offices, tools of trade, e-communication and monitoring of risks. There were 131 employees that tested positive for Covid-19. Sadly, 10 of our dear colleagues succumbed to the virus during the second wave. The provision of continuous clinical care and support through the wellness centre under the supervision of a professional nurse, the access and provision of professional services for employees in need of psychological or related assistance, and financial wellness advocacy continued unabated.

The Employee Performance Management & Development System Policy is in operation for employees (excluding Senior Management Services (SMS). The SMS Handbook is utilised to manage the performance of Senior Managers. The Department seeks to ensure that all employees sign performance agreements, undertake midyear reviews of performance and undergo annual performance assessments. A process is in place whereby the Performance Agreements of Senior, Middle and Junior Managers are aligned to the Annual Performance Plan. This validation is undertaken by the Departmental Moderating Committee. This process ensures that there is a common purpose and direction at all strategic levels. Should any employee be underperforming then they are required to sign a performance improvement plan that deals with specific gaps found during the reviews and assessments. The department does recognise those employees who perform above average and the Departmental Moderating Committee makes recommendation for the rewarding of such employees. Financial Disclosures are rendered as per the DPSA and Provincial Policy. A compliance rate of 100% was achieved in respect of all e-Disclosures for SMS members as prescribed by the ministerial directive.

The development of a capable public service is a commitment that the Department underpins through the skills development programmes. The management cadre is developed mainly through the competency assessments that are undertaken as well as skills needs that are identified and contained in their performance agreements. Such skills gaps are subsequently addressed through training programmes. At levels other than at senior management skills are identified and developed through the Employee Performance Management System and the performance agreements entered into between employee and supervisor. The personal development plan is part of the agreement and plays an integral part in the identification and addressing of skills needs. In this financial year, the Department did not award the bursaries to serving employees. There are currently 31 employees participating in the programme. To grow the management cadre in the department by ensuring that skills sets are developed it has been concluded that some form of competency assessments for developmental purposes should be conducted. The intention is that skills gaps would be addressed and that the movement of these levels of employees to the next level would be facilitated in a better manner. This matter will be dealt with in the FY2020/2021 Annual Performance Plan (Competency Assessments were not done in this financial year due to budget cuts). Many employees have benefited from skills development as expounded in the tables in this report as well as the bursary programme. The Annual Performance Plan requires that Orientation/Induction sessions be held on the quarterly basis for employees and newcomers. These sessions cover the departmental structure, Ethics, Performance Management, Skills Development, Service Conditions, Records Management, Transport, as well as health and wellness matters. COGTA is committed to the development of unemployed youth. As part thereof, COGTA offers bursaries to unemployed, disadvantaged youth particularly women and persons from rural areas. After graduation, such youth are able to participate in the internship programme. There are currently 133 youth participating in the bursary programme. The Department is currently operating an Internship Programme where qualified unemployed young graduates are deployed as Interns to municipalities. Such Interns will bring their academic learning into the municipal space and obtain the experience as they work in the operations of the municipalities. About 500 unemployed youth graduates will benefit from this programme. The period of the Internship is 24 months, so these Interns are still serving in different municipalities.

2.6.2 HUMAN RESOURCES OVERSIGHT STATISTICS

Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2020 and 31 March 2021

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	363 767,00	170 403,00	**0.00**	**0.00**	46,80	415,00
Development & planning	302 505,00	136 479,00	**0.00**	**0.00**	45,10	177,00
Local governance	302 261,00	242 376,00	**0.00**	**0.00**	80,20	455,00
Traditional institutional management	543 615,00	156 775,00	**0.00**	**0.00**	28,80	40,00
Total	**1 512 148,00**	**706 032,00**	**0.00**	**0.00**	**46,70**	**125,00**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Lower skilled (Levels 1-2)	982,00	0,10	5,00	196 400,00
02 Skilled (Levels 3-5)	33 385,00	3,00	130,00	256 808,00
03 Highly skilled production (Levels 6-8)	308 709,00	28,00	887,00	348 037,00
04 Highly skilled supervision (Levels 9-12)	209 512,00	19,00	270,00	775 970,00
05 Senior management (Levels >= 13)	66 981,00	6,10	51,00	1 313 353,00
09 Other	1 886,00	0,20	2,00	943 000,00
10 Contract (Levels 1-2)	1 478,00	0,10	10,00	147 800,00
11 Contract (Levels 3-5)	20 478,00	1,90	86,00	238 116,00
12 Contract (Levels 6-8)	19 287,00	1,80	51,00	378 176,00
13 Contract (Levels 9-12)	7 255,00	0,70	8,00	906 875,00
14 Contract (Levels >= 13)	2 906,00	0,30	2,00	1 453 000,00
18 Contract Other	43 107,00	3,90	661,00	65 215,00
19 Periodical Remuneration	17 657,00	1,60	494,50	35 707,00
20 Abnormal Appointment	357 312,00	32,50	2 982,50	119 803,00
TOTAL	**1 090 937,00**	**99,10**	**5 640,00**	**193 429,00**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 and 31 March 2021

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	102 926,00	83,20	506,00	0,40	2 670,00	2,20	4 632,00	3,70
Development & planning	37 393,00	82,70	31,00	0,10	922,00	2,00	1 622,00	3,60
Local governance	100 999,00	88,10	0,00	0,00	1 606,00	1,40	2 659,00	2,30
System & institutional development	218 186,00	80,70	3,00	0,00	7 889,00	2,90	15 477,00	5,70
Traditional institutional management	8 945,00	86,40	0,00	0,00	148,00	1,40	127,00	1,20
Total	**161 124,00**	**30,00**	**23,00**	**0,00**	**2 001,00**	**0,40**	**5 426,00**	**1,00**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	678,00	69,00	8,00	0,80	87,00	8,90	68,00	6,90
02 Skilled (Levels 3-5)	24 897,00	74,30	300,00	0,90	1 982,00	5,90	2 717,00	8,10
03 Highly skilled production (Levels 6-8)	252 722,00	81,30	111,00	0,00	9 687,00	3,10	21 398,00	6,90
04 Highly skilled supervision (Levels 9-12)	179 867,00	83,60	26,00	0,00	2 569,00	1,20	4 926,00	2,30
05 Senior management (Levels >= 13)	57 767,00	84,20	0,00	0,00	848,00	1,20	625,00	0,90
09 Other	1 669,00	88,50	0,00	0,00	0,00	0,00	17,00	0,90
10 Contract (Levels 1-2)	1 453,00	98,20	24,00	1,60	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	20 143,00	98,00	91,00	0,40	35,00	0,20	108,00	0,50
12 Contract (Levels 6-8)	19 029,00	98,20	3,00	0,00	30,00	0,20	86,00	0,40
13 Contract (Levels 9-12)	6 711,00	88,30	0,00	0,00	0,00	0,00	0,00	0,00
14 Contract (Levels >= 13)	2 726,00	90,10	0,00	0,00	0,00	0,00	0,00	0,00
18 Contract Other	42 943,00	99,60	0,00	0,00	0,00	0,00	0,00	0,00
19 Periodical Remuneration	17 657,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
20 Abnormal Appointment	1 311,00	0,40	0,00	0,00	0,00	0,00	0,00	0,00
Total	**629 573,00**	**57,20**	**564,00**	**0,10**	**15 237,00**	**1,40**	**29 944,00**	**2,70**

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3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	300,00	262,00	12,70	3,00
Development & planning	144,00	137,00	4,90	65,00
Local governance	823,00	720,00	12,50	592,00
Traditional institutional management	631,00	584,00	7,40	8,00
System & Institutional Development	15,00	12,00	20,00	1,00
Total	456,00	448,00	1,80	305,00

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	5,00	5,00	0,00	1,00
02 Skilled (Levels 3-5), Permanent	150,00	130,00	13,30	21,00
03 Highly Skilled Production (Levels 6-8), Permanent	1 013,00	887,00	12,40	282,00
04 Highly Skilled Supervision (Levels 9-12), Permanent	314,00	270,00	14,00	2,00
05 Senior Management (Levels >= 13), Permanent	67,00	51,00	23,90	0,00
09 Other, Permanent	663,00	663,00	0,00	659,00
10 Contract (Levels 1-2), Permanent	10,00	10,00	0,00	0,00
11 Contract (Levels 3-5), Permanent	86,00	86,00	0,00	6,00
12 Contract (Levels 6-8), Permanent	51,00	51,00	0,00	2,00
13 Contract (Levels 9-12), Permanent	8,00	8,00	0,00	0,00
14 Contract (Levels >= 13), Permanent	2 369,00	2 163,00	8,70	974,00
TOTAL	**5,00**	**5,00**	**0,00**	**1,00**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of additional to the establishment
ADMINISTRATIVE RELATED, Permanent	1 096,00	955,00	12,90	663,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC., Permanent	2,00	2,00	0,00	0,00
ARCHITECTS TOWN AND TRAFFIC PLANNERS, Permanent	24,00	18,00	25,00	0,00
AUXILIARY AND RELATED WORKERS, Permanent	2,00	2,00	0,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS, Permanent	3,00	3,00	0,00	2,00
CARTOGRAPHERS AND SURVEYORS, Permanent	2,00	2,00	0,00	0,00
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS, Permanent	17,00	17,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	23,00	23,00	0,00	5,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS), Permanent	5,00	5,00	0,00	0,00
COMMUNICATION AND INFORMATION RELATED, Permanent	14,00	14,00	0,00	0,00
COMMUNITY DEVELOPMENT WORKERS, Permanent	398,00	393,00	1,30	0,00
ENGINEERING SCIENCES RELATED, Permanent	1,00	1,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS, Permanent	5,00	5,00	0,00	0,00
FINANCE AND ECONOMICS RELATED, Permanent	43,00	43,00	0,00	0,00
FINANCIAL AND RELATED PROFESSIONALS, Permanent	32,00	31,00	3,10	1,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	28,00	27,00	3,60	1,00
FOOD SERVICES AIDS AND WAITERS, Permanent	11,00	11,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	2,00	2,00	0,00	0,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	1,00	1,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	10,00	10,00	0,00	0,00
HUMAN RESOURCES CLERKS, Permanent	14,00	12,00	14,30	0,00
HUMAN RESOURCES RELATED, Permanent	39,00	37,00	5,10	1,00
INFORMATION TECHNOLOGY RELATED, Permanent	5,00	4,00	20,00	0,00

LEGAL RELATED, Permanent	2,00	2,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS, Permanent	27,00	22,00	18,50	0,00
LIGHT VEHICLE DRIVERS, Permanent	6,00	6,00	0,00	3,00
MESSENGERS PORTERS AND DELIVERERS, Permanent	24,00	22,00	8,30	8,00
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS, Permanent	7,00	7,00	0,00	0,00
MOTOR VEHICLE DRIVERS, Permanent	1,00	1,00	0,00	0,00
NATURAL SCIENCES RELATED, Permanent	3,00	3,00	0,00	0,00
OPERATIONAL PLANNING, Permanent	1,00	0,00	100,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	69,00	65,00	5,80	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	17,00	13,00	23,50	0,00
OTHER OCCUPATIONS, Permanent	287,00	284,00	1,00	282,00
PROFESSIONAL NURSE, Permanent	1,00	1,00	0,00	0,00
REGULATORY INSPECTORS, Permanent	11,00	9,00	18,20	0,00
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	1,00	1,00	0,00	0,00
ROAD WORKERS, Permanent	1,00	1,00	0,00	0,00
SAFETY HEALTH AND QUALITY INSPECTORS, Permanent	1,00	1,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	40,00	36,00	10,00	0,00
SECURITY OFFICERS, Permanent	1,00	1,00	0,00	0,00
SENIOR MANAGERS, Permanent	72,00	57,00	20,80	5,00
TRADE LABOURERS, Permanent	3,00	3,00	0,00	3,00
TRADE RELATED, Permanent	4,00	2,00	50,00	0,00
TOTAL	2 369,00	2 163,00	8,70	974,00
ADMINISTRATIVE RELATED, Permanent	1 096,00	955,00	12,90	663,00

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 15	3	2	100	1	33
Salary Level 14	16	13	81	3	18
Salary Level 13	47	37	78	10	21
Total	67	53	79	14	20

Table 3.3.2 SMS post information as on 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 15	4	3	75	1	25
Salary Level 14	23	17	73	6	26
Salary Level 13	51	38	74	13	25
Total	79	59	74	20	25

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 15	3	2	100	1	33
Salary Level 14	16	13	81	3	18
Salary Level 13	47	37	78	10	21
Total	67	53	79	14	20

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
Due to the cost cutting there has been a delay in getting the approval to fill the vacant posts.

Reasons for vacancies not filled within six months
Due to the cost cutting there has been a delay in getting the approval to fill the vacant posts.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
Due to the cost cutting there has been a delay in getting the approval to fill the vacant posts.

Reasons for vacancies not filled within six months
Due to the cost cutting there has been a delay in getting the approval to fill the vacant posts.

Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	5	0	0	0	0	0	0
02 Skilled (Levels 3-5)	150	0	0	0	0	0	0
03 Highly Skilled Production (Levels 6-8)	1 013	0	0	0	0	0	0
04 Highly Skilled Supervision (Levels 9-12)	314	0	0	0	0	0	0
05 Senior Management Service Band A	46	1	2.2	0	0	0	0
06 Senior Management Service Band B	16	0	0	0	0	0	0
07 Senior Management Service Band C	4	1	25	0	0	0	0
08 Senior Management Service Band D	1	0	0	0	0	0	0
09 Other	663	1	0.2	0	0	0	0
10 Contract (Levels 1-2)	10	0	0	0	0	0	0
11 Contract (Levels 3-5)	86	1	1.2	0	0	0	0
12 Contract (Levels 6-8)	51	0	0	0	0	0	0
13 Contract (Levels 9-12)	8	0	0	0	0	0	0
15 Contract Band B	1	0	0	0	0	0	0
17 Contract Band D	1	0	0	0	0	0	0
TOTAL	2 369	3	0.1	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00

Employees with a disability	**0**

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				**0**
Percentage of total employed				**0**

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Employees with a disability	0.00	0.00	0.00	0.00	0.00

The table below indicate that there were no cases where the salary levels were higher than those determined by job evaluation:

Total number of Employees whose salaries exceeded the grades determine by job evaluation	**None**

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of employees at beginning of period-1 April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
01 Lower Skilled (Levels 1-2) Permanent	6	0,00	1,00	16,70
02 Skilled (Levels 3-5) Permanent	138	0,00	7,00	5,10
03 Highly Skilled Production (Levels 6-8) Permanent	892	27,00	33,00	3,70
04 Highly Skilled Supervision (Levels 9-12) Permanent	258	25,00	12,00	4,70
05 Senior Management Service Band A Permanent	38	3,00	5,00	13,20
06 Senior Management Service Band B Permanent	12	0,00	2,00	16,70
07 Senior Management Service Band C Permanent	2	0,00	1,00	50,00
08 Senior Management Service Band D Permanent	1	0,00	0,00	0,00
09 Other Permanent	487	237,00	68,00	14,00
10 Contract (Levels 1-2) Permanent	10	0,00	0,00	0,00
11 Contract (Levels 3-5) Permanent	93	4,00	11,00	11,80
12 Contract (Levels 6-8) Permanent	52	3,00	3,00	5,80
13 Contract (Levels 9-12) Permanent	10	0,00	2,00	20,00
14 Contract Band B Permanent	1	1,00	1,00	100
15 Contract Band D Permanent	1	0,00	0,00	0
Contract	0	0	0	0
TOTAL	**2 001,00**	**300,00**	**146,00**	**7,30**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	775,00	252,00	85,00	11,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC. Permanent	3,00	0,00	1,00	33,30
ARCHITECTS TOWN AND TRAFFIC PLANNERS Permanent	19,00	0,00	1,00	5,30
AUXILIARY AND RELATED WORKERS Permanent	2,00	0,00	0,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	3,00	0,00	0,00	0,00
CARTOGRAPHERS AND SURVEYORS Permanent	2,00	0,00	0,00	0,00
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS Permanent	19,00	0,00	2,00	10,50
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	23,00	0,00	0,00	0,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS) Permanent	5,00	0,00	0,00	0,00

COMMUNICATION AND INFORMATION RELATED Permanent	13,00	2,00	0,00	0,00
COMMUNITY DEVELOPMENT WORKERS Permanent	405,00	0,00	10,00	2,50
ENGINEERING SCIENCES RELATED Permanent	1,00	0,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS Permanent	3,00	3,00	0,00	0,00
FINANCE AND ECONOMICS RELATED Permanent	42,00	2,00	0,00	0,00
FINANCIAL AND RELATED PROFESSIONALS Permanent	32,00	0,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	28,00	0,00	1,00	3,60
FOOD SERVICES AIDS AND WAITERS Permanent	11,00	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	3,00	0,00	1,00	33,30
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	1,00	0,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	12,00	0,00	1,00	8,30
HUMAN RESOURCES CLERKS Permanent	14,00	0,00	1,00	7,10
HUMAN RESOURCES RELATED Permanent	38,00	1,00	2,00	5,30
INFORMATION TECHNOLOGY RELATED Permanent	4,00	0,00	0,00	0,00
LEGAL RELATED Permanent	0,00	2,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS Permanent	22,00	1,00	1,00	4,50
LIGHT VEHICLE DRIVERS Permanent	11,00	3,00	8,00	72,70
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS Permanent	7,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS Permanent	1,00	0,00	0,00	0,00
NATURAL SCIENCES RELATED Permanent	3,00	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	66,00	0,00	1,00	1,50
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	17,00	0,00	2,00	11,80
OTHER OCCUPATIONS Permanent	274,00	13,00	8,00	2,90
PROFESSIONAL NURSE Permanent	1,00	0,00	0,00	0,00
REGULATORY INSPECTORS Permanent	5,00	3,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES Permanent	1,00	0,00	0,00	0,00
ROAD WORKERS Permanent	1,00	0,00	0,00	0,00
SAFETY HEALTH AND QUALITY INSPECTORS Permanent	2,00	0,00	1,00	50,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	39,00	2,00	2,00	5,10
SECURITY GUARDS Permanent	9,00	0,00	1,00	11,10
SECURITY OFFICERS Permanent	1,00	0,00	0,00	0,00
SENIOR MANAGERS Permanent	55,00	15,00	15,00	27,30
TRADE LABOURERS Permanent	4,00	0,00	1,00	25,00
TRADE RELATED Permanent	2,00	0,00	0,00	0,00
TOTAL	**2 001,00**	**300,00**	**146,00**	**7,30**

The table below identifies the major reasons why staff left the Department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
01 Death, Permanent	24,00	16,40
02 Resignation, Permanent	53,00	36,30
03 Expiry of contract, Permanent	50,00	34,20
06 Discharged due to ill health, Permanent	1,00	0,70
07 Dismissal-misconduct, Permanent	1,00	0,70
09 Retirement, Permanent	17,00	11,60
TOTAL	**146,00**	**100,00**
Total number of employees who left as a % of total employment	**11.98%**	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	775,00	10,00	1,30	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	3,00	0,00	0,00	0,00	0,00
ARCHITECTS TOWN AND TRAFFIC PLANNERS	19,00	0,00	0,00	0,00	0,00
AUXILIARY AND RELATED WORKERS	2,00	0,00	0,00	0,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS	3,00	0,00	0,00	0,00	0,00
CARTOGRAPHERS AND SURVEYORS	2,00	0,00	0,00	0,00	0,00
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS	19,00	0,00	0,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	23,00	0,00	0,00	0,00	0,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	5,00	0,00	0,00	0,00	0,00
COMMUNICATION AND INFORMATION RELATED	13,00	0,00	0,00	0,00	0,00
COMMUNITY DEVELOPMENT WORKERS	405,00	0,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED	1,00	0,00	0,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS	3,00	0,00	0,00	0,00	0,00
FINANCE AND ECONOMICS RELATED	42,00	1,00	2,40	0,00	0,00

FINANCIAL AND RELATED PROFESSIONALS	32,00	0,00	0,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	28,00	0,00	0,00	0,00	0,00
FOOD SERVICES AIDS AND WAITERS	11,00	0,00	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	3,00	0,00	0,00	0,00	0,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1,00	0,00	0,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	12,00	0,00	0,00	0,00	0,00
HUMAN RESOURCES CLERKS	14,00	0,00	0,00	0,00	0,00
HUMAN RESOURCES RELATED	38,00	0,00	0,00	0,00	0,00
INFORMATION TECHNOLOGY RELATED	4,00	0,00	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS	22,00	0,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS	11,00	0,00	0,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS	22,00	0,00	0,00	0,00	0,00
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS	7,00	0,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS	1,00	0,00	0,00	0,00	0,00
NATURAL SCIENCES RELATED	3,00	0,00	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	66,00	0,00	0,00	0,00	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	17,00	0,00	0,00	0,00	0,00
OTHER OCCUPATIONS	274,00	0,00	0,00	0,00	0,00
PROFESSIONAL NURSE	1,00	0,00	0,00	0,00	0,00
REGULATORY INSPECTORS	5,00	0,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES	1,00	0,00	0,00	0,00	0,00
ROAD WORKERS	1,00	0,00	0,00	0,00	0,00
SAFETY HEALTH AND QUALITY INSPECTORS	2,00	0,00	0,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	39,00	1,00	2,60	0,00	0,00
SECURITY GUARDS	9,00	0,00	0,00	0,00	0,00
SECURITY OFFICERS	1,00	0,00	0,00	0,00	0,00
SENIOR MANAGERS	55,00	2,00	3,60	0,00	0,00
TRADE LABOURERS	4,00	0,00	0,00	0,00	0,00
TRADE RELATED	2,00	0,00	0,00	0,00	0,00
TOTAL	**2 001,00**	**14,00**	**0,70**	**0,00**	**0,00**

Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2), Permanent	6,00	0,00	0,00	0,00	0,00
02 Skilled (Levels 3-5), Permanent	138,00	0,00	0,00	0,00	0,00
03 Highly Skilled Production (Levels 6-8), Permanent	892,00	1,00	0,10	0,00	0,00
04 Highly Skilled Supervision (Levels 9-12), Permanent	258,00	9,00	3,50	0,00	0,00
05 Senior Management (Levels >= 13), Permanent	53,00	4,00	7,50	0,00	0,00
09 Other, Permanent	487,00	0,00	0,00	0,00	0,00
10 Contract (Levels 1-2), Permanent	10,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5), Permanent	93,00	0,00	0,00	0,00	0,00
12 Contract (Levels 6-8), Permanent	52,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12), Permanent	10,00	0,00	0,00	0,00	0,00
14 Contract (Levels >= 13), Permanent	2,00	0,00	0,00	0,00	0,00
TOTAL	**2 001,00**	**14,00**	**0,70**	**0,00**	**0,00**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - SENIOR OFFICIALS AND MANAGERS	25,00	0,00	1,00	26,00	1,00	25,00	1,00	4,00	30,00
02 - PROFESSIONALS	185,00	1,00	13,00	199,00	8,00	324,00	4,00	17,00	345,00
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	374,00	2,00	14,00	390,00	9,00	563,00	6,00	20,00	589,00
04 - CLERKS	44,00	1,00	6,00	51,00	0,00	100,00	4,00	6,00	10,00
05 - SERVICE SHOP AND MARKET SALES WORKERS	13,00	1,00	1,00	15,00	0,00	4,00	0,00	0,00	4,00
07 - CRAFT AND RELATED TRADE WORKERS	4,00	0,00	0,00	4,00	0,00	0,00	0,00	0,00	0,00
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	7,00	0,00	0,00	7,00	0,00	0,00	0,00	0,00	0,00
09 - LABOURERS AND RELATED WORKERS	285,00	0,00	0,00	85,00	0,00	61,00	0,00	0,00	61,00
99 - UNKNOWN	1,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00	0,00
TOTAL	938,00	5,00	35,00	78,00	18,00	1 077,00	15,00	47,00	1 139,00
Employees with disabilities	9,00	0,00	3,00	12,00	1,00	12,00	0,00	3,00	15,00

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021)

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	2,00	0,00	0,00	2,00	0,00	1,00	0,00	0,00	1,00
02 Senior Management, Permanent	15,00	0,00	1,00	16,00	1,00	22,00	1,00	5,00	28,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	95,00	2,00	21,00	118,00	15,00	99,00	6,00	23,00	128,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	50,00	1,00	8,00	459,00	1,00	391,00	7,00	14,00	412,00
05 Semi-skilled and discretionary decision making, Permanent	55,00	0,00	1,00	56,00	1,00	70,00	0,00	2,00	72,00
06 Unskilled and defined decision making, Permanent	2,00	0,00	0,00	2,00	0,00	3,00	0,00	0,00	3,00
07 Not Available, Permanent	254,00	1,00	3,00	258,00	0,00	404,00	0,00	1,00	405,00
08 Contract (Top Management), Permanent	1,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00	0,00
09 Contract (Senior Management), Permanent	0,00	0,00	0,00	0,00	0,00	1,00	0,00	0,00	1,00
10 Contract (Professionaly Qualified), Permanent	3,00	0,00	0,00	3,00	0,00	5,00	0,00	0,00	5,00
11 Contract (Skilled Technical), Permanent	20,00	0,00	0,00	20,00	0,00	30,00	0,00	1,00	31,00
12 Contract (Semi-Skilled), Permanent	39,00	1,00	1,00	41,00	0,00	43,00	1,00	1,00	45,00
13 Contract (Unskilled), Permanent	2,00	0,00	0,00	2,00	0,00	8,00	0,00	0,00	8,00
TOTAL	**938,00**	**5,00**	**35,00**	**978,00**	**18,00**	**1 077,00**	**15,00**	**47,00**	**1 139,00**

Table 3.6.3 Recruitment for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, Permanent	1,00	0,00	0,00	1,00	0,00	2,00	0,00	0,00	2,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	13,00	0,00	1,00	14,00	2,00	8,00	0,00	0,00	8,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	18,00	0,00	0,00	18,00	0,00	9,00	0,00	0,00	9,00
05 Semi-skilled and discretionary decision making, Permanent	98,00	0,00	1,00	99,00	0,00	138,00	0,00	0,00	138,00
07 Not Available, Permanent	0,00	0,00	0,00	0,00	0,00	1,00	0,00	0,00	1,00
09 Contract (Senior Management), Permanent	0,00	0,00	0,00	0,00	0,00	3,00	0,00	0,00	3,00
10 Contract (Professionally qualified), Permanent	4,00	0,00	0,00	4,00	0,00	0,00	0,00	0,00	0,00
11 Contract (Skilled technical), Permanent	134,00	0,00	2,00	136,00	2,00	161,00	0,00	0,00	161,00
12 Contract (Semi-skilled), Permanent	**4.00**	**0.00**	**0.00**	**0.00**	**9.00**	**0.00**	**1.00**	**0.00**	**14.00**
TOTAL	**1,00**	**0,00**	**0,00**	**1,00**	**0,00**	**2,00**	**0,00**	**0,00**	**2,00**
Employees with disabilities	**13,00**	**0,00**	**1,00**	**14,00**	**2,00**	**8,00**	**0,00**	**0,00**	**8,00**

Table 3.6.4 Promotions for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, Permanent	0,00	0,00	0,00	0,00	0,00	4,00	0,00	0,00	4,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	4,00	0,00	0,00	4,00	0,00	5,00	0,00	0,00	5,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	0,00	0,00	0,00	0,00	0,00	1,00	0,00	0,00	1,00
TOTAL	**4,00**	**0,00**	**0,00**	**4,00**	**0,00**	**10,00**	**0,00**	**0,00**	**10,00**
Employees with disabilities	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Table 3.6.5 Terminations for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00	0,00
02 Senior Management, Permanent	2,00	0,00	0,00	2,00	2,00	2,00	0,00	0,00	2,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	5,00	0,00	0,00	5,00	2,00	4,00	0,00	0,00	4,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	18,00	0,00	0,00	8,00	0,00	13,00	0,00	1,00	4,00
05 Semi-skilled and discretionary decision making, Permanent	6,00	0,00	0,00	6,00	0,00	1,00	0,00	0,00	1,00
06 Unskilled and defined decision making, Permanent	1,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00	0,00
07 Not Available, Permanent	26,00	0,00	0,00	6,00	0,00	41,00	1,00	0,00	2,00
09 Contract (Senior Management), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00
10 Contract (Professionally qualified), Permanent	1,00	0,00	0,00	1,00	0,00	1,00	0,00	0,00	1,00
11 Contract (Skilled technical), Permanent	1,00	0,00	0,00	1,00	0,00	2,00	0,00	0,00	2,00
12 Contract (Semi-skilled), Permanent	9,00	0,00	0,00	9,00	0,00	2,00	0,00	0,00	2,00
TOTAL	**70,00**	**0,00**	**0,00**	**70,00**	**5,00**	**66,00**	**1,00**	**1,00**	**68,00**
Employees with disabilities	**1.00**	**0.00**	**0.00**	**0.00**	**3.00**	**0.00**	**0.00**	**0.00**	**4.00**

Table 3.6.6 Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
WRITTEN WARNING	1,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00	0,00
TOTAL	**1,00**	**0,00**	**0,00**	**1,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**

Table 3.6.7 Skills development for the period 1 April 2020 to 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	112	3	19	15	139	5	27	13	333
Professionals	16	0	3	1	23	2	0	1	46
Technicians and associate professionals	178	0	4	1	253	6	13	5	460
Clerks	30	1	0	2	38	0	8	4	83
Service and sales workers	1	0	0	0	0	0	0	0	1
Skilled agriculture and fishery workers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	4	0	0	0	0	0	0	0	4
Elementary occupations	4	0	0	0	4	0	0	0	8
Total	345	4	26	19	457	13	48	23	935
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2020

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	00	00	00	00
Salary Level 16	01	01	01	1.1
Salary Level 15	03	01	03	4.3
Salary Level 14	18	12	12	26
Salary Level 13	47	34	34	68
Total	69	48	48	100

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2020

Reasons
Not Applicable

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2020

Reasons
Not Applicable

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1e48 Performance Rewards by race, gender and disability for the period 1 April 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	1,00	1 065,00	0,10	68,41	68 406,00
African, Male	0,00	929,00	0,00	0,00	0,00
Asian, Female	0,00	44,00	0,00	0,00	0,00
Asian, Male	0,00	32,00	0,00	0,00	0,00
Coloured, Female	0,00	15,00	0,00	0,00	0,00
Coloured, Male	0,00	5,00	0,00	0,00	0,00
Total Blacks, Female	1,00	1 124,00	0,10	68,41	68 406,00
Total Blacks, Male	0,00	966,00	0,00	0,00	0,00
White, Female	0,00	26,00	0,00	0,00	0,00
White, Male	0,00	17,00	0,00	0,00	0,00
Employees with a disability	0,00	30,00	0,00	0,00	0,00
TOTAL	**1,00**	**2 163,00**	**0,10**	**68,41**	**68 406,00**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
01 Lower Skilled (Levels 1-2)	0,00	0,00	0,00	0,00	0,00	
02 Skilled (Levels 3-5)	0,00	130,00	0,00	0,00	0,00	
03 Highly Skilled Production (Levels 6-8)	0,00	887,00	0,00	0,00	0,00	
04 Highly Skilled Supervision (Levels 9-12)	0,00	270,00	0,00	0,00	0,00	
09 Other	0,00	663,00	0,00	0,00	0,00	
10 Contract (Levels 1-2)	0,00	10,00	0,00	0,00	0,00	
11 Contract (Levels 3-5)	0,00	86,00	0,00	0,00	0,00	
12 Contract (Levels 6-8)	0,00	51,00	0,00	0,00	0,00	
13 Contract (Levels 9-12)	0,00	8,00	0,00	0,00	0,00	
TOTAL	**0,00**	**2 110,00**	**0,00**	**0,00**	**0,00**	

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 to 31 March 2021

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	0,00	27,00	0,00	0,00	0,00
HUMAN RESOURCES CLERKS	0,00	12,00	0,00	0,00	0,00
SECURITY OFFICERS	0,00	1,00	0,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS	0,00	22,00	0,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	0,00	10,00	0,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	0,00	2,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES	0,00	1,00	0,00	0,00	0,00
SAFETY HEALTH AND QUALITY INSPECTORS	0,00	1,00	0,00	0,00	0,00
FINANCE AND ECONOMICS RELATED	0,00	43,00	0,00	0,00	0,00
NATURAL SCIENCES RELATED	0,00	3,00	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	0,00	65,00	0,00	0,00	0,00
AUXILIARY AND RELATED WORKERS	0,00	2,00	0,00	0,00	0,00
OTHER OCCUPATIONS	0,00	284,00	0,00	0,00	0,00
LEGAL RELATED	0,00	2,00	0,00	0,00	0,00
FINANCIAL AND RELATED PROFESSIONALS	0,00	31,00	0,00	0,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS	0,00	3,00	0,00	0,00	0,00
ARCHITECTS TOWN AND TRAFFIC PLANNERS	0,00	18,00	0,00	0,00	0,00
ADMINISTRATIVE RELATED	0,00	955,00	0,00	0,00	0,00
COMMUNICATION AND INFORMATION RELATED	0,00	14,00	0,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	0,00	36,00	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS	0,00	22,00	0,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	0,00	23,00	0,00	0,00	0,00
HUMAN RESOURCES RELATED	0,00	37,00	0,00	0,00	0,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0,00	1,00	0,00	0,00	0,00
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS	0,00	7,00	0,00	0,00	0,00
TRADE LABOURERS	0,00	3,00	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	0,00	2,00	0,00	0,00	0,00
REGULATORY INSPECTORS	0,00	9,00	0,00	0,00	0,00
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS	0,00	17,00	0,00	0,00	0,00
ROAD WORKERS	0,00	1,00	0,00	0,00	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	0,00	13,00	0,00	0,00	0,00

PROFESSIONAL NURSE	0,00	1,00	0,00	0,00	0,00
SENIOR MANAGERS	1,00	57,00	1,80	68,41	68 406,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	0,00	5,00	0,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS	0,00	5,00	0,00	0,00	0,00
CARTOGRAPHERS AND SURVEYORS	0,00	2,00	0,00	0,00	0,00
TRADE RELATED	0,00	2,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS	0,00	6,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED	0,00	1,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS	0,00	1,00	0,00	0,00	0,00
SECURITY GUARDS	0,00	8,00	0,00	0,00	0,00
FOOD SERVICES AIDS AND WAITERS	0,00	11,00	0,00	0,00	0,00
COMMUNITY DEVELOPMENT WORKERS	0,00	393,00	0,00	0,00	0,00
INFORMATION TECHNOLOGY RELATED	0,00	4,00	0,00	0,00	0,00
TOTAL	**1,00**	**2 163,00**	**1,80**	**68,41**	**68 406,00**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0,00	36,00	0,00	0,00	0,00	0,00
Band B	0,00	13,00	0,00	0,00	0,00	0,00
Band C	1,00	2,00	50,00	68,41	68 405,90	1,70
Band D	0,00	2,00	0,00	0,00	0,00	0,00
Total	**1,00**	**53,00**	**1,90**	**68,41**	**68 405,90**	**0,10**

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Levels 6-8)	1,00	16,70	1,00	16,70	0,00	0,00
Highly skilled supervision (Levels 9-12)	2,00	33,30	2,00	33,30	0,00	0,00
Other	1,00	16,70	2,00	33,30	1,00	0,00
Senior management (Levels 13-16)	2,00	33,30	1,00	16,70	- 1,00	0,00
TOTAL	**6,00**	**100,00**	**6,00**	**100,00**	**0,00**	**0,00**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Other occupations	1,00	16,70	1,00	16,70	0,00	0,00
Professionals and managers	4,00	66,70	4,00	66,70	0,00	0,00
Technicians and associated professionals	1,00	16,70	1,00	16,70	0,00	0,00
TOTAL	**6,00**	**100,00**	**6,00**	**100,00**	**0,00**	**0,00**

3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 1-2)	15,00	60,00	3,00	0,70	5,00	8,00
Contract (Levels 3-5)	161,00	56,50	41,00	9,80	4,00	145,00
Contract (Levels 6-8)	88,00	87,50	17,00	4,10	5,00	123,00
Contract (Levels 9-12)	22,00	100,00	3,00	0,70	7,00	68,00
Contract Other	121,00	61,20	33,00	7,90	4,00	46,00
Highly skilled production (Levels 6-8)	947,00	85,40	127,00	30,50	7,00	1 463,00
Highly skilled supervision (Levels 9-12)	881,00	85,10	126,00	30,20	7,00	2 673,00
Senior management (Levels 13-16)	108,00	91,70	18,00	4,30	6,00	475,00
Skilled (Levels 3-5)	217,00	79,30	49,00	11,80	4,00	204,00
TOTAL	**2 560,00**	**82,10**	**417,00**	**100,00**	**6,00**	**5 204,00**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 3-5)	30,00	100,00	2,00	11,10	15,00	27,00
Highly skilled production (Levels 6-8)	481,00	100,00	7,00	38,90	69,00	729,00
Highly skilled supervision (Levels 9-12)	292,00	98,60	6,00	33,30	49,00	871,00
Other	224,00	100,00	1,00	5,60	224,00	1 813,00
Senior management (Levels 13-16)	75,00	100,00	1,00	5,60	75,00	333,00
Skilled (Levels 3-5)	5,00	100,00	1,00	5,60	5,00	5,00
TOTAL	**1 107,00**	**99,60**	**18,00**	**100,00**	**62,00**	**3 779,00**

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Co-ordinating Bargaining Council in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual Leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days taken	Average per Employee	Number of Employees using Annual Leave
Contract (Levels 1-2)	104,00	12,00	9,00
Contract (Levels 13-16)	12,00	12,00	1,00
Contract (Levels 3-5)	1 102,00	15,00	73,00
Contract (Levels 6-8)	546,00	15,00	37,00
Contract (Levels 9-12)	53,00	11,00	5,00
Contract Other	739,00	10,00	76,00
Highly skilled production (Levels 6-8)	6 182,00	16,00	394,00
Highly skilled supervision (Levels 9-12)	3 753,00	17,00	227,00
Lower skilled (Levels 1-2)	48,00	16,00	3,00
Senior management (Levels 13-16)	809,00	16,00	51,00
Skilled (Levels 3-5)	1 590,00	16,00	101,00
TOTAL	**14 938,00**	**15,00**	**977,00**

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

Salary Band	Total Days of Capped Leave Taken	Average Number of Days Taken per Employee	Average Capped Leave per Employee as at End of Period	Number of Employees using Capped Leave
Contract (Levels 1-2)	0,00	0,00	0,00	0,00
Contract (Levels 13-16)	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	0,00	0,00	0,00	0,00
Contract Other	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	78,00	0,00
Highly skilled supervision (Levels 9-12)	1,00	1,00	60,00	1,00
Lower skilled (Levels 1-2)	0,00	0,00	40,00	0,00
Other	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	47,00	0,00
Skilled (Levels 3-5)	0,00	0,00	76,00	0,00
TOTAL	**1,00**	**1,00**	**72,00**	**1,00**

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave pay outs for the period 1 April 2020 and 31 March 2021

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
ANNUAL - DISCOUNTING WITH RESIGNATION (WORK DAYS)	819,00	32,00	25 594,00
ANNUAL - DISCOUNTING: CONTRACT EXPIRY (WORK DAYS)	29,00	4,00	7 250,00
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	2 139,00	36,00	59 417,00
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	4 629,00	26,00	178 038,00
TOTAL	**7 617,00**		

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Elementary Occupations	• Compulsory Protective wear and uniforms • Trained first-aiders per COGTA site to handle minor injuries. • First-aid kits per COGTA Site. • Condom Dispensers at all COGTA sites

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Acting Director: Human Capital Development
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		• Number of Employee Health and Wellness Staff: 4 Permanent staff • 1 Contract staff and 1 intern • Annual Budget: R2 872 286.00
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		As per Employee Health and Wellness Strategic Framework • HIV, AIDS, STI's and TB Management • Wellness Management • Health and Productivity Management
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Approved Wellness Committee • Legal Services • Human Capital Development • Employee Health and Wellness • Unions • Human Resource Administration • Auxiliary Services • Traditional Houses • Peer Educators • Training and Development
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		• HIV, AIDS, STI's and TB Policy • Wellness management Policy • Health and Productivity Management Policy • Sexual Harassment Policy • Bereavement Policy • Sports and Recreation Policy • Employee Health and Wellness Strategic Framework (2008) • BCEA 75(1997) • NSP 2017-2022
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		• Confidential referral and counselling • Staff Induction and Orientation Programmes • HIV and AIDS, STI and TB Training for Interns • Confidential HIV Testing and Post Management by Service provider • Stigma mitigation awareness information
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		• Employees are encouraged to screen 4 times a year • Employees received personal confidential counselling when required. • Approximately 350 staff members attend wellness screening in the past year over two quarters (COVID-19 restrictions for the remaining quarters). More than 20% of attendees Staff undergo HIV Counselling and Testing. About 165 employees who have disclosed their status are supported by the wellness centre. • More than 82% of staff that attended the World AIDS day event in Amajuba District tested for HIV.

8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		• Quarterly Wellness Report from External Service Provider
			• Operational Plans for Office of the Premier and DPSA:
			  • HIV, AIDS, STI's and TB Policy
			  • Wellness management Policy
			  • Health and Productivity Management Policy
			• Departmental Wellness Committee Meeting
			• Systems Monitoring Tool populated for the Office of the Premier and DPSA
			• Implementation Review Report (4 Quarters) + Annual Report) to Office of The Premier and DPSA

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021

Subject matter	Date
Total number of Collective agreements	None

Notes

- *If there were no agreements, keep the heading and replace the table with the following:*

Total number of Collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 to 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
WRITTEN WARNING	1,00	100,00
TOTAL	**1,00**	**100,00**

If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	% of total
POSSESSES OR WRONGFULLY USES PROPERTY OF STATE	1,00	100,00
TOTAL	**1,00**	**100,00**

Table 3.12.4 Grievances lodged for the period 1 April 2020 to 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	8	53.3%
Number of grievances not resolved	7	46.7%
Total number of grievances lodged	15	100%

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2020 to 31 March 2021

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	0	0%
Total number of disputes lodged	3	100%

Table 3.12.6 Strike actions for the period 1 April 2020 to 31 March 2021

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2020 to 31 March 2021

Number of people suspended	4
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	220
Cost of suspension(R'000)	R1578612.3

3.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	132	0	14	2	16
	Male	147	0	12	3	15
Professionals	Female	26	0	09	5	14
	Male	24	0	13	4	17
Technicians and associate professionals	Female	248	0	13	2	15
	Male	186	0	16	1	17
Clerks	Female	117	0	11	0	11
	Male	39	0	7	0	7
Service and sales workers	Female	3	0	0	0	0
	Male	5	0	1	0	1
Skilled agriculture and fishery workers	Female	N/A	N/A	N/A	N/A	NA
	Male	N/A	N/A	N/A	N/A	NA
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	1	0	1
Plant and machine operators and assemblers	Female	2	0	0	0	0
	Male	5	0	1	0	1
Elementary occupations	Female	47	0	8	0	8
	Male	52	0	5	0	5
Gender sub totals	Female	458	0	54	9	64
	Male	575	0	56	8	63
TOTAL		0	110	17	127	1033

Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	184	0	11	0	11
	Male	149	0	09	0	09
Professionals	Female	26	0	12	0	12
	Male	20	0	08	0	08
Technicians and associate professionals	Female	277	0	11	0	15
	Male	183	0	10	0	10
Clerks	Female	50	0	7	0	7
	Male	33	0	6	0	6
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	1	0	1
Skilled agriculture and fishery workers	Female	N/A	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A	N/A
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	4	0	1	0	1
Elementary occupations	Female	4	0	1	0	1
	Male	4	0	1	0	1
Gender sub totals	Female	542	0	42	0	42
	Male	458	0	36	0	36
TOTAL		935	0	78	0	78

Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	0.00	0.00
Temporary Total Disablement	0.00	0.00
Permanent Disablement	0.00	0.00
Fatal	0.00	0.00
Total	**0.00**	**0.00**

1.1 Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

a. The rendering of expert advice;
b. The drafting of proposals for the execution of specific tasks; and

c. The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Professional services for the renovations, alterations and repairs at the new Ixopo District Offices	2	365	R646,833.60
Conduct an Investigation at Zululand District Municipality	2	90	R1,599,075.00
Investigation at Uthukela and Alfred Duma Municipalities on Maladministration, Fraud and Corruption	1	90	R2,150,00.00
Demarcation Boundaries, Creation and characterisation of Izigodi	1	180	R496,000.00
Review and finalisation of the AFS	1	30	R76,800.00
Conduct Situation Analysis on Collections by the Traditional Councils	1	90	R495,000.00
Develop the Provincial Small Town Socio- Economic Revitalization Strategy	1	365	R2,828,218.00
Investigation at Zululand Municipality on Maladministration, Fraud and Corruption	1	90	R1,300,000.00
Investigation at Msunduzi Municipality on Maladministration, Fraud and Corruption	1	90	R1,929,199.25
Investigation at Mandeni Municipality on Maladministration, Fraud and Corruption	1	90	R1,521,680.00
Investigation at Ugu Municipality on Maladministration, Fraud and Corruption	1	90	R993.600.00
Design, manage and inspect construction quality at Abaqulusi	1	1095	R1,532,360.16
Professional Services for the renovations at Mayville	1	30	R230,000.00
Governance Resource to support Msunduzi LM	2	150	R375,500.00
Financial Resource to support Msunduzi LM	1	150	R492,000.00
Rendering support to Municipalities on Governance matters	1	180	426,058.50
Roll out the National Certificate Local Government Councillor Practices	2	365	R497,835.00
Assist the Internal Control Business Unit in executing its Assurance duties	1	120	R339,200.00
Appointment of a service provider to assess LED Functionality in Municipalities	2	90	R460,000.00
Electrical Engineering Consultant for the Jozini Electrification Project	1	1095	R1,382,932.50
Development of a Strategic Corridor Development Plan	1	540	R1,824,278.93
#Press for Women in Leadership Training Programme	2	180	R499,000.00
Human Resource Services at Municipal Infrastructure	1	90	R697,187.50
Conduct an Investigation at Umgungundlovu Municipality	1	90	R776,941.23
Financial Expert at Mpofana Municipality	1	150	R477,500.00
Undertake the Drafting of the Provincial Spatial Development Framework	1	540	R2,587,500.00

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Review Irregular Expenditure	1	60	R 454 600.00
Technical Support at Mpofana Municipality	1	150	R 500 000.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
28	34	6585	R27 588 299.67

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Professional services for the renovations, alterations and repairs at the new Ixopo District Offices	100.00%	100.00%	2
Conduct an Investigation at Zululand District Municipality	100.00%	100.00%	2
Investigation at Uthukela and Alfred Duma Municipalities on Maladministration, Fraud and Corruption	100.00%	100.00%	1
Demarcation Boundaries, Creation and characterisation of Izigodi	100.00%	100.00%	1
Review and finalisation of the AFS	100.00%	100.00%	1
Conduct Situation Analysis on Collections by the Traditional Councils	100.00%	100.00%	1
Investigation at Zululand Municipality on Maladministration, Fraud and Corruption	100.00%	100.00%	1
Investigation at Msunduzi Municipality on Maladministration, Fraud and Corruption	100.00%	100.00%	1
Investigation at Mandeni Municipality on Maladministration, Fraud and Corruption	100.00%	100.00%	1
Investigation at Ugu Municipality on Maladministration, Fraud and Corruption	100.00%	100.00%	1
Professional Services for the renovations at Mayville	100.00%	100.00%	1
Governance Resource to support Msunduzi LM	100.00%	100.00%	2
Financial Resource to support Msunduzi LM	100.00%	100.00%	1
Roll out the National Certificate Local Government Councillor Practices	100.00%	100.00%	2
Assist the Internal Control Business Unit in executing its Assurance duties	100.00%	100.00%	1
Appointment of a service provider to assess LED Functionality in Municipalities	100.00%	100.00%	2
#Press for Women in Leadership Training Programme	100.00%	100.00%	2
Human Resource Services at Municipal Infrastructure	100.00%	100.00%	1
Conduct an Investigation at Umgungundlovu Municipality	100.00%	100.00%	1
Financial Expert at Mpofana Municipality	100.00%	100.00%	1
Undertake the Drafting of the Provincial Spatial Development Framework	100.00%	100.00%	1
Review Irregular Expenditure	100.00%	100.00%	1
Technical Support at Mpofana Municipality	100.00%	100.00%	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
NIL	NIL	NIL	NIL

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
NIL	NIL	NIL	NIL

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
NIL	NIL	NIL	NIL

Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	**0**	**0**	**0**	**0**

PART E - FINANCIAL INFORMATION

GROWING
KWAZULU-NATAL
TOGETHER

Department of Cooperative Governance and Traditional Affairs

Audit report for the year ending 31 March 2021

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature on vote no. 11: Department of Cooperative Governance and Traditional Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Cooperative Governance and Traditional Affairs set out on pages xx to xx, which comprise the appropriation statement, statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Cooperative Governance and Traditional Affairs as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as prescribed by the National Treasury and the requirements of the Public Finance Management Act, 1999 (Act No.1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty relating to funding for back pay of allowances

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

7. I draw attention to note 34 to the financial statements, which indicates that the department has a liability to settle the back pay of allowances amounting to R1,58 billion at 31 March 2021 relating to *iziNduna.* The department was in negotiations with provincial and national treasuries as well as the provincial cabinet to seek funding. This matter indicates that a material uncertainty exists that may cast significant doubt on the department's ability to fund this liability.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

9. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DoRA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

11. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report.

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department’s approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for programme 3 - development and planning, presented on pages 41 to 48 of the annual performance report of the department for the year ended 31 March 2021.

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme.

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 51 to 63 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of a significant number of targets.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

22. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

23. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

26. The other information I obtained prior to the date of this auditor's report is the accounting officer's report. The member of executive committee's (MEC) foreword and the audit committee's report are expected to be made available to me after 30 July 2021.

27. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material

misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

28. After I receive and read the MEC's foreword and audit committee's report, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Other reports

30. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

31. The provincial internal audit unit for departments conducted nine investigations from 1 January 2010 to 31 March 2020. These investigations related to allegations of irregularities in supply chain management, unauthorised changing of a service provider's bank details, diverting of catering services, abuse of official vehicles and subsistence and travel claims as well as allegations of maladministration against senior officials in the department. Seven investigations were finalised and concluded on and two were still in progress. The accounting officer had commenced with legal and disciplinary action against officials on the seven finalised investigations.

Pietermaritzburg

30 July 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

    - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
    - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
    - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
    - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
    - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the

financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNUAL FINANCIAL STATEMENT FOR KZN COGTA - FOR THE YEAR ENDED 31 MARCH 2021

GROWING KWAZULU-NATAL TOGETHER

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per programme

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	359,877	-	3,895	363,772	363,772	-	100.0%	420 978	420 978
2. Local Governance	294,490	-	7,771	302,261	302,261	-	100.0%	317 429	317 429
3. Development and Planning	315,921	-	-13,360	302,561	302,505	56	100.0%	624 056	599 574
4. Traditional Institutional Management	543,636	-	1,694	545,330	545,330	-	100.0%	628 982	628 818
TOTAL	**1,513,924**	**-**	**-**	**1,513,924**	**1,513,868**	**56**	**100.0%**	**1 991 450**	**1 966 799**
Reconciliation with statement of financial performance									
ADD				35,319				**4 780**	
Departmental receipts									
Actual amounts per statement of financial performance (total revenue)				**1,549,243**				1 996 230	
Actual amounts per statement of financial performance (total expenditure)					**1,513,868**				1 996 799

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**1,347,382**	**-**	**-18,719**	**1,328,663**	**1,328,607**	**56**	**100.0%**	**1,546,589**	**1,522,213**
Compensation of employees	709,341	-	-3,178	706,163	706,163	-	100.0%	693,067	693,065
Salaries and wages	628,486	-	-2,992	625,494	624,672	822	99.9%	613,165	612,405
Social contributions	80,855	-	-186	80,669	81,491	-822	101.0%	79,902	80,660
Goods and services	638,040	-	-15,548	622,492	622,436	56	100.0%	853,437	829,063
Administrative fees	1,175	-	-469	706	476	230	67.4%	2,226	2,143
Advertising	4,990	-	-	4,990	7,111	-2,121	142.5%	30,127	23,745
Minor assets	208	-	18	226	414	-188	183.2%	981	966
Audit costs: External	7,149	-	-	7,149	6,521	628	91.2%	8,831	8,695
Bursaries: Employees	190	-	-	190	16	174	8.4%	450	152
Catering: Departmental activities	1,911	-	-1,271	640	603	37	94.2%	2,593	2,508
Communication	10,027	-	-971	9,056	10,128	-1,072	111.8%	14,875	14,844
Computer services	42,000	-	-4,972	37,028	29,735	7,293	80.3%	33,798	32,128
Consultants: Business and advisory services	82,007	-	4,445	86,452	91,902	-5,450	106.3%	169,216	127,506

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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for the year ended 31 March 2021

Legal services	5,517	-	-88	5,429	7,376	-1,947	135.9%	11,094	11,069
Contractors	2,884	-	-248	2,636	2,320	316	88.0%	49,730	47,385
Agency and support / outsourced services	10,342	-	-1,485	8,857	9,001	-144	101.6%	6,313	7,101
Fleet services	15,966	-	-	15,966	15,209	757	95.3%	16,251	18,552
Inventory: Clothing material and supplies	500	-	-	500	-	500	-	-	-
Inventory: Food and food supplies	1,896	-	-1,182	714	1,234	-520	172.8%	1,168	2,636
Inventory: Materials and supplies	1,984	-	-	1,984	1,313	671	66.2%	802	1,682
Inventory: Other supplies	7,185	-	-	7,185	7,158	27	99.6%	8,326	27,612
Consumable supplies	1,725	-	-72	1,653	1,933	-280	116.9%	2,632	2,961
Consumable: Stationery, printing and office supplies	5,602	-	-105	5,497	5,310	187	96.6%	7,284	12,903
Operating leases	15,469	-	-257	15,212	15,387	-175	101.2%	22,994	19,468
Property payments	32,885	-	143	33,028	36,028	-3,000	109.1%	37,416	41,591
Travel and subsistence	-	-	-	-	-	-	-	-	55
Training and development	20,060	-	-5,369	14,691	11,956	2,735	81.4%	36,284	36,878
Operating payments	51	-	-	51	51	-	100.0%	1,260	962
Venues and facilities	361,417	-	-3,665	357,752	358,340	-588	100.2%	388,299	385,331
Rental and hiring	-	-	-	-	-	-	-	100	-
Interest and rent on land	4,900	-	-	4,900	2,914	1,986	59.5%	387	190
Interest	1	-	7	8	8	-	100.0%	85	85
	1	-	7	8	8	-	100.0%	85	85

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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for the year ended 31 March 2021

Transfers and subsidies	**10,181**	**-**	**28,649**	**38,830**	**38,830**	**-**	**100.0%**	**369,139**	**369,436**
Provinces and municipalities	554	-	-63	491	491	-	100.0%	222,819	222,819
Provinces	554	-	-63	491	491	-	100.0%	1,199	1,199
Provincial agencies and funds	554	-	-63	491	491	-	100.0%	1,199	1,199
Municipalities	-	-	-	-	-	-	-	221,620	221,620
Municipal bank accounts	-	-	-	-	-	-	-	218,620	218,620
Municipal agencies fund	-	-	-	-	-	-	-	3,000	3,000
Departmental agencies and accounts	-	-	-	-	-	-	-	20,000	20,000
Departmental Agencies	-	-	-	-	-	-	-	20,000	20,000
Public Corporations And Enterprise	-	-	-	-	-	-	-	29,000	29,000
Public Corporations	-	-	-	-	-	-	-	29,000	29,000
Other transfers to Public	-	-	-	-	-	-	-	29,000	29,000
Non profit institutions	-	-	26,082	26,082	26,082	-	100.0%	84,343	84,343
households	9,627	-	2,630	12,257	12,257	-	100.0%	12,977	13,274
Social benefits	6,603	-	2,630	9,233	10,111	-878	109.5%	8,786	8,524
Other transfers to households	3,024	-	-	3,024	2,146	878	71.0%	4,191	4,750
Payments for capital assets	**156,361**	**-**	**-11,650**	**144,711**	**144,711**	**-**	**100.0%**	**75,722**	**75,150**
Buildings and other fixed structures	106,308	-	-6,925	99,383	99,383	-	100.0%	11,843	11,455
Buildings	18,683	-	1,104	19,787	19,787	-	100.0%	11,843	11,455
Machinery and equipment	87,625	-	-8,029	79,596	79,596	-	100.0%	-	-

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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for the year ended 31 March 2021

Transport equipment	50,053	-	-13,620	36,433	36,433	-	100.0%	63,746	63,663
Other machinery and equipment	1,238	-	-	1,238	1,238	-	100.0%	45,608	45,462
	48,815	-	-13,620	35,195	35,195	-	100.0%	18,138	18,201
Intangible assets	-	-	8,895	8,895	8,895	-	100.0%	133	32
	-	**-**	**1,720**	**1,720**	**1,720**	**-**	**100.0%**	**-**	**-**
	1,513,924	**-**	**-**	**1,513,924**	**1,513,868**	**56**	**100.0%**	**1,991,450**	**1,966,799**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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for the year ended 31 March 2021

Programme 1: Administration									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	13,239	-	-523	12,716	12,716	-	100.0%	18,602	18,602
2. Corporate Services	346,638	-	4,418	351,056	351,056	-	100.0%	402,376	402,376
Total for sub programmes	**359,877**	**-**	**3,895**	**363,772**	**363,772**	**-**	**100.0%**	**420,978**	**420,978**
Economic classification									
Current payments	**318,584**	**-**	**-6,324**	**312,260**	**312,260**	**-**	**100.0%**	**382,455**	**382,574**
Compensation of employees	171,796	-	-1,393	170,403	170,403	-	100.0%	182,303	182,303
Salaries and wages	151,681	-	-1,353	150,328	150,323	5	100.0%	161,433	161,752
Social contributions	20,115	-	-40	20,075	20,080	-5	100.0%	20,870	20,551
Goods and services	146,787	-	-4,938	141,849	141,849	-	100.0%	200,067	200,186
Administrative fees	233	-	-	233	223	10	95.7%	1,012	1,089
Advertising	4,779	-	-	4,779	6,933	-2,154	145.1%	29,636	23,300
Minor assets	23	21	-	23	154	-131	669.6%	193	199
Audit costs: External	7,149	-	-	7,149	6,521	628	91.2%	8,831	8,695

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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for the year ended 31 March 2021

Bursaries: Employees	190	-	-	190	16	174	8.4%	450	152
Catering: Departmental activities	27	-	-	27	29	-2	107.4%	432	469
Communication	4,819	-	-	4,819	5,451	-632	113.1%	6,986	7,443
Computer services	42,000	-2021	-4,972	37,028	29,735	7,293	80.3%	33,798	32,128
Consultants: Business and advisory services	4,178	-	-	4,178	7,121	-2,943	170.4%	2,589	3,179
Legal services	5,429	-	-	5,429	7,376	-1,947	135.9%	11,094	11,069
Contractors	1,131	-	-	1,131	1,209	-78	106.9%	8,686	7,830
Agency and support / outsourced services	930	-	-	930	1,471	-541	158.2%	95	481
Fleet services	15,966	-	-	15,966	15,209	757	95.3%	16,251	18,552
Inventory : Materials and supplies	1,000	-	-	1,000	-	1,000	-	11	11
Consumable supplies	1,638	-	-	1,638	1,857	-219	113.4%	2,180	2,169
Consumable: Stationery, printing and office supplies	5,136	-	-	5,136	4,830	306	94.0%	6,265	11,030
Operating leases	13,899	-	-	13,899	14,047	-148	101.1%	20,835	17,910
Property payments	32,864	-	144	33,008	36,028	-3,020	109.1%	36,506	40,895
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	55
Travel and subsistence	5,056	-	-110	4,946	3,509	1,437	70.9%	12,128	12,402
Training and development	51	-	-	51	51	-	100.0%	1,260	962
Operating payments	289	-	-	289	79	210	27.3%	545	79
Rental and hiring	-	-	-	-	-	-	-	284	87

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Interest and rent on land	1	-	7	8	8	-	100.0%	85	85
Interest (Incl. interest on unitary payments (PPP))	1	-	7	8	8	-	100.0%	85	85
Transfers and subsidies	**7,821**	**-**	**889**	**8,710**	**8,710**	**-**	**100.0%**	**9,959**	**9,960**
Provinces and municipalities	554	-	-63	491	491	-	100.0%	1,199	1,199
Provinces	554	-	-63	491	491	-	100.0%	1,199	1,199
Provincial agencies and funds	554	-	-63	491	491	-	100.0%	1,199	1,199
Households	7,267	-	952	8,219	8,219	-	100.0%	8,760	8,761
Social benefits	4,243	-	952	5,195	6,238	-1,043	120.1%	4,569	4,011
Other transfers to households	3,024	-	-	3,024	1,981	1,043	65.5%	4,191	4,750
Payments for capital assets	**33,472**	**-**	**9,325**	**42,797**	**42,797**	**-**	**100.0%**	**28,564**	**28,444**
Buildings and other fixed structures	-	-	-	-	-	-	-	148	148
Buildings	-	-	-	-	-	-	-	148	148
Machinery and equipment	33,472	-	430	33,902	33,902	-	100.0%	28,416	28,296
Transport equipment	1,238	-	-	1,238	1,238	-	100.0%	26,458	26,311
Other machinery and equipment	32,234	-21	430	32,664	32,664	-	100.0%	1,958	1,985
Software and Other Intanglble Assets	-	2021	8,895	8,895	8,895	-	100.0%	-	-
Payment for Financial Assets	**-**	**-**	**5**	**5**	**5**	**-**	**100.0%**	**-**	**-**
	359,877	**-**	**3,895**	**363,772**	**363,772**	**-**	**100.0%**	**420,978**	**420,978**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

1.1 Office of the MEC

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**13,022**	**-**	**-458**	**12,564**	**12,564**	**-**	**100.0%**	**18,553**	**18,553**
Compensation of employees	10,778	-	-602	10,176	10,176	-	100.0%	12,035	12,035
Goods and services	2,244	-	144	2,388	2,388	-	100.0%	6,518	6,518
Payments for capital assets	**217**	**-**	**-65**	**152**	**152**	**-**	**100.0%**	**49**	**49**
Machinery and equipment	217	-	-65	152	152	-	100.0%	49	49
Payment for Financial Assets				**-**		**-**	**-**	**-**	
	13,239	**-**	**-523**	**12,716**	**12,716**	**-**	**100.0%**	**18,602**	**18,602**

Subprogramme: 1.2: CORPORATE SERVICES

	2020/21							**2019/20**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**

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Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**305,562**	**-**	**-5,866**	**299,696**	**299,696**	**-**	**100.0%**	**363,902**	**364,021**
Compensation of employees	161,018	-	-791	160,227	160,227	-	100.0%	170,268	170,268
Goods and services	144,543	-	-5,082	139,461	139,461	-	100.0%	193,549	193,668
Minor Assets		21							
Computer Services		-2021							
Interest and rent on land	1	-	7	8	8	-	100.0%	85	85
Transfers and subsidies	**7,821**	**-**	**889**	**8,710**	**8,710**	**-**	**100.0%**	**9,959**	**9,960**
Provinces and municipalities	554	-	-63	491	491	-	100.0%	1,199	1,199
Households	7,267	-	952	8,219	8,219	-	100.0%	8,760	8,761
Payments for capital assets	**33,255**	**-**	**9,390**	**42,645**	**42,645**	**-**	**100.0%**	**28,515**	**28,395**
Buildings and other fixed structures	-	-	-	-	-	-	-	148	148
Machinery and equipment	33,255	-	495	33,750	33,750	-	100.0%	28,367	28,247
Other machinery and equipment		-21							
Software and other intangible assets		2021	8,895	8,895	8,895	-	100.0%	-	
Payment for financial assets		**-**	**5**	**5**	**5**	**-**	**100.0%**	**-**	
Total	**346,638**	**-**	**4,418**	**351,056**	**351,056**	**-**	**100.0%**	**402,376**	**402,376**

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for the year ended 31 March 2021

Programme 2: LOCAL GOVERNANCE

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 **MUNICIPAL ADMINISTRATION**	55,048	-	-	54,035	54,035	-	100.0%	71,578	71,578
2 **MUNICIPAL FINANCE**	38,614	-	1,013	45,708	45,708	-	100.0%	18,066	18,066
3 PUBLIC PARTICIPATION	164,698	-	7,094	165,349	165,349	-	100.0%	191,592	191,593
4 CAPACITY DEVELOPMENT	10,355	-	651	10,473	10,473	-	100.0%	11,183	11,183
5 MUNICIPAL PERFORMANCE, REPORTING & EVALUATION	25,775	-	118	26,696	26,696	-	100.0%	9,972	9,966
6 IDP CO-ORDINATION	-	-	921	-	-	-	-	15,043	15,043
	294,490	**-**	**7,771**	**302,261**	**302,261**	**-**	**100.0%**	**317,434**	**317,429**
Economic classification									
Current payments	**292,593**	**-**	**7,711**	**300,304**	**300,304**	**-**	**100.0%**	**309,906**	**309,917**
Compensation of employees	239,589	-	2,788	242,377	242,377	-	100.0%	244,722	244,720
Salaries and wages	203,192	-	2,719	205,911	205,890	21	100.0%	209,858	208,553
Social contributions	36,397	-	69	36,466	36,487	-21	100.1%	34,864	36,167
Goods and services	53,004	-	4,923	57,927	57,927	-	100.0%	65,184	65,197
Administrative fees	274	-	-	274	146	128	53.3%	574	680
Advertising	38	-		38	5	33	13.2%	387	348

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

			-						
Minor assets	110	-	47	157	183	-26	116.6%	112	91
Catering: Departmental activities	397	-	-	397	430	-33	108.3%	1,307	1,645
Communication (G&S)	3,813	-	-242	3,571	4,006	-435	112.2%	6,820	6,668
Consultants: Business and advisory services	31,944	-	6,371	38,315	38,468	-153	100.4%	16,084	15,342
Contractors	1,350	-	-	1,350	1,011	339	74.9%	22,215	20,441
Agency and support / outsourced services	9,412	-	-1,485	7,927	7,530	397	95.0%	6,218	6,620
Consumable supplies	6	-	-	6	67	-61	1116.7%	14	169
Consumable: Stationery, printing and office supplies	344	-	-	344	350	-6	101.7%	529	1,173
Operating leases	287	-	177	464	493	-29	106.3%	927	593
Travel and subsistence	4,369	-	55	4,424	4,578	-154	103.5%	9,226	10,768
Operating payments	660	-	-	660	660	-	100.0%	671	659
Venues and facilities	-	-	-	-	-	-	-	100	-
Transfers and subsidies	**825**	**-**	**356**	**1,181**	**1,181**	**-**	**100.0%**	**6,711**	**6,711**
Provinces and municipalities	-	-	-	-	-	-	-	4,350	4,350
Municipalities	-	-	-	-	-	-	-	4,350	4,350
Municipal bank accounts	-	-	-	-	-	-	-	4,350	4,350
Households	825	-	356	1,181	1,181	-	100.0%	2,361	2,361
Social benefits	825	-	356	1,181	1,181	-	100.0%	2,361	2,361
Payments for capital assets	**1,072**	**-**	**-296**	**776**	**776**	**-**	**100.0%**	**817**	**801**
Machinery and equipment	1,072	-	-296	776	776	-	100.0%	817	801
Other machinery and equipment	1,072	-	-296	776	776	-	100.0%	817	801
	294,490	**-**	**7,771**	**302,261**	**302,261**	**-**	**100.0%**	**317,434**	**317,429**

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

2.1 Municipal Administration									
	2020/21							2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**54,312**	**-**	**-906**	**53,406**	**53,406**	**-**	**100.0%**	**69,739**	**69,723**
Compensation of employees	35,071	-	579	35,650	35,650	-	100.0%	44,475	44,475
Goods and services	19,241	-	-1,485	17,756	17,756	-	100.0%	25,264	25,248
Transfers and subsidies	**210**	**-**	**55**	**265**	**265**	**-**	**100.0%**	**1,166**	**1,166**
HouseHolds	210	-	55	265	265	-	100.0%	1,166	1,166
Payments for capital assets	**526**	**-**	**-162**	**364**	**364**	**-**	**100.0%**	**673**	**689**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	526	-	-162	364	364	-	100.0%	673	689
Payment for financial assets				**-**		**-**	**-**	**-**	
	55,048	**-**	**-1,013**	**54,035**	**54,035**	**-**	**100.0%**	**71,578**	**71,578**

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2.2 Municipal Finance									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**38,509**	**-**	**7,094**	**45,603**	**45,603**	**-**	**100.0%**	**17,753**	**17,780**
Compensation of employees	15,694	-	618	16,312	16,312	-	100.0%	15,519	15,519
Goods and services	22,815	-	6,476	29,291	29,291	-	100.0%	2,234	2,261
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**274**	**274**
Households	-	-	-	-	-	-	-	274	274
Payments for capital assets	**105**	**-**	**-**	**105**	**105**	**-**	**100.0%**	**39**	**12**
Machinery and equipment	105	-	-	105	105	-	100.0%	39	12
Payment for financial assets				**-**		**-**	**-**	**-**	
	38,614	**-**	**7,094**	**45,708**	**45,708**	**-**	**100.0%**	**18,066**	**18,066**

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2.3 Public Participation									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**164,243**	**-**	**371**	**164,614**	**164,614**	**-**	**100.0%**	**190,637**	**190,638**
Compensation of employees	157,265	-	613	157,878	157,878	-	100.0%	158,250	158,250
Goods and services	6,978	-	-242	6,736	6,736	-	100.0%	32,387	32,388
	387	**-**	**300**	**687**	**687**	**-**	**100.0%**	**900**	**900**
Transfers and subsidies	387	-	300	687	687	-	100.0%	900	900
Households	**68**	**-**	**-20**	**48**	**48**	**-**	**100.0%**	**55**	**55**
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	68	-	-20	48	48	-	100.0%	55	55
Machinery and equipment				**-**		**-**	**-**	**-**	
	164,698	**-**	**651**	**165,349**	**165,349**	**-**	**100.0%**	**191,592**	**191,593**

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2.4 Capacity Development									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**9,982**	**-**	**349**	**10,331**	**10,331**	**-**	**100.0%**	**11,151**	**11,151**
Compensation of employees	7,125	-	454	7,579	7,579	-	100.0%	8,062	8,062
Goods and services	2,857	-	-105	2,752	2,752	-	100.0%	3,089	3,089
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15**	**15**
Households	-	-	-	-	-	-	-	15	15
Payments for capital assets	**373**	**-**	**-231**	**142**	**142**	**-**	**100.0%**	**17**	**17**
Machinery and equipment	373	-	-231	142	142	-	100.0%	17	17
Payment for financial assets				**-**		**-**	**-**	**-**	
	10,355	**-**	**118**	**10,473**	**10,473**	**-**	**100.0%**	**11,183**	**11,183**

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2.5 Municipal Performance, Reporting & evaluation									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**25,547**	**-**	**803**	**26,350**	**26,350**	**-**	**100.0%**	**9,933**	**9,932**
Compensation of employees	24,434	-	524	24,958	24,958	-	100.0%	9,069	9,068
Goods and services	1,113	-	279	1,392	1,392	-	100.0%	864	864
Transfers and subsidies	**228**	**-**	**1**	**229**	**229**	**-**	**100.0%**	**6**	**6**
Households	228	-	1	229	229	-	100.0%	6	6
Payments for capital assets	**-**	**-**	**117**	**117**	**117**	**-**	**100.0%**	**33**	**28**
Machinery and equipment	-	-	117	117	117	-	100.0%	33	28
Payment for financial assets				-		-	-	-	
	25,775	**-**	**921**	**26,696**	**26,696**	**-**	**100.0%**	**9,972**	**9,966**

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2.6 IDP Co-ordination

	2020/21							2019/20	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,693**	**10,693**
Compensation of employees	-	-	-	-	-	-	-	9,347	9,346
Goods and services	-	-	-	-	-	-	-	1,346	1,347
Interest and rent on hand	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,350**	**4,350**
Provinces and municipalities	-	-	-	-	-	-	-	4,350	4,350
Payment for financial assets				**-**		**-**	**-**	**-**	
	-	**-**	**-**	**-**	**-**	**-**	**-**	**15,043**	**15,043**

Programme 3: Development and Planning

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme 1. **Spatial Planning**	27,949	-	-2,485	25,464	25,464	-	100.0%	44,675	44,728

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2. Land use Management	28,271	-	-857	27,414	27,414	-	100.0%	30,165	30,252
3. Local Economic Development	89,019	-	-322	88,697	88,697	-	100.0%	179,546	179,204
4. Municipal Infrastructure	152,765	-	-8,862	143,903	143,903	-	100.0%	321,441	297,264
5. Disaster Management	17,917	-	-834	17,083	17,027	56	99.7%	48,229	48,126
Total for sub programmes	**315,921**	**-**	**-13,360**	**302,561**	**302,505**	**56**	**100.0%**	**624,056**	**599,574**
Economic classification									
Current payments	**207,121**	**-**	**-6,542**	**200,579**	**200,523**	**56**	**100.0%**	**311,248**	**286,894**
Compensation of employees	139,782	-	-3,304	136,478	136,478	-	100.0%	114,798	114,798
Salaries and wages	127,340	-	-3,089	124,251	123,762	489	99.6%	102,582	103,144
Social contributions	12,442	-	-215	12,227	12,716	-489	104.0%	12,216	11,654
Goods and services	67,339	-	-3,238	64,101	64,045	56	99.9%	196,450	172,096
Administrative fees	199	-	-	199	107	92	53.8%	583	374
Advertising	173	-	-	173	173	-	100.0%	104	97
Minor assets	41	-16	-	41	72	-31	175.6%	609	580
Catering: Departmental activities	216	-	-	216	144	72	66.7%	813	394
Communication	666	-	-	666	671	-5	100.8%	1,039	733
Consultants: Business and advisory services	45,885	-	-1,926	43,959	46,313	-2,354	105.4%	150,543	108,985
Contractors	55	-	-	55	-	55	-	15,842	16,129
Inventory: Clothing material and supplies	500	-	-	500	-	500	-	-	-
Inventory: Food and food supplies	1,896	-	-1,182	714	1,234	-520	172.8%	1,168	2,636

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Inventory: Materials and supplies	984	-	-	984	1,313	-329	133.4%	791	1,671
Inventory: Other supplies	7,185	-	-	7,185	7,158	27	99.6%	8,326	27,612
Consumable supplies	9	-	-	9	9	-	100.0%	427	623
Consumable: Stationery, printing and office supplies	17	-	-	17	130	-113	764.7%	457	700
Operating leases	818	-	31	849	847	2	99.8%	1,232	965
Property payments	20	-	-	20	-	20	-	901	696
Travel and subsistence	3,216	-	-161	3,055	2,505	550	82.0%	10,376	9,019
Operating payments	559	-	-	559	455	104	81.4%	3,136	779
Rental and Hiring	4,900	-	-	4,900	2,914	1,986	59.5%	103	103
Transfers and subsidies	**764**	**-**	**426**	**1,190**	**1,190**	**-**	**100.0%**	**267,108**	**267,416**
Provinces and municipalities	-	-	-	-	-	-	-	217,270	217,270
Municipalities	-	-	-	-	-	-	-	217,270	217,270
Municipal bank accounts	-	-	-	-	-	-	-	214,270	214,270
Municipal agencies and funds	-	-	-	-	-	-	-	3,000	3,000
Departmental agencies and accounts	-	-	-	-	-	-	-	20,000	20,000
Departmental agencies	-	-	-	-	-	-	-	20,000	20,000
Public corporations and private enterprises	-	-	-	-	-	-	-	29,000	29,000
Public corporations	-	-	-	-	-	-	-	29,000	29,000
Other transfers to public corporations	-	-	-	-	-	-	-	29,000	29,000
Households	764	-	426	1,190	1,190	-	100.0%	838	1,146

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Social benefits	764	-	426	1,190	1,190	-	100.0%	838	1,146
Payments for capital assets	**108,036**	**-**	**-7,244**	**100,792**	**100,792**	**-**	**100.0%**	**45,700**	**45,264**
Buildings and other fixed structures	106,308	-	-6,925	99,383	99,383	-	100.0%	11,695	11,307
Buildings	18,683	-	1,104	19,787	19,787	-	100.0%	11,695	11,307
Other fixed structures	87,625	-	-8,029	79,596	79,596	-	100.0%	-	-
Machinery and equipment	1,728	-	-319	1,409	1,409	-	100.0%	33,872	33,925
Transport equipment	-	-	-	-	-	-	-	19,150	19,151
Other machinery and equipment	1,728	16	-319	1,409	1,409	-	100.0%	14,722	14,774
Software and other intangible assets	-	-	-	-	-	-	-	133	32
Payment For Financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**315,921**	**-**	**-13,360**	**302,561**	**302,505**	**56**	**100.0%**	**624,056**	**599,574**

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3.1 Spatial Planning									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments		-	-2,446	25,038	25,038	-	100.0%	27,457	27,457
Compensation of employees	22,771	-	-912	21,859	21,859	-	100.0%	22,568	22,568
Goods and services	4,713	-	-1,534	3,179	3,179	-	100.0%	4,889	4,889
Minor Assets		-16							
	-	-	-	-	-	-	-	17,100	17,100
Transfers and subsidies	-	-	-	-	-	-	-	17,100	17,100
Provinces and municipalities	465	-	-39	426	426	-	100.0%	118	171
Payments for capital assets	-	-	-	-	-	-	-	-	-
Building and other fixed structures	465	-	-39	426	426	-	100.0%	118	171
Machinery and equipment				-		-	-	-	
Other Machinery and Equipment		16							
	27,949	-	-2,485	25,464	25,464	-	100.0%	44,675	44,728

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Subprogramme: 3.2: LAND USE MANAGEMENT

	2020/21							2019/20	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**27,183**	**-**	**- 637**	**26,546**	**26,546**	**-**	**100.0%**	**29,677**	**29,667**
Compensation of employees	26,030	-	- 668	25,362	25,362	-	100.0%	27,154	27,155

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Subprogramme: 3.3: LOCAL ECONOMIC DEVELOPMENT

Goods and services	1,153	-	31	1,184	1,184	-	100.0%	2,523	2,512
Transfers and subsidies	**511**	**-**	**1**	**512**	**512**	**-**	**100.0%**	**90**	**297**
Households	511	-	1	512	512	-	100.0%	90	297
Payments for capital assets	**577**	**-**	**- 221**	**356**	**356**	**-**	**100.0%**	**398**	**288**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	577	-	- 221	356	356	-	100.0%	297	288
Software and other intangible assets	-			-		-	-	101	
Payment for financial assets				**-**		**-**	**-**	**-**	
Total	**28,271**	**-**	**- 857**	**27,414**	**27,414**	**-**	**100.0%**	**30,165**	**30,252**

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	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**70,255**	**-**	**-1,716**	**68,539**	**68,539**	**-**	**100.0%**	**75,674**	**75,674**
Compensation of employees	62,857	-	-1,324	61,533	61,533	-	100.0%	39,587	39,587
Goods and services	7,398	-	-392	7,006	7,006	-	100.0%	36,087	36,087
Transfers and subsidies	**81**	**-**	**290**	**371**	**371**	**-**	**100.0%**	**92,122**	**92,168**
Provinces and municipalities	-	-	-	-	-	-	-	91,500	91,500
Households	81	-	290	371	371	-	100.0%	622	668
Payments for capital assets	**18,683**	**-**	**1,104**	**19,787**	**19,787**	**-**	**100.0%**	**11,750**	**11,362**
Buildings and other fixed structures	18,683	-	1,104	19,787	19,787	-	100.0%	11,695	11,307
Machinery and equipment	-	-	-	-	-	-	-	55	55
Payment for financial assets				**-**		**-**	**-**	**-**	
Total	**89,019**	**-**	**-322**	**88,697**	**88,697**	**-**	**100.0%**	**179,546**	**179,204**

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for the year ended 31 March 2021

Subprogramme: 3.4: MUNICIPAL INFRASTRUCTURE

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**64,904**	**-**	**-1,109**	**63,795**	**63,795**	**-**	**100.0%**	**152,445**	**128,019**
Compensation of employees	16,725	-	-948	15,777	15,777	-	100.0%	14,937	14,937
Goods and services	48,179	-	-161	48,018	48,018	-	100.0%	137,508	113,082
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**-**	**-**	**135**	**135**	**135**	**-**	**100.0%**	**135,747**	**135,802**
Provinces and municipalities	-	-	-	-	-	-	-	86,670	86,670
Departmental agencies and accounts	-	-	-	-	-	-	-	20,000	20,000
Public corporations and private enterprises	-	-	-	-	-	-	-	29,000	29,000

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Households	-	-	135	135	135	-	100.0%	77	132
Payments for capital assets	**87,861**	**-**	**-7,888**	**79,973**	**79,973**	**-**	**100.0%**	**33,249**	**33,443**
Buildings and other fixed structures	87,625	-	-8,029	79,596	79,596	-	100.0%	-	-
Machinery and equipment	236	-	141	377	377	-	100.0%	33,217	33,411
Software and other intangible assets	-			-	-	-	-	32	32
Total	**152,765**	**-**	**-8,862**	**143,903**	**143,903**	**-**	**100.0%**	**321,441**	**297,264**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

APPROPRIATION STATEMENT
for the year ended 31 March 2021

3.5 Disaster Management									
	2019/20							2018/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**17,295**	**-**	**-634**	**16,661**	**16,605**	**56**	**99.7%**	**25,995**	**26,077**
Compensation of employees	11,399	-	548	11,947	11,947	-	100.0%	10,552	10,551
Goods and services	5,896	-	-1,182	4,714	4,658	56	98.8%	15,443	15,526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**172**	**-**	**-**	**172**	**172**	**-**	**100.0%**	**22,049**	**22,049**
Provinces and municipalities	-	-	-	-	-	-	-	22,000	22,000
Households	172	-	-	172	172	-	100.0%	49	49
Payments for capital assets	**450**	**-**	**-200**	**250**	**250**	**-**	**100.0%**	**185**	**-**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	450	-	-200	250	250	-	100.0%	185	-
Payment for financial assets				**-**		**-**	**-**	**-**	
	17,917	**-**	**-834**	**17,083**	**17,027**	**56**	**99.7%**	**48,229**	**48,126**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 4: Traditional Institutional Management

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. **Traditional Institutional Administration**	470,353	-	1,123	471,476	471,476	-	100.0%	552,844	552,844
2. **Traditional Resource Administration**	73,283	-	571	73,854	73,854	-	100.0%	76,138	75,974
Total for sub programmes	**543,636**	**-**	**1,694**	**545,330**	**545,330**	**-**	**100.0%**	**628,982**	**628,818**
Economic classification									
Current payments	**529,084**	**-**	**-13,564**	**515,520**	**515,520**	**-**	**100.0%**	**542,980**	**542,828**
Compensation of employees	158,174	-	-1,269	156,905	156,905	-	100.0%	151,244	151,244
Salaries and wages	146,273	-	-1,269	145,004	144,697	307	99.8%	139,292	138,956
Social contributions	11,901	-	-	11,901	12,208	-307	102.6%	11,952	12,288
Goods and services	370,910	-12430	-12,295	358,615	358,615	-	100.0%	391,736	391,584
Administrative fees	469	469	-469	-	-	-	-	57	-
Minor assets	34	-29	-29	5	5	-	100.0%	67	96
Catering: Departmental activities	1,271	-1 271	-1,271	-	-	-	-	41	-
Communication	729	-729	-729	-	-	-	-	30	-

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Legal services	88	-88	-88	-	-	-	-	-	-
Contractors	348	-248	-248	100	100	-	100.0%	2,987	2,985
Consumable supplies	72	-72	-72	-	-	-	-	11	-
Consumable: Stationery, printing and office supplies	105	-105	-105	-	-	-	-	33	-
Operating leases	465	-465	-465	-	-	-	-	-	-
Property payments	1	-1	-1	-	-	-	-	9	-
Travel and subsistence	7,419	-5835	-5,153	2,266	1,364	902	60.2%	4,554	4,689
Operating payments	359,909	-3 118	-3,665	356,244	357,146	-902	100.3%	383,947	383,814
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**771**	**-**	**26,978**	**27,749**	**27,749**	**-**	**100.0%**	**85,361**	**85,349**
Non-profit institutions	-	26 082	26,082	26,082	26,082	-	100.0%	84,343	84,343
Households	771	-	896	1,667	1,667	-	100.0%	1,018	1,006
Social benefits	771	-	896	1,667	1,502	165	90.1%	1,018	1,006
Payments for capital assets	-	-	-	-	165	-165	-	-	-
Other Transfers to Households	**13,781**	**-**	**-13,435**	**346**	**346**	**-**	**100.0%**	**641**	**641**
Buildings and Other fixed Structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	13,781	-	-13,435	346	346	-	100.0%	641	641
Other machinery and equipment	13,781	-13 652	-13,435	346	346	-	100.0%	641	641
Payment for financial assets	**-**	**-**	**1,715**	**1,715**	**1,715**	**-**	**100.0%**	**-**	**-**
Total	**543,636**	**-**	**1,694**	**545,330**	**545,330**	**-**	**100.0%**	**628,982**	**628,818**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

4.1 Traditional Institutional Administration

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**470,239**	-	**-6,849**	**463,390**	**463,390**	-	**100.0%**	**487,548**	**487,548**
Compensation of employees	105,919	-	-1,139	104,780	104,780	-	100.0%	96,022	96,022
Goods and services	364,320	-	-5,710	358,610	358,610	-	100.0%	391,526	391,526
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	**6,230**	**6,230**	**6,230**	-	**100.0%**	**65,137**	**65,137**
Non-profit institutions			6,065	6,065	6,065	-	100.0%	65,137	65,137
Households	-	-	165	165	165	-	100.0%	-	-
Payments for capital assets	**114**	-	**27**	**141**	**141**	-	**100.0%**	**159**	**159**
Buildings and Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	114	-	27	141	141	-	100.0%	159	159
Payment for financial assets			**1,715**	**1,715**	**1,715**	-	**100.0%**	-	
	470,353	-	**1,123**	**471,476**	**471,476**	-	**100.0%**	**552,844**	**552,844**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Subprogramme: 4.2: TRADITIONAL RESOURCE ADMINISTRATION

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**58,845**	**-**	**-6,715**	**52,130**	**52,130**	**-**	**100.0%**	**55,432**	**55,280**
Compensation of employees	52,255	-	-130	52,125	52,125	-	100.0%	55,222	55,222
Goods and services	6,590	-	-6,585	5	5	-	100.0%	210	58
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**771**	**-**	**20,748**	**21,519**	**21,519**	**-**	**100.0%**	**20,224**	**20,212**
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions				-		-	-	-	
Foreign governments and international organisations				-		-	-	-	
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions			20,017	20,017	20,017	-	100.0%	19,206	19,206
Households	771	-	731	1,502	1,502	-	100.0%	1,018	1,006
Payments for capital assets	**13,667**	**-**	**-13,462**	**205**	**205**	**-**	**100.0%**	**482**	**482**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	13,667	-	-13,462	205	205	-	100.0%	482	482
Heritage assets	-			-	-	-	-	-	

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Specialised military assets	-			-	-	-	-	-	
Biological assets	-			-	-	-	-	-	
Land and sub-soil assets	-			-	-	-	-	-	
Software and other intangible assets	-			-	-	-	-	-	
Payment for financial assets				-		-	-	-	
Total	**73,283**	**-**	**571**	**73,854**	**73,854**	**-**	**100.0%**	**76,138**	**75,974**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):
   Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 1A, 1B, 1F and 1G to the Interim Financial Statements.
2. Detail of specifically and exclusively appropriated amounts voted (after Virement):
   Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.
3. Detail on payments for financial assets

   Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.
4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	363,772	363,772	-	100.0%
Local Governance	302,261	302,261	-	100.0%
Development and Planning	302,561	302,505	56	100.0%
Traditional Institutional Management	545,330	545,330	-	100.0%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	706,163	706,163	-	100.0%
Goods and services	622,492	622,436	56	100.0%
Interest and rent on land	-	-	-	-
Transfers and subsidies				
Provinces and municipalities	491	491	-	100.0%
Households	12,257	12,257	-	100.0%
Payments for capital assets				
Buildings and other fixed structures	99,383	99,383	-	100.0%
Machinery and equipment	36,433	36,433	-	100.0%

4.3 Per conditional grant	Final Appropriation	Actual Expendit ure	Variance	Variance as a % of Final Appropri ation

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

	R'000	R'000	R'000	R'000
EPWP Integrated Grant for Provinces	2,777	2,777	-	100.0%

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	*1*	1 513 924	1 991 450
Departmental revenue	*2*	35 319	4 780
TOTAL REVENUE		**1 549 243**	**1 996 230**
EXPENDITURE			
Current expenditure			
Compensation of employees	*3*	706 163	693 064
Goods and services	*4*	622436	829 064
Interest and rent on land	*5*	8	5
Total current expenditure		**1 328 607**	**1 522 213**
Transfers and subsidies			
Transfers and subsidies	*6*	38 830	369 437
Total transfers and subsidies		**38 830**	**369 437**
Expenditure for capital assets			
Tangible assets	*8*	135 816	75 117
Intangible assets	*8*	8 895	32
Total Expenditure for Capital Assets		**144 711**	**75 149**
Payment for financial assets	*7*	**1 720**	-
TOTAL EXPENDITURE		**1 513 868**	**1 966 799**
SURPLUS/(DEFICIT) FOR THE YEAR		**35 375**	**29 431**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2021

Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		**56**	**24 651**
Annual appropriation		56	24 264
Conditional Grants		-	387
Departmental revenue and NRF Receipts	***14***	35 319	4 780
SURPLUS/(DEFICIT) FOR THE YEAR		**35 375**	**29 431**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

STATEMENT OF FINANCIAL POSITION
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		**(13 220)**	**16 592**
Unauthorised expenditure	*9*	210	210
Cash and cash equivalents	*10*	(21 508)	4 631
Prepayments and advances	*11*	-	382
Receivables	*12*	8 078	11 369
Non-current assets		**22 742**	**14 513**
Receivables	*12*	22 742	14 513
TOTAL ASSETS		**9 522**	**31 105**
LIABILITIES			
Current liabilities		**3 279**	**26 230**
Voted funds to be surrendered to the Revenue Fund	*13*	56	24 652
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*14*	1 545	(43)
Bank overdraft	*15*	168	-
Payables	*16*	1 510	1 621
Non-Current Liabilities			
Payables	*16*	3 033	1 790
TOTAL LIABILITIES		**6 312**	**28 020**
NET ASSETS		**3 210**	**3 085**
Represented by:			
Recoverable revenue		3 210	3 085
TOTAL		**3 210**	**3 085**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2021

NET ASSETS				**2020/21**		**2019/20**
		Note		**R'000**		**R'000**
Recoverable revenue						
Opening balance				3085		2 696
Transfers				**125**		**389**
Debts recovered (included in departmental receipts)				(1 720)		(488)
Debts raised				1 845		877
Closing balance				**3 210**		**3 085**
TOTAL				**3 210**		**3 085**

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DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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CASH FLOW STATEMENT
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**1 547 737**	**1 996 230**
Annual appropriated funds received	***1.1***	1 513 924	1 991 450
Departmental revenue received	***2***	32 942	4 700
Interest received	***2.2***	871	80
Net (increase)/decrease in working capital		3 562	(5 037)
Surrendered to Revenue Fund		(58 383)	(106 344)
Current payments		(1 328 599)	(1 522 128)
Interest paid	*5*	(8)	(85)
Payments for financial assets		(1 720)	-
Transfers and subsidies paid		(38 830)	(369 437)
Net cash flow available from operating activities	***17***	**123 759**	**(6 801)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	*8*	(144 711)	(75 149)
Proceeds from sale of capital assets	*2.3*	1 506	
(Increase)/decrease in non-current receivables		(8 229)	1 090
Net cash flows from investing activities		**(151 434)**	**(74 059)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		125	389
Increase/ (decrease) in non-current payables		1 243	1 790
Net cash flows from financing activities		**1 368**	**2 179**
Net increase/(decrease) in cash and cash equivalents		(26 307)	(78 681)
Cash and cash equivalents at beginning of period		4 631	83 312
Cash and cash equivalents at end of period	***24***	**(21 676)**	**4 631**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

Annual Appropriation

1.1 Annual Appropriation

	2020/21			**2019/20**	
	Final Appropriation	**Actual Funds Received**	**Funds not requested/not received**	**Final Appropriation**	**Appropriation received**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Administration	359 877	359 877		420 978	420 978
Local Governance	294 490	294 490		317 434	317 434
Development and Planning	315 921	315 921		624 056	624 056
Traditional Institutional Management	543 636	543 636		628 982	628 982
Total	**1 513 924**	**1 513 924**	**-**	**1 991 450**	**1 991 450**

"The department commenced paying iziNduna as per Provincial Executive decision from December 2016 in line with the Presidential proclamation which was effective from 1 April 2016. The President signs the Public Office bearers' proclamations on an annual basis. There are four proclamations that have been signed to date with the first being effective from 1 April 2013. The effect of commencing to pay iziNduna as public office bearers only from 2016 resulted in a historic liability to the value of R1,545 billion as disclosed in note 26.

The Department has presented this financial situation to the Cogta Portfolio Committee as well as the Finance Portfolio Committee with an aim of securing a resolution for National Treasury to appropriate additional funding. A letter was written to the MEC Finance by the Department with an intention of securing a financial guarantee for this liability. A memorandum was written to the Provincial Executive structure as well as to the MINCOMBUD to secure a future allocation of the required funds. A joint letter from Provincial Cogta and Provincial Treasury has been written to the National Ministers of Cogta and Finance with the intention of securing a financial guarantee from the National Revenue Fund."

1.2 Conditional grants

	Note	2020/21 R'000	2019/20 R'000
Conditional grants	***39***		
Total grants received		2 777	4 533
Provincial grants included in Total Grants received		-	675

** It should be noted that the conditional grants received are included in the amounts per the final appropriation above

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

2. Departmental revenue

	Note	2019/20 R'000	2018/19 R'000
Sales of goods and services other than capital assets	2.1	1 519	1 554
Interest, dividends and rent on land	2.2	871	80
Sales of capital assets	2.3	1 506	
Transactions in financial assets and liabilities	2.4	331 423	3 146
Departmental revenue collected		**35 319**	**4 780**

2.1 Sales of goods and services other than capital assets

	Note *2*	2020/21 R'000	2019/20 R'000
Sales of goods and services produced by the department		1 519	1 544
Sales by market establishment		728	754
Other sales		791	790
Sales of scrap, waste and other used current goods		-	10
Total		**1 519**	**1 554**

2.2 Interest, dividends and rent on land

	Note *2*	2020/21 R'000	2019/20 R'000
Interest		871	80
Total		**871**	**80**

2.3 Sale of capital assets

	Note *2*	2020/21 R'000	2019/20 R'000
Tangible assets		1 506	-
Machinery and equipment		1 506	-
Total		**1 506**	**-**

3.4 Transactions in financial assets and liabilities

	Note *3*	2020/21 R'000	2019/20 R'000
Receivables		31 423	3 146
Other Receipts including Recoverable Revenue			-
Total		**31 423**	**3146**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

3. Compensation of employees

3.1 Salaries and Wages

	Note	2020/21 R'000	2019/20 R'000
Basic salary		517 661	506 329
Performance award		69	7 577
Service Based		647	985
Compensative/circumstantial		18 684	7 701
Periodic payments		-	2
Other non-pensionable allowances		87 611	89 809
Total		**624 672**	**612 403**

3.2 Social contributions

	Note	2020/21 R'000	2019/20 R'000
Employer contributions			
Pension		50 418	51 260
Medical		30 560	29 188
UIF		39	35
Bargaining council		258	134
Insurance		216	44
Total		**81 491**	**80 661**
Total compensation of employees		**706 163**	**693 064**
Average number of employees		**2 065**	**1 690**

4 Goods and services

	Note	2020/21 R'000	2019/20 R'000
Administrative fees		475	2 143
Advertising		7111	23 745

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

Minor assets	***4.1***	414	966
Bursaries (employees)		16	152
Catering		602	2 507
Communication		10128	14 847
Computer services	***4.2***	29735	32 128
Consultants: Business and advisory services		91902	127 506
Legal services		7376	11 069
Contractors		2320	47 384
Agency and support / outsourced services		9001	7 101
Audit cost – external	***4.3***	6521	8 695
Fleet services		15 209	18 553
Inventory	***4.4***	9 704	31 930
Consumables	***4.5***	7 243	15 864
Operating leases		15 388	19 469
Property payments	***4.6***	36 028	41 590
Rental and hiring		2 914	189
Transport provided as part of the department activities		-	55
Travel and subsistence	***4.7***	11 957	36 878
Training and development		51	962
Other operating expenditure	***4.8***	358 341	385 330
Total		**622 436**	**829 064**

4..1 Minor assets

	Note	2020/21	2019/20
	4	R'000	R'000
Tangible assets		414	967
Machinery and equipment		414	967
Total		**414**	**967**

4.2 Computer services

	Note	2020/21	2020/19
	4	R'000	R'000
SITA computer services		19 633	20 201
External computer service providers		10 102	11 927
Total		**29 735**	**32 128**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
VOTE 11

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

4.3 Audit cost – External

	Note	2020/21	2018/19
	4	R'000	R'000
Regularity audits		6521	8 695
Total		**6521**	**8 695**

4.4 Inventory

	Note	2020/21	2019/20
	4	R'000	R'000
Food and food supplies		1 234	2 636
Materials and supplies		1 313	1 682
Other supplies	4.4.1	7 157	27 612
Total		**9 704**	**31 930**

4.4.1 Other supplies

	Note	2020/21	2019/20
		R'000	R'000
Assets for Distribution		6 217	25 942
Machinery and equipment		6 217	25 942
Other Assets for distribution		-	-
Other		940	1 670
Total		**7 157**	**27 612**

4.5. Consumables

	Note	2020/21	2019/20
	4	R'000	R'000
Consumable supplies		1933	2 962
Uniform and clothing		53	628
Household supplies		1 212	1 665
Building material and supplies		93	218
Communication accessories		-	1
IT consumables		513	14
Other consumables		62	436
Stationery, printing and office supplies		5 310	12 902
Total		**7 243**	**15 864**

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4.6 Property payments

	Note	2020/21	2019/20
	6	R'000	R'000
Municipal services		18 320	18 242
Property maintenance and repairs		2 613	6 426
Other		15 095	16 922
Total		**36 028**	**41 590**

4.7 Travel and subsistence

	Note	2020/21	2019/20
	4	R'000	R'000
Local		11 940	36 286
Foreign		17	592
Total		**11 957**	**36 878**

4.8 Other operating expenditure

	Note	2020/21	2019/20
	4	R'000	R'000
Professional bodies, membership and subscription fees		-	4
Resettlement costs		-	
Other		358 641	385 326
Total		**358 341**	**385 326**

Included in other operating expenditure under other is expenditure for Honoraria for the payment of iziNduna amounting to R383 813 565. (R391 315- 7501 which was transferred to Traditional and Levies which does not relate to salaries.)

5. Interest and rent on land

	Note	2020/21	2019/20
		R'000	R'000
Interest paid		8	85
Total		**8**	**85**

6. **Transfers and Subsidies**

	Note	2020/21	2019/20
		R'000	R'000
Provinces and Municipalities	*40*	491	222 819
Department agencies and accounts	*Annexure 1B*	-	20 000
Public corporations and Private enterprise		-	29 000
Non-Profit institutions	*Annexure 1F*	26 082	84 343

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Households	***Annexure 1G***	12 257	13 275
Total		**38 830**	**369 437**

7 Payment for financial assets		
Debts written off	**1 720**	

8 Expenditure for capital assets

Tangible assets		**135 816**	**75 117**
Building and Other fixtures	***35.4***	99.382	11 455
Machinery and Equipment	***33.1***	36 434	63 662
Intangible assets	***34***	8 895	32
Software		8 895	32
Total		**144711**	**75149**

8.1 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**135 816**	**-**	**135 816**
Buildings and other fixed structures	99 382	-	99 382
Machinery and equipment	36 434	-	36 434
Intangible assets	**8 895**	**-**	**8 895**
Software	8 895	**-**	8 895
Total	144 711	-	144 711

8.2 Analysis of funds utilised to acquire capital assets – 2019/20

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**75 117**	**-**	**75 117**
Buildings and other fixed structures	11 455	-	**11 455**
Machinery and equipment	63 662	-	**63 662**
	32	**-**	**32**
Total	75 149	**-**	**75149**

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9 Unauthorised Expenditure

9.1 Reconciliation of unauthorised expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		210	210
Prior period error		-	-
As restated		210	210
Unauthorised expenditure-discover in the current year(as restated)		-	-
Closing balance		**210**	**210**
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		210	210
Total		**210**	**210**

9.2 Analysis of unauthorised expenditure awaiting authorisation per

Transfers and subsidies	0	0
Total	**0**	0

9.3 Analysis of unauthorised expenditure awaiting authorisation per type

Unauthorised expenditure incurred not in accordance with the purpose of the vote or main	210	210
Total	**210**	210

10 Cash and Cash equivalents

Consolidated Paymaster General Account	(21 513)	4626
Disbursement	-	5
Cash on hand	5	-
Total	**(21 508)**	**4 631**

11 Prepayments and advances

	Note	2020/21 R'000	2019/20 R'000
Travel and subsistence		-	5
Advances paid (Not expensed)	*13.1*	-	377
Total		**-**	**382**

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11.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2021
	13	R'000	R'000	R'000	R'000	R'000
Public entities		377	(377)	-	-	-
Total		**377**	**(377)**	**-**	**-**	**-**

	Note	Balance as at 1 April 2019	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2019
	13	R'000	R'000	R'000	R'000	R'000
Public entities		377	-	-	-	377
Total		**377**	**-**	**-**	**-**	**377**

12 Receivables

		2020/21			2019/20		
		Current	**Non-current**	**Total**	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	Note						
Claims recoverable	*12.1*	1 622	1 984	3 606	2 588	186	2 775
Recoverable expenditure	*12.2*	4 114	6 592	10 700	4 046	9 937	13 983
Staff debt	*12.3*	561	-	561	198	527	725
Other receivables	*12.4*	1 781	14 166	15 947	4 536	3 863	8 399
Total		**8 078**	**22 742**	**30 820**	**11 369**	**14 513**	**25 882**

12.1 Claims recoverable

	Note and annex	2020/21	2019/20
	12	R'000	R'000
National Government		39	-
Provincial departments		23	800
Public entities		3 544	1 975
Total		**3606**	**2775**

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12.2 Recoverable expenditure (disallowance accounts)

	Note	2020/21	2019/20
	12	R'000	R'000
(Group major categories, but list material items)			
Payment Fraud		1 039	8 506
Salary Reversal		2 638	2 044
Income Tax		148	148
Medical Aid		3	3
Deduction Disallowance		55	40
"Tax Recoveries		29	52
ACB Recalls		1 505	1 221
Pension Fund		14	14
Pension Recoverable		38	39
Online Travel		5 237	1 916
Total		**10 706**	**13 983**

12.3 Staff debt

	Note	2020/21	2019/20
	12	R'000	R'000
(Group major categories, but list material items)			
Arrears on House Rent		12	21
Bursary Debt		278	318
Leave Without Pay		4	10
Overpaid Salary		-	115
Tax Debt		1	6
Telephone		6	5
Vehicle Damage		252	246
Fruitless and Wasteful expenditure		1	4
Damaged Laptop		7	-
Total		**561**	**725**

12.4 Other receivables

	Note	2020/21	2019/20
	12	R'000	R'000
(Group major categories, but list material items)			
Ex-Employees		11 175	6 309
External Debtors		4 772	2 090
Total		**15947**	**8399**

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12.5 Impairment of receivables

	Note	2020/21	2019/20
		R'000	R'000
Estimate of impairment of receivables		15 947	8 400
Total		**15 947**	**8 400**

13 Voted funds to be surrendered to the Revenue Fund

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		24 651	100 790
Prior period error	*18.2*		-
As restated		24 651	100 790
Transfer from statement of financial performance (as restated)		58	24 652
Paid during the year		(24 651)	(100 790)
Closing balance		**56**	**24 651**

14 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		(42)	732
Transfer from Statement of Financial Performance (as restated)		35 319	4 779
Paid during the year		(33 732)	(5 554)
Closing balance		**1 545**	**(42)**

15 Bank overdraft

	Note	2020/21	2019/20
		R'000	R'000
Consolidated Payments General Account		168	-
		168	**-**

16 Payables – current

	Note	2020/21	2019/20
		R'000	R'000
Advances received	*21.1*	-	-
Clearing accounts	*21.2*	1 510	1 621
Total		**1 510**	**1 621**

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16.1 Other Payables

	Note	2020/21	2019/20
		R'000	R'000
(Identify major categories, but list material amounts)			
ACB Recalls		2 108	969
Appeal Board Deposits		49	49
Salary Reversal		612	508
Pension Fund		264	264
Total		**3 033**	**1 790**

16.2 Clearing accounts

	Note 21	2020/21 R'000	2019/20 R'000
Description (Identify major categories, but list material amounts)			
ACB Recalls		1 130	1 166
Bargaining Councils		1	-
Salary Reversal		3	142
Income Tax		336	245
Pension Fund		2	28
Medical Aid		38	38
Garnishee		-	2
Total		**1 510**	**1 621**

17. Net cash flow available from operating activities

	Note	2020/21 R'000	2019/20 R'000
Net surplus/(deficit) as per Statement of Financial Performance		35 375	29 431
Add back non cash/cash movements not deemed operating activities		88 384	(36 232)
(Increase)/decrease in receivables		3 291	(1 459)
(Increase)/decrease in prepayments and advances		382	1
Increase/(decrease) in payables – current		(111)	(3 579)
Proceeds from sale of capital assets		(1 506)	
Expenditure on capital assets		144 711	75 149
Surrenders to Revenue Fund		(58 383)	(106 344)

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Voted funds not requested/not received	-	-
Net cash flow generated by operating activities	**123 759**	**(6 801)**

18. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General account		(21 681)	4 626
Cash on hand		5	5
Total		**(21 676)**	**4631**

19 Contingent liabilities and contingent assets

25.1 Contingent liabilities

Liable to	Nature	*Note*	2020/21 R'000	2019/20 R'000
Housing loan guarantees	**Employees**	***Annex 3A***	-	16
Claims against the department		***Annex 3B***	4 443	4 307
Intergovernmental payables (unconfirmed balances)		***Annex 5***	2 667	2 102
Total			**7 110**	**6425**

20. Commitments

	Note	2020/21 R'000	2019/20 R'000
Capital expenditure			
Part Payment Capital		78 109	19 863
Once off Payment		566	1 458
IDT Capital Payments		71 358	76 420
KZN Department of Public Works		6 309	11 347
Total Commitments		**156 342**	**109 088**

21 Accruals and payables not recognised

21.1 Accruals

Listed by economic classification	30 Days	30+ Days	2020/21 R'000 Total	2019/20 R'000 Total
Goods and services	20 654	-	**20 654**	15 333
Transfers and subsidies	263	-	**263**	-
Capital assets	-	-	**-**	12
Total	**20 917**	**-**	**20 917**	**15 345**

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	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Administration		14 702	7 469
Local Governance		5 517	6 772
Development and Planning		540	443
Traditional Institutional Management		158	661
Total		**20 917**	**15 345**

21.2 Payables not recognised

Listed by economic classification	30 Days	30+ Days	2020/21 R'000 Total	2019/20 R'000 Total
Goods and services	26 141	30 069	**56 210**	75 368
Capital assets	15 077	123	**15 200**	2 024
Total	**41 218**	**30 192**	**71 410**	**77 392**

	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Administration		23 129	46 607
Local Governance		6 071	4 887
Development and Planning		20 461	2 969
Traditional Institutional Management		21 749	22 939
Total		**71 410**	**77 392**

Included in the above totals are the following:	*Note*	2020/21 R'000	2019/20 R'000
Confirmed balances with other departments	***Annex 5***	7 852	2 137
Total		**7852**	**2137**

22 Employee benefits

	Note	2020/21 R'000	2019/20 R'000
Leave entitlement		60 949	49 848
Service bonus		15 621	15 564
Performance Awards		25 016	-
Capped leave commitments		-	30 636
Other		647	1 182
Total		**102 233**	**97 230**

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23 Lease commitments

23.1 Operating leases

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	21 357	1 390	22 747
Later than 1 year and not later than 5 years	-	-	117	1 663	1 780
Total lease commitments	-	-	**21 474**	**3 053**	**24 527**

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	20 142	1 005	21 147
Later than 1 year and not later than 5 years	-	-	6 095	436	6 531
Total lease commitments	**-**	**-**	**26 237**	**1 441**	**27 678**

23.2 Finance leases **

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	4 974	4 974
Later than 1 year and not later than 5 years	-	-	-	3 222	3 222
Total lease commitments	**-**	**-**	**-**	**8 196**	**8 196**

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	3 729	3 729
Later than 1 year and not later than 5 years	-	-	-	748	748
Later than five years	**-**	**-**	**-**	**4 477**	**4 477**
Total lease commitments	-	-	-	4 477	4477

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24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		303 964	606 828
Prior period error		(6 724)	(90 048)
As restated		297 240	516 780
Add: Irregular expenditure – relating to prior year		1 534	-
Add: Irregular expenditure – relating to current year		-	742
Less: Prior year amounts condoned		(55 955)	(213 558)
Closing balance		**243 927**	**303 964**

Analysis of awaiting condonation per age classification

	2020/21	2019/20
Current year	-	742
Prior years	242 819	303 222
Total	**243 927**	**303 964**

24 .2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	**Disciplinary steps taken/criminal proceedings**	**2020/21** **R'000**
SCM procedure not followed	Under Investigation	1 534
Total		**1 534**

24.3 Details of irregular expenditure condoned

Incident	**Condoned by (condoning authority)**	**2019/20** **R'000**
SCM processes not followed	under Investigation	54 847
Total		**54 874**

24.4 Prior period error

	Note	2019/20 R'000
Nature of prior period error		**6 724**
Relating to prior year *[affecting the opening balance]*		**6 724**

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Incorrect classification into irregular	-
Relating to 2017/18	**-**
Understated Irregular expenditure in 2016/17	**-**
Total	**6724**

25. Fruitless and wasteful expenditure

25.1Reconciliation of fruitless and wasteful expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		3 501	3 548
Prior period error			57
As restated		3 501	3 605
Fruitless and wasteful expenditure – relating to prior year	*25..2*	2 028	-
Fruitless and wasteful expenditure – relating to current year	*25..2*	11	11
Less: Amounts recovered		(1)	(11)
Less: Amounts written off	***25..4***	-	(104)
Closing balance		**5 539**	**3 501**

25.2 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	**Disciplinary steps taken/criminal proceedings**	**2019/20** **R'000**
No show at hotel	Under investigation	17
Payment exceeding contract value	Under investigation	66
Interest on over due accounts	Under investigation	51
Overpaid salary of Izinduna	Under investigation	1 905
Total		**2 039**

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26 Related party transactions

Relates to Traditional Levies and Trust Account for Current and Transfer Payments to the value of R26 082 in relation to the support given to the institution of traditional leadership.

27 Key management personnel

	No. of Individuals	2020/21	2019/20
		R'000	R'000
Political office bearers (provide detail below)	1	1 978	2 132
Officials:			
Level 16	1	2 271	2 123
Level 15	3	3 958	4 005
Level 14	16	18 565	19 430
Family members of key management personnel	2	1 063	1,043
Total		**27 835**	**28 733**

28 Provisions

	Note	2020/21	2019/20
		R'000	R'000
Back pay for iziNduna		1 575 218	1 472 166
Total		**1 575 218**	**1 472 166**

The provision disclosed in the current financial year relates to the back pay for Induna's salaries in line with the proclamation of public office bearers (headmen) effective since the 01 April 2013. The number of appointed Induna for the period of 39 months was unknown since there were no verifications from date of proclamation. The cabinet resolution was taken in the previous financial year to remunerate Induna as per the proclamation.

28.1.1 Reconciliation of movement in provisions – 2020/21

	Provision 1 **R'000**	Provision 2 **R'000**	Provision 3 **R'000**	Total provisions R'000
Opening balance	1 472 166	-	-	**1 472 166**

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Increase in provision	103 052	-	-	**103 052**
Change in provision due to change in estimation of inputs	-	-	-	**-**
Closing balance	**1 575 218**	-	-	**1 575 218**

Reconciliation of movement in provisions – 2019/20

	Provision 1 **R'000**	Provision 2 **R'000**	Provision 3 **R'000**	Total provisions R'000
Opening balance	1 375 856	-	-	**1 375 856**
Increase in provision	96 304	-	-	**96 304**
Change in provision due to change in estimation of inputs	-	-	-	**-**
Closing balance	**1 472 160**	-	-	**1 472 160**

The department commenced paying iziNduna as per Provincial Executive decision from December 2016 in line with the Presidential proclamation which was effective from 1 April 2016. The President signs the Public Office bearers' proclamations on an annual basis. There are four proclamations that have been signed to date with the first being effective from 1 April 2013. The effect of commencing to pay iziNduna as public office bearers only from 2016 resulted in a historic liability to the value of R1 575 218 billion.

The Department has presented this financial situation to the Cogta Portfolio Committee as well as the Finance Portfolio Committee with an aim of securing a resolution for National Treasury to appropriate additional funding. A letter was written to the MEC Finance by the Department with an intention of securing a financial guarantee for this liability. A memorandum was written to the Provincial Executive structure as well as to the MINCOMBUD to secure a future allocation of the required funds. A joint letter from Provincial Cogta and Provincial Treasury has been written to the National Ministers of Cogta and Finance with the intention of securing a financial guarantee from the National Revenue Fund.

29 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	144 900	**-**	**36 433**	**5 162**	**176 171**
Transport assets	68 936	-	1 238	4 995	65 179
Computer equipment	53 661	-	34 735	152	88 244
Furniture and office equipment	16 347	-	374	-	16 721
Other machinery and equipment	5 956	-	80	15	6 027
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**144 900**	**-**	**36 433**	**5 162**	**176 171**

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29.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	36 433	-	-	-	36 433
Transport assets	1 238	-	-	-	1 238
Computer equipment	34 735	-	-	-	34 735
Furniture and office equipment	374	-	-	-	374
Other machinery and equipment	86	-	-	-	86
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**36 433**	-	-	-	**36 433**

29.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	5 162	5 162	-
Transport assets	-	4 995	4 995	-
Computer equipment	-	152	152	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment		15	15	-
	-			-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	**5 162**	**5 162**	-

29.3. Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000

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MACHINERY AND EQUIPMENT	198 483	-	**63 662**	**117 245**	**144 900**
Transport assets	79 857	-	45 461	56 382	68 936
Computer equipment	50 546	-	3 293	178	53 661
Furniture and office equipment	16 084	-	302	39	16 347
Other machinery and equipment	51 996	-	14 606	60 646	5 956
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**198 483**	-	**63 662**	**117 245**	**144 900**

29.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	15 929	-	15 929
Additions	-	-	-	414	-	414
Disposals	-	-	-	11	-	11
TOTAL MINOR ASSETS	-	-	-	**16 354**	-	**16 354**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	10 714	-	10 714
Number of minor assets at cost	-	-	-	10 653	-	10 653
TOTAL NUMBER OF MINOR ASSETS	-	-	-	**21 367**	-	**21 367**

29.5 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	15 538	-	15 538
Prior period error	-	-	-	-	-	-
Additions	-	-	-	966	-	966
Disposals	-	-	-	575	-	575
TOTAL MINOR ASSETS	-	-	-	**15 929**	-	**15 929**

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	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	10 714	-	10 714
Number of minor assets at cost	-	-	-	10 653	-	10 653
TOTAL NUMBER OF MINOR ASSETS	-	-	-	**21 367**	-	**21 367**

30 Intangible Capital Assets
MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2021

MOVEMENT INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	OPENING BALANCE	VALUE ADJUSTMENTS	ADDITIONS	DISPOSALS	TOTAL
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	**32**	-	8895		8 927
TOTAL INTANGIBLE CAPITAL ASSETS	**32**	-	**8 895**		**8 927**

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	CASH	NON-CASH	DEVELOPMENT WORK IN PROGRESS CURRENT COST	RECEIVED CURRENT	TOTAL
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	**8 895**	-			8 895
TOTAL INTANGIBLE CAPITAL ASSETS	**8 895**	-			**8 895**

Movement for 2019/20

30.2 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2020

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE		32	-		32

31 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	80 446	-	-	31 821	48 625

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Dwellings	510	-	-	-	510
Non-residential buildings	38 276	-	-	-	38 276
Other fixed structures	41 660	-	-	31 821	9 839
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**80 446**	-	-	**31 821**	**48 625**

31.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	45 904	53 272	45 904	-	45 904
Dwellings	-	-	-	-	-
Non-residential buildings	45 904	53 272	45 904	-	45 904
	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**45 904**	**53 272**	**45 904**	-	**45 904**

Movement for 2019/2020

31.2 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**82 226**	-	-	**1 780**	**80 446**
Dwellings	510	-	-	-	510
Non-residential buildings	38 276	-	-	-	38 276
Other fixed structures	43 440	-	-	1 780	41 660
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**82 226**	-	-	**1 780**	**80 446**

31.3Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note	Opening balance 1 April 2019	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2020

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	Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		97167	99383	53272	143278
TOTAL		**97167**	**99383**	**53272**	**143278**

Age analysis on ongoing projects		**Number of projects** **Planned, Construction not started**	**Planned Construction started**	**2020/21 Total R'000**
0 to 1 year		5	-	5
1 to 3 year(s)	5	-	5	
3 to 5 year	4	-	4	
3 to 5 year(s)	-	-	-	
Longer than 5 years	5	-	5	
Total	**19**		**19**	

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	NOTE	Opening Balance 1 april 2018	Prior Period error	Current Period Tear WIP	Ready for use (Assets to the AR) / Contracts terminated	" Closing Balance 31 March 2019 "
	Annexure 7	R'000	R'000	R'000	R'000	R'000
Buildings and other fixtures		85712	**-**	45904	-	131616
Total		**85712**	-	**45904**	**-**	**131616**

Age analysis on ongoing projects	Number of projects Planned, Construction not started	Planned, Construction started	2019/20 Total R'000
Longer than 5 years	5	9	131616
Total	5	9	131616

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Immovable assets

Assets to be transferred in terms of S42 of the PFMA – 2020/21

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**174**	**48625**
Dwellings	4	510
Non-residential buildings	35	38,276
Other fixed structures	**135**	9839
TOTAL	**174**	**48625**

32 Principal Agent Arrangements	2020/21	2019/2020
Department acting as the principal	Fee paid	
Independent Development Trust	456	1 681
Total	**456**	**1 681**

The Department appointed the Independent Development Trust as an Implementing agent for the construction and rehabilitation of Traditional Administrative Centres.

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39 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF PROVINCE/GRANT	GRANT ALLOCATION					SPENT				2018/19	
	Division of Revenue Act	Roll Overs	A Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Intergrated Grant for Provinces	2,777	-	-	-	2,777	2,777	2 777		100%	3858	3858
Provincial Disaster Recovery Grant	-	-	-		-	2,777	-	-	-	675	288
	2,777	-	-	-	2 777	2,777	2 777	-	-	4533	4146

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40 STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

	GRANT ALLOCATION				TRANSFER			SPENT				2019/20
NAME OF PROVINCE / GRANT	Division of Revenue Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Depart-ment	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by depart-ment	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000
Summary by province **Kwazulu-Natal**	554	-	-	554	-	-	554	554	491	-	89%	525
TOTAL	554	-	-	554	-	-	554	554	491	-	89%	525
Summary by grant **Vehicle licences**	554	-	-	554	-	-	-	554	491	-	89%	525
	554	-	-	554	-	-	-	554	491	-	89%	525
1.Vehicle licences Kwazulu-Natal	554	-	-	554	-	-	490	554	491	-	89%	525
	554	-	-	554	-	-	490	554	491	-	89%	525

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41 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
eThekwini	750	-	(750)	-	-	-	-
Umdoni	-	-	-	-	-	-	-
Umzumbe	-	-	-	-	-	-	-
uMuziwabantu	-	-	-	-	-	-	-
Hibiscus Coast	-	-	-	-	-	-	-
Ray Nkonyeni	550	-	(550)	-	-	-	-
eThekwini	-	-	-	-	-	-	-
Umdoni	1,000	-	(1,000)	-		-	-
Umzumbe	1,000	-	(1,000)	-		-	-
uMuziwabantu	1,250	-	(1,250)	-		-	-
Hibiscus Coast	-	-	-	-		-	-
Ray Nkonyeni	750	-	(750)	-		-	-
Ugu DM	500	-	(500)	-		-	-
uMshwathi	2,050	-	(2,050)	-		-	-
uMngeni	500	-	(500)	-		-	-

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Mpofana	500	-	(500)	-	-	-
Impendle	-	-	-	-	-	-
Msunduzi	550	-	(550)	-	-	-
Mkhambathini	-	-	-	-	-	-
Richmond	-	-	-	-	-	-
uMngungundlovu DM	-	-	-	-	-	-
Okhahlamba	-	-	-	-	-	-
Alfred Duma	2,500	-	(2,500)	-	-	-
Uthukela	-	-	-	-	-	-
Msinga	-	-	-	-	-	-
Umvoti	-	-	-	-	-	-
Umzinyathi DM	500	-	(500)	-	-	-
Newcastle	2,000	-	(2,000)	-	-	-
Amajuba DM	-	-	-	-	-	-
eDumbe	-	-	-	-	-	-
Abaqulusi	-	-	-	-	-	-
Nongoma	1,600	-	(1,600)	-	-	-
Zululand DM	-	-	-	-	-	-
Mtubatuba	-	-	-	-	-	-
Umkhanyakude	3,500	-	(3,500)	-	-	-
Nkandla	-	-	-	-	-	-
King Cetshwayo	500	-	(500)	-	-	-
Mandeni	-	-	-	-	-	-
KwaDukuza	-	-	-	-	-	-
Maphumulo		-		-	-	-
Ilembe DM	550	-	(550)	-	-	-
Greater Kokstad	-	-	-	-	-	-

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Ubuhlebezwe	500	-	(500)	-		-	-
Harry Gwala District Municipality	-	-	-	-		-	-
Dr Nkosazana Dlamini Zuma	500	-	(500)	-		-	-
	28,000	-	(28,000)	-	-	-	-

Annexure 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

	GRANT ALLOCATION				TRANSFER			2019/20	
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
eThekwini	-	-	-	-	-	-	-	750	-
Umdoni	750	-	(750)	-		-	-	10,000	750
Umzumbe	-	-	-	-		-	-	-	10,000
Ugu DM	550	-	(550)	-		-	-	-	18,635
uMngeni	1,000	-	(1,000)	-		-	-	-	-
Mpofana	1,000	-	(1,000)	-		-	-	1,000	-
Impendle	1,250	-	(1,250)	-		-	-	-	1,000
Mkhambathini	750	-	(750)	-		-	-	10,500	-
Richmond	500	-	(500)	-		-	-	4,050	10,500
uMngungundlovu DM	2,050	-	(2,050)	-		-	-	-	4,050
Okhahlamba	500	-	(500)	-		-	-	15,500	10,500

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Alfred Duma	500	-	(500)	-		-	-	-	15,500
Uthukela	550	-	(550)	-		-	-	-	17,550
Msinga	-	-	-	-		-	-	800	2,325
Umvoti	-	-	-	-		-	-	4,100	800
Umzinyathi DM	2,500	-	(2,500)	-		-	-	20,000	4,100
Newcastle	2,500	-	(2,500)	-		-	-	-	20,000
Amajuba DM	550	-	(550)	-		-	-	19,500	4,460
eDumbe	-	-	-	-		-	-	-	19,500
Abaqulusi	500	-	(500)	-		-	-	-	-
Nongoma	2,000	-	(2,000)	-		-	-	-	-
Zululand DM	1,800	-	(1,800)	-		-	-	-	3,450
Mtubatuba	-	-	-	-		-	-	-	14,000
Umkhanyakude	1,600	-	(1,600)	-		-	-	-	-
Nkandla	-	-	-	-		-	-	1,550	500
King Cetshwayo	550	-	(550)	-		-	-	750	1,550
Mandeni	3,500	-	(3,500)	-		-	-	5,000	750
KwaDukuza	-	-	-	-		-	-	-	5,000
Maphumulo	-	-	-	-		-	-	9,200	7,000
Ilembe DM	550	-	(550)	-		-	-	15,500	9,200
Greater Kokstad	-	-	-	-		-	-	6,500	15,500
Ubuhlebezwe	500	-	(500)	-		-	-	-	6,500
Harry Gwala District Municipality	-	-	-	-		-	-	500	15,000
Dr Nkosazana Dlamini Zuma	500	-	(500)	-		-	-	-	500
Total	26,450	-	(26,450)	-	-	-	-	218,620	218,620

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a municipality or, where appropriate, into the CPD account of a municipality as well as indicate the funds utilised for the administration of the receiving officer.

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				EXPENDITURE		2019/20	
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipal Infrastructure Support Agent	-	-	-	-	-	0%	20,000	-
South African Local Government Association	-	-	-	-	-		-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	0%	**20,000**	**-**

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ANNEXURE 1D
STATEMENT OF TRANSFERS /SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

STATEMENT OF TRANSFERES /SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES	TRANSFER ALLOCATION				EXPENDITURE		2019/20	
	ADJUSTED APPROPRIATION ACT	ROLL OVERS	ADJUSTMENTS	TOTAL AVAILABLE	ACTUAL TRANSFER	% OF AVAILABLE FUNDS TRANSFERRED	APPROPRIATION ACT	ACTUAL TRANSFER
	R'000	**R'000**	**R'000**	**R'000**	**R'000**		**R'000**	**R'000**
Public corporations								
Transfers								
Mhlathuze Water	-	-	-	-	-	-0%	29000	29000
Total	-	-	-	-	-	-0%	29000	29000

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ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20	
NON-PROFIT INSTITUTIONS	Adjusted Appro-priation Act R'000	Roll overs R'000	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	Final Appropriation R'000	Actual Transfer
Transfers								
Traditional Councils	200	-	(200)	-	26 082	0%	84 343	84 343
TOTAL	200	-	(200)	-	26 082	0%	84 343	84 343

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ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2019/20	
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appro-priation Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Employee Social Benefits	3,954	-	2,649	6,603	10,277	156%	7,017	8,524
Bursaries (Non Employees)	6,025	-	(3,001)	3,024	1,980	65%	11,714	4,751
Claims against the State	-	-	-	-	-		-	-
Total	9,979	-	(352)	9,627	12,257		18,731	13,275

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ANNEXURE 1J
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation	2020/21 R'000	2019/20 R'000
Made in kind		
Tembe Traditional Council	-	-
South African Local Government Association	-	-
TOTAL	-	-

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ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2021 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2019	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2020	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2020
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
People's Bank		16	16	-	-	-	16	-	-
Standard Bank		40	40				40		
	TOTAL	56	56	-	-	-	56	-	-

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ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/ reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2021 R'000
Claims against the department					
Collision: KZN 45836 and ND 659-885: EN Ngcobo	3	-	-	-	3
Collision: KZN 46000 and NUZ 1755 V50(15/16)	32	-	-	-	32
Collision: KZN 45822 and ND 610-817 V52(15/15)	19	-	-	-	19
Collision: KZN 45956 and ND 307-738 V1(15/16)	17	-	-	-	17
Collision: KZN45959 and ND 237453 V18 (17/18)	17	-	-	-	17
Collision: KZN 45918 and NK 4514 V8 (13/14)	82	-	-	-	82
Collision: KZN 45930 and BTM681B and TAYLIN-ZN	210	-	-	-	210
Thebethe Cebekhulu Attorney v KZN COGTA	1 676	-	-	-	1,676
Pholisani Capital (Pty) Ltd	2 251	-	-	-	2,251
Collision KZN46017 and HX62H7-GP		57			
Collision KZN 46143 and ND565283		79	-		
TOTAL	4307	**136**	**-**	**-**	**4443**

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Contingent liabilities were identified by Loss Control with claims against the department from 13/14 financial year to 31 March 2019. These cases were reviewed by Legal Services and referred to the State Attorney at the Department of Justice to deal with the matter and to provide the department with feedback to process or reject the claim and advise on steps to follow. If there is negligence on the part of the official (in terms of Treasury Regulations 12. Management of losses and claims), the matter is referred to Labour Relations for investigation and to sought advice on the steps to be followed in dealing with the official. If the recovery of money is recommended for damages, then a debt has to be acknowledged by the official and a debt account setup for the official to pay back the money. Additional Case referred by Legal Services awaiting a trial date.

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ANNEXURE 4

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Department of Public Works	-	-	23	23	23	23
Department of Agriculture	-	592			-	592
National COGTA	39				39	-
					-	-
	39	592	23	23	62	615
OTHER GOVERNMENT ENTITIES						
Traditional Levies and Trust Account	1,583	-	1,415	1,614	2,998	1,614
Umhlathuze Water	-	-	546	546	546	546
	1,583	-	1,961	2,160	3,544	2,160
Total	**1,622**	**592**	**1,984**	**2,183**	**3,606**	**2,775**

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ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/06/2021	31/03/2020	31/06/2021	31/03/2020	31/06/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Transport	203	677	-	-	203	677
Department of Public Works	6,378	-	1,107	1,179	7,485	1,179
Department of Arts & Culture	-	-	-	6	-	6
Department of Social Development	-	-	-	-	-	-
Department of health	1,177	1,036		917	1,177	1,953
Office of the Premier	-	51	-	-	-	51
KZN Provincial Treasury	-	-	-	-	-	-
National COGTA	-	-	-	-	-	-
Department of Human Settlements	-	373	1,560		1,560	373
Department of Justice	94				94	-
Subtotal	7,852	2,137	2,667	2,102	10,519	4,239
					-	
Total Departments	7,852	2,137	2,667	2,102	10,519	4,239

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS VOTE 11

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

KWAZULU-NATAL: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Vote 11

Annexures to the Annual Financial Statements

for the period ended 31 March 2021

ANNEXURE 6

INVENTORIES

	Note	2020/21		2019/20	
		Quantity	**R'000**	**Quantity**	**R'000**
Inventories					
Opening balance		1,122	842	1,055	1,334
Add/(Less): Adjustments to prior year balances		-	-		
Add: Additions/Purchases - Cash		6,060	3,974	7,165	6,590
Add: Additions - Non-cash					
(Less): Disposals					
(Less): Issues		(323)	(673)	(7,098)	(7,082)
Add/(Less): Received current, not paid (Paid current year, received prior year)					
Add/(Less): Adjustments					
Closing balance		**6,859**	**4,143**	**1,122**	**842**

Include discussion where deemed relevant

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

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for the period ended 31 March 2021

ANNEXURE 7

Movement in Capital Work-in-Progress

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE PERIOD ENDED 31 MARCH 2021

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	97,167	99,383	(53,272)	143,278
Dwellings	-	-	-	-
Non-residential buildings	97,167	99,383	(53,272)	143,278
TOTAL	**97,167**	**99,383**	**(53,272)**	**143,278**

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	85,712	-	11,455	-	97,167

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

Dwellings	247	-	-	-	247
Non-residential buildings	85,465	-	11,455	-	96,920
TOTAL	**85,712**	**-**	**11,455**	**-**	**97,167**

2017/18 buildings and other fixed structures restated in terms of economic classification. Incorrectly included 2016/17 ready for use assets to the value of R569,410.06 removed from the 2017/18 openin balance. Assets to the value of R707,942.05 added to the 2017/18 ready for use assets.

GROWING KWAZULU-NATAL TOGETHER