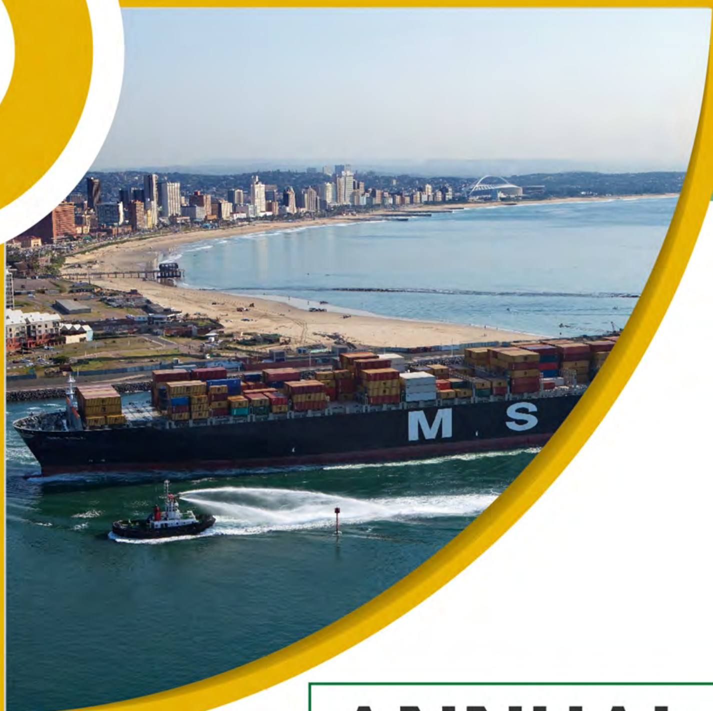


ANNUAL REPORT 2020–2021

FINANCIAL YEAR

VOTE 4

KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

REPUBLIC OF SOUTH AFRICA

GROWING KWAZULU-NATAL TOGETHER

"Attainment of a radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal"

CONTENTS

PART A:
GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS:	270 Jabu Ndlovu Street Pietermaritzburg 3200
POSTAL ADDRESS:	Private Bag 9152 Pietermaritzburg 3201
TELEPHONE NUMBER/S:	033 264 2500
EMAIL ADDRESS:	info@kznedtea.gov.za
WEBSITE ADDRESS:	www.kznedtea.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AOP	-	Annual Operational Plan
APP	-	Annual Performance Plan
AQMPs	-	Air Quality Management Plans
AWG	-	Action Work Group
B-BBEE	-	Broad-Based Black Economic Empowerment
BEC	-	Bid Evaluation Committee
BPO	-	Business Process Outsourcing
CARC	-	Cluster, Audit and Risk Committee
CCIs	-	Cultural and Creative Industries
CD	-	Chief Director
CFO	-	Chief Financial Officer
CMT	-	Cut, Make and Trim
DSBD	-	Department of Small Business Development
DDG	-	Deputy Director General
DPSA	-	Department of Public Service and Administration
DTI	-	Department of Trade and Industry
DTP IDZ	-	Dube Trade-Port Industrial Development Zone
DTP	-	Dube Trade Port
DTPC	-	Dube Trade-Port Corporation
DUT	-	Durban University of Technology
EDTEA	-	Department of Economic Development, Tourism and Environmental Affairs
EIA	-	Environmental Impact Assessment
EKZNW	-	Ezemvelo KwaZulu-Natal Wildlife
EPMDS	-	Employee Performance Management and Development System
EHW	-	Employee Health Wellness
EXCO	-	Executive Committee
FTE	-	Full Time Equivalent
GDP	-	Gross Domestic Product
GDPR	-	Gross Domestic Product Regional
HOD	-	Head of Department
HR	-	Human Resources
IASP	-	Invasive Alien Species Programme
ICOREF	-	Integrated Compliance and Enforcement Forum
ICT	-	Information and Communications Technology
ICTE	-	Information and Communication Technology and Electronics
IDFC	-	Ithala Development Finance Corporation
IDZ	-	Industrial Development Zone

IT	-	Information Technology
KSIA	-	King-Shaka International Airport
KZN IE	-	KwaZulu-Natal Informal Economy
KZN PPC	-	KwaZulu-Natal Provincial Planning Commission
KZNFC	-	KwaZulu-Natal Film Commission
KZNGBB	-	KwaZulu-Natal Gaming and Betting Board
KZNLA	-	KwaZulu-Natal Liquor Authority
LED	-	Local Economic Development
LMs	-	Local Municipalities
METT	-	Management Effectiveness Tracking Tool
MKI	-	Moses Kotane Institute
MoA	-	Memorandum of Agreement
MoU	-	Memorandum of Understanding
MPAs	-	Marine Protected Areas
MTEF	-	Medium-Term Expenditure Framework
MTSF	-	Medium-Term Strategic Framework
NDP	-	National Development Plan
NGP	-	New Growth Path
NHRBC	-	National Home Builders Registration Council
OHS	-	Occupational Health and Safety
OVF	-	Operation Vula Fund
PERSAL	-	Personnel and Salary System
PFMA	-	Public Finance Management Act
PGDP	-	Provincial Growth and Development Plan
PMU	-	Programme Management Unit
PPE	-	Protective Personal Equipment
PPPFA	-	Preferential Procurement Policy Framework Act
PSCBC	-	Public Service Coordinating Bargaining Council
RASET	-	Radical Agrarian Socio-Economic Transformation
RBIDZ	-	Richards Bay Industrial Development Zone
RLED	-	Regional and Local Economic Development
SEZ	-	Special Economic Zone
SLA	-	Service Level Agreements
SMME	-	Small Medium and Micro Enterprise
SMS	-	Senior Management Service
SP	-	Strategic Plan
SPLUMA	-	The Spatial Planning and Land Use Management Act 16 of 2013
SSGs	-	Small-Scale Sugarcane Growers
TIKZN	-	Trade & Investment Kwazulu-Natal
TVET	-	Technical and Vocational Education and Training

UKZN - University of KwaZulu-Natal

3. FOREWORD BY THE MEMBER OF EXECUTIVE COMMITTEE

Name: Mr Ravi Pillay, MPL
Title: MEC for Economic Development, Tourism and Environmental Affairs

When the sixth administration was ushered in, following the 2019 general elections, we set ourselves seven key priorities.

As outlined by President Cyril Ramaphosa in his 2019 State of the Nation Address, these key priorities included economic transformation and job creation; and building a capable, ethical and developmental state.

So, from the onset it was clear that EDTEA, as the Department responsible for economic development in KwaZulu-Natal; was going to play a critical role towards the attainment of these goals.

However, at that time we did not know of the Covid-19 pandemic which inflicted unimaginable damage to our economy leading to massive job losses and thus making economic transformation and job creation an even more urgent task.

The year under review placed the spotlight firmly on our Department because it had to be at the forefront of the economic recovery and transformation efforts of the provincial government in the wake of the devastation caused by the Covid-19 pandemic.

Not only did Covid-19 result in negative economic growth and job losses but it exposed the fissures that existed in our society.

This is why as part of the recovery efforts, EDTEA developed the Economic Recovery and Transformation Plan which has been endorsed by all social partners namely, government, labour, business and civil society.

As the name suggests, the plan not only seeks to recover the economy to what it was pre Covid-19 but it also outlines measures in which the economy could be transformed for the benefit of the previously marginalised.

In the plan we disaggregated our economy into 14 key sectors. For each sector we have specific interventions on how to grow and transform those sectors

We have focused on these sectors in order to revive our economy and create jobs. The disruptions brought about by the Covid-19 pandemic which forced the country into various levels of the lockdown from time to time, meant that some of the recovery programmes were not easy to implement.

Part of our focus for the near future would be to ensure that critical posts are filled so as to enable the Department to function optimally in the fulfilment of its mandate. A new organogram has been submitted for approval and once the approval is received this will pave the way for the filling of the many funded critical posts. As part of improving our efficiencies we had started the programme of merging some of our public entities.

I would like to call on all members of the EDTEA family to ensure that we put all shoulders to the wheel in driving economic recovery. The task at hand will require ethical public servants and in keeping with this, as the department we will continue to root out corruption.

During the period under review there were 18 investigations into procurement and supply chain irregularities. Some of these cases have already been registered with the South African Police Service for criminal investigation. This is part of our efforts to build an ethical state.

I would like to thank and acknowledge all the staff members of the Department led by HOD Nhlakanipho Nkontwana who continue to work hard, under challenging circumstances, to ensure that we drive economic growth, tourism and the sustainable management of our natural resources.

The focus for the coming financial years will continue to be on how this Department and its entities will lead the economic recovery process, tourism development and environmental protection for the benefit of the citizens of KwaZulu-Natal.

Mr Ravi Pillay, MPL

Member of Executive Committee for Economic Development, Tourism and Environmental Affairs

4. REPORT OF THE ACCOUNTING OFFICER

Name: Mr Nhlakanipho Nkontwana
Title: Accounting Officer

Performance Overview of 2020/2021

The period under review was one of the most challenging times in recent years owing to the unprecedented effect of the Covid-19 pandemic on the global economy and supply chain. South Africa's economy contracted by 7% with the province also recording a negative growth of 7,2%. The key sectors that experienced the negative impact of the pandemic and global restrictions were mainly manufacturing, retail trade, transport, hospitality and accommodation. As a response to the pandemic, the Provincial Executive Council approved the implementation of the economic reconstruction plan. The economic recovery plan is part of a multi-pronged approach adopted by government which amongst others, includes health, food security and social protection as key levers. Over R200 million of the R300 million Covid-19 Recovery Fund created by the provincial treasury was allocated to the Department. Despite the challenging and unfamiliar operational environment of remote working, the Department achieved a financially unqualified audit outcome, with no findings on compliance and other matters (commonly referred to as a clean audit). This audit outcome is a result of the diligent application of a rigorous internal control and risk management framework that has been strengthened over the years. The Department remains committed to clean governance, financial management and accountability. The recommendations of all completed investigations were fully implemented at the reporting date.

In the year under review, the Department managed to achieve more than 80% of the planned service delivery targets. Over a thousand SMMEs were awarded with funding to the value of R337 million under the Operation Vula Fund, an SMME grant funding scheme. Business assets and equipment to the value of over R40 million had been delivered to the successful applicants of the Fund at the end of the financial year. The balance of the funding will be disbursed within the 2021/2022 financial year.

Support to SMMEs / Cooperatives for online applications to the various COVID – 19 relief funds and schemes was provided through a partnership with TIKZN. The Department's district offices assisted SMMEs with information dissemination related to COVID – 19 Relief Funds and Schemes, preparation and uploading of applications, compliance documentation and general business advisory services. In this regard, 283 small enterprises received business advice; 212 funding applications were submitted to the COVID – 19 Relief funds and schemes; 140 registered applicants were registered with the DSBD SMME Relief Fund; 72 registered with DSBD for access to markets for essential services and products suppliers

The Department partnered with four TVET colleges to train co-operatives in technical and business management skills. As a result, 65 cooperatives comprising of 316 cooperative members were trained in crop farming, goat farming broiler production, garment making, cooperatives and business management skills.
More than 500 youth and women were supported with training through various strategic partnerships concluded with Downstream Centre for Aluminium (DACT), NHRBC, public entities and municipalities as well as other provincial sister Departments. More than 50 women and youth enterprises were supported to participate in the mainstream economy.

The KZN Black Industrialist Programme implemented in partnership with the dtic resulted in 35 KZN Black Industrialists companies being approved for grant funding. Additionally, the Department continued with the implementation of the MOU concluded with the National B-BBEE Commission on B-BBEE Policy and compliance matters (including but not limited to B-BBEE complaints, fronting, late payments, and tender issues) through the roll out of a number of B-BBEE Policy advocacy, awareness and information dissemination workshops across the Province.

The Department continued with the implementation of Phase 4 of Operation Sakhinzuzo wherein 139 small scale sugar cane growers, 9 co-operatives were supported and 524 employment opportunities were supported. Other projects in implementation that created employment in the financial year were Lusizo Vegetables (7) and the construction of the Kwamajomela Light Industry Value Add Centre (15) in Nongoma. Towards the end of the financial year four informal economy infrastructure recovery fund projects in Okhahlamba, Msunduzi, Kokstad and Umvoti were activated and are expected to be completed in the 2021-2022 financial year. In terms of capacity building and training, 10 social entrepreneurs and 58 Dalton Bridge Community members completed their training as part of the UKZN RLEDI programme and 29 digital ambassadors (trainers) were trained through our collaboration with NEMISA/DUT. Four red tape reduction processes in Inkosi Langalibelele, Umdoni, Mtubatuba and Mpofana municipalities were also activated in the financial year.

In the month of July 2021, the provinces of KwaZulu-Natal and Gauteng fell victim to wide spread looting and destruction of infrastructure and businesses sparked by social unrest. The unrest affected close to 4 000 businesses by an estimated impact of R50 billion on the country’s GDP. These devastating events had a negative impact on investor confidence and the economic gains that had been made by the Province in recovering from the pandemic. Government has swiftly responded by introducing of business relief measures for uninsured businesses, to the combined tune of R3,75 billion whilst SASRIA received an additional allocation of R3,8 billion. The Department, working with various DFIs NEF, Sefa, IDC, DTIC, the Department of Small Businesses, has been undertaking district roadshows and distributing information to the affected businesses across the Province.

The Department will continue to prioritise support afforded to businesses affected by the unrest, the implementation of the provincial recovery plan and the disbursement of the funding awarded through Operation Vula Fund in the new financial year.

4.1 Departmental Receipts/Financial Performance

Departmental receipts	2020/2021			2019/2020		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	**642 864**	**431 818**	**211 046**	**634 160**	**724 945**	**(90 785)**
Casino taxes	531 391	291 527	239 864	524 843	604 612	(79 769)
Horse racing taxes	83 973	117 370	(33 397)	82 817	94 221	(11 404)
Liquor licences	27 500	22 921	4 579	26 500	26 112	388
Sale of goods and services other than capital assets	2 831	1 488	1 343	2 684	2 188	496
Fines, penalties and forfeits	619	2 438	(1 819)	587	1 763	(1 176)
Interest, dividends and rent on land	7	242	(235)	7	365	(358)
Sale of capital assets	211	1 448	(1 237)	200	-	200
Financial transactions in assets and liabilities	66	47 646	(47 580)	63	45 279	(45 216)
Total	**646 598**	**485 080**	**161 518**	**637 701**	**774 540**	**(136 839)**

The actual revenue collected in the 2020/21 financial year was R485 080 million against a budget of R646 598 million, resulting in under collection at year end of R161 518 million. The over/under collection is explained per economic classification as follows:

- *Tax Receipts* are derived from **taxes** collected by KZN Gaming and Betting (Casino Taxes & Horse Racing taxes) as well as KZN Liquor Authority for licenses as per licensing act, 2010.
  - ✓ *Casino Taxes:* under collection is due to restrictions placed by National Government during the Strict lockdown to curb COVID 19 infections.

- ✓ *Horse Racing: taxes* over collection is due to due to restrictions placed by National Government during the Strict lockdown to curb COVID 19 infections and closure of casinos, resulting in more online betting.
- ✓ *Liquor licences:* under collection is due to a lower number of outlets requesting their licences.

- *Sale of goods and services other than capital assets* - The revenue collected under this category relates to parking fees, commission received on PERSAL deductions and sale of tender documents. The under collection is mainly due to the restrictions that ware placed by the government for COVID 19. There has been no tender sale for the year.

- *Fines, penalties and Forfeits* – The revenue collected under this category relates the payment of fines by companies or individuals that transgress EIA regulations. Over collection is due to uncertain nature of revenue collected which depends on the number of offenses reported.

- *Interest, dividends and rent on land* – Revenue collected against this category is mainly from interest earned on project accounts. The over collection is due to the department earning interest on a project account. The project was completed in the 2020/2021 financial year and interest was transferred to the EDTEA account.

- *Sale of capital assets* - The over collection against this item was due to the sale or auctioning of old motor vehicles, machinery and equipment.

- *Transactions in financial assets and liabilities* - Revenue generated against this category attributes from recoveries from previous financial years such as staff debts, salary over payments, Transfer payments. It is often difficult to accurately forecast for this category due to its indeterminate nature. During 2020/21 FY KZN Provincial Treasury recalled some funds from various Public entities for some projects that were funded by the department in prior years such as: KZN Growth Fund R37,0m; KZN Trade & Investment R3,048m, Sharks Board R2.990m, Gaming & Betting R3,237m as well as KZNLA R1.388m; this resulted in over collection.

4.2 Programme Expenditure

Programme Name	2020/21			2019/2021		
	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	255 349	255 237	112	293 957	289 661	4 296
Integrated Economic Development Services	372 295	372 276	19	385 088	383 579	1 509
Trade And Sector Development	760 074	759 067	1 007	981 827	978 092	3 735
Business Regulation And Governance	179 756	179 756	-	175 867	175 867	-
Economic Planning	19 302	19 302	-	19 688	17 255	2 433
Tourism	222 670	221 798	872	354 025	349 721	4 304
Environmental Affairs	1 209 005	1 200 630	8 375	1 034 933	1 030 630	4 303
Total	**3 018 451**	**3 008 066**	**10 385**	**3 245 385**	**3 224 805**	**20 580**

The main appropriation of EDTEA was R3.347 billion in 2020/21. During the year, the Covid-19 pandemic resulted in the department's budget being reduced by R417.658 million thus totalling R2.929 billion and this was formalised with the tabling of the Special Adjustments Estimate in July. Following the Special Adjustments Estimate, the department received an additional allocation totalling R114.296 million during the 2020/21 Second Adjustments Estimate resulting to R3.043 billion. The allocation was further increased by R25 million during the third adjustment in March 2021, resulting in an adjusted appropriation of R3.018 billion.

Significant and unavoidable – suspension of funds: The department's budget was reduced by net R417.658 million toward funding the provincial response to the Covid-19 pandemic. The budget cuts were effected against all programmes and across various economic categories, as well as against most of the department's public entities

Roll-overs: Approval was granted for the roll-over of R6.5 million from 2019/20 financial year.

Other adjustments: The department's budget allocation was increased by a net amount of R82.796 million, as explained below:

- Additional funding of R30 million to assist in funding an intervention in respect of the Zimele Traders Fund to support rural and township spaza shops, to acquire refrigerated trucks in respect of the RASET programme assigned to Ithala, as well as to provide support for the Dalton Community project in the Langalibalele Municipality and the RASET pack-houses in Programme 2 and Goods and services in Programme 3.
- Additional funding of R101.295 million from the Provincial Economic Relief Fund in Programme 2,3,6 &7as follows

- R20 million for the Operation Vula programme in respect of toilet paper manufacturing, chemical and detergents, clothing and textile.
- 14.500 million for the Informal Economy Infrastructure Development initiative. This is aimed at creating a conducive business environment for informal traders through the provision of suitable trading and storage infrastructure in various Municipalities.
- R60 million for the SMME Covid-19 Support Fund under Ithala in Programme 2. The financial support provided by this support fund will assist in creating or retaining jobs and sustaining economic activities for a number of SMMEs who have approached Ithala requesting financial assistance in order to avoid closure due to the impact of Covid-19.
- R650 000 for the KwaXolo Caves Precinct project assigned to TKZN and this is specifically for the development of ablution facilities and four picnic spots at the site.
- R6.145 million was allocated for the road maintenance projects under EKZNW.

Offsetting the additional funds was a reduction of R48.499 million of R23.499 which was against Compensation of employees, relates to the provision made for the 2020 cost-of-living adjustment as this matter is currently in court and is unlikely to be resolved before the end of the financial year. R25 million the department agreed to surrender towards the spending pressures in Department of Education.

The following post virements were made between Programmes:

Table: Summary by programme

R thousand	Second adjustments appropriation	Adjustments			Total third adjustments appropriation	Final appropriation
		Virement	Shifts	Other adjustments		
1. Administration	247 739	7 610			7 610	255 349
2. Integrated Economic Development Services	366 142	(3 847)	10 000		6 153	372 295
3. Trade and Sector Development	799 894	(4 820)	(10 000)	(25 000)	(39 820)	760 074
4. Business Regulation and Governance	177 039	2 717			2 717	179 756
5. Economic Planning	21 319	(2 017)			(2 017)	19 302
6. Tourism	223 217	(547)			(547)	222 670
7. Environmental Affairs	1 208 101	904			904	1 209 005
Total	3 043 451	-	-	(25 000)	(25 000)	3 018 451

R11.231 million identified under P2, P3 & P6 as a result savings against Goods and services as well as payments for capital assets were moved as follows:

- R7.610 million was moved to P1 to defray overspending in Compensation of employees, Transport asset and the transfer to uMsunduzi Municipality for revitalization of city centre. Programme 4
- R2.717 million was moved to P4 to cater for consumer outreach programmes ,as well as the implementation of complain management system and for staff exit costs
- R904 000 was moved to Programme 7 to cater for spending pressures under Invasive Alien Species Programme

The following post virements were made between Economic Classification:

Table Summary by economic classification

R thousand	Second adjustments appropriation	Adjustments			Total third adjustments appropriation	Final appropriation
		Virement	Shifts	Other adjustments		
Current payments	759 975	(11 781)	(21 600)	(25 000)	(58 381)	701 594
Compensation of employees	353 117	4 948			4 948	358 065
Goods and services	406 858	(16 729)	(21 600)	(25 000)	(63 329)	343 529
Interest and rent on land					-	-
Transfers and subsidies to:	2 266 958	2 474	21 600	-	24 074	2 291 032
Provinces and municipalities	45 110	300	11 600		11 900	57 010
Departmental agencies and accounts	1 793 901				-	1 793 901
Higher education institutions	1 000				-	1 000
Public corporations and private enterprises	241 977	585	10 000		10 585	252 562
Non-profit institutions	184 225				-	184 225
Households	745	1 589			1 589	2 334
Payments for capital assets	16 518	9 305	-	-	9 305	25 823
Buildings and other fixed structures	4 385	(2 561)			(2 561)	1 824
Machinery and equipment	11 886	11 867			11 867	23 753
Software and other intangible assets	247	(1)			(1)	246
Payments for financial assets	-	2			2	2
Total	3 043 451	-	-	(25 000)	(25 000)	3 018 451

R11.231 million savings identified from Goods and services as well as payments for capital assets was moved as follows.

- R4.948 million was moved to Compensation of employees
- R2.474 million was moved to Transfers and Subsidies under various items to defray over expenditure.
- R11 867 million was moved to Machinery & Equipment.
- R2 000 was moved to Payment for financial assets.

4.3 Shifts

R21.6 million was shifted from Goods and services to Transfers and subsidies in respect of Edendale Auto Hub , Greenest Municipality Completion and provide support for the Dalton Community project in the Langalibalele Municipality

Various post virements and shifts were made between economic classification items within the various programmes and sub-programmes.

All Virements were approved by the Accounting Officer of the department in terms of Section 43(1) of the Public Finance Management Act and Public Finance.

4.4 2020/21 Rollovers

The department has requested a roll-over of R8.375 million for Goods and Services and Transfers & subsidies for Greenest Municipality Competition project aiming at reducing vulnerability of key sectors to climate change.

Accounting Officer
Mr Nhlakanipho Nkontwana
Department of Economic Development, Tourism and Environmental Affairs
Date: 19 October 2021

5. 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 31 March 2021.

Yours faithfully,

Signed by:Brightboy Nhlakanipho Nkont
Signed at:2021-10-19 18:32:10 +02:00
Reason:I approve this document

Accounting Officer

Mr Nhlakanipho Nkontwana

Department of Economic Development, Tourism and Environmental Affairs

Date: 19 October 2021

6. STRATEGIC OVERVIEW

6.1 Vision

Attainment of a radically transformed, growing, inclusive, innovative and sustainable economy, thereby optimizing employment in KwaZulu-Natal

6.2 Mission

To provide creative and innovative leadership towards:

Facilitating integrated economic planning and growth.

- Being a catalyst for economic transformation, job creation and sustainable development.
- Implementing strategies that drive economic growth and promote sound environmental management and climate resilience.
- Creating a conducive environment for trade, investment and tourism; and
- Developing, monitoring and enforcing a sound business, environmental and consumer protection regulatory framework.

6.3 Values

Ubuntu	*In the spirit of* ***"Ubuntu",*** place citizens at the centre of public service planning and operations, and foster citizen participation through services and programmes of a democratic nature.
Professionalism	*Work in a* ***professional manner*** *and attitude by treating* others with respect*; keeping* your word*; being* loyal *and* exceed*ing* expectations*.*
Exponential, innovative and visionary leadership	Display ***Exponential, innovative and visionary leadership by, pacing with the ever changing times*****,** not settling for less than the very best of ourselves, regardless of the circumstances; influencing one another to produce creative ideas, products, and services; and being resolute to achieve our collective vision.
Accountability and responsibility	Be ***Responsible*** for our corporate and individual mandates, and ***Accountable*** for the manner in which they are discharged, and the outputs achieved or not achieved.
Efficiency	*Promote* ***Efficiency*** through professional planning and implementation *of interventions*, thereby optimising the ratio of input costs to outputs achieved.
Service Excellence	*Embody* ***service excellence*** *by d*elivering *commitments and responding well with any issues, questions and challenges that* arise.
Ethical Conduct	***Embrace the*** **values and principles set out in Chapter 10 (section 195)** ***of the South Africa Constitution, namely****:* • "A high standard of professional ethics must be promoted and maintained; • *S*ervices must be provided impartially, fairly, equitably and without a bias*;* • Public administration must be accountable; and • Transparency must be fostered by providing the public with timely, accessible and accurate information."
Integrity	**Demonstrate *integrity* through** sound moral and ethical principles at **work***, with zero tolerance for corruption.*
Commitment	*Demonstrate* ***commitment*** to Work *through by diligently taking* responsibility *for* the goals, mission, and vision of *EDTEA and South African Government.*
Passion	*Display* ***passion****, through enthusiastically discharging each task at hand.*

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandate

The Department operates within National and provincial legislative, policy and strategic frameworks. Some of the national acts that are critical to the operations of the Department are the Constitution of the Republic of South Africa, particularly Schedule 4 and 5 which stipulate the competences of the provincial government on matters of economic development and the Public Finance Management Act (PFMA) among other sector specific acts:

Schedule 4 A:

- Airports other than international and national airports;
- Casinos, racing, gambling and wagering, excluding lotteries and sports pools;
- Consumer protection;
- Environment;
- Industrial promotion;
- Nature conservation, excluding national parks, national botanical gardens and marine resources;
- Pollution control;
- Soil conservation;
- Tourism; and
- Trade.

Schedule 5 A:

- Liquor licences

7.2 Legislative and Policy Mandate

The Department operates within National Legislative, Policy and Strategic Frameworks, which can be summarized as follows:

1. the Public Service Act of 1994 amended in 2007.
2. the Public Service Regulations, 2016
3. the Public Finance Management Act, 1999 (Act No. 1 of 1999) and the Treasury Regulations, 2005.
4. the National Small Enterprise Act, 1996 (Act No. 102 of 1996).
5. the Co-operative Act, 2005 (Act No. 14 of 2005).
6. the National Environmental Management Act, 1998 (Act No. 107 of 1998).
7. the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).
8. the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004).
9. the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008).
10. the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003).

11 the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008).
12 the Tourism Act, 2014 (Act No. 3 of 2014).
13 the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).
14 the Special Economic Zones Act, 2014 (Act No. 16 of 2014).
15 the Integrated National B-BBEE Strategy and KZN B-BBEE Strategy.
16 the B-BBEE Codes of Good Practice.
17 the National Development Plan, the New Growth Path, and the Industrial Policy Action Plan.
18 Local Economic Development Policy Guideline.
19 the South Africa Trade Policy Framework.
20 the Green Economy Framework.
21 the Mining Beneficiation Strategy.
22 the National Spatial Economic Development Perspective.
23 the Special Economic Zones Policy.
24 the National Framework for Sustainable Development.
25 the National Climate Change Response Strategy.
26 the National Air Quality Management Strategy.
27 the National Waste Management Strategy.
28 the White Paper on the Development and Promotion of Tourism.
29 the National Integrated Coastal Management Strategy.
30 the White Paper on Environmental Management Policy.
31 National Biofuels Framework
32 Integrated Resource Plan
33 the Industrial Policy Action Plan; and
34 the Informal Economic Policy.

The Department’s mandate is further guided by, amongst others, the following Provincial Legislative, Policy and Strategic Frameworks:

(a) the Ithala Development Finance Corporation Act, 2013 (Act No. 5 of 2013).
(b) the Nature Conservation Ordinance, 1974 (Ordinance No. 15 of 1974),
(c) the KwaZulu-Natal Nature Conservation Management Act, 1997 (Act No. 9 of 1997).
(d) the KwaZulu-Natal Tourism Act, 1996 (Act No. 11 of 1996).
(e) the KwaZulu-Natal Gaming and Betting Act, 2010 (Act No. 8 of 2010).
(f) the KwaZulu-Natal Gaming and Betting Tax Act, 2010 (Act No. 9 of 2010); KwaZulu-Natal Liquor Licensing Act, 2010 (Act No. 6 of 2010).
(g) the Businesses Act, 1991 (Act No. 71 of 1991).
(h) the KwaZulu-Natal Dube Tradeport Corporation Act, 2010 (Act No. 2 of 2010).
(i) the KwaZulu-Natal Film Commission Act, 2010 (Act No. 3 of 2010).
(j) the KwaZulu-Natal Trade and Investment Agency Act, 2010 (Act No. 5 of 2010).
(k) the KwaZulu-Natal Consumer Protection Act, 2013 (Act No. 4 of 2013).
(l) the KwaZulu-Natal Provincial Growth and Development Strategy.

(m) the KwaZulu-Natal Provincial Spatial Economic Development Strategy.

(n) the Draft KwaZulu-Natal Export Strategy.

(o) the KwaZulu-Natal Industrial Development Strategy.

(p) the KwaZulu-Natal Investment Promotion Strategy.

(q) the Draft KwaZulu-Natal Green Economy Strategy.

(r) the KwaZulu-Natal Airport Strategy.

(s) the KwaZulu-Natal Small Enterprise Development Strategy.

(t) the KwaZulu-Natal Cooperative Developments Strategy.

(u) the KwaZulu-Natal Youth Economic Empowerment Strategy.

(v) the KwaZulu-Natal Informal Economic Policy; and

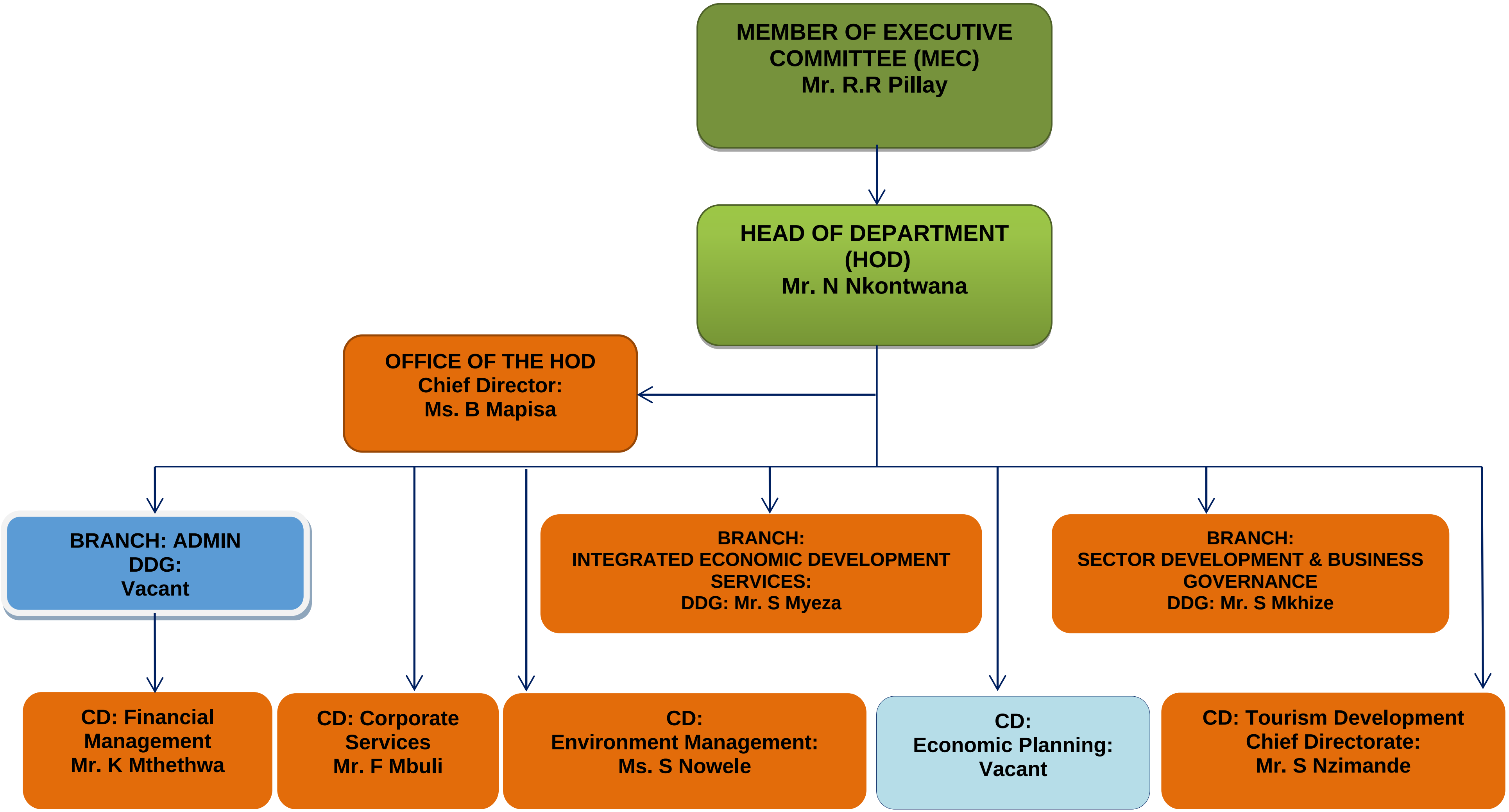
(w) the KwaZulu-Natal Tourism Master Plan.

The emphasis in most of the current policies and provincial strategies is the issue of addressing the triple challenges of poverty, unemployment and inequality, and the main policy discussions are currently centred on the following:

- Job creation.
- Special economic zones and industrial economic hubs.
- Beneficiation and value addition.
- Infrastructure development.
- Rural economic development.
- Skills development.
- Economic transformation.
- Economic Growth with sustainable small enterprises participating in the mainstream economy
- The Kwazulu-Natal beach tourism policy
- Trade Policy.
- Spatial economic development.
- Black industrialization; and
- The revitalization of township and rural economies.

The above Acts, Policies and Strategies are critical to direct the vision and mandate of the Department. It is only through efficiency in the implementation of the legislation, policies and strategies that the Department can meaningfully contribute to the fight against the triple challenges of development.

8. HIGH LEVEL ORGANISATIONAL STRUCTURE



The current approved structure for the Department dates back to 2007 and comprises of seven programmes.

- **Programme 1** is **Administration** which in terms of the budget structure also includes the Office of the MEC and the Office of the HOD. These add to other sub-programmes such as Financial Management and Corporate Services.
- **Programme 2** is **Integrated Economic Development Services** that consists of the **Regional & Local Economic Development, Enterprise Development** and as well as **Economic Empowerment.** This programme is headed by a Deputy Director General.
- **Programme 3** is **Trade & Sector Development** which in terms of the organisational structure has **Sector Development**, **Strategic Industrial Intervention** and **Trade and Investment Promotion**
- **Programme 4** is **Business Regulation & Governance** and this consists of **Regulation Services, Consumer Protection** with respect to the organisational structure. Both programmes 3 and 4 currently report to a single Deputy Director General.
- **Programme 5** is **Economic Planning** that features **Policy & Planning**, **Research** & **Development, Knowledge Management** and as well as **Monitoring & Evaluation**. This programme is headed by a Chief Director.
- **Programme 6** is **Tourism Development**, a function that was transferred from the Department of Arts & Culture soon after the 2009 elections from Arts and Culture and this unit is headed by a Chief Director. It comprises of three sub-programmes namely **Tourism Planning**, **Tourism Growth** and **Development and Tourism Sector Transformation**. The programme is responsible for policy, strategy development, capacity building, and destination development.
- **Programme 7**, which **is Environmental Management**, was aligned to this portfolio from the Department of Agriculture and Rural Development following the 2014 elections – and is also headed by a Chief Director.

9. ENTITIES REPORTING TO THE MEC

The table below indicates the entities that report to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Ithala Development Finance Corporation (IDFC)	• Mobilising financial resources and providing financial and supportive services to persons domiciled, ordinarily resident, or carrying on business within the Province; • Planning, executing, financing and monitoring the implementation of development projects and programmes in the Province; • Promoting, assisting and encouraging the development of the Province's human resources and its social, economic, financial and physical infrastructure; • Promoting, encouraging and facilitating private sector investment in the Province and the participation of the private sector and community organisations in development projects and in contributing to economic growth and development generally; • Acting as the government's agent for performing any development-related tasks and responsibilities that the government considers may be more efficiently or effectively performed by a corporate entity	Shareholder or Mother Department	Development Finance Institution
KZN Growth Fund Trust (KZNGF)	The Trust is the custodian of the KZN Growth Fund Trust a structured debt and equity fund. The Trust receives capital contribution from the KZN Provincial Government. The sole beneficiary of the Trust is EDTEA. The "Fund" is a closed, pooled infrastructure project debt and equity fund. It funds capital projects above R30m.	Shareholder or Mother Department	Development Finance Institution
Moses Kotane Institute (MKI)	To empower individuals through specialist education and training in mathematics, science, engineering, technology and business process outsourcing that will assist them to become employable, enhance service delivery and create employment opportunities for others.	Shareholder or Mother Department	Research Agency
Trade and Investment (TIKZN)	To attract foreign and domestic investment and to generate exports and exports capacity in KwaZulu-Natal	Shareholder or Mother Department	Investment and Destination Promotion Agency
Dube Trade Port Corporation (DTPC)	• To develop the Dube TradePort; • To undertake or invest in projects associated with the Dube TradePort; • To facilitate economic growth in the Province through the Dube TradePort; • To attract long term investment to the Province; • To facilitate export and import through the Dube TradePort	Shareholder or Mother Department	Special Economic Zones
Richards Bay	To accelerate and improve infrastructure for industrial	Shareholder or	Special

Industrial Development Zone (RBIDZ)	development through the government's Industrial Development Zone (IDZ) Programme	Mother Department	Economic Zones
KZN Film Commission (KZNFC)	• To promote and market the Province as a global destination for film production; • To develop, promote and market, locally, nationally and internationally, the film industry in the Province; • To facilitate investment in the film industry in the Province; • To provide and encourage the provision of opportunities for persons, especially from disadvantaged communities, to enter and participate in the film industry in the Province; • To address historical imbalances in the infrastructure and in the distribution of skills and resources in the film industry in the Province; and • To contribute to an enabling environment for job creation in the film industry in the Province.	Shareholder or Mother Department	Investment destination Promotion Agency
KZN Liquor Authority (KZNLA)	To control and regulate the retail sale and micro manufacturing of liquor in the Province.	Shareholder or Mother Department	Regulatory Agency
KZN Gamming and Betting Board (KZNGBB)	• Ensure that all gambling authorised under the Act is conducted in a manner which promotes the integrity of the gambling industry and does not cause harm to the public interest • Ensure that all gaming authorised under the Act promotes the province's objectives for developing a gaming industry, the priorities of which are the promotion of tourism, employment and economic and social development in the province • Promote opportunities for persons contemplated in the definition of "broad-based black economic empowerment", as contained in the Broad-Based Black Economic Empowerment Act, 2003, to participate in the gambling industry of the Province in the capacity of licensees or registrants under the Act • Increase the ownership stakes of persons contemplated in the definition of "broad-based black economic empowerment", as contained in the Broad-Based Black Economic Empowerment Act, 2003 in the gambling industry of the Province • Develop appreciation for and knowledge of horse racing amongst all communities, particularly those comprised of historically disadvantaged persons • Limit restrictive practices, the abuse of dominant market position and mergers in the betting industry, as contemplated in the Competition Act, 1998 (Act No. 89 of 1998), and the Board is, for the purposes of the said Act, a regulatory authority as defined in section 1 of that Act.	Shareholder or Mother Department	Regulatory Agency
Tourism Authority	To directly or indirectly develop, promote and market tourism into and within the province of KwaZulu-Natal	Shareholder or Mother	Investment And Destination Promotion

(KZNTA)		Department	Agency
KZN Sharks Board (KZNSB)	To undertake, initiate and approve measures for safeguarding bathers against shark attack in the Province.	Shareholder or Mother Department	Nature Conservation Agency
KZN Ezemvelo Wildlife (EKZNW)	• To manage the nature conservation within the Province of KwaZulu – Natal both inside and outside the protected areas and; • To develop and promote of ecotourism facilities within the protected areas.	Shareholder or Mother Department	Nature Conservation Agency

PART B: PERFORMANCE INFORMATION

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 no 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 189 of the Report of the Auditor General, published as PART E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

2.1.1 The Department has engaged itself in the development of organizational structures for its operations. The consideration of the structure is mostly informed by the regulated environment within which the Department operates. Functional structures are regarded by various Departments as suitable for a regulated environment. Notwithstanding their disadvantages they (functional structures) still allow greater operational control at a senior level and linked to this is the clear definition of roles and responsibilities.

2.1.2 The Organizational structure of the Department should enable the Department to focus on the following strategic pillars:-

- Industrial Economic Hubs and Special Economic Zones;
- Aerotropolis;
- Maritime (Ocean Economy);
- Tourism;
- Environmental Management and
- Empowerment of SMMEs and Co-operatives

2.1.3 It should be noted that the Department is one of the delivery Departments with concurrent competencies. These (delivery departments) represent a mix between policy-making and delivery. At a National level they are mainly responsible for policy development, executive oversight, monitoring and evaluation whilst at Provincial level they are responsible for operational delivery of the functional competence. It is noted that the operational delivery of the functional competence is in this department based on the framework of the line function programmes as dictated to by the strategic plan of the Department.

2.1.4 It should be highlighted that whilst the National Departments are responsible for policies to be implemented at all Levels of Government, Provinces are expected to operationalize National priorities programmes in order to discharge their Constitutional mandates. The investigation conducted reveals that in operationalizing the National priority programmes, Provinces rely heavily on various strategies designed both by National and Provinces.

2.1.5 The Department is in terms of the strategic plan constituted of six (6) programmes and their associated sub-programmes with their main objectives.

These programmes are the following:

- Administration Services;
- Integrated Economic Development Services;
- Sector Development and Business Governance;
- Economic Research and Planning;
- Tourism Development; and
- Environmental Management

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

2.2.1 Main services and standards

Main Services	Service Standards	Beneficiaries	Desired standard of performance	Actual Achievement
Registration of Tourist Guides	Queries will be resolved as per the approved Complaints/ Compliments Management Framework, which prescribe a maximum of 25 working days.	▪ Tourists ▪ Tourist Guides ▪ Tourism Products (game reserves, museums, etc.) ▪ Tourism Business Owners (Restaurants, Bed and Breakfasts etc.) ▪ Municipalities	▪ Tourist Guide complying in the sector	▪ Tourist Guides accredited by the department ▪ Tourist Guide Inspections
	Access		▪ Print media notices for stakeholders ▪ Electronic media notices ▪ Forums ▪ Roadshows	▪ Print media notices for stakeholders ▪ Electronic media notices ▪ Forums ▪ Roadshows

	Information		▪ Telephone, brochures & E-mails ▪ Reception services ▪ Departmental publication ▪ More training on universal accessibility programmes	▪ Telephone brochures and emails ▪ Reception services ▪ Departmental ▪ publications

2.2.2 *Batho Pele arrangements with beneficiaries (Consultation access etc.)*

Refer to the SDIP information provided above.

2.2.3 *Service delivery information tool*

Refer to the SDIP information provided above.

2.2.4 *Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Approved complaints/compliments Management Framework in place	Electronic based complaints management system	No outstanding complaints

2.3 ORGANISATIONAL ENVIRONMENT

The MEC for the Department of Economic Development, Tourism and Environmental affairs plays a critical role in implementing government priorities in growing the inclusive economic growth as articulated by both the President of the Republic and the Premier of the Province. These priorities are to ensure that employment, poverty and inequalities are eradicated in the Republic of South Africa. These priorities should be in line with the theme as articulated by the Honourable MEC in the budget speech which stipulates that “POSITIONING KWA-ZULU NATAL AS A TECHNOLOGICAL HUB TO HARNESS THE FOURTH INDUSTRIAL REVOLUTION FOR ECONOMIC GROWTH, DEVELOPMENT AND JOB CREATION.

It is also imperative to note that the MEC is presiding over thirteen Public Entities in the Province as well responsible for being a Leader of Government Business. Therefore, the organizational structure of the department should be suitably capacitated with sufficient human capital to ensure that the Executive Authority can deliver on her crucial mandate and responsibilities as set out in the Constitution of the Republic.

The Department has since 2007 been responsible for Economic Development portfolio only, due to changes in the Provincial Administration as announced by the Honourable Premier; the department was reconfigured with the inclusion of Tourism in 2009 and Environmental Affairs function has been transferred from the Department of Agriculture to create a new Department of Economic Development, Tourism and Environmental Affairs.

It important to note that in 2018 the Department had submitted a proposed organizational structure to the Minister for Public Service and Administration (MPSA) through the Office of the Premier for concurrence. Subsequent to the submission of the proposed organisational structure, the MPSA issued a circular which stipulating that ‘all request for concurrence should be deferred to the 6th Administration. Consultations have been completed with, DPSA and the OTP, new MEC and Accounting Officer. The structure is being processed to MPSA for concurrency. It is expected that the structure will be approved in the next financial year 2021/2022.

Operation Vula: As part of the broader commitment to promote local procurement in order to increase domestic production, Operation Vula aims to promote the localisation of KZN’s economy by exploiting government buying power from SMMEs and co-operatives, we will be eradicating the problems that are faced by small business which include lack of access to the market, lack of access to finance and low bargaining power with companies and buyers as well as stiff competition from well-established businesses. The following commodities will now be procured from local small businesses as part of piloting Operation Vula: school and prison uniform, protective clothing, school and government furniture, bakery, infrastructure materials, cleaning materials and agricultural produce. The key announcements and developments in the

The filling of critical vacant posts is progressing well, however the main challenge has been the approval of the organogram which has most of the new positions that are critical to the current mandate of the Department. This has necessitated the Department to develop a policy on the recruitment of unemployed graduates that have acquired experience maybe through internship to be placed for a period of twenty-four (24) months in order to plug the gaps. With the envisaged fiscal constraints which were further exacerbated by the COVID pandemic, the Department will upon approval of the organogram be able to outlay the recruitment process for a period of three years upon the of the organogram

The austerity measures introduced for the provincial government have necessitated that we prioritise our initiatives and be more focused on our mandate. Whilst the support of the major events has been critical to attracting tourism investment in the province, we have drastically curtailed the number of these events during this financial year. We understand that this is likely to have negative consequences for economic growth in the province, but it is a choice we have had to make.

The Department has positioned its Information and Communications Technology Unit at the forefront of its business operations in its bid to remain fully functional during the COVID-19 Pandemic. The ICT Unit has been able to prepare and facilitate the transition from a concentrated office based working environment to a hybrid working environment. This was achieved through the roll of online collaboration and conferencing platforms like Microsoft Teams as a primary medium for conducting meetings. The expanded rollout of mobile devices in the form of laptops and cellular phones, coupled with voice and data bundles has assisted the Department towards being able to perform its key functions and its critical workforce being accessible during this period.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

As part of austerity measures and in order to achieve alignment and efficiencies, the erstwhile President of the Republic issued an instruction to provinces to rationalise state-owned entities with a view to, in the main, reduce government expenditure. The KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (“EDTEA”), operates in terms of the provisions of Parts A and B of Schedules 4 and 5 to the Constitution of the Republic of South Africa, 1996 (“the Constitution”), which stipulate the concurrent and exclusive competencies of the provincial government on matters of economic development.

EDTEA fulfils its mandate through the provision of leadership and facilitation of integrated economic planning, being a catalyst for economic transformation and sustainable development, implementation of strategies that drive economic growth, promotion of sound environmental management, creation of a conducive environment for trade, investment and tourism, whilst also monitoring and enforcing sound business and consumer regulations.

The 13 public entities, clustered in terms of their mandate, are as follows:

a) Development Finance Institutions (Ithala Development Finance Corporation; Ithala SOC Limited; and KwaZulu-Natal Growth Fund Trust);

b) Investment and Destination Promotion Agencies (Trade and Investment KwaZulu-Natal; KwaZulu-Natal Tourism Authority; and KwaZulu-Natal Film Commission);
c) Special Economic Zones (Dube TradePort Corporation; and Richards Bay Industrial Development Zone);
d) Nature Conservation Agencies (KwaZulu-Natal Sharks Board; and Ezemvelo KwaZulu-Natal Wildlife);
e) Regulatory Agencies (KwaZulu-Natal Liquor Authority; and KwaZulu-Natal Gaming and Betting Board); and
f) Research Agency (Moses Kotane Institute).

The process to rationalise all public entities in KwaZulu-Natal commenced during 2015, and a Rationalisation of Public Entities Task Team (ROPETT) was appointed to assist the Sub-committee of the Provincial Executive Council to drive the project. A report from ROPETT, reflecting the recommendations of the task team on all KwaZulu-Natal public entities was submitted to the Executive Council during 2020, after submission of the recommendations to ROPETT, indicating that EDTEA is implementing the process with the following objectives in mind:

(a) the streamlining of the EDTEA public entities;
(b) delivery of services in the most cost-effective manner;
(c) elimination of duplications between public entities and the Department; and
(d) creating and maintaining efficiencies within the EDTEA portfolio.

To date, in-principle approval has been obtained for the following rationalisation Bills, which are all substantially complete and will be submitted to the Provincial Executive Council in the near future for approval:

a) the KZN Environmental, Biodiversity, Protected Areas and Human Interaction Management Bill, 2021, incorporating the functions of the Sharks Board into Ezemvelo KZN Wildlife;
b) the KZN Regulatory Authority Bill, 2021, merging the Boards of the KZN Liquor Authority and KZN Gaming and Betting;
c) the KZN Destination Promotion Agency Bill, 2021, merging the powers, roles and functions of the KZN Film Commission and Tourism KZN into one entity;
d) the KZN Growth Fund Agency Bill, converting the current private Trust to a provincial public entity; and
e) the Moses Kotane Research Institute Bill, 2021, converting the NPC to a provincial public entity.

It is envisaged that economies-of-scale will reduce costs associated with Boards of the public entities, and that the implementation of shared services will further increase savings from the rationalisation process. The outcome of this process will however only be determinable once the above Bills have been enacted and implemented.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The COVID – 19 pandemic adversely affected the operations of the Enterprise Development sub - programme. This led to our focus being limited to interventions to support small enterprises (SMMEs and Cooperatives) to deal with the impact of COVID – 19 on their businesses. Chief amongst the activities achieved included the following:

- EDTEA Partnership with TIKZN that led to the establishment of the One-Stop-Shop to providing support to SMMEs / Cooperatives for online applications to the various COVID – 19 Relief Funds and Schemes.
- Enterprise Development sub – programme, through the District Offices, SMMEs with information dissemination related to COVID – 19 Relief Funds and Schemes, preparation and uploading of applications, compliance documentation and general business advisory services. In this regard, the following was achieved - 283 small enterprises received Business Advice; 212 Funding Applications submitted to the COVID – 19 Relief Funds and Schemes; 140 registered with DSBD SMME Relief Fund; 72 registered with DSBD for access to Markets for Essential Services and Products Suppliers
- Overall, 270 small enterprises were provided with funding under the DSBD SMME Debt Relief to the amount of R97.7 million.
- Furthermore, the Enterprise Development sub - programme partnered with four TVET colleges to train co-operatives in technical and business management skills. As a result, 65 cooperatives comprising of 316 cooperative members were trained in crop farming, goat farming broiler production, garment making, cooperatives and business management skills.

In line with the Economic Empowerment purpose, the EE sub-programme supported more than 500 youth and women with training through various strategic partnerships concluded with Downstream Centre for Aluminium (DACT), NHRBC, Public Entities, and municipalities as well as other provincial sister Departments. More than 50 women and youth enterprises were supported to participate in the mainstream economy. Through partnerships the Moses Kotane, Ithala Development Finance Corporation, the OTP and other sister departments, the sub-programme successfully in hosted a number of events such as Imbokodo Iyazenzela, Women SMME Fair, etc. The KZN Black Industrialist Programme implemented in partnership with the dtic resulted in 35 KZN Black Industrialists companies being approved for grant funding. Additionally, the sub-programme continued with the implementation of the MOU concluded with the National B-BBEE Commission on B-BBEE Policy and compliance matters (including but not limited to B-BBEE complaints, fronting, late payments, and tender issues) through the roll out of a number of B-BBEE Policy advocacy, awareness and information dissemination workshops across the Province. And most importantly, the sub-programme was also successful in co-ordinating and facilitating stakeholders on economic transformation matters leading to the draft concepts on Operation Vula commodities being adopted.

Under Regional and Local Economic Development, and apart from technical support provided to those affected by COVID 19, the sub-programme continued with the implementation of Phase 4 of Operation Sakhinzuzo wherein 139 small scale sugar cane growers, 9 co-operatives were supported and 524 employment opportunities were supported. Other projects in implementation that created employment in the financial year were Lusizo Vegetables (7) and the construction of the Kwamajomela Light Industry Value Add Centre (15) in Nongoma. Towards the end of the financial year four informal economy infrastructure recovery fund projects in Okhahlamba, Msunduzi, Kokstad and Umvoti were activated and are expected to be completed in the 2021-2022 financial year. In terms of capacity building and training 10 Social Entrepreneurs and 58 Dalton Bridge Community members completed their training as part of the UKZN RLEDI programme and 29 digital ambassadors (trainers) were trained through our collaboration with NEMISA/DUT. Four red tape reduction processes in Inkosi Langalibelele, Umdoni, Mtubatuba and Mpofana municipalities were also activated in the financial year.

Industry Development was negatively affected by COVID-19 through the stringent regulations imposed by government. The revitalisation of Isithebe Industrial Park started very slowly in February 2021 due to the pandemic. The Department of Trade, Industry and Competition approved R50m to fund the revitalisation of industrial park and build a digital hub. More than 45 people were appointed to work on the revitalisation.

While the SA Economy continues to be constrained by the global economic difficulties as well as domestic economic challenges, currently exacerbated by the COVID 19 economic impact, DTP SEZ is however, encouraged with the progress it has made thus far in delivering on its mandate. To this end:

- As at 31 March 2021, DTP SEZ had attracted 42 operational investments, worth approximately R2 billion and created 3870 direct jobs. This increases the total value of DTPC Assets to R5 billion.
- To date, the pipeline investment value is at R1.3billion (as per the updated pipeline). This pipeline has enabled DTP to begin a process of developing a pharmaceutical and electronics clusters in TradeZone 2. It is important to note that some of the investments in the pipeline are either deferring their plans to locate at DTP due to COVID-19 impact or struggling to conclude their funding arrangements and thereby unable to progress with their implementation plans.

- Of the pharmaceutical pipeline investments, 2 are South African pharmaceutical investments valued at approximately R70m and are at various negotiation stages.
- In the same vein, DTP SEZ in collaboration with EDTEA and other key stakeholders is fast-tracking the process of the designation of the Automotive Supplier Park (ASP) as a SEZ. This supplier is going to unlock the automotive component manufacturing which is important to enhance the localization of the automotive manufacturing in the country.
- In the year under review, DTPC Board approved a total of three investors with an investment value on capital equipment (excluding building) of approximately R87.2 Million.
- Of these investments one is currently in a construction phase in Trade Zone 1.
- Further, DTP SEZ has completed 18 units strategically designed to accommodate SMMEs that would create value chain linkages with the DTP SEZ targeted investors and currently implementing the following two infrastructure project:
    - Dube TradeZone 2 Infrastructure project: This is a second phase of Dube TradeZone, once completed, will make an additional 50 hectares of land available for private sector development. Bulk earthworks have been completed, and the construction of municipal infrastructure is underway.
    - Automotive Supplier Park Infrastructure Project: A site to the south of Durban was identified by EDTEA and acquired by DTPC in 2015/16. A project steering committee including DTPC, EDTEA, eThekwini Municipality and Toyota SA Motors was formed to fast-track the development of Phase 1, which includes township establishment and other associated specialist studies, Phase 1 commenced in 2018 and construction of the platform for private sector investment is scheduled to begin in 2021, subject to funding being made available.

The Richards Bay Industrial Development Zone ("RBIDZ") announced the beginning of construction of the R 1,1 billion edible oils plant by Wilmar. The project is expected to inject much needed jobs in the King Cetshwayo District. The plant is expected to be completed on the 4th quarter of the year 2022. The RBIDZ, has also appointed the contractor for Phase 1 of the R 4,5 billion Titanium Dioxide plant, this phase is expected to be operational in the 4th quarter of 2021. Phase 2 is a 40,000 tons per annum plant that will commence with construction in January 2022. The RBIDZ also launched its Enterprise Development programme in the second quarter of 2021. This is intended to deepen local participation.

The department conducted municipal tourism consultations in an effort to ascertain the status of tourism, identify gaps and come up with areas of intervention in each district municipality. To accurately ascertain the number of tourists in the province, the department facilitated the establishment of a district-based database on regional statistics to provide accurate visitor numbers at regional level. Furthermore, events impact assessment workshops were rolled out in the uThukela, King Cetshwayo, uMgungundlovu and uMzinyathi District Municipalities.

With the tourism sector being the hardest hit by the Covid-19 pandemic, a number of programmes and interventions required innovative ideas. Understanding the plight of the sector a new approach of utilizing digital platforms had to be introduced to ensure the re-engineering of initiatives which were done on Zoom and Microsoft Teams.

The department was able to provide continued support to municipalities through Advocacy Workshops which addressed issues of statistics, database management and trends in the tourism sector. Frameworks and guidelines were developed to guide the sector in areas deemed critical, these include Municipal Responsible Tourism Sector Planning, Database Management, Events Strategy, Impact of Covid-19 on the Sector. The Department continued supporting its coordinating structures through District Tourism Forums, Community Tourism Organisations Provincial Tourism Investment Committee, Provincial Tourism Forum, KZN Tourism Masterplan Monitoring Committee conducted through online platforms. This allowed for continued support, exchange of information and areas of mitigation required by the various stakeholders.

The department continued to support the iMpendle and Mpophomeni Homestays bed and breakfast establishments with an addition of Kilmun Homestays to ensure sustainability through targeted training in partnership with SEDA as part of the rural and township initiative. Furthermore, hospitality and land reform enterprises inclusive of Visitor Information Centres have been support to ensure enhancement of tourism products within the province. The department continued support and register tourist guides across the province as part of the professionalization of the tourist guides industry. The department also conducted tourist guide inspections in key tourist attractions to ensure compliance with the current legislation.

The department facilitated “Grade an establishment” workshops in partnership with the Tourism Grading Council of South Africa and this assisted tourism products, as well as those in local and district municipalities, resulting in an increase in the number of accommodation establishments subjecting themselves to the grading process to ensure service excellence and quality assurance within the tourism sector. To ensure compliance, the department collaborated with the Department of Employment & Labour in capacitating employers and employees on Labour Law affecting businesses within the sector. With the rise of Covid-19 pandemic inter-governmental business inspections were conducted in uMgungundlovu District, Ethekwini Metro, uMkhanyakude District, and King Cetshwayo District to encourage Covid-19 protocols and ascertain compliance with BBBEE.

To alleviate the spread of Covid-19 virus Tourism Educators Workshops were conducted using online platforms such as webinars to ensure continued capacitation of tourism educators. Various training initiatives were conducted within the set Covid-19 Protocols which included the Student Enhancement Workshop, Tourism Awareness Workshop, Tourism Business Workshop and the

Domestic Tourism Scheme Workshop in collaboration with Department of Tourism. Furthermore community trusts and tourism enterprises were trained on compliance with Tourism and Hospitality Sector Covid-19 Protocols and strengthening of their day to day operations.

The pronouncement of the countrywide lockdown impacted the start of the Tourism Graduate Development Programme at the beginning of the financial year. However, the Department continued with internal processes which saw the placement of 107 interns and in-service trainees with 45 hosts namely local and district municipalities, development agencies and public entities as part of job creation. The department entered into a partnership with key stakeholders in the tourism sector and hosted successful basic business skills workshops focusing on legalities, compliance, financing and business support for various enterprises across the value chain within KZN.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 2020/21 Annual Performance Report: Dashboard Analysis

Programme	Total number Indicators targets	Over-achievement: above 100%	Target Achieved: 100%	Target Under-Achieved: <100%	Target Not-Achieved:0%	Programme's Performance as a %
P1: Administration	35	5	22	6	2	77%
P2: Integrated Economic Development Services	10	9	1	-	-	100%
P3: Trade & Industry Development	11	3	3	2	3	55%
P4: Business Regulations & Governance	11	4	7	-	-	100%
P5: Economic Planning	15	1	12	1	1	80%
P6: Tourism Development	11	2	8	1	-	91%
P7: Environmental Management	31	13	19	0	-	100%
Overall Performance	**122**	**37**	**69**	**10**	**6**	**87%**

Table 2.4.4.1: Originally tabled Annual Performance Plan until date of re-tabling *(In the instance where a department has re-tabled an Annual Performance Plan in the financial year under review)*

PROGRAMME 1: ADMINISTRATION

Purpose of the Programme:

The principal objective of this programme is to oversee and provide executive support to the Executive Authority and Accounting Officer to fulfil the mandate as prescribed by legislation. Furthermore, to provide effective and efficient support services to the whole Department regarding Human Resources (HR), Legal Services, Financial Management, Information Communication Technology and Auxiliary Services.

The programme is made up of the following sub-programmes:

- Office of the MEC
- Office of the Head of Department
- Financial Management Unit
- Corporate Services

PROGRAMME: ADMINISTRATION

Sub-programme: Office of the MEC									
Purpose: The principal objective and thrust of this sub-programme is to oversee the management of the executive office and to render executive support to ensure that the Executive Authority is able to fulfil the mandate as prescribed by legislation. The executive support in the main refers to administration, operations, protocol, parliamentary liaison and communication as the public face of the Department.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Institutional Excellence	Strategic documents tabled to the legislature as per statutory requirements	Number of strategic documents tabled to legislature as per statutory requirements	New	2	45	29	-16	Pre-COVID 19 APP. The target applicable to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Office of the HOD
Purpose: The Office of the Head of Department is responsible for the provision of strategic leadership, Risk and Integrity management, Internal Audit, Strategic Planning, Intergovernmental Relations, Administration and effective management of the Department's programmes and Public Entities in order to fulfill its mandate. Central to the functions of the HOD's office is provision of the oversight responsibility for the implementation of the Department's programmes and the related public entities, key strategic interventions and flagship projects. The office is also responsible for the fostering and maintaining of strategic partnerships and relations outside and within the province that will make a positive contribution towards the economic growth of the province.

Sub-programme: Strategy Development, Analysis and Management

Purpose: The strategic planning unit seeks to assist the department to develop the planning documents that are easy to understand and used by staff and other interested parties on a regular basis. These planning documents must provide genuine direction for the department. This will be achieved by facilitating on-going participatory planning and review sessions over the next 5 years. We want to see each and every member of staff being part of the planning process throughout the next planning cycle.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until August 2020	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Institutional Excellence	2020/2021 Operational Plan	Number of Operational Plan developed	New	1	1	0	-1	The AOP will only be revised by end Q2 having considered the COVID 19 and budget cuts into considerations.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Public Entity Oversight

Purpose: The public entity oversight unit assists the department in measuring of entity's overall performance and compliance in line with the PFMA. The Departments oversight role is important as it ensures that entities are operating effectively and that all action plans emanating from internal and external audit findings are addressed yearly. The oversight role further assists entities to comply with corporate governance in executing of their mandates.

Outcome	Output	Output Indicator	Audited Actual	Audited Actual Performa	Planned Annual	*Actual Achieve	Deviation from	Reasons for deviatio	Reasons for revisions

			Performance 2018/2019	nce 2019/2020	Target 2020/2021	ment 2020/2021 until August 2020	planned target to Actual Achievement 2020/2021	ns	to the Outputs / Output indicators / Annual Targets
Institutional Excellence	Quarterly consolidated reports	Number of public entity oversight report produced	New	3	4	1	-3	Pre-COVID 19 APP. The target applicable to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Risk and Integrity Management

Purpose: The Risk and Integrity Management unit seeks to measure whether the department is effectively managing and mitigating risks that have been identified in the Department. It also aims at managing and facilitating ethics and integrity management within the department with an aim of promoting ethical conduct and fraud prevention through awareness initiatives.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until August 2020	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Institutional Excellence	Implemented risk management plan	Percentage of the implementation of the risk Management Plan	57%	100%	100%	0%	-100%	Pre-COVID 19 APP. The target applicable to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Internal Audit

Purpose: The Internal audit unit provides an independent and objective assurance and consulting service designed to add value and improve department's operations. The objective of the internal audit function is to assist the management in fulfilling their duties and meeting their responsibilities. It supports the overall strategy of the department by providing independent and objective

assurance on the internal control system. Effectiveness and efficiency in operations, Reliable financial reporting; and Compliance with applicable laws and regulations.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Institutional Excellence	Implemented Annual Audit Plan	% implementation of the Annual Audit Plan	New	100%	100%	0%	-100%	Pre-COVID 19 APP. The target applicable to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-Programme: Corporate Services

Sub-programme: Human Resource Management									
Purpose: To support the Department by developing a Strategic HR Plan that will facilitate the provision of a proper structure, competent workforce, conducive departmental culture, human resources systems and style of management that is suitable to realise the planned outputs and outcomes of the department.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Institutional Excellence	Human Resource Plan reviewed and implemented	% of human resource activities implemented	New	New	80%	0%	-80%	Pre-COVID-19 APP indicator. The indicator was removed in the	Budget reprioritisation and response to Covid-19 pandemic.

								revised APP. The target relevant to Q1 was achieved.	
	Approved and implemented departmental organogram	Percentage of implementation of the departmental organogram	New	New	60%	0%	-60%	Pre-COVID-19 APP indicator. The indicator was removed in the revised APP. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	EDTEA Staff head count reports produced	Percentage of EDTEA staff head count achieved	New	New	100%	0%	-100%	Pre-COVID-19 APP indicator. The indicator was removed in the revised APP.	Budget reprioritisation and response to Covid-19 pandemic.
	Report on previously disadvantaged groups in management	Number of reports on previously disadvantaged groups in management produced	New	New	3	0	-3	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Legal Services									
Purpose: To provide effective and timeous legal services									
Outcome	**Output**	**Output**	**Audited**	**Audited Actual**	**Planned**	***Actual Achieve**	**Deviation**	**Reasons for**	**Reasons for**

		Indicator	Actual Performance 2018/2019	Performance 2019/2020	Annual Target 2020/2021	ment 2020/2021 until August 2020	from planned target to Actual Achievement 2020/2021	deviations	revisions to the Outputs / Output indicators / Annual Targets
Institutional Excellence	Certified agreements	Percentage of Agreements certified within in 10 working days	New	New	100%	0%	-100%	Pre-COVID-19 APP indicator. The indicator was removed in the revised APP. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Operational Electronic Legislative Compliance System achieved	Number of operational electronic compliance systems achieved	New	New	1	0	-1	Pre-COVID-19 APP indicator. The indicator was removed in the revised APP. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Security and Auxiliary Services									
Purpose: To reduce the risk, protect employees, preserve confidentiality, integrity, availability and value of information and assets to ensure continued delivery of services.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Perfor**	**Audited Actual Performance**	**Planned Annual Target**	***Actual Achievement**	**Deviation from planne**	**Reasons for deviatio**	**Reasons for revisions to the**

			mance 2018/2019	2019/2020	2020/2021	2020/2021 until August 2020	d target to Actual Achievement 2020/2021	ns	Outputs / Output indicators / Annual Targets
Institutional Excellence	District offices have security systems	Number of District Offices with security systems	New	New	11	3	-8	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Quarterly health and safety inspections conducted	Number of health and safety inspections	New	100%	4	1	-3	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	MISS policy implemented	Number of MISS policy implemented	New	New	1	1	0	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Communication Services									
Purpose: The Directorate provides internal and external communication and branding of the Department to ensure that their programmes are known and accessible to the broader community									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Institutional Excellence	Communication strategy developed	Number of communication strategy developed	New	New	1	0	-1	Pre COVID-19 APP target. The target relevant to Q1 was not achieved as the EDTEA Communication Strategy is linked to the Provincial Strategy. The provincial strategy was only adopted by Cabinet on the 30th June.	Budget reprioritisation and response to Covid-19 pandemic.
	Communication plan implemented	Number of communication plans implemented	New	16	1	0	-1	Pre COVID-19 APP target. The target relevant	Budget reprioritisation and response to Covid-19 pandemic.

								to Q1 was not achieved. as the plan is linked to the approval of the Communications strategy.	

Sub-programme: Financial Management									
Purpose: The purpose of the sub-programme is to ensure the effective implementation of the PFMA and other related financial regulations and policies. The financial management unit, which manages the financial aspects of each the sub-programmes, oversees the full financial cycle of budgeting, procurement, processing of expenditure, and recording of financial transactions.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Institutional Excellence	Financial management reports produced	Number of Financial management reports produced	12	3	12	3	-9	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Implementation of the Annual Internal Control Plan	Percentage implementation of the Annual Internal Control	New	93.75%	100%	100%	-100%	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Valid invoices paid within 30	% of valid invoices paid	98%	98%	95%	98%	-282%	Pre-COVID-	Budget reprioritisat

	days	within 30 days						19 APP indicator. The target relevant to Q1 was achieved.	ion and response to Covid-19 pandemic.
	Total budget spent on BBBEE service providers	% of total budget spent on BBBEE service providers	New	97%	80%	95%	-225%	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Implementation of procurement plan - % requisitions processed on time	% requisition processed within 10 days	New	83%	80%	0%	-80%	Pre-COVID-19 APP indicator. The target relevant to Q1 was not achieved because the indicator was incorrectly captured and needed to be revised for subsequent quarters.	Budget reprioritisation and response to Covid-19 pandemic.
	Contract management produced	Number of contract management reports produced	New	3	4	1	-3	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

								.	
	Submission on Annual Financial Statements within the period legislated by PFMA	Annual financial statements submitted	New	New	1	0	-1	Pre-COVID-19 APP indicator. The target relevant to Q1 was not achieved as the reporting date moved to 31 July 2020 due to COVID-19.	Budget reprioritisation and response to Covid-19 pandemic.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Purpose of the Programme:

To advance economic growth and job creation initiatives that prioritize historically disadvantaged individuals and groups through:

- Enterprise Development;
- Economic Empowerment;
- Regional and Local Economic Development.

Sub-programme: Enterprise Development									
Purpose: The purpose of Enterprise Development sub – programme is to co-ordinate the support and development of sustainable SMMEs and co-operatives/social enterprises that contribute to wealth and job creation.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicator**

							2020/2021		s / Annual Targets
Inclusive and Transformed economic growth	Empowered small enterprises	Number of small enterprises empowered	New	11	1 526	390	-1136	Pre-COVID-19 APP target. The relevant target for Q1 was overachieved due to the sub-programme utilised virtual meeting platforms and electronic communication to train enterprise on opportunities for funding during COVID-19.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Economic Empowerment									
Purpose: To create enabling environment for economic development and empowerment of the previously disadvantaged individuals and groups (especially youth, women and the disabled) to participate in the mainstream economy									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Priority target individuals empowered	Number of priority target group individuals empowered	New	New	700	93	-607	Pre-COVID 19 APP target. The target relevant to Q1 was overachie	Budget reprioritisation and response to Covid-19 pandemic.

								ved.	
	Improved BEE compliance	Number of interventions implemented improving the level of BBBEE compliance	New	7	6	1	-5	Pre-COVID-19 APP indicator. The target relevant to Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Support for Operation Vula priority sectors	Number of support interventions implemented	New	4	6	1	-5	Pre-COVID-19 APP indicator. The target relevant to Q1 was overachieved, due to opportunities presented by COVID-19 for the Black industrialists programme, i.e. supply of sanitizers etc.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Regional Local Economic Development									
Purpose: To implement regional and local economic development initiatives that support employment opportunities and builds the capacity of RLED stakeholders.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Projects implemented	Number of projects implemented	5	6	6	5	-1	Pre-COVID-19 APP target. The releva	Budget reprioritisation and response to Covid-19

								nt target to Q1 was overachieved.	pandemic.
	Training interventions implemented	Number of training interventions implemented	6	9	3	1	-2	Pre-COVID-19 APP target. The relevant target to Q1 was not achieved due to the physical nature of trainings and the COVID-19 lockdown restrictions which prevented such.	Budget reprioritisation and response to Covid-19 pandemic.

PROGRAMME 3: TRADE AND INDUSTRIAL DEVELOPMENT

Purpose of the Programme:

To stimulate economic growth through trade and investment promotion, development of selected sectors and industry development

The programme is made up of the following sub-programmes:

- Strategic Industrial Intervention
- Trade and Investment Promotion
- Sector Development

Sub-programme: Strategic Industrial Interventions
Purpose: To provide and facilitate the development of strategic industrial interventions (Maritime, Aerotropolis, Industrial Hubs

and Special Economic Zones)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Jobs retained	Number of jobs retained	New	New	1001	0	-1001	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Trained (skills)people	Number of people trained	New	224	317	0	-317	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Trade and Investment Promotion									
Purpose: To provide and facilitate the development of strategic industrial interventions (Maritime, Aerotropolis, Industrial Hubs and Special Economic Zones)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Platforms supported	Number of platforms supported (KZN Growth Coalition)	New	10	10	0	-10	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

	District level efficiency barometer developed	Number of district level efficiency barometer developed	New	New	10	0	-10	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Action plan by social partners	Number of commitments to resolutions register developed	New	New	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.
	Action plan by social partners	% resolution implemented	New	New	80%	20%	-60%	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Sector Development									
Purpose: To facilitate the implementation of strategic programmes that will stimulate the competitiveness of priority sectors									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	People trained on sector specific expertise	Number of people trained on specific expertise	New	135	450	0	-450	Pre-COVID 19 APP target. The relevant target for Q1 was achieved.	Budget reprioritisation and response to Covid-19 pandemic.

PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE

Purpose of the Programme:

To implement the Constitutional mandate of the Province within the Regulated industries in relation to regulating Trade, Consumer Protection, liquor licensing and gaming and betting; (policy and legislation function only), to ensure that an equitable and socially responsible business environment is developed and sustained which is supportive of growing the economy thereby contributing to job creation. The programme is made up of the following sub-programmes:

- Consumer Protection
- Business Regulation Services
- Policy and Legislation

Sub-programme: Policy and Legislation									
Purpose: To promote and maintain an effective and efficient regulatory system for the Liquor Industry; Gambling Industry, Consumer and Regulation services.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Liquor Authority monitored in terms of regulating its respective industry	Number of Liquor Authority monitoring reports produced	New	3	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	KZN Gaming and Betting Board monitored in terms of regulating the Gaming and Betting industry	Number of KZN Gaming and Betting Board monitoring reports produced	New	3	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Catalytic initiatives implemented to encourag	Number of catalytic initiatives implemen	New	7	7	2	-5	Pre-COVID 19 APP target. The	Budget reprioritisation and response to Covid-

	e an effective and conducive business regulatory environment	ted						relevant target for Q1 was achieved.	19 pandemic.

Sub-programme: Regulations Services									
Purpose: To provide a regulatory framework for the functioning of both formal and informal trade in a manner that advances the agenda of economic development and growth in the Province.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Automated business licensing and information management system implemented in municipalities for formal businesses	Number local of Municipalities implementing the KZN automated business licensing and information management system and license registration for formal businesses	New	New	40	12	-28	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Automated business licencing and information management system implemen	Number local of Municipalities implementing the KZN automated business licensing	New	New	40	12	-28	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

	ted in municipalities for informal businesses	and information management system and license registration for informal businesses							
	Municipalities supported for business licencing function (capacity)	Number of Municipalities supported for business licensing function	6	10	10	3	-7	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Programmes to support informal economy implemented	Number of programmes implemented to support informal economy	New	New	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Business inspections conducted for compliance with business legislation	Number of Business Inspections conducted	99	91	100	175	75	Pre-COVID 19 APP target. The relevant target for Q1 was over-achieved.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Consumer Protection Services

Purpose: To promote, protect and further the rights of consumers in the Province

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 <u>until August 2020</u>	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets

Inclusive and Transformed economic growth	Consumer educational programmes are implemented	Number of consumer educational programmes implemented	New	982	1 300	173	-1127	Pre-COVID 19 APP target. The relevant target for Q1 was not achieved due to Lockdown restriction and the restriction on gathering, hence programmes planned for mass gatherings of consumer was not allowed.	Budget reprioritisation and response to Covid-19 pandemic.
	Inspected businesses	Number of businesses inspected	New	485	400	145	-255	Pre-COVID 19 APP target. The relevant target for Q1 was over-achieved due to an increase in inspections to	Budget reprioritisation and response to Covid-19 pandemic.

								ensure businesses comply with the COVID-19 regulations.	
	Resolved complaints	% of complaints resolved	New	78%	80%	75%	-245%	Pre-COVID 19 APP target. The relevant target for Q1 was not achieved.	Budget reprioritisation and response to Covid-19 pandemic.

PROGRAMME 5: ECONOMIC PLANNING

Purpose of the Programme:

Economic Planning undertakes research, planning and knowledge management activities that inform development of provincial economic policies, strategies & interventions that result in economic growth and employment creation. The programme achieves this through activities implemented within three sub-programmes:

- Research and Development
- Policy and Planning; and
- Knowledge Management.
- Monitoring and Evaluations

Sub-programme: Research and Development									
Purpose: To provide research support that informs evidence-based decision making and promote innovation in the province.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/202**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual**

							1		Targets
Inclusive and Transformed economic growth	Research briefs / fact sheets	Number of research briefs/fact sheets produced	New	1	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	AWG reports	Number of AWG reports submitted to KZN PPC	New	3	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Innovative technologies	Number of innovative projects funded	New	0	10	0	-10	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Policy and Planning

Purpose: To formulate, review and support the implementation of economic orientated strategies to assist the department in attaining sustainable economic development in the province.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until August 2020	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Inclusive and Transformed economic growth	Macroeconomic reports produced	Number of quarterly economic publications produced	1	1	5	1	-4	Pre-COVID 19 APP target. The relevant target for Q1 was	Budget reprioritisation and response to Covid-19 pandemic.

								achieved	
	Market intelligent reports produced	Number of Policy briefs produced	2	10	8	2	-6	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Knowledge management									
Purpose: To develop and maintain a knowledge management system that supports informed decision making.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Knowledge sharing platforms created	Number of knowledge sharing platforms created	New	1	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Project status reports produced	Number of projects status reports produced	New	4	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	User statistical reports on resource centre use produced	Number of resource centre use statistical reports produced	New	4	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Monitoring and evaluation									
Purpose: To ensure continuous performance improvement and effectiveness in the implementation of economic development, tourism and environmental policies, strategies and projects, through the monitoring and evaluation of outputs, outcomes and impacts realised in the implementation of the EDTEA Strategic Plan and the APP. Monitoring and evaluation provides an opportunity for assessing, reflection, learning and improvement in the delivery of services.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Monitoring report produced	Number of Monitoring reports produced	New	3	4	1	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Evaluation research conducted	Number of Evaluation research conducted	2	0	3	0	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Performance Information report produced	Number of performance information reports produced	New	5	5	2	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

PROGRAMME 6: TOURISM DEVELOPMENT

Purpose of the Programme:

Tourism is a concurrent function between the national and provincial governments. The province is tasked with functions relating to planning and policy making, regulation and monitoring, facilitation and implementation, coordination as well as development promotion of tourism in line with national imperatives.

The programme is made up of the following sub-programmes:

- Tourism Planning
- Tourism Growth and Development
- Tourism Sector Transformation

Sub-programme: Tourism Planning									
Purpose: To provide guidance, support and direction in terms of policies, legislation and strategies aimed at promoting tourism to benefit the majority of KwaZulu-Natal communities. To clearly guide spatial development of tourism and define clear role of the private sector at all levels in tourism planning. The continuous development of the tourism sector will assist in diversifying South Africa's economy and contribute immensely towards achieving the overall objectives of the National Tourism Sector Strategy and the Provincial Tourism Master Plan.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic growth	Supported strategic engagements with social partners	Number of strategic engagements supported	New	12	12	3	-9	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Tourism Growth and Development									
Purpose: Provision of sustainability of tourism growth and development through identification and stimulation of demand-led products, develop appropriate tourism infrastructure, and inspire innovation to guide development of tourism to achieve geographic spread and enhance visitor experience. In addition, the sub-programme is responsible for the professionalization of Tourist Guides and registration of tourism businesses in the province to ensure that the tourism industry is regulated and enforce compliance with the legislation.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance**	**Audited Actual Performance**	**Planned Annual Target 2020/202**	***Actual Achievement 2020/202**	**Deviation from planned target to**	**Reasons for deviations**	**Reasons for revisions to the**

			2018/2019	2019/2020	1	1 until August 2020	Actual Achievement 2020/2021		Outputs / Output indicators / Annual Targets
Inclusive and Transformed economic growth	Professional tourist guides	Number of Tourist guides professionalized	277	262	240	21	-219	Pre-COVID 19 APP target. The relevant target for Q1 was not achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Compliant tourist guides	Number of compliant tourist guides	7	1	8	0	-8	Pre-COVID 19 APP target. The relevant target for Q1 was not achieved due to the tourism sector being closed as a result of the Lockdown	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Tourism Sector Transformation									
Purpose: To facilitate and promote tourism sector transformation.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Inclusive and Transformed economic	People trained within the tourism sector	Number of people trained	New	655	2 500	283	-2217	Pre-COVID 19 APP target. The relevant	Budget reprioritisation and response to Covid-19

growth								target for Q1 was over achieved due to webinars being conducted in partnership with Tourism KwaZulu-Natal and were well attended due to the importance of the topics of discussion	pandemic.

PROGRAMME 7: ENVIRONMENTAL MANAGEMENT

Purpose of the Programme:

To advance environmental sustainability for socioeconomic development.

The programme is made up of the following sub-programmes:

- Policy Coordination and Environmental Planning
- Compliance and Enforcement
- Environmental Quality Management
- Biodiversity Management
- Environmental Empowerment Services

Sub-programme: Climate Change Management									
Purpose: To meet the strategic goals of minimizing or eliminating the risks to the impacts of Climate Change by embarking on a concerted and cohesive plan that will address the impacts of Climate Change through scientific and technological means based on mitigation; adaptation and increased awareness to vulnerable communities.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Environm	Climate	Numbe	New	11	5	0	-5	Pre-	Budget

ental sustainability and resilience	change resilient plan	r of district climate change adaptation interventions supported						COVID 19 APP target. The relevant target for Q1 was achieved	reprioritisation and response to Covid-19 pandemic.
	Public awareness on disaster events for precautionary measures	Number of severe weather watch notifications released	New	18	24	2	-22	Pre-COVID 19 APP target. The relevant target for Q1 was not achieved due to the Lockdown and Communications not being available to circulate notices.	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Environmental Compliance Monitoring and Enforcement									
Purpose: The purpose of Compliance and Enforcement is to achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Environmental sustainability and resilience	Administrative enforcement notices for non-compliance with environ	Number of administrative enforcement notices issued for non-compliance with	212	250	175	52	-123	Pre-COVID 19 APP target. The relevant target for Q1 was over achieved due to	Budget reprioritisation and response to Covid-19 pandemic.

	mental legislation	environmental legislation						non-adherence of the legislation by businesses and community at large during the Lockdown	
	Completed criminal investigations handed to NPA for prosecutions	Number of completed criminal investigations handed to NPA for prosecutions	1	1	3	0	-3	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Compliance inspections	Number of compliance inspections conducted	835	900	600	141	-459	Pre-COVID 19 APP target. The relevant target for Q1 was not achieved as officials were unable to attend to all planned inspections due to COVID-19	Budget reprioritisation and response to Covid-19 pandemic.
	Permitted landfill sites monitored	Number of permitted landfill sites monitored for compliance	New	15	10	2	-8	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Environmental Quality Management									
Purpose: The purpose of this sub-programme is to promote and regulate the application of appropriate environmental management instruments to ensure integrated environmental management in all media (land, coast and atmosphere) and facilitate the management and mitigation of impacts associated with air emissions, climate change, pollution and listed activities.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Environmental sustainability and resilience	Recycling enterprises supported for cleaner and better management of the environment	Number of recycling projects supported	98%	13	11	0	-11	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Compliance with waste licenses/permits issued in terms of waste	Number of waste facilities audited as per environmental legislative requirement	New	133%	50	58	8	Pre-COVID 19 APP target. The relevant target for Q1 was over-achieved due to facilities being audited on a weekly basis due to the COVID-19 pandemic	Budget reprioritisation and response to Covid-19 pandemic.
	Waste Management	Number of Provincial	New	1	1	0	-1	Pre-COVID 19 APP target.	Budget reprioritisation and response

	Indaba	Waste Management engagements convened						The relevant target for Q1 was achieved	to Covid-19 pandemic.
	EIA applications finalized within timeframes	% EIA applications finalized within legislated timeframes	98%	100%	100%	100%	100%	Pre-COVID 19 APP target. The relevant target for Q1 was over-achieved due to the target being incorrectly captured in the APP	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Coastal and Biodiversity Management									
Purpose: To control and manage the spread of invasive alien species and increase awareness of the impact of the invasive alien species in a manner that enables job creation and provides social development and training opportunities for the beneficiaries. To co-ordinate, facilitate and promote effective integrated coastal management for sustainable coastal development and resource use in KwaZulu-Natal.									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Environmental sustainability and resilience	Source to Coast clean up interve	Number of Source to Coast clean up interventions	New	3	3	0	-3	Pre-COVID 19 APP target. The relevant	Budget reprioritisation and response to Covid-19

	ntions	implemented						target for Q1 was achieved	pandemic.
	Coastal vulnerability report	Number of coastal vulnerability reports produced	New	1	1	0	-1	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Beneficiaries trained on various areas within biodiversity / green economy	Number of beneficiaries trained on various areas within Biodiversity/Green Economy	New	922	100	0	-100	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.

Sub-programme: Environmental Empowerment Services

Purpose: To empower the citizens of KwaZulu-Natal to participate in environmental matters and decision making so as to ensure the sustainable use and protection of the environment of KwaZulu-Natal through appropriate capacity building and empowerment mechanisms.

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021 until August 2020**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Environmental sustainability and resilience	Environmental capacity building activities	Number of environmental capacity building activities condu	62	81	60	31	-29	Pre-COVID 19 APP target. The relevant target for Q1 was over achieved due to capacity building activities	Budget reprioritisation and response to Covid-19 pandemic.

		cted						being in demand to raise awareness on the impact of COVID-19 on the environment	
	Environmental awareness activities	Number of environmental awareness activities conducted	1012	1261	1000	260	-740	Pre-COVID 19 APP target. The relevant target for Q1 was over achieved due to capacity building activities being in demand to raise awareness on the impact of COVID-19 on the environment	Budget reprioritisation and response to Covid-19 pandemic.
	Green Good Deeds Concept review	Number of Green Good Deeds Provincial Conceptual Framework Reviewed	New	1	1	0	-1	Pre-COVID 19 APP target. The relevant target for Q1 was achieved	Budget reprioritisation and response to Covid-19 pandemic.
	Clean up campaigns	Number of clean up campaigns hosted	New	300	150	9	-141	Pre-COVID 19 APP target. The relevant target for Q1 was over	Budget reprioritisation and response to Covid-19 pandemic.

								achieved due to an increase in waste being illegally dumped during lockdown	

Table 2.4.4.2: Report against the re-tabled Annual Performance Plan

PROGRAMME 1: ADMINISTRATION

Purpose of the Programme:

The principal objective of this programme is to oversee and provide executive support to the Executive Authority and Accounting Officer to fulfil the mandate as prescribed by legislation. Furthermore, to provide effective and efficient support services to the whole Department regarding Human Resources (HR), Legal Services, Financial Management, Information Communication Technology and Auxiliary Services.

The programme is made up of the following sub-programmes:

- Office of the MEC
- Office of the Head of Department
- Financial Management Unit
- Corporate Services

Sub-programme: Office of the MEC								
Purpose: The principal objective and thrust of this sub-programme is to oversee the management of the executive office and to render executive support to ensure that the Executive Authority is able to fulfil the mandate as prescribed by legislation. The executive support in the main refers to administration, operations, protocol, parliamentary liaison and communication as the public face of the Department.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Strategic documents tabled to the legislature as per statutory requirements	Number of strategic documents tabled to legislature as per statutory requirements	New	2	58	43	-15	The target was increased to 58 in the Post-COVID -19 APP. The strategic documents that would ordinarily be tabled by the Department (MEC) at legislature were not tabled as the

								budget policy speech was moved to May 2021. However, all the APPs were approved by the MEC for the department and its public entities.
	Strategic engagements with various stakeholders	Number of strategic engagements supported	New	33	12	24	12	Target achieved
	Quarterly Public entity Board Assessment reports analysed and assessed by the Ministry	Number of public entity Board Assessment reports analysed and assessed by the Ministry	New	New	12	11	-1	Ezemvelo Board was suspended resulting in no assessment being produced.
	Quarterly public entity oversight reports analysed and assessed by the Ministry	Number of public entity oversight reports analysed and assessed by the Ministry	New	New	3	3	0	Target achieved

Sub-programme: Strategy Development, Analysis and Management								
Purpose: The strategic planning unit seeks to assist the department to develop the planning documents that are easy to understand and used by staff and other interested parties on a regular basis. These planning documents must provide genuine direction for the department. This will be achieved by facilitating on-going participatory planning and review sessions over the next 5 years. We want to see each and every member of staff being part of the planning process throughout the next planning cycle.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	2021/2022 Annual Performance Plan	Number of Annual Performance Plan produced	New	1	1	1	0	Target achieved
	2019/2020 Annual Report	Number of Annual Report produced	New	New	1	1	0	Target achieved
	2020/2021 Operational Plan	Number of Operational Plan developed	New	New	1	1	0	Target achieved

Sub-programme: Public Entity Oversight								
Purpose: The public entity oversight unit assists the department in measuring of entity's overall performance and compliance in line with the PFMA. The Departments oversight role is important as it ensures that entities are operating effectively and that all action plans emanating from internal and external audit findings are addressed yearly. The oversight role further assists entities to comply with corporate governance in executing of their mandates.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Quarterly consolidated reports	Number of quarterly public entity oversight report produced	New	3	3	3	0	Target achieved

	Board assessment reports	Number of Board assessment reports produced	New	New	12	11	-1	Ezemvelo Board was suspended resulting in no assessment being produced.

Sub-programme: Risk and Integrity Management								
Purpose: The Risk and Integrity Management unit seeks to measure whether the department is effectively managing and mitigating risks that have been identified in the Department. It also aims at managing and facilitating ethics and integrity management within the department with an aim of promoting ethical conduct and fraud prevention through awareness initiatives.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Implemented risk management plan	Percentage of the implementation of the risk Management Plan	57%	100%	100%	100%	0	Target achieved

Sub-programme: Internal Audit								
Purpose: The Internal audit unit provides an independent and objective assurance and consulting service designed to add value and improve department's operations. The objective of the internal audit function is to assist the management in fulfilling their duties and meeting their responsibilities. It supports the overall strategy of the department by providing independent and objective assurance on the internal control system. This will ensure that the department is able to obtain reasonable assurance regarding the achievement of the objectives in the following categories: Effectiveness and efficiency in operations; Reliable financial reporting; and Compliance with applicable laws and regulations								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Implemented Annual Audit Plan	Percentage of the of the Annual Audit Plan implementation	New	72.67%	100%	100%	0	Target achieved

Sub-programme: International and Intergovernmental Relations
Purpose: The purpose of the International and Intergovernmental Relations Unit is to develop and manage an integrated

system to co-ordinate relations between the department, other spheres of government, private sector, international organizations and all relevant stakeholders.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Implemented Intergovernmental Plan	Percentage of Intergovernmental plan implementation	New	100%	100%	189%	89%	Given the Covid-19 pandemic, The Kwazulu-Natal governments structure of interventions were coordinated through the IGR Framework across the province and the IGR unit was responsible for coordinating the departments role and participation in a multitude of structures, platforms and processes.

Sub-Programme: Corporate Services

Sub-Programme: Human Resources Management								
Purpose: To support the Department by developing a Strategic HR Plan that will facilitate the provision of a proper structure, competent workforce, conducive departmental culture, human resources systems and style of management that is suitable to realise the planned outputs and outcomes of the department.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Revised and implemented HR plan	% Implementation of the Human Resource Plan	New	New	80%	76%	-4%	13 out of 17 planned activities implemented. The following four activities have been underachieved: 1. % Vacancy

								rate, 2. Approved structure in place, 3. Recruitment as selection - Gender equality at SMS level, 4. Recruitment and selection - People with disabilities
	Organogram consultation reports	Number of consultation reports produced	New	New	2	2	0	Target achieved
	Updated statistics on previously disadvantaged groups recruited in management	Number of statistical reports on previously disadvantage groups recruited in management, produced	New	New	2	2	0	Target achieved

Sub-programme: Legal Services								
Purpose: To provide effective and timeous legal services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Reviewed legislation administered by the Department	Number of Statutes reviewed	New	New	7	8	1	The earlier completion of the Moses Kotane Research Institute Bill, which was planned for the next financial year, resulted in the overachievement
	Certified agreements	Percentage of Agreements certified	New	New	100%	100%	0	Target achieved

Sub-programme: Information Technology and Telecommunication Services								
Purpose: To provide Information Technology services and telecommunications to the department: Implement and monitor dependable IT systems; Develop and implement IT strategies and policies ; and Provide effective telecommunication services to the department inclusive of cell phone services.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	Implementation of ICT strategy	Number of initiatives implemented in the ICT strategy	New	New	3	3	0	Target achieved
	Offices with functional telecommunication solutions	Number of offices with functional Tele-communication solutions	New	New	15	15	0	Target achieved

Sub-programme: Security and Auxiliary Services								
Purpose: To reduce the risk, protect employees, preserve confidentiality, integrity, availability and value of information and assets to ensure continued delivery of services.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Institutional Excellence	District offices have security systems	Number of District Offices with security systems	New	New	8	8	0	Target achieved
	Implemented fleet management plan	Percentage of implementation of fleet management system	New	60%	60%	0%	-60%	Target not achieved. The allocated budget was reallocated for COVID-19 budgeting by KZN Treasury.
	Quarterly health and	Number of health and	New	100%	3	3	0	Target achieved

	safety inspections conducted	safety inspections conducted						
	Vetting of staff conducted	Percentage of vetting forms submitted to State Security Agency	New	New	100%	72%	-28%	Target not achieved. Vetting is an ongoing process, whenever there is new staff employment. Forms for HR and SCM are to be vetted in the next quarter.

Sub-programme: Communication Services

Purpose: The Directorate provides internal and external communication and branding of the Department to ensure that their programmes are known and accessible to the broader community

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Institutional Excellence	Communication strategy developed	Number of communication strategy developed	New	New	1	0	-1	Target not achieved
	Communication plan implemented	Number of communication plans implemented	New	16	1	1	0	Target achieved

Sub-programme: Financial Management

Purpose: The purpose of the sub-programme is to ensure the effective implementation of the PFMA and other related financial regulations and policies. The financial management unit, which manages the financial aspects of each the sub-programmes, oversees the full financial cycle of budgeting, procurement, processing of expenditure, and recording of financial transactions.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement	Reasons for deviations

					021		2020/2021	
Institutional Excellence	Financial management reports produced	Number of Financial management reports produced	12	3	9	9	0	Target achieved
	Implementation of the Annual Internal Control Plan	Percentage implementation of the Annual Internal Control	New	93.75%	100%	77%	-23%	Target not achieved: The Internal Control unit experienced a capacity constraint. A crucial position within the unit was vacant.
	Valid invoices paid within 30 days	Percentage of valid invoices paid within 30 days	98%	98%	95%	96.5%	1.5%	A significantly high percentage of invoices were received in March 2021. These invoices were processed in a short space of time, which effectively raised the overall percentage of invoices processed within 30 days
	Total budget spent on BBBEE service providers	Percentage of total budget spent on BBBEE service providers	New	97%	80%	91.5%	11.5%	Target overachieved. More quotations than bids received therefore selection of suppliers targeted was within the control of the unit, also a large number of EPWP contracts awarded.
	Implementation on of procurement plan - % requisitions processed on time	Percentage of requisition processed	New	New	80%	80%	0	Target achieved
	Contract management	Number of contract	New	3	3	3	0	Target achieved

	produced	management reports produced						
	Submission on Annual Financial Statements within the period legislated by PFMA	Annual financial statements submitted	New	New	1	1	0	Target achieved
	Financially unqualified external audit opinion with no findings on other matters achieved	Number of financially unqualified external audit opinion with no findings on other matters achieved	New	New	1	1	0	Target achieved

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
1. Office of the MEC	17 450	17 450	-	25 149	25 149	-
2. Office of the HOD	24 273	24 273	-	20 008	20 008	-
3. Financial Management	32 893	32 893	-	35 351	35 351	-
4. Corporate Services	180 733	180 621	112	213 449	209 153	4 296
Total	**255 349**	**255 237**	**112**	**293 957**	**289 661**	**4 296**

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Purpose of the Programme:

To advance economic growth and job creation initiatives that prioritize historically disadvantaged individuals and groups through:

- Enterprise Development;
- Economic Empowerment; and
- Regional and Local Economic Development.

Sub-programme: Enterprise Development								
Purpose: The purpose of Enterprise Development sub – programme is to co-ordinate the support and development of sustainable SMMEs and co-operatives/social enterprises that contribute to wealth and job creation.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Empowered small enterprises	Number of small enterprises empowered	New	New	1 145	1 519	374	Increased demand to register companies resulted in over-achievement of the target.
	Jobs created	Number of employment opportunities created	New	New	495	2425	1930	Target overachieved. The payout for the approved loans under the Enterprise Development fund were expedited to alleviate the impact of COVID-19 on small enterprises

Sub-programme: Economic Empowerment								
Purpose: To create enabling environment for economic development and empowerment of the previously disadvantaged individuals and groups (especially youth, women and the disabled) to participate in the mainstream economy								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed	Priority target individuals empowered	Number of priority target group individuals	New	New	480	601	121	The target was over achieved due to opportunities

economic growth		empowered						provided by the COVID 19. There were new Funds introduced and opportunities for target group
	Priority target group entrepreneurs developed, funding etc.	Number of target group entrepreneurs developed	New	New	70	227	157	The sub-programme created strategic partnerships to support youth and women entrepreneurs to access opportunities
	Improved BEE compliance	Number of BBBEE compliance interventions implemented	New	7	5	14	9	The target was over achieved. The department engaged on compliance campaigns during this period as a result the target was over achieved
	Support for Operation Vula priority sectors	Number of OV support interventions implemented	New	1	6	11	5	The target was over achieved due to facilitation of access to opportunities by the target group

Sub-programme: Regional Local Economic Development								
Purpose: To implement regional and local economic development initiatives that support employment opportunities and builds the capacity of RLED stakeholders.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Projects implemented	Number of RLED projects implemented	5	6	0	5	5	Target overachievement were due to the budget readjustment in November 2020

	Training interventions implemented	Number of training interventions implemented	6	9	0	4	4	Target overachievement were due to the budget readjustment in November 2020
	Red tape reduction interventions implemented	Number of red tape reduction interventions implemented	New	New	4	4	0	Target achieved

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
Enterprise Development	295 317	295 317	-	340 103	339 801	302
Regional and Local Economic Development	42 576	42 576	-	22 805	22 484	321
Economic Empowerment	34 402	34 383	19	22 180	21 294	886
Total	**372 295**	**372 276**	**19**	**385 088**	**383 579**	**1 509**

PROGRAMME 3: TRADE AND INDUSTRIAL DEVELOPMENT

Purpose of the Programme:

Purpose: To stimulate economic growth through trade and investment promotion, development of selected sectors and industry development.

The programme is made up of the following sub-programmes:

- Strategic Industrial Intervention
- Trade and Investment Promotion
- Sector Development

Sub-programme: Strategic Industrial Interventions								
Purpose: To provide and facilitate the development of strategic industrial interventions (Maritime, Aerotropolis, Industrial Hubs and Special Economic Zones)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/20**	**Audited Actual Performance 2019/20**	**Planned Annual**	***Actual Achievement 2020/202**	**Deviation from planned target to Actual**	**Reasons for deviations**

			19	20	Target 2020/2021	1	Achievement 2020/2021	
Inclusive and Transformed economic growth	Jobs created	Number of jobs created	**New**	**New**	134	123	-11	Target underachieved due to the delays in the commencement of construction work at both Mkhuze and Margate Regional Airports due to the Lockdown Regulations, as workers are employed in line with their respective skills sets required for each phase of the development. As such the 11 outstanding employees only started working from the 1st April 2021.
	Jobs retained	Number of jobs retained	New	New	500	0	-500	The establishment of fish processing facilities project could not be implemented as planned as a suitable service provider could not be found from the BID that was advertised in June 2020. The BID process started afresh, and readvertisment of the BID and closed on the 29th March 2021.
	Trained (skills)people	Number of people trained	New	224	67	77	10	The number of attendees for training session exceeded the initial targeted

								number due to the non-restrictions of venue capacity as the sessions were hosted virtually instead of being hosted physically.

Sub-programme: Trade and Investment Promotion								
Purpose: To provide and facilitate the development of strategic industrial interventions (Maritime, Aerotropolis, Industrial Hubs and Special Economic Zones)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Platforms supported	Number of platforms supported (KZN Growth Coalition)	New	10	5	12	7	Support is provided to the ten (10) platforms on an on-going basis throughout the financial year
	Companies supported	Number of companies supported for exports, investment and job retention	New	New	20	0	-20	Target not achieved. The KZN Competitiveness Programme delayed due to the fact that the KZN Competitiveness Program was initially facilitated through the Operation Vula Fund (Competitiveness Funding Stream) in order to ensure transparency in the selection of the implementation agent. However, the project has since been classified as a

								transfer to TIKZN and is currently under implementation.
	Action plan by social partners	Number of EDTEA commitment in the Resolutions Register	New	New	3	3	0	Target achieved
	Action plan by social partners	Percentage of EDTEA resolution implemented	New	New	60%	88%	28%	Activities with the said resolutions were required within a shorter timeframe by the KZN EC Social Partners, while the residual resolutions had longer turn-around timeframes. As such, these were executed with immediate effect to meet the prescribed timeframes.

Sub-programme: Sector Development								
Purpose: To facilitate the implementation of strategic programmes that will stimulate the competitiveness of priority sectors								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Sustainable projects implemented	Number of sustainable projects implemented	New	5	4	2	-2	Target not achieved. The two Horticultural Projects could not be implemented as planned as the

								Bid Evaluation Committee was unable to evaluate the projects due to lack of Engineering capacity internally. The tender was with the BEC for approximately six months and ended up being cancelled at the end of the financial year. Project to be undertaken by the ILembe Enterprise in the new financial year.
	Sector Strategic interventions implemented	Number of sector strategic interventions implemented	New	6	5	5	0	Target achieved
	People trained on sector specific expertise	Number of people trained on specific expertise	New	0	250	0	-250	The target was revised in the Post-COVID 19 APP to 250. 200 trainees from the Shosholoza Academy Budget was reprioritized in July 2020 towards the Covid-19 relief funds due to the Cruise Industry being closed and non-operational as a result of Covid-19 Lockdown Regulations. Remaining 250 trainees were to emerge from proposed partnership with Capability BPO. The deviation to partner with Capability BPO

								was declined three months after submission to Provincial Treasury and that left the Department with insufficient time to go out on tender and advertise for competitive bid as guided by Provincial Treasury in their response.
	Industry cluster projects implemented	Number of industry cluster projects implemented	New	3	2	2	0	Target achieved

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
Trade and Investment Promotion	486 326	486 326	-	587 137	583 895	3 242
Sector Development	186 673	185 666	1 007	254 406	253 913	493
Strategic Initiatives	87 075	87 075	-	140 284	140 284	-
Total	**760 074**	**759 067**	**1 007**	**981 827**	**978 092**	**3 735**

PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE

Purpose of the Programme:

To implement the Constitutional mandate of the Province within the Regulated industries in relation to regulating Trade, Consumer Protection, liquor licensing and gaming and betting; (policy and legislation function only), to ensure that an equitable and socially responsible business environment is developed and sustained which is supportive of growing the economy thereby contributing to job creation. The programme is made up of the following sub-programmes:

- Consumer Protection
- Business Regulation Services
- Policy and Legislation

Sub-programme: Policy and Legislation								
Purpose: To promote and maintain an effective and efficient regulatory system for the Liquor Industry; Gambling Industry, Consumer and Regulation services.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Liquor Authority monitored in terms of regulating its respective industry	Number of Liquor Authority monitoring reports produced	4	1	3	3	0	Target achieved
	KZN Gaming and Betting Board monitored in terms of regulating the Gaming and Betting industry	Number of KZN Gaming and Betting Board monitoring reports produced	New	3	4	3	0	Target achieved
	Catalytic initiatives implemented to encourage an effective and conducive business regulatory environment	Number of catalytic initiatives implemented	New	7	5	5	0	Target achieved

Sub-programme: Regulations Services								
Purpose: To provide a regulatory framework for the functioning of both formal and informal trade in a manner that advances the agenda of economic development and growth in the Province.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transfor	Automated business licencing and	Number local of Municipalitie	New	New	30	30	0	Target achieved

med economic growth	information management system implemented in municipalities for formal businesses	s implementing the KZN automated business licensing and information management system and license registration for formal businesses						
	Automated business licencing and information management system implemented in municipalities for informal businesses	Number local of Municipalities implementing the KZN automated business licensing and information management system and license registration for informal businesses	New	New	30	30	0	Target achieved
	Municipalities supported for business licencing function (capacity)	Number of Municipalities supported for business licensing function	New	New	8	8	0	Target achieved
	Programmes to support informal economy implemented	Number of programmes implemented to support informal economy	New	New	3	3	0	Target achieved
	Business inspections conducted for compliance with business legislation	Number of Business Inspections conducted	99	91	75	187	112	Target overachieved. Over and above the normal inspections conducted to ensure business compliance with applicable legislation, the Department through

								Regulation Service was also responsible for the enforcement of the various Disaster Management Act regulations promulgated to curve the spread of COVID-19 in the republic. This has resulted in the Business Unit conducting more inspections than initially planned

Sub-programme: Consumer Protection Services								
Purpose: To promote, protect and further the rights of consumers in the Province								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Consumer educational programmes are implemented	Number of consumer educational programmes implemented	New	982	927	2625	1698	The unit utilized community radio stations within each district wherein consumer education programmes were aired every day over the financial year hence the over achievement.
	Inspected businesses	Number of businesses inspected	New	485	300	356	56	The unit was required to conduct business inspections across the Province to ensure compliance with COVID-19 Regulations - hence the target

								was exceeded
	Resolved complaints	% of consumer complaints resolved	New	78%	70%	81%	11%	Most complaint handlers returned back to work and on duty thus most complaints were closed and finalised timeously and therefore the target was exceeded.

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
Regulation Services	7 106	7 106	-	7 451	7 451	-
Consumer Protection	31 063	31 063	-	34 950	34 950	-
Liquor Regulation	83 586	83 586	-	84 680	84 680	-
Gaming and Betting	58 001	58 001	-	48 786	48 786	-
Total	**179 756**	**179 756**	**-**	**175 867**	**175 867**	**-**

PROGRAMME 5: ECONOMIC PLANNING

Purpose of the Programme:

Purpose: Economic Planning undertakes research, planning and knowledge management activities that inform development of provincial economic policies, strategies & interventions that result in economic growth and employment creation. The programme achieves this through activities implemented within four sub-programmes:

- Research and Development
- Policy and Planning; and
- Knowledge Management.
- Monitoring and Evaluation

Sub-programme: Research and Development								
Purpose: To provide research support that informs evidence-based decision making and promote innovation in the province.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Research reports	Number of research studies conducted	New	New	1	1	0	Target achieved
	Research briefs / fact sheets	Number of research briefs/factsheets produced	New	3	3	3	0	Target achieved
	AWG reports	Number of AWG reports submitted to KZN PPC	New	3	3	3	0	Target achieved

Sub-programme: Policy and Planning								
Purpose: To formulate, review and support the implementation of economic orientated strategies to assist the department in attaining sustainable economic development in the province.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Economic strategies formulated	Number of economic strategies formulated	New	New	2	2	0	Target achieved
	Macroeconomic reports	Number of quarterly economic	New	New	5	5	0	Target achieved

	produced	publications produced						
	Market intelligent reports produced	Number of Policy briefs produced	New	New	6	6	0	Target achieved

Sub-programme: Knowledge management								
Purpose: To develop and maintain a knowledge management system that supports informed decision making.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Knowledge sharing platforms created	Number of knowledge sharing platforms created	New	3	3	2	-1	Lack of human resource capacity due to the official who was to work on the deliverable of the indicator being off sick affected the achievement of the target. Additional platforms were planned for Q4.
	Project status reports produced	Number of projects status reports produced	New	4	3	3	0	Target achieved
	User statistical reports on resource centre use produced	Number of resource centre use statistical reports produced	New	4	3	3	0	Target achieved

Sub-programme: Monitoring and evaluation								
Purpose: To develop and maintain a knowledge management system that supports informed decision making.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2**	**Audited Actual Performance 2019/20**	**Planned Annual Target**	***Actual Achievement 2020/202**	**Deviation from planned target to Actual Achievem**	**Reasons for deviations**

			019	20	2020/2021	1	ent 2020/2021	
Inclusive and Transformed economic growth	Monitoring and evaluation plan developed	Number of Monitoring and Evaluation Plans developed	New	1	1	1	0	Target achieved
	Monitoring and evaluation frameworks reviewed	Number of Monitoring and Evaluation Frameworks reviewed	1	0	1	1	0	Target achieved
	Monitoring report produced	Number of Monitoring reports produced	New	3	3	3	0	Target achieved
	Evaluation research conducted	Number of Evaluation research conducted	2	0	1	0	-1	The target was not achieved due to delays in the procurement processes. The evaluation research will commence as soon as the appointment of the service provider is made.
	Performance Information report produced	Number of performance information reports produced	New	5	3	3	0	Target achieved
	Capacitated EDTEA staff members	Number of workshops conducted to EDTEA staff	New	New	14	16	2	Target overachieved. The initial plan was to hold the workshops at the programme level but due to requests and availability of officials these workshops had to be conducted a subprogramme level which resulted in more workshops being conducted.

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
Policy and Planning	5 550	5 550	-	5 915	5 531	384
Research and Development	7 162	7 162	-	8 379	6 705	1 674
Knowledge Management	3 139	3 139	-	3 414	3 414	-
Monitoring and Evaluation	3 451	3 451	-	1 980	1 605	375
Total	**19 302**	**19 302**	**-**	**19 688**	**17 255**	**2 433**

PROGRAMME 6: TOURISM DEVELOPMENT

Purpose of the Programme:

Purpose: Tourism is a concurrent function between the national and provincial governments. The province is tasked with functions relating to planning and policy making, regulation and monitoring, facilitation and implementation, coordination as well as development promotion of tourism in line with national imperatives.

The programme is made up of the following sub-programmes:

- Tourism Planning
- Tourism Growth and Development
- Tourism Sector Transformation

Sub-programme: Tourism Planning								
Purpose: To provide guidance, support and direction in terms of policies, legislation and strategies aimed at promoting tourism to benefit the majority of KwaZulu-Natal communities. To clearly guide spatial development of tourism and define clear role of the private sector at all levels in tourism planning. The continuous development of the tourism sector will assist in diversifying South Africa's economy and contribute immensely towards achieving the overall objectives of the National Tourism Sector Strategy and the Provincial Tourism Master Plan.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Perform**	**Audited Actual Perform**	**Planned Annua**	***Actual Achievement**	**Deviation from planned**	**Reasons for deviations**

			ance 2018/2019	ance 2019/2020	l Target 2020/2021	2020/2021	target to Actual Achievement 2020/2021	
Inclusive and Transformed economic growth	Supported strategic engagements with social partners	Number of strategic engagements supported	New	12	9	9	0	Target achieved
	Strategic engagements supported	Number of Tourism strategic frameworks developed	New	New	3	3	0	Target achieved
	Workshops on tourism	Number of Tourism workshops conducted	New	New	3	3	0	Target achieved

Sub-programme: Tourism Growth and Development								
Purpose: Provision of sustainability of tourism growth and development through identification and stimulation of demand-led products, develop appropriate tourism infrastructure, and inspire innovation to guide development of tourism to achieve geographic spread and enhance visitor experience. In addition, the sub-programme is responsible for the professionalization of Tourist Guides and registration of tourism businesses in the province to ensure that the tourism industry is regulated and enforce compliance with the legislation**.**								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Niche tourism products	Number of niche Tourism products supported	New	3	2	2	0	Target achieved
	Tourism products and experiences implemented	Number of Tourism products implemented or developed	New	New	4	4	0	Target achieved
	Professional tourist guides	Number of Tourist guides professionalized	277	262	220	174	-4.6	Target not achieved. The target was reduced in the post COVID-19 APP. The

								number of tourist guides registering and renewing their applications decreased due to lockdown and Covid-19 . One of the requirements for registration is a first aid certificate which expire every 3 years and tourist guides were unable to do this training to allow them to register hence the decrease in number.
	Compliant tourist guides	Number of compliant tourist guides	7	1	8	8	0	Target achieved

Sub-programme: Tourism Sector Transformation								
Purpose: To facilitate and promote tourism sector transformation.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Inclusive and Transformed economic growth	Compliance audits conducted	Number of audit conducted on compliance with Tourism Sector codes	New	New	30	30	0	Target achieved
	Service excellence initiatives implemented	Number of Service Excellence initiatives implemented	2	3	4	4	0	Target achieved

	People trained within the tourism sector	Number of people trained	New	655	450	509	59	The target was overachieved. The topic on compliance resulted in more people attending the workshop
	People assisted with employment opportunities	Number of people assisted with employment opportunities	New	53	100	104	4	Target overachieved. The programme has gained momentum; this resulted in more host employers expressing interest which increased the number from 100 to 104

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
Tourism Planning	5 252	4 380	872	6 200	5 889	311
Tourism Growth and Development	212 470	212 470	-	339 413	335 435	3 978
Tourism Sector Transformation	4 948	4 948	-	8 412	8 397	15
Total	**222 670**	**221 798**	**872**	**354 025**	**349 721**	**4 304**

PROGRAMME 7: ENVIRONMENTAL MANAGEMENT

Purpose of the Programme:

To advance environmental sustainability for socioeconomic development

The programme is made up of the following sub-programmes:

- Policy Coordination and Environmental Planning
- Compliance and Enforcement
- Environmental Quality Management
- Biodiversity Management
- Environmental Empowerment Services

Sub-programme: Environmental Planning, Governance and Information Management								
Purpose: The purpose of this sub-programme is to develop instruments, mechanisms and institutions to ensure sound co-operative environmental governance, in the implementation of sustainable development frameworks and also ensures provincial sustainability monitoring and reporting through generation, management and dissemination of environmental information for improved decision making and on-going strategy development.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Environmental sustainability and resilience	Provincial development plans reviewed for ecological sustainability principles	Number of intergovernmental sector tools reviewed	54	54	54	54	0	Target achieved
	Environmental management tools informing the development at planning, management and implementation levels	Number of environmental legislative tools developed	2	2	2	2	0	Target achieved
	Environmental decision-making systems supported by	Number of environmental research projects completed	New	1	1	1	0	Target achieved

	evidence							
	Faster, efficient and effective Environmental management systems based on technology	Number of functional environmental information management systems	0	11	1	1	0	Target achieved

Sub-programme: Climate Change Management								
Purpose: To meet the strategic goals of minimizing or eliminating the risks to the impacts of Climate Change by embarking on a concerted and cohesive plan that will address the impacts of Climate Change through scientific and technological means based on mitigation; adaptation and increased awareness to vulnerable communities.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Environmental sustainability and resilience	Tools for climate change planning	Number of climate change response tools developed	9	1	1	1	0	Target achieved
	Climate change resilient plan	Number of district climate change adaptation interventions supported	New	11	10	10	0	Target achieved
	Public awareness	Number of severe	New	1	24	38	14	Target overachieved.

	on disaster events for precautionary measures	weather watch notifications released						Due to the La-Nina season, there was a need to notify people more often in order to safeguard their lives and properties as it was necessary for public safety.
	Green Economy reports developed	Number of provincial green economy reports developed	New	1	1	1	0	Target achieved

Sub-programme: Environmental Compliance Monitoring and Enforcement								
Purpose: The purpose of Compliance and Enforcement is to achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Environmental sustainability and resilience	Administrative enforcement notices for non-compliance with environmental legislation	Number of administrative enforcement notices issued for non-compliance with environmental legislation	212	250	75	138	63	High levels of non-compliance resulting from covid-19 waste handling and management resulted in an increase in administrative enforcement notices
	Completed criminal investigations handed to NPA for prosecutions	Number of completed criminal investigations handed to NPA for prosecutions	1	1	1	3	2	Compliance Enforcement units and other related enforcement agencies were functional during the lockdown period. As a result, more focus was given

								to enforcement.
	Compliance inspections	Number of compliance inspections conducted	835	900	335	383	48	CME officials were permitted to work during hard lockdown, hence there was increase in the number of inspections conducted including Covid-19 related inspections
	Permitted landfill sites monitored	Number of permitted landfill sites monitored for compliance	New	15	8	8	0	Target achieved

Sub-programme: Environmental Quality Management								
Purpose: The purpose of this sub-programme is to promote and regulate the application of appropriate environmental management instruments to ensure integrated environmental management in all media (land, coast and atmosphere) and facilitate the management and mitigation of impacts associated with air emissions, climate change, pollution and listed activities.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Environmental sustainability and resilience	Recycling enterprises supported for cleaner and better management of the environment	Number of recycling projects supported	98%	13	24	26	2	There was an increase in walk-in clients who requested project assistance related to Operation Vula Funding applications.
	Reviewed waste management licenses	Number of waste licenses reviewed	New	50%	5	5	0	Target achieved
	Compliance with waste licenses/p	Number of waste facilities audited	New	133%	40	43	3	The target was overachieved due to weekly audits of facilities

	ermits issued in terms of waste	as per environmental legislative requirement						as per the Covid-19 directives
	Waste Management Indaba	Number of Provincial Waste Management engagements convened	New	1	0	0	0	Target achieved
	EIA applications finalized within timeframes	% EIA applications finalized within legislated timeframes	98%	100%	100%	100%	0	Target achieved
	Air Quality Monitoring Reports	Number of ambient air quality monitoring reports produced	New	3	3	3	0	Target achieved

Sub-programme: Coastal and Biodiversity Management								
Purpose: To control and manage the spread of invasive alien species and increase awareness of the impact of the invasive alien species in a manner that enables job creation and provides social development and training opportunities for the beneficiaries. To co-ordinate, facilitate and promote effective integrated coastal management for sustainable coastal development and resource use in KwaZulu-Natal.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Environmental sustainability and resilience	Coastal management Programmes	Number of coastal management programmes developed	0	1	1	1	0	Target achieved
	Estuarine management plans	Number of estuarine managemen	0	1	2	3	1	Good cooperation with EDTEA resulted

		t plans developed						in the uMdoni Municipality funding the development of the 3 estuarine management plans.
	Source to Coast clean up interventions	Number of Source to Coast clean up interventions implemented	New	3	2	2	0	Target achieved
	Coastal monitoring and enforcement activities	Number of coastal monitoring and enforcement activities conducted	New	5	3	3	0	Target achieved
	Work opportunities created	Number of work opportunities created through environmental programmes	8 219	15 888	7500	9271	1771	The target was overachieved. IASP developed a contingency plan in addressing late commencement of projects. Additional budget within the Programme was made available, as a result, additional beneficiaries were recruited.
	Hectares cleared of invasive species	Number of hectares cleared of invasive alien species	170 454	145 977, 52	100 000	161630	61630	The target was overachieved. As a result of the reprioritized budget made available within IASP, additional beneficiaries were recruited, and the number of working days was increased, hence the overachievement in the number of hectares cleared.
	Fulltime	Number of fulltime	2 119	2 689.7	1766	1835	69	The target was overachieved.

	equivalents created	equivalence /created FTE's						The overachievement in FTEs resulted from the increased number of working days.
	Entity oversight reports	Number of oversight reports produced on Biodiversity Mandate implementation by KZN Wildlife	New	1	1	1	0	Target achieved
	Beneficiaries trained on various areas within biodiversity / green economy	Number of beneficiaries trained IASP eradication	New	922	100	1304	1204	**T**arget overachieved. The target was surpassed because of the additional beneficiaries that were recruited and had to receive accredited training.

Sub-programme: Environmental Empowerment Services								
Purpose: To empower the citizens of KwaZulu-Natal to participate in environmental matters and decision making so as to ensure the sustainable use and protection of the environment of KwaZulu-Natal through appropriate capacity building and empowerment mechanisms.								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	***Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
Environmental sustainability and resilience	Environmental capacity building activities	Number of environmental capacity building activities conducted	62	81	45	74	29	The relevant target was overachieved because of the demand for capacity building in relation to the impact of COVID-19 on the environment.

	Environmental awareness activities	Number of environmental awareness activities conducted	1 012	1 261	750	935	185	The target was overachieved because of the demand for awareness activities in relation to the impact of COVID-19 on the environment.
	Green Good Deeds Concept review	Number of Green Good Deeds Provincial Conceptual Framework Reviewed	New	New	1	1	0	Target achieved
	Clean up campaigns	Number of clean up campaigns hosted	New	300	120	147	27	The target was over-achieved because of the demand for waste management practices as a result of COVID-19.
	Provincial Environmental Events	Number of provincial environmental events to commemorate environmental days hosted	New	5	3	3	0	Target achieved

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
Environmental Policy Planning and Co-Ordination	22 113	14 113	8 000	12 724	11 661	1 063
Compliance and Enforcement	28 470	28 470	-	28 077	27 708	369

Environmental Quality Management	44 339	43 964	375	43 362	42 298	1 064
Biodiversity Management	1 081 536	1 081 536	-	909 551	908 158	1 393
Environmental Empowerment Services	29 990	29 990	-	37 204	36 940	264
Environmental Services Administrative Support	2 557	2 557	-	4 015	3 865	150
Total	**1 209 005**	**1 200 630**	**8 375**	**1 034 933**	**1 030 630**	**4 303**

4.2 Strategy to Overcome Areas of Under Performance

- Review a departmental approach to achieve targets during hard lockdowns
- Improve procurement planning processes
- Conduct quarterly performance review sessions at programme level
- Accounting Officer to formally write to under-performing programmes.

4.3 Reporting on the Institutional Response to the COVID-19 Pandemic

Table: Progress on Institutional Response to the COVID-19 Pandemic – Programme 1

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 1: Office of the MEC	Sector webinars and Virtual Weekly Business Engagements were conducted to get input for the recovery plan whilst weekly virtual meetings with	Province	All sectors	N/A		Staff Costs	Strategic engagements with various stakeholders	Informed view of the challenges affecting industry and tailor make the interventions to suit the challenges

	industry clusters were used to get feedback on the challenges facing local industries and how the government can assist							

Table: Progress on Institutional Response to the COVID-19 Pandemic – Programme 2

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 2: (Integrated Economic Development Services)	3 months debt repayment holidays by KZN developmental finance institutions	All	Debt repayment offer to clients on Ithala LDFC and KZNGF loan books	N/A		N/A	N/A	Cash flow relief to the debtor. The respective boards of the Ithala IDFC and KZNGF approved 3 debt payment deferment to debtors in good standing
	SMME Debt relief - Provide debt relief	Provincial	270 SMMES	Women: Youth: People with Disabilities:	R97 million		Empowered small enterprises	270 KZN SMMEs had received funding totalling R97million by end of August 2020
	Financial and non-financial support to local SMMEs	Provincial	Training: 11 Registration at CIPC: 341 Mentorship :30	Women: Youth:	Training –R 8 Million	Nil	Empowered small enterprises	Empowered Small Enterprises, SMMEs with bankable business plans and

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
			Business Advisory: 30	People with Disabilities:				recalibrated business models that suit the new business environment
	Financial and non-financial support to local SMMEs	Provincial	678 small enterprises - 186 small enterprises were provided with Business Loans under the KZN Enterprise Development Fund (managed by the IDFC), with total loan amount of R19,614 million and 818 jobs were generated by small enterprises funded.			R19,614 million	Empowered small enterprises	Business support was provided to 678 small enterprises throughout the Province, for example, small enterprises were assisted with mentorship support, business registration with the CIPC and business advisory services. 186 small enterprises were provided with Business Loans under the KZN Enterprise Development Fund (managed by the IDFC), with total loan amount of R19,614 million and 818 jobs were

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
								generated by small enterprises funded.

Table: Progress on Institutional Response to the COVID-19 Pandemic – Programme 3

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 3 (Trade & Industry Development)	3 months' rent holidays to tenants in provincial SEZ precincts (Dube Trade Port & Richards Bay Industrial Development Zone)	DTP and RBIDZ precinct	Rent holiday offer to tenants at DTP and RBIDZ	N/A		N/A	N/A	The respective boards of the DTP and RBIDZ approved the 3 months' rent holiday to tenants operating from the respective precincts
	Provision of farmer support (market access, logistics, access to credit) to historically disadvantaged farmers	Province	>1000	HDI		Staff Costs	Sector Strategic interventions implemented	RASET facilitated the provision of transport to ferry produce from the farm gate to the market. • A number of large busines s

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
								registered their intent to source their produce from RASET • More than 1000 farmers were assisted with packaging material
	One-Stop-Shop at TIKZN - A business desk to provide assistance provincial businesses, particularly SMMEs. The desk attended to enquiries on various COVID relief funding opportunities available to business during the pandemic	Province	>2000	N/A		Staff Costs	N/A	More than 2000 enquiries have been received and assisted at the help desk

Table: Progress on Institutional Response to the COVID-19 Pandemic – Programme 4

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 4 - Business Regulations and Governance	Spaza Shop Support Programme – Designed to improve the purchasing power of spaza shop owners	Provincial	401	Youth: 114 Women: 180	R1.4 million		N/A	401 KZN SMMEs benefited from R1.4m disbursements under the programme
	Automated licencing system	Province	10	N/A	R1206000	R491871	Programmes to support informal economy implemented	10 Municipalities supported
	Special Spaza Shop Permits - Designed to improve purchasing power of spaza shop owners and to assist informal traders to access national funding		The System is constantly being rolled-out and is now fully operational at 38 LMs across the Province with 29 228 permits issued culminating to 30 178 informal jobs created.	N/A	R 1 056 000	R1 050 896,28	Automated business licencing and information management system implemented in municipalities for informal businesses	Provision of a well streamlined business regulatory platform which has resulted to more compliance from the business community at large.
	Business Inspections – Conducting inspections to address counterfeit and illegal goods and unfair business practices in the containers at the Durban	Provincial	543 Business Inspections conducted as per APP target. In addition 693 Businesses had been inspected in compliance with COVID	N/A	R300 000.00	R300 000.00	Business inspections conducted for compliance with business legislation	Business inspections to address counterfeit and illegal goods, unfair business practices Sale of liquor during lockdown – 2392 licensed outlets had

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
	Harbor as an entry point of illicit and counterfeit goods with the National Consumer Commission, SAPS and SARS and compliance with COVID and National Disaster Regulations		and National Disaster Regulations 2392 licenced liquor outlets inspected					been inspected 2013 found to be complaint and there was an overall 84% compliance rate.

Table: Progress on Institutional Response to the COVID-19 Pandemic – Programme 5

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 5: Economic Planning	A summarized and easy to understand booklet/brochure detailing all funding instruments available to local businesses and the associated requirements	Province	N/A	N/A	N/A	Staff Costs	N/A	The booklet was developed and distributed to provincial stakeholders including business and individuals

Table: Progress on Institutional Response to the COVID-19 Pandemic – Programme 6

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme 6: Tourism Development	**Tourist Guide Relief Funding** - Programme run by the Department of Tourism nationally to support tourist establishment over COVID duration	Provincial EThekwini: 106 Harry Gwala: 20 King Cetshwayo: 14 Ugu : 18 UMgungundlovu: 32 Umkhanyakude: 152 Uthukela: 57 Zululand: 4 Ilembe: 5 Amajuba:2 UMzinyathi: 13	423	Women :119 Youth : 147 People with Disabilities: 2	R30 million allocation by the Department of Tourism to all 9 provinces	R 1 903 500.00 Spent on Tourist guides in KZN thus far.	Professional tourist guides	Verified and updated database of Tour Guides submitted to the national Department of Tourism

5. TRANSFER PAYMENTS

5.1. Transfer payments 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
		R'000	**R'000**	
Ithala Development Finance Corporation (IDFC)	• Average turnaround time for approval of loans from date of valid application (all documentation in order) within 28 working days. • Average turnaround time for disbursement of first drawdown of loans (high-value), average 60 working days from approval	161 812	59 492	• The average turnaround time for approval of loans was achieved within 11 days. • The average turnaround time for disbursement of first drawdown of loans was achieved within 16 days.

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
		R'000	R'000	
	date. • Percentage of business pre-supported that accessed funding; the annual target was 70%. • Percentage of start-up businesses funded that are performing two years after first disbursement was targeted at 70%. • Number of jobs created through SMME's and co-operatives that received funding from IDFC was targeted at 1084. • Percentage preferential procurement spend on enterprises that: Black-owned was targeted at 60%. • Percentage of funding allocated to designated groups per annum: Black, African in particular was targeted at 60%. • Rand value of IDFC supported SMME's and co-operatives benefiting from Provincial Government procurement spend was targeted at R50 million. • Number of SMME's and co-operatives supported to supply the KZN government with prioritised commodities was targeted at 1. • Percentage of projects assigned to the IDFC that have achieved at least 90% of SLA milestones (deliverables). • Average percentage achievement of agreed infrastructure development project milestones was targeted at 90%. • Gross collections (cumulative) was targeted at R702 million. • Net profit (cumulative) was targeted at R94.6 million. • Number of days for cash on hand was targeted at >40 days			• The percentage of business pre-supported that accesses funding was achieved at 94.5%. • The percentage of start-up businesses funded that are performing two years after first disbursement was achieved at 72%. • 1578 jobs were created through SMME'S and co-operatives that received funding from IDFC. • The percentage preferential procurement spend on enterprises that are: Black-owned was achieved at 78%. • The percentage of funding allocated to designated groups per annum: Black, African in particular was achieved at 96%. • The Rand value of IDFC supported SMME's and co-operatives benefiting from Provincial Government procurement spend was achieved at R52.1 million. • The number of SMME's and co-operatives supported to supply the KZN government with prioritised commodities was achieved at 22. • The percentage of projects assigned to the IDFC was achieved at 95%. • The average percentage achievement of agreed infrastructure development project milestones was achieved at 97%. • The gross collections (cumulative) were achieved at R 953.9 million. • The net profit (cumulative) was achieved at R210.1 million. The number of days cash was held on hand was 69 days.
KZN Growth Fund (KZNGF)	• Achieve a clean audit report for the 2019/20 financial year end. • Grow the assets under management by the Trust	48 096	48 096	• Achieved a clean audit report for the 2019/20 financial year end. • 3.47% increase in AUM

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
		R'000	R'000	
	equal to or more than CPI as at 31 March 2021 (3.1%). • Achieve operational cost effectiveness (total operational costs/total assets under management) 4.5% as at 31 March 2021. • 70% of disbursed projects meeting the BBBEE investment policy criteria as at 31 March 2021. 150 job opportunities as at 31 March 2021.			achieved as at 31 March 2021. • Operational cost effectiveness achieved is 3.02% as at 31 March 2021. • 100% of disbursed funds to projects meeting the new BBBEE investment policy criteria as at 31 March 2021. • 216 job opportunities created as at 31 March 2021
Moses Kotane Institutes(MKI)	• Number of partnerships established • Clean audit opinion • 100% of payment of valid invoices within 30 days • 70% of procurement on BBBEE Service Providers • Number of stakeholder events • Number of research projects completed • 100 Number of MKI bursaries were awarded to students • 4 Strategic based for a • Number of medical cultivation sites developed per • Number of hemp applications processed • Number of Cannabis workshops conducted • Number of Digital Centres established • Number of competitions hosted • Number of Innovation summits hosted • Number of innovation dialogue hosted • Number of youth capacitated on innovation and technology • Knowledge repository established • Digital transformation strategy established • Number of maritime advisory reports completed • Number of learners trained on maritime skills • Number of entrepreneurs	47 866	47 866	• MKI also established 8 partnerships with tertiary institutions. Innovate Durban, DTP Canna Tissue Park,ARC,UJ,uMdoni, uKhahlamba,Pongolo and Inkosi Langalibalele • MKI got a clean audit opinion • 100% was achieved on the payment of valis invoices within 30 days • The allocation and expenditure towards small, micro and medium enterprises was 72% which is an overachievement in the light of the set target of 70%. • MKI conducted the employee wellness programme effectively to ensure that there is room for improvement in staff training, and other following events. Digital Communications: Cyberlaw and Security Mental & Psychological wellness in the workplace • 8 research projects were completed • 299 MKI Bursaries were awarded • 4 strategic based fora were conducted virtually • 3 medical cultivation sites were established: UMbumbulu, eMpangeni and Ndwedwe. • 50 hemp applications were processed

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
		R'000	R'000	
	capacitated on enterprise development • Number of economic advisory reports completed Number of statistics advisory - reports completed			• Two Cannabis workshops were conducted • 4 digital centres were established • 1 innovation competition was hosted • 2 innovation competition was hosted on digital economy and Digital Transformation Summit 2021 Link • 8 Innovation dialogues were hosted: Drones, Smart Government, 5G, Property Rights (IPR) in a knowledge-based Economy. Heritage Harvesting for KZN Job Creation, The "New Normal" in the broadcasting sector. Public funding of Research, Development, and Innovation in South Africa., The Innovation Value Chain: Ideation to Commercialization. , Cybersecurity. , Emperor Shaka's Disruptive Innovation Legacy • 250 youth capacitated on Innovation and technology • 1 Knowledge repository was established and demonstrated to Management • Digital transformation strategy established and approved • 2 Maritime advisory reports were completed • 251 learners were trained on maritime skills • 47 entrepreneurs were capacitated on enterprise development • 10 economic advisory report completed 6 statistics advisory reports completed
Trade And Investment KZN (TIKZN)	• New fixed domestic and foreign investment committed in the KZN province • New jobs created from domestic and foreign investments	83 415	79 136	• R2,22bn rand value of foreign investments was committed. • 6554 possible jobs created • 22 projects facilitated

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
		R'000	R'000	
	• Investment project opportunities facilitated for Black owned youth, women and PWD • Increased turnover by existing and seasoned exporters assisted in KZN • Increase in jobs by KZN companies assisted by TIKZN from a trade development and promotion perspective. • Youth, Women and PWD groups companies developed for export readiness. • Existing and seasoned exporters companies developed to increase their export propensity. • KZN Exporters assisted to access markets through TIKZN facilitation • Distressed businesses supported through business retention interventions. • Expansion projects committed. • Jobs created and retained from business support interventions. • Business supported with enterprise development initiatives. • Precinct revitalisation projects facilitated • New investment packaged projects to stimulate the economy • Sector profiles • Quarterly economic overview and market trend analysis reports for KZN province.			▪ Rand Value increase in turnover of exporters = R37.63m ▪ Number of jobs created = 21 ▪ companies developed for export = 69 ▪ Exporters assisted with focused training and capacity building propensity = 27 ▪ Number of deals/orders for KZN exporters = 26 • Number of distressed companies supported = 104 • Rand value of expansion projects = R835m • Jobs created and retained = 3256 • Companies supported with enterprise/supplier development = 104 • Number of precinct revitalisation projects facilitated = 4 • Number of projects packaged = 16 • Number of sector profiles developed = 16 • Number of quarterly overviews, trend analysis, board reports, country targeting reports and Business Intelligence documents = 28
Dube Tradeport (DTPC)	• Increased investment and export potential-effective and efficient cargo handling services which satisfy customer's requirements. • Increased investment and export potential- promotional marketing and communication activities that have a wide reach. • Sustainable development and operation of the DTPC- Increased revenue from cargo handling and AiRoad	399 652	298 979	• 52.72 million people were reached through marketing and communication activities during the year. • R3,83 million in revenue from cargo terminal services was attained. • R47,12 million was generated from rentals from tenants. • There was a 9.7% reduction in energy consumption. • There was a 16.7%

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
		R'000	R'000	
	operations. • Sustainable development and operation of the DTPC-Increased revenue from rental of DTPC's land and buildings. • Operating efficiencies optimized. • Reliable, effective and efficient AgriZone services provided to customers and tenants. • Occupancy levels maximised by signing new leases and retaining existing tenants. • Fibre network implemented in the new DTP precincts. • Statutory authorisations and permits received, increasing the area of land available for development. • Carbon emissions reduced. • Production capabilities of the Tissue Culture Facility increased through research and development activities. Land rehabilitated in compliance with ROD requirements.			reduction in property operations input costs. • There was a 84.9% achievement for the effectiveness of service level standards. • There was a 99.8% occupancy level of AgriZone facilities. • 2 number of R&D projects and protocols were developed or implemented. • 210.65 hectares were rehabilitated or maintained. • 99.7% of uptime core network environment was implemented. • 3 number of statutory authorisations, permits and approvals were secured. There was a 29% reduction in carbon emissions from the baseline.
Richardsbay IDZ (RBIDZ)	• Rand value of investment approved by the Board • Rand Value of black industrialist investments approved by the Board • Number of construction projects commencing • Number of construction jobs created • Businesses owned by Black-Youth, Black-Women and Black-owned Enterprises supported	87 075	87 075	• R6.7 Billion • R686 Million • 3 • 250 • 19
Film Commission (KZNFC)	• Number of research papers (Target= 6) • Opinion expressed in the AG report(Clean Audit) • Percentage of procurement budget spent on designated groups (114% target). • Percentage of people selected to attend markets and festivals	83 548	52 114	• The entity undertook eight research projects during the financial year. Of which two projects were undertaken and funded by Moses Kotane Institute. The research topics that were undertaken are:- Economic catalyst at a Municipal level Ugu District Municipality, Desktop study on the impact of covid 19 on the film sector in KZN; a Desktop research

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
		R'000	R'000	
	from the designated groups (72% target). • Percentage of film fund projects awarded funding to designated groups (86% target). • Number of IsiZulu/ Zulu Cultural Made for TV movies and short films awarded funding in development and production (6 Target). • Number of productions awarded funding through KZNFC film fund(4 Target) • Number of COVID projects awarded funding in development and production (6 Target). • Number of development projects awarded funding through KZNFC film fund (15 Target). • Number of temporary jobs created through KZNFC film fund (150 targets). • Percentage of temporary KZN crew employed on KZNFC funded projects(60% Target) • Number of learners trained in film-related courses (140 Target). • Number of bursaries awarded to students. • Socio-Economic Development projects supported in communities. • Marketing and promoting the destination for production. • Cluster facilities for emerging			on the Film and TV analysis, Baseline study; Update on films shot in KZN collection of identified KwaZulu-Natal Legends and Historical Sites, Markets and Film Festivals, Study on slate. • The target for unqualified audit opinion with no material findings was achieved for 2019/20 financial year. The services paid for were for the internal auditors and the Auditor General. • 119% procurement spend on BEE companies was achieved as a result of requisite requirement for EME's. A deliberate effort was made in the development of specifications and terms of reference to include pre-qualifying or minimum requirements for bidders in allocating contracts to B-BBEE service providers or QSE's and minimum B-BBEE status level • 119% procurement spend on BEE companies was achieved as a result of requisite requirement for EME's. A deliberate effort was made in the development of specifications and terms of reference to include pre-qualifying or minimum requirements for bidders in allocating contracts to B-BBEE service providers or QSE's and minimum B-BBEE status level. • There was limited attendance at festivals during the year, one application was made and approved from a designated

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
		R'000	R'000	
	filmmakers. • Sabela Film and TV Awards – • Audience development			group. • The markets and festivals programmes were mostly affected by the COVID-19 regulations. Some international and national markets and festivals were either postponed or cancelled during the year. Others offered online participation, but there was a very low response from our filmmakers to participate. • 98% of the film fund was awarded to designated groups to the total value of R16m with 21 development projects and 9 productions projects awarded during the year • 14 IsiZulu/ Zulu Cultural Made for TV movies were awarded funding in development and production to designated groups (this is important in that it markets and profiles the cultural heritage the province). The planned annual target was six, however, due to additional funding being allocated to Film Fund from operational savings more projects were added • The annual target was exceeded due to additional funding being allocated to Film Fund from operational savings. PLANNED 4 ACHIEVED 9 • The target was achieved through the awarding of 6 COVID slate projects. KZNFC had two COVID -19 response programmes during the financial year. The first programme had a budget of R9.9m. Out of this budget R3.6, m was set aside for slate productions of

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
		R'000	R'000	
				three fiction and three documentary COVID-19 projects. The balance was to fund PPE's and other film-related projects that had been approved by KZNFC and were going into production. A further R3.1m was received from EDTEA to allow all productions taking place in the province to apply for funding COVID 19 PPE's, in order to comply with the health regulations and protocols. Based on the callouts 37 projects have been awarded COVID relief funding to the value of R6m with 32% being awarded to youth, 100% (PDIs), 80% African and 46% female filmmakers. • The annual target was exceeded due to additional funding being allocated to Film Fund from operational savings. ACHIEVED 21 projects awarded funding. • The annual target has been exceeded due to the funding of the COVID slate projects that went into production and full funding of the Made for TV projects that went into production. Target 150 – achieved 187• • The target of 60% was not achieved. The use of timesheets instead of invoices for some projects resulted in those projects not being included as the means of verification required invoices. As a result, 54% was achieved. • The target of 60% was not achieved. The use of timesheets instead of invoices for some projects resulted in those projects not

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
		R'000	R'000	
				being included as the means of verification required invoices. As a result, 54% was achieved. • Out of a target of 140, there were 148 people trained in various aspects of the film industry during the financial year. • 24 students received bursaries. The group of students had Male: 10, Female: 14, Youth: 24, Disability: 2, PDI: 24 • The entity assisted two projects in Amaoti and Pinetown targeting township and disabled as part of its socio-economic development • Due to the Covid-19 pandemic, there was no travelling in the financial year in question and most festivals were either postponed or hosted virtually. • The KwaZulu Natal Film Commission also supported three other international festivals that took place in the province during the financial year, namely, The Durban International Film Festival (DIFF), Durban Film Mart (DFM) and the Nature environment wildlife Film Congress (NEWF) Through these platforms, KZN Film Commission gets to showcase its programmes, production, talent and KZN Locations. • The Cluster provides filmmakers with office space, hot desks and cameras for hire. • Simon Mabhunu Sabela KZN Film and television

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
		R'000	R'000	
				Awards took place virtually (due to the Covid- 19 pandemic) on 12 September 2020). The event was to recognise outstanding achievement and talent in the film and television industry, with a focus within the KwaZulu-Natal province. • A total of 167 applications for the various categories were received, out of which 18 awards were awarded to the winners, and one-lifetime achievement awarded to the late Henry Cele for his outstanding contribution to the film and TV industry. In 2020/2021 financial year the KwaZulu-Natal Film Commission successfully implemented the following audience development initiatives: Kwasukasukela Film Festival, KwaZulu Natal African Film Festival, Mzansi Reel Stories, Umgungundlovu Film Festival and Emerging Filmmakers Association (EFA). Each one of these in their programmes had masterclasses, panel discussions presentations and screening of local content.
KZN Liquor Authority (KZNLA)	• Audit Outcome • Percentage of licences and/or issued within the prescribed timeframes • Percentage of annual licence evaluation applications processed before expiry date • Number of job opportunities created from licences issued • Number of routine compliance inspections conducted on licensed premises • Percentage of identified illegal outlets that have been reported to SAPS for shutdown Number of KZNLA public awareness programmes implemented	83 586	72 851	• The entity obtained a clean Audit • 245 Licences issued to compliant license holders • Launched the secondary applications module on Elms • 3117 Annual evalution applications processed • 2654 jobs committed • 3923 routine compliance inspections conducted • Joint Law Enforcement Operation with SAPS, SARS, EDTEA & the Liquor Authority in Ugu and

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
		R'000	R'000	
				Ethekwini Municipalities • 174 illegal outlets reported to SAPS for shutdown • 7 KZNLA public awareness campaigns held • Held GBV awareness in Engwelezane and Empangeni • 245 Licences issued to compliant license holders
KZN Gamming And Betting Board (KZNGBB)	The main objectives are to license, investigate and rollout new gambling initiatives; conduct revenue and compliance monitoring audits within the gaming industry; ensure effective legal services and risk management; ensure good governance and compliance; minimise illegal gambling, fraud and corruption; and ensure effective management of the Board's financial resources in line with the statutory requirements.	55 788	55 788	• The total amount of Betting taxes generated by the Betting Industry duringthis financial period amounted to R R393,760 million the total amount taxes collected from the Gaming Industry amounted to R 417 072 million • The total taxes and levies including the distribution to Horseracing beneficiaries was R47 156 million including distribution • During 2020/2021 Financial Year there were approximately 851 existing and new Jobs that were created in the gaming and betting industries. • The contribution to the local through SMME spend by the industry in the year, the period ending February 2021, is approximately. • R 759 million on SMME of which R342 131 611.6 was spend on local economy. • The 2020 edition of the Dundee July Horseracing festival was cancelled due to COVID-19 regulations, as its provisions prohibited the staging of major events and mass gatherings. • Increased Opportunities in Gaming and Betting Increased opportunities has taken place through: • Increase in ownership and participation by black persons in industry. • 41% businesses owned by

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
		R'000	R'000	
				black persons (50+1). • 29% business black empowered (26% or greater). • One of the PGDP goals are to support implementation of the KZN Industrial Development Investment and Export. • The KwaZulu-Natal Gaming and Betting Board is partnering with the IDZ's (Dube Trade Port) to attract planned investment through the Black Industrialists Programme • **GBV Interventions and Support** • The KZNGBB together with EDTEA, KZN LQA, KZN SOCDEV, SAPS, KZN Comm Safety had answered the call to address Gender Based • Violence to create a platform to discuss the interventions that could be implemented to address the scourge and to be financial supported as well. The confirmed pledges are approximately **R12.3 Million** (post Covid-19), with **R5.5 million** allocated to poverty alleviation programme. • **Protecting the Public Interest** In order to the fulfil the mandate in respect of the protection of the public interest, the KwaZulu-Natal Gaming and Betting Board has partnered with the South African National Responsible Gambling Foundation which provides free treatment and counselling to problem gamblers and their families. The Foundation also undertakes research, training and awareness programmes. The month of November has been declared Responsible Gambling Month by the South African Responsible Gambling Foundation. The commemoration of the month is undertaken on an annual basis.

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
		R'000	R'000	
				The awareness campaigns and approach employed by the KZNGBB during this period are intensified. The commemoration of the Month involves awareness and training activities which highlight responsible gambling to the public at large as well as the manner in which problem gamblers can be assisted. During November 2020 there were approximately 5000 members of the public that were engaged with. **Bookmakers Clerk Internship Programme**The KZN Gaming and Betting Board, the South African Bookmakers Association was the roll-out of the Bookmakers Clerk Training Programme. The programme provided learner-ship opportunities to 10 unemployed youth to obtain experiential training within in the bookmaking sector whilst undertaking a bookmaker's clerk course. The learners have completed the course and graduated in September 2020. The successful completion of the course will provide opportunities for the youth that participated in the economic
KZN Tourism Authority (KZNTA)		111 091	100 976	• Despite the drastic negative impact on tourism, TKZN was quick to adjust its focus and adapt to the new reality which confronted the sector. The entity continued to execute on its mandate and complied with stringent corporate governance principles throughout the year. • Tourism KwaZulu-Natal (TKZN) came up with a three-phase marketing recovery strategy in order to respond to the devastation that was being cause by the COVID-19 pandemic. One of the strategy's pillars was a hard-hitting campaign #KZNhasitall Believe it. The first phase of the campaign (Reassure) was about encouraging the public not to cancel their travel plans

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
		R'000	R'000	
				completely, but rather postpone them for a later stage when they could travel freely. The second phase (Regain) looked at partnering with tour operators and others in the tourism trade in creating in-your-face messages encouraging intra-provincial travel as the ban was lifted on domestic tourism. The final phase (Build) saw TKZN continue joint promotions with trade to encourage travel into and around the province. All three phases were executed mainly on digital platforms and resulted in increased engagement on these platforms. • The closure of information offices and the limited movement of tourists meant that digital platforms such as websites and mobile apps had to be used to distribute information. • Several digital engagements with tourism partners were held to ensure the sustainability of tourism in KZN. Online workshops were conducted to support the tourism industry and to ensure that marketing the province continued during the pandemic. • The R20 million KZN Tourism Relief Fund targeting tourism enterprises and tourist guides affected by covid-19 was approved and its operations has commenced. • Small tourism enterprises were equipped with information, knowledge and tools necessary to function in a Covid-19 environment. The workshops were conducted using online platforms and TKZN's YouTube channel live streaming. • Several emerging black owned tourism enterprises benefitted from the enterprise

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
		R'000	R'000	
				development support, placing them in a sound position to bounce back with vigour when tourism fully resumes in the Province. A partnership with Airbnb was formed to ensure that communities situated close to tourism attractions in the province benefitted from tourism by providing homestays. • The Tourism Information Service's Research Unit plays a critical role in the improvement of TKZN Tourism's service offerings. During the 2020/21 period, the unit undertook a number of research projects, including tracking hotel occupancy trends in KwaZulu-Natal as the country entered into lockdown in response to the effects of Covid-19. • Research reports included the Brand Tracker Study, Omnibus-Domestic Tourism Report, Annual Statistics Report and the Impact of COVID-19 Report. During 2020, adhoc surveys were conducted to determine the impact of COVID-19 regulations. The research unit also produced a weekly, monthly and quarterly Tourism Performance Report on the latest information relating to the tourism sector globally. • TKZN partnered with Media24 in order to increase the number of visitors into the province. The partnership was digital in format and execution. The aim of the partnership was to create awareness of destination KZN, encourage engagement with the public

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
		R'000	R'000	
				and ultimately result in transactions (bookings). As a result of this campaign, TKZN reached over 2,9 million unique users who have an inclination to travel. This campaign also assisted TKZN in achieving its mandate of ensuring the geographic spread of tourists in the province. • As part of the 360-degree awareness campaign run in this period, TKZN created adverts and aired these on SABC1 and Mzansi Magic. Combined, the two channels have a viewership of 25 million. The adverts showcased different parts of the province thereby making way for the geographic spread of tourists. • TKZN worked closely with the media to inform them about the initiatives driven by the entity to manage the impact of the pandemic. • Members of the media were invited to join tourism webinars conducted by the national Minister of Tourism, the provincial MEC of Economic Development, Tourism and Environmental Affairs and tourism operators. • During the year under review numerous media statements were produced and distributed to the media on

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
		R'000	R'000	
				the interventions driven by the entity, leading to a surge of exposure and publicity for the destination. Media partnerships were forged with Expresso on SABC 3, Gagasi FM, Kaya KM, IOL, DSTV Supersport, Channel O, The Morning Show on eTV, Ukhozi FM and The Citizen, extending the reach of the message to a massive national audience with all of our partners' online platforms being utilised. The organisation used its various social media platforms including Facebook, Twitter, Instagram and YouTube to promote Destination KZN. These included videos and content to keep KZN top of mind during the various National Lockdown Alert Levels. TKZN's inspirational video was shared on several online social media platforms and on YouTube.
KZN Sharks Board (KZNSB)	▪ Institutional capacity ▪ Financial sustainability ▪ Improved employer-employee relations ▪ Operational health & safety ▪ COVID-19 health & safety plan and protocol ▪ Investment in new technologies ▪ Legal compliance ▪ Unqualified audits ▪ Development opportunities of target groups (youth, women and people with disabilities) ▪ Deployment of environmentally sensitive bather safety methods ▪ Reduced by-catch ▪ Research and monitoring of sharks and marine life ▪ Development of non-lethal shark-repellent technologies ▪ Commercialisation of SRC ▪ Awareness-raising programmes (Bather safety	73 377	73 377	▪ Shark attack free year; ▪ Obtained a clean audit opinion ▪ Percent creditors paid within agreed timelines of 30 days exceeded target set after its review due to Covid-19 impact; ▪ Percentage of outstanding debt collected from the municipalities exceeded the target set after its review due to Covid-19 impact; ▪ Percentage budget allocated to capital infrastructure spent exceeded the target set after its review due to Covid-19 impact; ▪ Lower number of non-target species captured in terms of the requirement of the KZNSB Act No.5 of 2008; ▪ Number of projects achieved in implementing ICT strategy as per the ICT Roadmap

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
		R'000	R'000	
	tips) Marketing and tourism promotion			was achieved; ▪ Signed recognition Agreement with relevant trade union ▪ Number of monthly management / labour meetings; ▪ Percentage of salary budget spent on training annually ▪ Number of safety awareness programmes per year; ▪ Number of health and safety meetings per year; ▪ Peer-reviewed publications produced were over-achieve ▪ Outreach Programmes were over-achieved; Number of marketing medium / tools used.
Ezemvelo Wildlife (EKZNW)	• Invasive alien Species Programme • Youth Environmental • Services • National Environmental Monitors • Payment for Ecosystems Services • Infrastructure Development and Job creation (Roofing Project) Sfundimvelo Environmental Education	986 992	950 816	• Invasive alien species are the second biggest threat to biodiversity following habitat destruction. Invasive plants have an impact on wildfires, soil erosion, siltation of dams and estuaries, flooding, water quality and more. Clearing of invasive alien plants inside protected areas is done to minimize the impact. A total of 106 161 hectares have been cleared in the financial year. The programme created work opportunities for communities that surrounds Ezemvelo Protected Areas. A total of 2149 people worked in the main programme during the financial year. The parthenium project created 163 jobs. Several accredited trainings were completed, including Fire Boss, Poultry Farming, Limited Pest Control and Business Finance. • Youth is the target in the implementation of this programme. The youth is equipped with scarce-skills

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
		R'000	R'000	
				required for the improvement of natural system, environmental education in terms of awareness towards improving the quality of the environment, addressing environmental problems and biodiversity conservation. All participants have completed their trainings. A total of 181 have exited the training programme into Ezemvelo, and other entities. • The Environmental Monitors Programme forms part of the government's concerted efforts to address the challenge of wildlife crime, particularly rhino poaching. Environmental Monitors are deployed in groupings through-out the organization to assist with environmental education, environmental monitoring, research support, administrative support, and security operations. The Environmental Monitors programme has not only been instrumental in assisting with wildlife poaching, but the participants have filled an important gap in provide field guarding service to teams that do clearing work in field. The programme has created jobs for 215 young people during the financial year. The programme has successfully conducted accredited trainings on Basic First Aid, and Occupational Health and Safety to 76 participants. More than 68 of these participants have undergone firearm training. Eight participants have been absorbed to permanent employment at Ezemvelo KZN Wildlife and other private 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
		R'000	R'000	
				• The Maloti Drakensberg Mountains are the most strategic water source in South Africa, supplying much of the sub-continent through rivers and inter-basin transfers. Payments for environmental services (or benefits), are incentives offered to communities in exchange for managing their land to provide some sort of ecological service. The project employed 185 local participants in Bergville in the communities of Amazizi Tribal Authority and Amangwane Tribal Authority. A total of 4070 person days were achieved. Both accredited and non-accredited training was completed. • Involves roofing using Harvey-thatch tiles coated with element proof natural stone-chip at Thendele. The thatched roof lifespan is rather reduced and now and then the entire roof must be stripped and re-thatched. When the thatch is converted to tiles, after the initial out-lay for the work and materials, these maintenance costs has been shown to drop to an absolute minimum. The lower camp has 13 Units, the upper camp 13 units, with 2 cottages and a reception building. The total number of buildings under rehabilitation is therefore 29 buildings. A total of six chalets have been completed. The project has created employment opportunities for 73 local laborers. • The mission of S'fundimvelo is to engage with schools that are situated in communities on the borders

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
		R'000	R'000	
				of Ezemvelo parks and reserves. Learners and teachers were educated about the importance of biodiversity conservation, inspiring them to take ownership and responsibility for conserving their own environments. Mandla Mthethwa School is a school located in the adjacent community around Ndumo Game Reserve and has been identified as a pilot school for excellence to be officially under S'fundimvelo Environmental Education Programme. A total number of 400 learners from the school were part of the programme.

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2020 to 31 March 2021

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
KUMISA	Private enterprise	Music Cluster		3 675	3 675	
KZN Clothing & Textile Cluster	Non Profit Institution	Clothing &Textile Cluster		3 143	3 143	
Zululand Municipality	Municipality	KwaMajomela Infrastructure		3 500	-	
Ray Nkonyeni Municipality	Municipality	Greenest Municipality Competition		4 600	1 502	
Phongola Municipality	Municipality	Mkhuze Falls & Phongola Spatial Development		3 500	2 761	
Greater Kokstad Municipality	Municipality	Greenest Municipality		5 375	-	SCM process initiated for procurement of two

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
		Competition, Informal Economy & Phongola Spatial Development				vehicles for waste management.
Umgungundlovu District	Municipality	Howick Falls Precinct		5 000	-	
Umsunduzi Municipality	Municipality	Informal Economy		6 800	2 500	
Okhahlamba Municipality	Municipality	Drakensberg Extravaganza &Informal Economy		9 500	-	
Umvoti Municipality	Municipality	Informal Economy		3 000	-	
Umtubatuba Municipality	Municipality	Mtubatuba Tourist Centre, Mtubatuba Agroprocessing & Greenest Municipality Competition		3 875	-	
Jozini Municipality	Municipality	Jozini Visitor Infor Center		1 500	448	
INkosi Langalibalele Municipality	Municipality	Greenest Municipality Competition & Dalton Bridge Community Project		5 400	-	The SCM Unit is in the process of procuring a Weighbridge, Software and also renovate the existing Mobile Office.
Downstream Aluminium Centre of Tech.	Non-profit Institution	Women Enterpreneurship Project		1 546	1 546	
eNdumeni Municipality	Municipality	Greenest Municipality Competition		375		Utilisation of the GMC grant is still at SCM processes. Municipality expects to start reporting spending from June.
Newcastle Municipality	Municipality	Greenest Municipality Competition		400	-	
AbaQulusi Municipality	Municipality	Greenest Municipality Competition		800	-	
Ulundi Municipality	Municipality	Greenest Municipality Competition		375	-	SCM process has been initiated. Request memo sent to MM for the buyback centre repairs as per the business plan submitted.

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
uMfolozi Municipality	Municipality	Greenest Municipality Competition		375	-	No funds have been spent so far due internal processes to assign to appropriate vote. Requisition in progress.
uMhlathuze Municipality	Municipality	Greenest Municipality Competition		800	-	SCM process initiated. Requisitions for infrastructure (indoor and outdoor bins) in progress.
uMlalazi Municipality	Municipality	Greenest Municipality Competition		375	-	
Mthonjaneni Municipality	Municipality	Greenest Municipality Competition		375	-	
Nkandla Municipality	Municipality	Greenest Municipality Competition		600	-	Requisition to purchase building material is on progress. No money has been spent yet.

The table below reflects the transfer payments which were budgeted for in the period 1 April 2020to 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
UKZN Aerostropolis		1 000	-	R1 million was underspent due to delays in accreditation of Post Grad/Masters degrees in Aerostropolis Programme by SAQA
Dr Nkosazana Dlamini-Zuma Munixipality	Greenest Municipality Competition	375	-	Due to delays in submission of relevant information by the Dr. Nkosazana Dlamini-Zuma Municipality

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

There were no conditional grants paid in the year under review.

6.2. Conditional grants and earmarked funds received

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

Conditional Grant:

Department who transferred the grant	Public Works (EPWP Integrated Grant for Province)
Purpose of the grant	The bulk of this grant is used by Environmental Affairs for Invasive Alien Species Programme (IASP)
Expected outputs of the grant	7 500 work opportunities were created
Actual outputs achieved	8 615 work opportunities were created
Amount per amended DORA	4 988
Amount received (R'000)	4 988
Reasons if amount as per DORA was not received	Not applicable
Amount spent by the department (R'000)	Not applicable
Reasons for the funds unspent by the entity	Not Applicable
Reasons for deviations on performance	Not Applicable
Measures taken to improve performance	Monthly budget expenditure reviews and improvement measures where applicable
Monitoring mechanism by the receiving department	Monthly budget expenditure reviews and improvement measures where applicable

7. DONOR FUNDS

7.1. Donor Funds Received

There were no donor assistance funders received during the year under review.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Provide commentary on the following:

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,
- Plans to close down or down-grade any current facilities,
- Progress made on the maintenance of infrastructure
- Developments relating to the above that are expected to impact on the department's current expenditure.

- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft
- Measures taken to ensure that the department's asset register remained up-to-date during the period under review
- The current state of the department's capital assets, for example what percentage is in good, fair or bad condition
- Major maintenance projects that have been undertaken during the period under review

Infrastructure projects	2020/2021			2019/2020		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets						
Existing infrastructure assets						
- Upgrades and additions						
- Rehabilitation, renovations and refurbishments						
- Maintenance and repairs						
Infrastructure transfer						
- Current						
- Capital	429 889	429 889	-	560 222	560 222	-
Total	**429 889**	**429 889**	**-**	**560 222**	**560 222**	**-**

1. INTRODUCTION

The Corporate governance requirements of the King IV report with regards to the Accounting Officer's responsibilities are espoused by section 38 and 40 of the PFMA. Pursuant to this legislation duty and responsibility towards sound governance, the Department has established a Risk Management Committee and a Risk Management Champions Steering Committee. These committees ensure that corporate, ethical, social responsibility and accountability are imparted to the Department's entire stakeholder constituency.

During the 2020/2021 financial year, the committee made great advances in the areas of Governance of information technology, business continuity, Occupational Health & Safety, fraud prevention awareness. This was primarily possible due to the maturing of thinking around true governance and the obligation the department has towards its stakeholders.

The department's risk management approach is aligned with the KZN Provincial Management Framework and this is championed by the Risk and Integrity Management Unit.

Moreover, the department complies with corporate governance requirements of the King IV report which has to be maintained through various functional structures of the organization, including top management, risk management and public entity oversight forums. The department ensures that good corporate governance resonates with the content of its strategy, culture, relations, performance, compliance and accountability.

2. RISK MANAGEMENT

The department takes risk management seriously hence efforts were made to prevent risky activities taking place in all its business operations The Accounting Officer commits the Department 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). The Accounting Officer has elevated the status of risk management by ensuring that it an agenda item at both Senior Management and Executive management meetings.

The Provincial Cluster Audit and Risk committee is furnished with quarterly progress updates on the implementation of mitigating strategies on risks the department is faced with to strengthen the control environment. The committee therefore advices the Department on risk management matters and independently monitors the effectiveness of the system of risk management. The department is gradually developing into more robust risk management culture. A new organisational structure has been proposed to strengthen the Risk Management component.

The department continues to implement the approved risk management policy as well as a risk tolerance and appetite statement. Its guides risk management process and instil risk management culture in the department. The quarterly risk assessments are conducted to determine the effectiveness of risk management policy and to identify new and emerging risks. Risks are identified through risk assessment reports as well as through the department's strategies and subsequently the risk register is updated.

Moreover, the department has a Risk Management Committee (Chaired by the Accounting Officer) that advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. The committee mainly facilitates the management of risk facing the department and ensures appropriate action is taken to address those risks.

The Risk Management activities are reported to the Audit Committee on a quarterly basis. There has been significant progress in the implementation of risk mitigation plans compared to previous years.

3. FRAUD AND CORRUPTION

The department continues to implement the approved fraud prevention plan, this plan was recently reviewed to ensure that it is still relevant. The approved fraud prevention plan incorporates fraud response policy which features mechanisms in place to report fraud and corruption. It's also includes a whistle blowing policy to limit the risk of employee's victimisation.

The department recognises that in order to effectively prevent fraud, all fraudulent activities detected by employees and other stakeholders are timeously investigated. All allegations received through the National Anti – corruption hotline (NACH) fraudulent in nature are referred to Provincial Forensic unit for investigation. The forensic unit conducts independent investigations and provides reports to department for implementation of recommendations and institute consequence management where necessary.

The department has improved mechanisms in place to mitigate the fraud and corruption risks. The main focus area is to create awareness of the fraud prevention plan through Education and communication. The department continues to implement fraud prevention improvement plan to address weaknesses identified. Quarterly progress reports were tabled at Provincial Cluster Audit and Risk committee meetings.

4. MINIMISING CONFLICT OF INTEREST

The department has approved and integrity management policy that provides guidance in terms of dealing with ethics and issues of conflict of interest.

The Department ensures that designated officials submit their disclosure of financial benefits to minimise the risk of conflict of interest. Discrepancies are followed up and transgressions are reported to labour relations for consequence management. Awareness campaigns are conducted on a quarterly basis. Also, the interest is declared in all key committee meeting including Bid Committees.

5. CODE OF CONDUCT

In order to give practical effect to the relevant constitutional provisions relating to the Public Service, all employees are expected to comply with the Code of Conduct. The Code of conduct acts as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. It also indicates the spirit in which employees should perform their duties, what should be done to avoid conflicts of interests and what is expected of them in terms of their personal conduct in public and private life. Therefore the primary purpose of the Code is a positive one, viz. to promote exemplary conduct and it is being adhered to in EDTEA.

An employee shall be guilty of misconduct and may be dealt with in accordance with the disciplinary procedure if they contravene any provision of the Code of Conduct or fails to comply with any provision thereof.

Supervisors/ managers alert the employee of the breach and seek a response. Depending on the nature of the breach, impact of the breach on the public service, level of the employee and mitigating factors supervisors sanction the employee.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

6.1 Background

6.1.1 His Excellency, President Ramaphosa announced on his address on the 30th of September 2021, that the country will move to lockdown Alert Level 1.

6.1.2 A key aspect of the response is that all workplaces should still continue to have safety protocols in place and adhere to the revised regulations.

6.1.3 EDTEA has a duty under Occupational Health and Safety of 93 (OHS) to make sure that it provides a safe workplace. In its response to COVID 19, EDTEA developed plans that were based on the need to contain virus and save lives.

6.1.4 The EDTEA response is in accordance with the regulations issues in terms of the Disaster Management Act of 2002, the Occupational Health and Safety Act of 1993, Circular No. 05 of 2021 State of Disaster Covid-19: Public Service Adjustments to Risk Adjusted Level 4 Regulations and other

Directives issued by the Minister of Employment and Labour in respect of COVID 19 Occupational Health and Safety Measures in the Workplace.

6.2 EDTEA and COVID 19

6.3.1 EDTEA has been fortunate that we have not had any death due to Covid 19, and the recovery rate is good. 59 of 67 employees who tested positive recovered and are back to work.

6.3 EDTEA COVID-19 STATISTICS

	Employee	Gender	Region	Hospitalized	Recovery	Status
1	Case 1	Male	Cascades	Yes	Yes	Back at work
2	Case 2	Male	Head Office	Yes	Yes	Back at work
3	Case 3	Female	Head Office	Yes	Yes	Back at work
4	Case 4	Female	Head Office	No	Yes	Back at work
5	Case 5	Female	Head Office	No	Yes	Back at work
6	Case 6	Female	Head Office	No	Yes	Back at work
7	Case 7	Male	Head Office	Yes	Yes	Back at work
8	Case 8	Male	Ethekwini	Yes	Yes	Back at work
9	Case 9	Female	Head Office	No	Yes	Back at work
10	Case 10	Female	Head Office	Yes	Yes	Back at work
11	Case 11	Female	Umzinyathi	No	Yes	Back at work
12	Case 12	Female	Umzinyathi	No	Yes	Back at work
13	Case 13	Male	Umzinyathi	No	Yes	Back at work
14	Case 14	Female	Head Office	No	Yes	Back at work
15	Case 15	Female	Head Office	No	Yes	Back at work
16	Case 16	Female	Head Office	No	Yes	Back at work
17	Case 17	Male	Head Office	No	Yes	Back at work
18	Case 18	Female	Head Office	No	Yes	Remote working
19	Case 19	Female	Head Office	No	Yes	Back at work
20	Case 20	Female	Head Office	No	Yes	Back at work
21	Case 21	Female	Head Office	No	Yes	Back at work
22	Case 22	Female	Tourism	No	Yes	Back at work

	Employee	Gender	Region	Hospitalized	Recovery	Status
23	Case 23	Male	Head Office	No	Yes	Back at work
24	Case 24	Female	Ilembe	No	Yes	Back at work
25	Case 25	Male	Ministry	Yes	Yes	Back at work
26	Case 26	Male	District Overseer	Yes	Yes	Back at work
27	Case 27	Male	Amajuba	No	Yes	Back at work
28	Case 28	Female	Head Office	No	Yes	Back at work
29	Case 29	Male	Head Office	No	Yes	Back at work
30	Case 30	Male	Raset	No	Yes	Back at work
31	Case 31	Female	Tourism	No	Yes	Back at work
32	Case 32	Female	Head Office	No	Yes	Back at work
33	Case 33	Female	King Cetshwayo	No	Yes	Back at work
34	Case 34	Female	Cascades	No	Yes	Back at work
35	Case 35	Female	Amajuba	No	Yes	Back at work
36	Case 36	Female	Ethekwini	No	Yes	Back at work
37	Case 37	Female	Head Office	No	Yes	Back at work
38	Case 38	Female	Head Office	No	Yes	Back at work
39	Case 39	Female	Raset	No	Yes	Back at work
40	Case 40	Female	Ilembe	No	Yes	Back at work
41	Case 41	Male	Head Office	Yes	Yes	Back at work
42	Case 42	Male	Ugu	No	Yes	Back at work
43	Case 43	Male	Cascades	No	Yes	Back at work
44	Case 44	Female	Cascades	No	Yes	Back at work
45	Case 45	Female	Cascades	No	Yes	Back at work
46	Case 46	Male	Head Office	No	Yes	Back at work
47	Case 47	Female	Jozini	No	Yes	Back at work
48	Case 48	Female	Amajuba	No	Yes	Back at work
49	Case 49	Female	Cascades	No	Yes	Back at work
50	Case 50	Male	Jozini	No	Yes	Back at work
51	Case 51	Female	Jozini	No	Yes	Back at work
52	Case 52	Female	Head Office	No	Yes	Back at work
53	Case 53	Female	New Castle	No	Yes	Back at work
54	Case 54	Male	Head Office	No	Yes	Back at work
55	Case 55	Male	Cascades	No	Yes	Back at work
56	Case 56	Male	Head Office	No	Yes	Back at work
57	Case 57	Female	Ugu	No	Yes	Back at work
58	Case 58	Male	Head Office	Yes	No	Discharged
59	Case 59	Male	Head Office	No	Yes	Back at work

	Employee	Gender	Region	Hospitalized	Recovery	Status
60	Case 60	Male	Cascades	No	No	In isolation
61	Case 61	Male	Cascades	No	No	Isolation
62	Case 62	Female	Head Office	No	Yes	Back at work
63	Case 63	Male	Ladysmith	No	Yes	Back at work
64	Case 64	Female	Harry Gwala	No	Yes	Back at work
65	Case 65	Male	Head Office	Yes	Yes	Back at work
66	Case 66	Male	Harry Gwala	No	Yes	Back at work
67	Case 67	Male	Ladysmith	No	Yes	Back at work
68	Case 68	Male	Ministry PMB	No	Yes	Back at work
69	Case 69	Female	Head Office	No	Yes	Back at work
70	Case 70	Male	Head Office	No	Yes	Back at work
71	Case 71	Male	Head Office	No	Yes	Back at work
72	Case 72	Male	Head Office	No	Yes	Back at work
73	Case 73	Female	Head Office	No	Yes	Back at work
74	Case 74	Female	Ladysmith	No	Yes	Back at work
75	Case 75	Female	Ladysmith	No	Yes	Back at work
76	Case 76	Male	Cascades	No	Yes	Back at work
77	Case 77	Female	Head Office	No	Yes	Back at work
78	Case 78	Male	Head Office	No	Yes	Back at work
79	Case 79	Female	Head Office	No	Yes	Back at work
80	Case 80	Female	Cascades	No	Yes	Back at work
81	Case 81	Female	Head Office	No	Yes	Back at work
82	Case 82	Male	Head Office	No	Yes	Back at work
83	Case 83	Female	Head Office	No	Yes	Back at work
84	Case 84	Female	Head Office	No	Yes	Back at work
85	Case 85	Male	Head Office	No	Yes	Back at work
86	Case 86	Female	Port Shepstone	No	Yes	Back at work
87	Case 87	Female	Tourism	No	Yes	Back at work
88	Case 88	Male	Richards Bay	Yes	Yes	Back at work
89	Case 89	Female	Jozini	No	Yes	Back at work
90	Case 90	Female	Jozini	No	Yes	Back at work
91	Case 91	Female	Amajuba	No	Yes	Back at work
92	Case 92	Female	Head Office	No	Yes	Back at work
93	Case 93	Male	Tourism	No	Yes	Back at work
94	Case 94	Female	Head Office	No	Yes	Back at work
95	Case 95	Female	Head office	no	yes	Back at work
96	Case 96	Male	Richards Bay	no	yes	Back at work

	Employee	Gender	Region	Hospitalized	Recovery	Status
97	Case 97	Female	Head Office	No	Yes	Back At Work
98	Case 98	Female	Head Office	No	Yes	Back At Work
99	Case 99	Female	Ulundi	No	No	Isolation
100	Case 100	Female	Ulundi	No	No	Isolation
101	Case 101	Female	Head Office	No	No	Isolation

6.3.2 South Africa is on the surge of the third wave of COVID-19 infections.

6.3.3 Circular 05 of 2021 provides a guide to Heads of Departments in the public service to continue with the decongestion of workplaces by limiting the number of employees physically present on-site as part of measures to mitigate the effects of the third wave.6.2.3 Circular 01 of 2021 remain in place until further notice (with the exception of all staff within the offices of Executive Authorities and Heads of Department as well as all Interns in departments who must be 100% in attendance taking into consideration approved COVID 19 health protocols.

6.3.4 EDTEA's Circular 13 of 2021 was circulated to all employees at EDTEA. There should not be more than 30% occupancy in the workplace at any given time. All programmes are adhering to using shift work, rotation and remote working arrangements.

6.3.5 Employees are encouraged to work remotely in consideration of the Remote Working Contractual Agreement in place, in order to manage accountability, performance and liabilities.

6.3.6 Given the challenges that relate to EDTEA's buildings, poor air quality and inadequate storage being the main ones, EDTEA is in continuous discussions with Public Works to secure more office space. Having additional office space will aid in demarcating space for COVID 19 Isolation Rooms.

6.4 Recovery of Business Function

Business Recovery and Continuity team has been critical at this stage for the Department. This unit together with EXCO and MANCO has been assisting with:

- monitoring of the effectiveness of the return to work programme

- deciding on the best management strategies of employees working from home
- ensuring effectiveness and support to those who have returned to work
- restoring confidence in the Department
- reviewing Business Continuity Plan
- Reviewing what the Department has learned through the process of working from home, i.e. the positives and challenges.
- Developing a disaster management policy for the department

6.5 Summary of EDTEA Successes

6.5.1 EDTEA has managed to comply with the COVID 19 regulations as stipulated in Disaster Management Act of 2002, the Occupational Health and Safety Act Of 1993 and Circular No. 05 of 2021 State of Disaster Covid-19: Public Service Adjustments to Risk Adjusted Level 4 Regulations

6.5.2 As a department we have been successful in:

i. Continuous workplace sanitization and decontamination in case of a positive case
ii. COVID 19 screenings in all our building entrances
iii. Provided cloth masks to all our employees including security staff and cleaners
iv. Glass shields installed in all departmental office receptions to protect front line staff
v. Cleaners trained regarding new cleaning protocols and waste management
vi. Sanitizing stands placed in strategic areas
vii. Continuous support for screening teams
viii. Monitoring of compliance with safety protocols
ix. Continuous awareness and support
x. All EDTEA meetings including recruitment is done virtually
xi. EDTEA has also been successful in procuring signing hub, a platform which provides a quick and user-friendly digital signing. This platform is used for sending, viewing and returning signed e-documents.
xii. COVID-19 Isolation Room at Head Office.

6.6 Challenges

6.6.1 EDTEA does not have a disaster fund that is budgeted for annually to cover natural disasters (such as COVID-19) and work- related disasters (such as fire, structural issues, bomb threats etc) and where we stand currently there are no budgeted funds for the procurement of COVID-19 related resources, such as PPE, social distancing floor decals, temperature sensors, office partitions to promote social distancing and so forth.

6.6.2 The OHS Committee proposed EDTEA purchase its own fogging machines and seek assistance of the existing EPWP programme.

6.6.3 Ventilation deficiency poses a big risk at EDTEA. The more numbers increase in a poorly ventilated environment, the more viruses spread uncontrollably.

6.6.4 6Anxiety is one of the main challenges in our department. Some employees are becoming paranoid as an emotional response to this pandemic. EDTEA has embarked on continuous awareness, support, and reassurance and ensuring that all COVID 19 protocols are followed and can be visibly seen.

7. PORTFOLIO COMMITTEES

The Department reports to the Economic Development and Tourism and the Environmental Affairs Portfolio Committees. The Department meets with these portfolio committees during each quarter of the year under review.

THE DATES OF THE MEETING:

ECONOMIC DEVELOPMENT, TOURISM PORTFOLIO COMMITTEE	ENVIRONMENTAL AFFAIRS PORTFOLIO COMMITTEE
21 April 2020	22 April 2020
27 April 2020	30 June 2020
5 May 2020	18 August 2020
11 June 2020	11 September 2020
28 July 2020	11 December 2020
8 September 2020	2 February 2021

10 November 2020 18 December 2020 15 January 2021	

MATTERS RAISED BY THE PORTFOLIO COMMITTEE AND HOW HAS THE DEPARTMENT ADDRESSED THESE MATTERS

Quarterly meetings are held with the respective Portfolio Committees wherein the department is required to report and account on its quarterly performance amongst other matters pertaining to the department. There are 12 public entities that report to the Department and also account to the respective Portfolio Committees with regards to their performance and other related matters. The Department has addressed all the matters raised by the committees as required.

During the year under review the department and its public entities were required to present on the following matters:

- Quarterly Performance
- Rationalisation of Public Entities
- Departmental Budget 2020/2021
- Departmental APP 2020/2021
- Capital Projects
- 2020/2021 Budget Hearings with the Department and Public Entities
- Filling of vacant posts
- COVID 19 Interventions
- KZN Sharks Board Maritime School of Excellency
- Economic Recovery Plan
- Operation Vula and RASET
- Public Entity Performance
- Mkhuze Airport
- KZN Sharks Board
- Stakeholder Engagements on 2021/2022 APP
- Air Quality
- EIAs
- Risk and Fraud Presentation Plan

- Landfill Sites

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
Resolution 10/2020	Irregular expenditure (relating to Transversal Resolution 50/2019).	Non-compliance with applicable laws and regulations in the procurement of goods and services	Consequence management has been taken for all the investigations that have been concluded. Request for condonation has been submitted to the provincial treasury.	In progress. Treasury response on the request for condonation is awaited.
Resolution 11/2020:	Forensic investigations (relating to Transversal Resolution 54/2019)	This resolution related to the forensic investigations of the Department.	One matter was finalized during Q4 of 2019/2020 and the recommendations of the reports were implemented. Four reports are in draft undergoing quality review before they can be issued to the Department.	Partly resolved.
Resolution 12/2020:	Internal Investigations (relating to Transversal Resolution 55/2019 & 57/2019)	The Department was required to provide progress on the steps taken to address the capacity constraints within	The organisational structure of the department, which provides for additional capacity within the internal audit directorate,	In progress.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		the Department and in the finalisation of all investigations still in progress, as well as the implementation of recommendations, together with anticipated time frames.	was submitted to the OTP for endorsement and shall thereafter be submitted to the DPSA. The targeted date of implementation of the structure is 1 April 2022.	
Resolution 13/2020:	Filling of vacant posts (relating to Transversal Resolution 59/2019).	The Department was required to provide a report on the filling of vacant funded posts.	This is an ongoing process that is impacted by natural attrition. The vacancy rate of the department was reduced from 29% to 15% as at the end of the financial year.	Ongoing
Transversal Resolution 81/2020:	Inter-departmental claims owing to Public Works: R293.109 million as at 31 December 2019	The Department was required to indicate if there were any amounts owing to Public Works as at 31 March 2020, together with an age analysis. Reasons needed to be provided for the delays and defaults in the settlement of	There were no outstanding payments from the Department of Public works all invoices submitted by the Department of public Works are processed within the month of their submission.	Not applicable

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		claims payable to Public Works.		

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The department achieved a financially unqualified audit opinion with material findings on matters of non-compliance. **a) Annual financial statements** The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of departmental revenue and national revenue fund receipts to be surrendered to revenue fund, cash received and paid over to revenue fund, prepayment expensed and contingent liability and asset identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion. **b) Consequence management** The auditors were unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA because some investigations were in progress. c) **Adjustment of Material**	**2019/2020**	• HOD and CFO positions have been filled which will result in the stability of leadership in the department. • An audit improvement strategy has been developed and implemented by the Department for each finding on the Audit Report and Management Report. Progress is monitored on a monthly basis by the Director: Internal Audit. Quarterly reports are tabled to the Audit Committee of the Department to monitor the implementation and employ intervention measures where necessary. • Road to Clean Audit included as an agenda item in EXCO meetings in order to deal with governance, internal control and non-compliance matters. • Compliance checklists were introduced in Finance and SCM to prevent, detect and correct misstatements and non-compliance with applicable policies. • The department recruited additional staff to manage performance information, which information is audited by the M&E unit on a quarterly basis in order to detect errors and implement appropriate remedial measures. Three positions have been filled in the M&E unit. The Director commenced duty on 1 March 2021 and two Deputy Directors assumed duty on 1 June 2020. • The Chief Risk Officer, Deputy Director and Assistant Director Risk and Integrity Management have been appointed on 1 May 2019, 1

Misstatements Material misstatements were identified on the reported performance information for the environmental management programme.		January 2021 and 1 December 2020 respectively. The unit drives the risk management and fraud preventions strategies of the department. The Risk management committee is chaired by the HOD and meets on a quarterly basis. As a result, the risk maturity level of the Department has improved significantly. • Business automation processes are underway through the development of the contract management system, E-leave and E-submissions. This will improve document management, efficiencies, management of contracts and leave and reduce errors related to these areas.

10. INTERNAL CONTROL UNIT

Internal control unit focused on the following key areas

I. Follow up review on the implementation of recommendations made by the Auditor – General in 2020/2021
II. Follow up review on the implementation of recommendations made by the Provincial Treasury in 2020/2021
III. Determination tests for Irregular expenditure incurred in 2020/2021.
IV. Compliance to legislations and policies review.
V. Compliance with prescripts (Monthly BAS and Hardcat payments).
VI. Quarterly Inventory stock count.

11. AUDIT COMMITTEE REPORT

The Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, and is pleased to present its report for the financial year ended 31 March 2021.

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The Department of Economic Development, Tourism and Environmental Affairs is served by the Economic Sector and Infrastructure Development Cluster Audit & Risk Committee.

The Committee has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter and has regulated its affairs in compliance with this charter, and reports that it has discharged all of its responsibilities as contained therein.

1. Audit Committee Members and Attendance

The PARC and Economic Sector and Infrastructure Development CARC consists of the members listed hereunder who have met as reflected below, in line with the approved terms of reference.

#	Name of Member	PARC Meetings Attended	ESID CARC Meetings Attended
1.	Mr S Simelane (Acting Chairman of PARC, GSCID and ESID CARC)	*7 of 8*	*4 of 4*
2	Mr V Ramphal	*7 of 8*	*4 of 4*
3.	Mr M Tarr	*7 of 8*	*4 of 4*
4.	Ms T Njozela (Acting Chairman of SPCHD Cluster)	*8 of 8*	*N/A*
5.	Mr P Christianson	*8 of 8*	*N/A*
6.	Mr D O'Connor	*8 of 8*	*N/A*

2. The Effectiveness of Internal Controls

The Committee has reviewed the reports of the Provincial Internal Audit Service (PIAS), the Audit Report on the Annual Financial Statements and Management Report of the Auditor General of South Africa (AGSA) and has noted with concern, the weaknesses in controls in the following areas:

- Audit on Biodiversity Management
- Small Business Development & Cooperatives Development Audits

The Committee noted with concern the number of control deficiencies identified by internal auditors. Although management interventions on certain control weaknesses were considered by the Committee, the Accounting Officer is urged to urgently implement strategies that will prevent any further regression on audit outcomes.

3. Effectiveness of Internal Audit

The PIAS performed effectively during the period under review. The Committee has, through the PARC and CARC monitoring processes assessed both the PIAS and its audit reports on the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the Department. These audit reports were tabled at quarterly CARC meetings.

The PIAS planned to conduct fourteen (14) audit assignments for the period under review, of which twelve (12) were finalized, and one (1) was rolled over and one (1) was deferred to the 2021/22 financial year with the approval of the Audit Committee.

The PIAS performed effectively during the period under review; notwithstanding concerns raised by the Committee in respect of the financial and human resource limitations imposed upon the unit. The Committee will monitor the progress made by the PIAS against its operational plans in order to ensure that it continues to fulfil its mandate and add value to the department.

4. Risk Management

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the Risk Management Operational Plan.

As at the end of the 2020/21 financial year, the Department's risk register status was as follows:

Focus areas	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
No of identified risks	7	31	22	3	2	65
No of agreed action plans action	9	49	32	3	3	96
No of implemented action plans	8	33	25	3	3	72
% completion of action plans	89%	67%	78%	100%	100%	75%

The Committee 1) notes progress made by the Department on completing 75% of its risk mitigation plans and 2) commends the Department for having a functional risk management committee which meets and is attended by its members on a regular basis. The Department is, however, advised to 1) promptly complete its remaining risk mitigations plans, particularly for risks classified as critical and major, 2) re-rate all risks that have completed action plans, and 3) ensure that all its risk management committee members complete the National Treasury's e-learning risk management course.

With regard to other risk-related improvement plans, the Department was advised to 1) improve its occupational health and safety (OHS) management and monitoring practices at all its offices, 2) ensure that the recently reviewed fraud prevention plan is approved and implemented, and 3) ensure continuous functioning of the business continuity management steering committee.

With regard to the current COVID-19 pandemic, the Department is urged to ensure continued compliance with prescribed COVID-19 and OHS control measures that have been implemented in all of its offices and public entities, and to put the necessary contingency measures to minimise against the negative impact the pandemic might have on the achievement of the Department's service delivery obligations.

5. Quality of in year management and monthly/quarterly reports

The Committee was satisfied with the content and quality of quarterly reports in respect of in year management and quarterly performance prepared and issued by the Accounting Officer of the Department submitted in terms of the PFMA and the Division of Revenue Act during the year under review. However, the Committee notes with concern the material impairments of receivables amounting to R31,58 million, which was reported as a result of the assessment of the recoverability of various debtors.

6. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the Annual Financial Statements, including the audit report, with the Auditor General and the Accounting Officer;
- Reviewed the Auditor General's Management Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions and did not identify any instances of material non-compliance; and

- Reviewed the conclusions regarding the reliability and usefulness of performance information.

7. Forensic Investigations

During the period under review, the Committee noted that there were eighteen (18) forensic investigations, from 1 April 2020 to 31 March 2021, relating to alleged supply chain management and procurement irregularities, human resource irregularities, nepotism, maladministration and irregular expenditure which the Department had referred to the Office of the Premier (OTP) for investigation.

- From the eighteen (18) investigations, ten (10) of these investigations were completed, ie. Phase 1 was completed, and eight investigations (8) are in-progress.
- From the ten (10) completed investigations, all had disciplinary action recommended, with seven (7) matters being finalised and three (3) disciplinary proceedings in-progress.
- The Committee further noted that five (5) matters had criminal recommendations, with four (4) matters currently under criminal investigation by the South African Police Service (SAPS) and one (1) investigation is still to be registered.

The Department and OTP are urged to promptly finalise the outstanding investigations and work together to implement the recommendations made in the finalised investigations.

8. Auditor-General's Report

The Committee has monitored the implementation of corrective action plans to address the audit issues raised by the Auditor General in the prior year. The Committee has met with the Auditor General of South Africa to discuss and evaluate the audit issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs and accepts the conclusion of the Auditor General's unqualified opinion on the Annual Financial Statements, and is of the opinion that the

Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

9. Appreciation

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the co-operation and support they have provided to enable us to compile this report.

Mr S Simelane

Acting Chairman: Provincial Audit and Risk Committee

27 September 2021

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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 applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	• Under EDTEA there is KZN Liquor Authority and Liquor Licences are issued by the KZN Liquor Authority. B-BBEE compliance is part of the requirements when applying. • The current requirements for environmental Authorisations do not require B-BBEE compliance. There is a need to amend the legislations used to be in-line with the B-BBEE act.
Developing and implementing a preferential procurement policy?	Yes	• The Department follows the Treasury and Provincial Treasury legislations and guidelines. The Preferential Procurement Policy Framework Act (PPPFA) Regulations uses a preferential procurement point system and a prequalification criteria. • The preferential point system has a loophole as companies who are not B-BBEE compliant can still benefit from procurement based on price.

Determining qualification criteria for the sale of state-owned enterprises?	No	• The function is not applicable to EDTEA
Developing criteria for entering into partnerships with the private sector?	Yes	• Public Private Partnerships (PPP's) are guided by the Treasury and Provincial Treasury guidelines where B-BBEE compliance is a requirement and EDTEA also follows those guidelines
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	• The Department has developed the Operation Vula Fund Policy which is a grant to assist small businesses. The policy targets Blacks and Africans in particular. Tier 2 and 3 applicants have to submit B-BBEE certificates as part of their applications.

1. INTRODUCTION

Human Resources within EDTEA comprises of 7 functional areas namely: Organizational Design & Change Management, HR Policy & Planning, Labour Relations, Service Conditions, Practices, Human Resource Development and Employee Health & Wellness. The Directorate receives its mandate from the Strategic Plan and Strategic Human Resources Plan of the organization.

2. OVERVIEW OF HUMAN RESOURCES

2.1 Vacancy

In the last few years the department has grown three-fold, however there has been no movement in terms of addressing the capacity issues in HRM & D. As a result, this is leading to staff exhaustion and burnout and high levels of absenteeism. This challenge is not just privy to HRM & D, but to the entire department. Holistically, the department currently has a vacancy rate of 15% with the Administration (19,4%), Business Regulations (20.8%), Tourism (18.2%) and Environmental Management (12.3). To exacerbate matters posts are taking longer than six months to be filled. In terms of legislation our vacancy rate must be below 10% and vacant posts must be filled within 6 months.

2.2 Organizational Development & Change Management

The department's proposed structure which is now aligned to the department's Strategic Plan and mandates is pending DPSA's concurrence. All posts have been benchmarked according to DPSA's recommendation and any disputes will be addressed on an individual basis. Once this structure is approved the department's vacancy rate will increase and it is essential that critical and scarce skills are filled urgently to reduce the vacancy rate. Recruitment over the MTEF will be in accordance with the OD proposals and funding model. Funding must be made available to support the proposals. It is also crucial to note that with the changing circumstance of the department it is critical to have a change management plan with strategic interventions in place such employees also part of the journey.

2.3 Employee Health & Wellness

The department faces a larger challenge especially at head office in terms of reducing the vacancy rate and that is due to lack of office space. Head office which was formally a warehouse converted for office use is found to be unconducive due to lack of ventilation with no windows, no sunlight and allows for the easy spread of the virus. Many employees are experiencing "sick building syndrome" which is resulting in fatigue and increased absenteeism. Our Employee Health and Wellness Unit has been inundated with complains from employees with regards to the building and the impact it has on their health. Notwithstanding these challenges, the EHW unit tries to promote healthier living, balance between work and family life and work and play. Apart from COVID, HIV and AIDS is still a silent killer which has claimed more deaths than Covid should not be taken lightly. In this regard, the EHW Unit promotes safer living with continuous awareness around matters that effects employee health. Funding must be made available to support the initiative of the EHW Unit. It is also recommended that the department source alternative accommodation urgently to address the space issue and the “sick building” syndrome.

2.4 Training and Development

The Department has identified a number of scarce and critical skill areas and most are focused in Maritime, Aerotropolis, Environmental Management and Economists. Many of these posts are lying vacant for long period of time and as a department we need to implement measure to ensure that there is a balance between supply and demand. The department needs to correctly implement the graduate development programme to ensure graduates are placed in scarce and critical areas. The department must also consider marketing itself at symposiums to stimulate interest from matriculants and with the consideration of offering external bursaries to promote future supply. The department has also identified certain skill areas that needs to be enhanced and these include; Financial Management for Non-financial employees, project management, Diversity Management, Management of Discipline and Grievances and Emerging Management. During the course of the MTEF training interventions will be implemented to supplement these skills. At least 40% of the training budget must be ring fenced to support the interventions of addressing scarce and critical skills and the identified training interventions.

2.5 Performance Management

The Performance Management process within the department is no longer efficient. The process exceeds the projected EPMDS project plan. Employees who have made sacrifices during these uncertain times are demotivated. Assessment and Moderation committees are not sitting timeously to finalise performance assessment and this is largely due to SMS members not being assesses. It is recommended that interventions be implemented by the EPMDS Unit to address this shortcoming such that it does not have a ripple effect on the entire department.

2.6 Ethics and Labour Relations

In terms of discipline, supervisors are failing to adequately address discipline as their supervisory function. More often than not, discipline is implemented selectively or not at all and this is creating unwarranted precedence’s. Supervisors need to understand the relevant procedures to be followed and not pass the responsibility to the Labour Relations Unit. It has also been noted that there are a number of incidents of unethical behaviour and conduct amongst employees and supervisors alike. These range from insubordination, failure to make timeous decisions, Remunerative Work outside the Public Service without consent to failure in terms of complying to financial disclosures. It is imperative that the department addresses unethical conduct and behaviour in the form of consequence management.

2.7 Diversity Management

The department has leaped strides in terms of achieving transformation within the department. The achievement of gender equality across the department is currently 63% females and 37% males with Blacks making up 95% of the establishment. However, we are still falling seriously short in terms of achieving gender equality at SMS which currently stands at 40% females and 1.27% persons with disabilities. We need to achieve the national target 50% females and 2% PWD's. There needs to be commitment from various levels of management to ensure this target is achieved. It is recommended that a Directive be issued by the HOD to recruitment committees to ensure compliance on these matters. It is also recommended that posts be identified only for the recruitment of PWD's also the inclusion of a special internship programme to benefit PWD's.

2.8 Service Condition & Benefits

Incapacity leave is still proving to be a challenge with employees failing to adhere to time frames. This is in contravention to the PILIR Policy. Ordinary leave forms are also taking too long to reach head office for processing. There also been cases of employees who are working overtime without the proper approvals being in place as per the overtime policy. This also results in challenges in terms of overtime payments. It has also been noted that supervisors are appointing employees to act in higher posts rather than following the correct procedure as per the acting allowance policy. The department had also conducted an "Headcount" process during August 2021. The process was a success with no "ghost" employees detected. It is recommended that employees follow due process on service condition matters as per the relevant policies. Furthermore, with the implementation of the e-leave system much of the workload will be eradicated and the process will be simplified. There is also a great concern that the department's attrition rate is too high at 5%. The department is loosing valuable skills when employees leave, especially due to resignations. The department needs to implement measures to ensure this percentage is low as possible. Exit interviews must be analysed at management level to determine reasons why employees are leaving and action must be taken to address these reasons.

2.9 Human Resource Policy and Planning

As indicated earlier HR Planning is a detailed process which has now evolved to a strategic process with the involvement of all line management to ensure alignment with the department's strategic plan and mandates. This process is meant to elevate HR as a strategic partner in the department's planning process. However, there are still challenges in this area whereby managers don't take HR seriously and don't provide the level of support that is required. It has been noted that some managers failed to apply themselves strategically whilst some others failed to respond altogether in the developmental process of this plan. There may be a number of reasons to support this non-compliance, one of which may be the heavy work load and the need to deliver amidst the backdrop of Covid and the recent unrest. Be that as it may, in order to truly recognise HR as a strategic partner, HR needs to be represented at EXCO and HR must have a permanent slot on the agenda to allow for HR matters to be addressed.

	Strategic HRP Objectives	Strategic HRP Interventions
1.	• Elevate human resource as a strategic partner within the organization	• Improve the rating of human resource as a strategic role player within the department
2.	• Have an approved structure that meets the needs of each programme such that there is alignment with the departments mandates and Strategic Plan	• Have an approved structure in place with correctly evaluated posts and to ensure there is a mutual understanding of OSD
3.	• Implement Change Management strategy across the department such that employees have a mutual understanding of the strategic direction the department is embarking on, inclusive of all other change management issues	• Develop and Implement a Change Management Strategy with appropriate interventions to address all areas of change within the organization
4.	• Reduce the vacancy rate to address the human capital shortfalls to ensure the strategic goals and outcomes of the department are achieved,	• Reduce vacancy rate from 15% to 8%
5.	• Ensure gender Equality at SMS as per Gender Equality Strategic Framework	• Increase recruitment of females at SMS from 405 to 50%
6.	• Increase the recruitment of PWD's as per JobAccess Strategy	• Increase recruitment of PWD's in the department from 1.27% to 2%

7.	• Improve supply in critical and scarce occupations and develop employees in critical and scarce skills areas such that they are better equipped to deliver	• Address skills gaps at SMS and improve supply in critical and scarce occupations of the department
8.	• Ensure effective and efficient management of the performance management to improve service delivery	• Address all matters of performance management as per EPMDS implementation plan
9.	• Address matters of high level of turnover to improve organizational stability	• Reduce turnover rate from 5% to 3%
10.	• Ensure effective and efficient control and management of all matters of leave	• Introduce and Implement an electronic leave system to Fast Track the processes and ensure adherence to timeframes
11.	• To identify and eliminate any fraudulent appointments within the department	• Conduct employee verification exercise to confirm no “ghost” employees
12.	• Improve the quality and integrity of information on PERSAL System	• Conduct Persal Cleanup exercise to improve integrity of Persal Reports from 95% to 99%
13.	• Manage Health & Wellness of employees to ensure that we have a healthy and balanced workforce	• Implement Employee Health and Wellness interventions to address identified gaps to ensure a healthy and balanced workforce and conducive working environment
14.	• Ensure effective and efficient management of Labour Relations and employee relations matters within the organization in accordance to prescribed legislated frameworks	• Develop and implement consequence management strategy to address unethical conduct and behaviour of employees.
15.	• Ensure organizational continuity and institutional memory	• Develop Strategy to preserve organizational memory

2.10 Achievements

In spite of the onset of the COVID 19 pandemic and the various levels of lockdown HR was successful in the following areas:

- Successful reporting on Employment Equity to Department of Labour
- Approval and implementation of Remote working guidelines to curb the spread of COVID 19
- HR Planning Implementation Report developed, approved and submitted to Office of the Premier
- Four Health and Wellness screening sessions were conducted
- Health and Wellness plans and implementation reports on the 4 pillars of EHW approved and submitted to Office of the Premier
- Quarter FOSAD reports on Labour Relation's matters approved and submitted to Office of the Premier
- 11 SMS posts filled
- Internship programme implemented and 177 interns recruited
- 5 training interventions conducted with 134 employees developed.
- 4 External bursaries issued on scarce skills areas, 12 internal bursaries issues

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 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	106213	99207	236	6770	93.4	420
Integrated Economic Development	138413	62044	3759	72610	44.8	525
Trade and Sector Development	31388	15898	65	15425	50.6	588
Business Regulation & Governance	32775	28733	0	4042	87.6	504
Economic Planning	15452	12222	0	3230	79.1	349
Tourism	17609	14863	0	2746	84.4	118
Environmenta	127248	125097	1382	769	98.3	465

l Affairs						
TOTAL	469099	358065	5442	105592	76.3	412

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)
Lower skilled (Levels 1-2)	3426	0.95	281	12
Skilled (level 3-5)	7901	2.21	72	109
Highly skilled production (levels 6-8)	94401	26.36	220	429
Highly skilled supervision (levels 9-12)	178072	49.73	237	798
Senior and Top management (levels 13-16)	74265	20.74	57	86
Total	**358065**	**100**	**867**	**412**

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	82294	82.9	639	0.6	2072	2.0	3346	3.3
Integrated Economic Development	54083	87.1	0	0	1121	1.8	1480	2.3
Trade and Sector	13984	87.9	0	0	322	2.0	237	1.4
Business Regulations	24318	84.6	0	0	663	2.3	1060	3.6
Economic Planning	10714	87.6	10	0.08	165	1.3	249	2.0
Environmental Affairs	93624	80.1	0	0	2693	18.1	5212	4.5
Tourism	23138	79.6	0	0	535	0.4	1448	1.1
TOTAL	**302155**	**84.3**	**649**	**0.68**	**7571**	**2.1**	**13032**	**3.6**

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
Skilled (level 1-2)	3426	100	0	0	0	0	0	0
Skilled (level 3-5)	5818	73.6	232	2.9	428	5.4	685	8.6
Highly skilled production (levels 6-8)	74680	79.1	216	0.2	3394	3.5	6751	7.1
Highly skilled supervision (levels 9-12	152239	85.4	201	0.1	2841	1.5	5248	2.9
Senior management (level 13-16)	65992	88.8	0	0	908	1.2	348	0.4
Total	**302155**	**84.3**	**649**	**0.2**	**7571**	**2.1**	**13032**	**3.6**

3.2 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	293	236	19.4	83
Integrated Economic Development	124	118	4.8	38
Trade and Sector Development	29	27	6.9	8
Business Regulations	72	57	20.8	14
Economic Planning	38	35	7.9	19
Environmental Services	399	350	12.3	39
Tourism	66	44	33.3	122
Total	**1021**	**867**	**15.1**	**323**

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
Lower skilled (1-2)	281	281	0
Skilled(3-5)	98	72	26
Highly skilled production (6-8)	272	220	19.1
Highly skilled supervision (9-12)	301	237	21.2
Senior management (13-16)	69	57	17.3
Total	**1021**	**867**	**15.1**

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
Administrative related	392	325	17
Information Technology related	6	6	0
Finance and Economics related	37	37	0
General Legal administration and Professionals	5	5	0

Human Resources related	32	30	6.2
Light vehicles drivers	5	5	0
Messengers and porters	1	1	0
Secretaries and keyboard operators	43	32	25.5
Trade and industry advisers and other related profession	74	61	17.5
Environmental management and related	357	308	13.7
Senior managers	69	57	17.3
Total	**1021**	**867**	**15.1**

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 16	1	1	100	0	0
Salary Level 15	3	3	100	0	0
Salary Level 14	17	13	76.4	4	23.6
Salary Level 13	47	39	82.9	8	17
Total	**69**	**57**	**82.6**	**12**	**17.4**

Table 3.3.2 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 16	1	1	100	0	0

Salary Level 15	3	3	100	0	0
Salary Level 14	17	13	76.4	4	23.6
Salary Level 13	47	39	82.9	8	17
Total	**69**	**57**	**82.6**	**12**	**17.4**

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

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16			
Salary Level 15			
Salary Level 14	0	0	2
Salary Level 13	0	0	5
Total	**0**	**0**	**7**

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
Recruitment process delayed due to COVID19 outbreak

Reasons for vacancies not filled within twelve months
Recruitment process delayed due to COVID19 outbreak

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
Not applicable

Reasons for vacancies not filled within six months
Not applicable

3.4 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
Lower Skilled (Levels1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-	-	-	-
Senior Management Service Band A	-	-	-	-	-	-	-
Senior Management Service Band B	-	-	-	-	-	-	-
Senior Management Service Band C	-	-	-	-	-	-	-
Senior Management Service Band D	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

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	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-

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 20YY and 31 March 20ZZ

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
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	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-	-	-	-	-

Total number of Employees whose salaries exceeded the grades determine by job evaluation	0

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 (see definition in notes below).

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
Lower skilled (Levels 1-2)	33	300	19	57.5
Skilled (Levels3-5)	29	10	0	0
Highly skilled production (Levels 6-8)	236	3	6	2.5
Highly skilled supervision (Levels 9-12)	211	23	18	8.5
Senior Management Service Bands A	31	5	4	12.9
Senior Management Service Bands B	11	2	1	9.0
Senior Management Service Bands C	2	1	0	0
Senior Management Service Bands D	1	1	0	0
Contracts	13			
Total	**567**	**345**	**48**	**8.5**

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	171	308	19	11.1
Information Technology related	2	1	0	0
Finance and Economics related	17	5	0	0
General Legal administration and Professionals	4	1	0	0

Human Resources related	30	0	1	3.3
Light vehicles drivers	5	0	0	0
Messengers and porters	1	0	0	0
Secretaries and keyboard operators	39	1	0	0
Trade and industry advisers and other related profession	56	6	3	5.3
Environmental management and related	198	14	20	10.1
Senior managers	44	9	5	11.3
Total	**567**	**345**	**48**	**8.5**

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
Death	1	0.2
Resignation	22	3.9
Expiry of contract	19	3.4
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	0.2
Retirement	5	0.9
Transfer to other Public Service Departments	0	0
Other	0	0
Total	**48**	**8.5**
Total number of employees who left as a % of total employment	**48**	**8.5**

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	171	13	7.6	24	14

Information Technology related	2	0	0	0	0
Finance and Economics related	17	0	0	0	0
General Legal administration and Professionals	4	0	0	0	0
Human Resources related	30	1	3.3	0	0
Light vehicles drivers	5	0	0	0	0
Messengers and porters	1	0	0	0	0
Secretaries and keyboard operators	39	0	0	0	0
Trade and industry advisers and other related profession	56	0	0	0	0
Environmental management and related	198	12	6.1	0	0
Senior managers	**44**	**1**	**2.3**	**1**	**2.3**
Total	**567**	**27**	**4.8**	**25**	**4.4**

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
Lower skilled (Levels 1-2)	33	0	0	0	0

Skilled (Levels3-5)	29	0	0	0	0
Highly skilled production (Levels 6-8)	236	7	2.9	0	
Highly skilled supervision (Levels 9-12)	211	19	9	24	11.4
Senior Management (Level 13-16)	45	1	2.22	1	2.2
Contracts	13	0	0	0	0
Total	**567**	**27**	**4,8**	**25**	**4.4**

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	
Legislators, senior officials and managers	29	0	0	2	18	1	2	0	53
Professionals	122	2	13	6	168	2	29	3	345
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	5	0	0	0	11	1	0	0	17
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	12	0	0	0	4	0	0	0	0
Total	**204**	**2**	**15**	**8**	**289**	**5**	**36**	**5**	**564**
Employees with disabilities									

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	
Top Management	4	0	0	0	0	0	0	0	4
Senior Management	25	0	1	2	18	1	2	0	49
Professionally qualified and experienced specialists and mid-management	69	1	9	6	81	1	13	1	181
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	89	1	5	0	168	2	21	3	289
Semi-skilled and discretionary decision making	17	0	0	0	22	1	0	1	41
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	**204**	**2**	**15**	**8**	**289**	**5**	**36**	**5**	**564**

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	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	4	0	0	0	2	1	0	0	7
Professionally qualified and experienced specialists and mid-management	8	0	0	0	8	1	1	0	18
Skilled	3	0	0	0	0	0	0	0	9

technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making	5	1	0	0	4	0	0	0	10
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	22	1	0	0	20	2	1	0	46
Employees with disabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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**	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0

Employees with disabilities	0	0	0	0	0	0	0	0	0

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**	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	-	-	-	-	-
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Employees with Disabilities	-	-	-	-	-	-	-	-	-

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**	
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

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	4				16				20
Professionals	4				4				8
Technicians and associate professionals	13	3			25		3		42
Clerks	17				40		2		59
Service and sales workers									
Skilled agriculture and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations	2				2				5
Total	**40**	**1**			**88**		**5**		**134**
Employees with disabilities									

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 2021

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	1	1	1	100%
Salary Level 16				
Salary Level 15		2	1	50%
Salary Level 14		13	9	67%

Salary Level 13		39	30	77%
Total		**55**	**41**	**74.5%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2021

Reasons
Some SMS members were appointed in the last quarter of the financial year and their agreements for the period became due within the three months of their appointment

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2021

Reasons

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 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 20YY to 31 March 20ZZ

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	824	375	76%		
Male	114	148	77%	591926.65	519213
Female	169	227	74%	3591093.10	2124.90
Asian	35	48	73%		
Male	8	12	67%	95427.90	11928.49
Female	27	36	75%	179258.60	6639.21
Coloured	4	8	50%		
Male	2	2	100%	9929.25	4964.21
Female	2	6	33%	5242.50	2621.25
White	6	8	75%		
Male	5	6	83%	72552.15	14510.43
Female	1	2	50%	13205.25	13205.25
Total	**657**	**878**	**755**	**45586354**	**61186.50**

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	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	12	19	63 %	25697.25	2141.44	83%
Highly skilled production (level 6-8)	162	242	67 %	356387	2199.92	0.62%
Highly skilled supervision (level 9-12)	146	222	67 %	2361591.86	16175.28	0.68%
Total	**320**	**483**	**66 %**	**274367.11**	**20516.64**	**84.3%**

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
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total					

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**	**0**	**0**	**0**	**0**	**0**
Band B	**0**	**0**	**0**	**0**	**0**	**0**

Band C	**0**	**0**	**0**	**0**	**0**	**0**
Band D	**0**	**0**	**0**	**0**	**0**	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**

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
Lower skilled	**0**	**0**	**0**	**0**	**0**	**0**
Highly skilled production (Lev. 6-8)	**0**	**0**	**0**	**0**	**0**	**0**
Highly skilled supervision (Lev. 9-12)	**2**	**50**	**2**	**50**	**0**	**0**
Contract (level 9-12)	**0**	**0**	**0**		**0**	**0**
Contract (level 13-16)	**2**	**50**	**2**	**50**	**0**	**0**
Total	**4**	**100**	**4**	**100**	**0**	**0**

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
Professionals and managers	**4**	**100**	**4**	**100**	**0**	**0**
Total	**4**	**100**	**4**	**100**	**0**	**0**

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)
Lower Skills (Level 1-2)	32	87.5	9	3.4	4	17

Skilled (levels 3-5)	64	98.4	8	3	8	65
Highly skilled production (levels 6-8)	821	83.5	132	48.9	6	1289
Highly skilled supervision (levels 9 - 12)	672	85.8	107	39.6	6	2016
Top and Senior management (levels 13-16)	85	96.5	12	4.5	7	414
Total	**1674**	**85.7**	**268**	**100**	**6**	**3800**

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)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	108	100	9	64.3	12	159
Highly skilled supervision (Levels 9-12)	341	100	5	35.7	68	934
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	**449**	**100**	**14**	**100**	**32**	**1093**

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC 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	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	647	118	10
Skilled Levels 3-5)	437	23	19
Highly skilled production (Levels 6-8)	3589	233	15
Highly skilled supervision(Levels 9-12)	4217	219	19
Senior management (Levels 13-16)	663	44	16
Total	**9533**	**637**	**15**

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

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	81
Highly skilled production (Levels 6-8)	0	0	0	50
Highly skilled supervision(Levels 9-12)	4	2	2	66
Senior management (Levels 13-16)	0	0	0	36
Total	**4**	**2**	**2**	**59**

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

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

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 31 March 2021 due to non-utilisation of leave for the previous cycle	1798	138	13 029
Capped leave payouts on termination of service for 31 March 2021	514	2	257 000
Current leave payout on termination of service for 31 March 2021	286	3	362
Total	**2 598**	**143**	**355**

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
EDTEA has employees who are at the child bearing age and these are deemed high risk as they are most likely to have unprotected sex. 2. Most of our employees have had to leave their families and moved to Pietermaritzburg to get closer to place of employment 3. Most of our employees are field based and spend most of their time traveling to site and sleeping in hotels. 4. The nature of work is highly stressful and demands good coping mechanisms, some of our employees lack in this regard and end up employing unhealthy coping mechanisms	• Emphasis on sexual health awareness, coping mechanisms, communication skills and basic family values. • Substance abuse awareness.

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		HR Manager Ms Nonhlanhla Msimango
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		The Employee Health and Wellness unit It has 5 staff members Approved budget of R2 655 000
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		Counselling services on personal and work-related issues •Personal Finance Management programme •HIV/AIDS Programme •Gender and Disability programme •Diversity Management •Health & 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		Mr Fezile Mbuli (Chairperson) Nokuthula Dlamini – EH&W •Mr B Buthelezi- Safety and Security •Ms R M Mkhize- OHS •Mrs T Sithole Auxiliary Services •NEHAWU •PSA
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		The Recruitment, Selection and Benefits Policies and practices •Skills development and training policy practices •HIV Policy and Wellness Policy •Diversity policy •Wellness policy •Productivity management
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		An HIV/AIDS policy reviewed and approved. •The policy clearly outlines that discrimination on the basis on of HIV status is and prohibited. •Education and awareness around the issue of HIV/AIDS also assist in dealing with some of the misconceptions and myths around HIV/AIDS. •We also have an open door policy where at any time an HIV positive employee can come and discuss his/her concerns. •We also have the behaviour change program, stigma fighting

			program and human rights program
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		We are vigorously encouraging HCT (Health Counselling and testing in the department and the response has been very positive. We can pin this success of this program to the stigma and behaviour change programs that we have in the department, more people have participated in the program however this year we were disturbed by COVID 19 and as a result could not get the desired number of employees who come to our wellness days to test. We encouraged our employees to continue being safe and test with their health care providers until it's safe to test in the workplace
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Monitoring the use of sick and vacation leave 2. Internal surveys 3. MANCO Feedback

3.12 Labour Relations

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

Subject matter	Date
Nil	

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 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	2	25%
Written warning	1	12.5%
2 months suspension without pay	2	25%
Resignation after being charged	1	12.5%
Dismissal	**2**	25%
Total	**8**	**100%**

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
Misus of state vehicle/damage	3	37.5%
S&T Fraud	1	12.5%
Theft	2	25%
Failure to comply with Treasury Regulations	1	12.5%
Doing Business without permission	1	12.5%
Total	**8**	**100%**

Table 3.12.4 Grievances logged for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	**1**	**100%**
Number of grievances not resolved	**0**	**0**
Total number of grievances lodged	**1**	**100%**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2020 and 31 March 2021

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	**0**	**0**

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

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

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

Number of people suspended	**Nil**
Number of people who's suspension exceeded 30 days	**Nil**
Average number of days suspended	**Nil**
Cost of suspension(R'000)	**Nil**

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 20YY	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	-	-	-	-	-
	Male	-	-	-	-	-
Professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Technicians and associate professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Clerks	Female	-	-	-	-	-
	Male	-	-	-	-	-
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	-	-	-	-	-
	Male	-	-	-	-	-
Total		-	-	-	-	-

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 20YY	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	-	-	-	-	-
	Male	-	-	-	-	-

Professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Technicians and associate professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Clerks	Female	-	-	-	-	-
	Male	-	-	-	-	-
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	-	-	-	-	-
	Male	-	-	-	-	-
Total		-	-	-	-	-

3.14 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	6	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**6**	**100**

3.15 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
-	-	-	-

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

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
-	-	-	-

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
-	-	-	-

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

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
-	-	-	-
-	-	-	-

3.16 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

Report of the auditor-general to Kwa-Zulu-Natal Provincial Legislature on vote no. 4: Department of Economic Development, Tourism and Environmental Affairs.

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Economic Development, Tourism and Environmental Affairs ('the department') set out on pages 195 to 315, 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 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 as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), the Division of Revenue Act of South Africa 2019 (Act No. 1 of 2019) (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 this auditor's 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.

Emphasis of matters

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

Irregular expenditure

7. As disclosed in note 24 to the financial statements, the department incurred irregular expenditure of R581 000, as the approval of extension of scope was not obtained prior to the services being rendered.

Impairment of receivables

8. As disclosed in note 11.5 to the financial statements, material impairment of R31 576 000 was incurred as a result of assessment of recoverability of the various debtors.

Other matter

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

Unaudited supplementary schedule

10. The supplementary information set out on pages 301 to 315 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

11. 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.

12. 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 financial statements

13. 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.

14. 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

15. In accordance with the Public Audit Act 25 of South Africa, 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 programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. 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.

17. 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 7 – Environmental Management* in the department’s annual performance report for the year ended 31 March 2021.

18. 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 note complete.

19. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme 7 – Environmental Management.

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. The annual performance report on pages 30 to 130 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Adjustment of material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of environmental management. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

23. 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.

24. I did not identify any instances of material non-compliance with selected specific requirements of applicable legislation, as set out in the general notice issued in terms of the PAA.

Other information

25. 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.

26. 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.

27. 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 programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

28. I did not receive the other information at the date of this report. When we do receive and read the other outstanding information, if we conclude that there is a material misstatement therein, we are 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, we 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. The matters reported below are limited to the significant internal control deficiencies that resulted in overall assessment of the status of the drivers of key controls.

30. I did not identify any significant deficiencies in internal control .

Other reports

31. I draw attention to the following engagements conducted 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.

32. The shared internal audit unit and office of the Premier conducted 18 investigations covering the periods 2016 to 2019. The investigations related to allegations of the possible irregularities relating to processes followed in securing the departmental district offices, possible misstatement of funds by a cooperative, fraud and corruption in the local economic development project, and possible irregularities relating to events management expenditure. Ten of the investigations were completed to date and resulted in criminal and disciplinary proceedings against six employees. The recommendations have been

implemented for two cases and for the eight cases; the implementation of the recommendation is still in progress

33. An agreed-upon procedure report was issued to the department on 10 February 2021 for the additional scope procedures requested by the accounting officer. The procedures were performed solely to assist in evaluating whether the funds utilised for the operation vuthela during 1 January 2019 to 31 March 2020 had been used for their intended purposes.

Auditor-General

Auditor-General

Pietermaritzburg

15 September 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNUAL FINANCIAL STATEMENTS

For the year ended
31 March 2021

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Appropriation per programme										
		2020/21							2019/20	
Voted funds and Direct charges		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	247 739	-	7 610	255 349	255 237	112	100,0%	293 957	289 661
2	INTEGRATED ECONOMIC DEVELOPMENT SERVICES	366 142	10 000	(3 847)	372 295	372 276	19	100,0%	385 088	383 579
3	TRADE AND SECTOR DEVELOPMENT	774 894	(10 000)	(4 820)	760 074	759 067	1 007	99,9%	981 827	978 092
4	BUSINESS REGULATION AND GOVERNANCE	177 039	-	2 717	179 756	179 756	-	100,0%	175 867	175 867
5	ECONOMIC PLANNING	21 319	-	(2 017)	19 302	19 302	-	100,0%	19 688	17 255
6	TOURISM	223 217	-	(547)	222 670	221 798	872	99,6%	354 025	349 721
7	ENVIRONMENTAL AFFAIRS	1 208 101	-	904	1 209 005	1 200 630	8 375	99,3%	1 034 933	1 030 630
	TOTAL	**3 018 451**	**-**	**-**	**3 018 451**	**3 008 066**	**10 385**	**99,7%**	**3 245 385**	**3 224 805**
Reconciliation with Statement of Financial Performance										
Add										
	Departmental receipts				53 262				49 595	

Actual amounts per Statement of Financial Performance (Total Revenue)	**3 071 713**		**3 294 980**	
Actual amounts per Statement of Financial Performance Expenditure		**3 008 066**		**3 224 805**

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**
Current payments	**734 975**	**(21 600)**	**(11 781)**	**701 594**	**692 678**	**8 916**	**98,7%**	**760 978**	**745 144**
Compensation of employees	353 117	-	4 948	358 065	358 065	-	100,0%	360 213	357 625
Salaries and wages	307 694	-	4 809	312 503	312 503	-	100,0%	316 636	314 303
Social contributions	45 423	-	139	45 562	45 562	-	100,0%	43 577	43 322
Goods and services	381 858	(21 600)	(16 729)	343 529	334 613	8 916	97,4%	400 765	387 519
Administrative fees	336	-	135	471	471	-	100,0%	5 182	5 144
Advertising	12 548	-	(692)	11 856	11 856	-	100,0%	13 290	13 176
Minor assets	393	-	414	807	807	-	100,0%	1 704	1 671
Audit costs: External	2 757	-	1 409	4 166	4 166	-	100,0%	4 826	4 826
Bursaries: Employees	137	-	34	171	171	-	100,0%	182	182

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
Catering: Departmental activities	1 108	-	(1 043)	65	65	-	100,0%	997	546
Communication (G&S)	15 141	-	(9 146)	5 995	5 995	-	100,0%	10 000	5 745
Computer services	29 301	-	(5 466)	23 835	23 835	-	100,0%	28 607	28 607
Consultants: Business and advisory services	126 073	(21 600)	9 990	114 463	105 591	8 872	92,2%	22 114	18 727
Laboratory services	30	-	(30)	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	1 671	-
Legal services	3 404	-	185	3 589	3 589	-	100,0%	3 514	3 514
Contractors	6 849	-	(3 446)	3 403	3 403	-	100,0%	33 945	33 945
Agency and support / outsourced services	60 390	-	2 942	63 332	63 332	-	100,0%	83 132	83 130
Fleet services (including government motor transport)	3 931	-	788	4 719	4 719	-	100,0%	4 956	4 956
Inventory: Clothing material and accessories	9 944	-	(7 821)	2 123	2 123	-	100,0%	12 415	11 965
Inventory: Farming supplies	4 299	-	(1 020)	3 279	3 279	-	100,0%	11 677	11 677
Inventory: Materials and supplies	4 183	-	(4 168)	15	15	-	100,0%	486	486

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
Inventory: Other supplies	795	-	(535)	260	260	-	100,0%	3 142	3 142
Consumable supplies	3 713	-	1 568	5 281	5 281	-	100,0%	3 144	3 142
Consumable: Stationery, printing and office supplies	2 196	-	508	2 704	2 704	-	100,0%	3 476	3 476
Operating leases	35 439	-	(764)	34 675	34 672	3	100,0%	35 930	35 930
Property payments	28 472	-	3 870	32 342	32 301	41	99.9%	44 258	44 258
Transport provided: Departmental activity	819	-	(497)	322	322	-	100,0%	577	497
Travel and subsistence	15 713	-	1 707	17 420	17 420	-	100,0%	41 768	40 632
Training and development	11 808	-	(6 366)	5 442	5 442	-	100,0%	23 290	21 934
Operating payments	1 851	-	438	2 289	2 289	-	100,0%	2 619	2 497
Venues and facilities	154	-	338	492	492	-	100,0%	3 074	3 073
Rental and hiring	74	-	(61)	13	13	-	100,0%	789	641
Transfers and subsidies	**2 266 958**	**21 600**	**2 474**	**2 291 032**	**2 289 563**	**1 469**	**99,9%**	**2 457 788**	**2 450 291**
Provinces and municipalities	45 110	11 600	300	57 010	56 567	443	99,2%	46 769	46 718

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
Provinces	110	-	-	110	42	68	38,2%	119	68
Provincial agencies and funds	110	-	-	110	42	68	38,2%	119	68
Municipalities	45 000	11 600	300	56 900	56 525	375	99,3%	46 650	46 650
Municipal bank accounts	40 000	11 600	300	51 900	51 525	375	99,3%	46 650	46 650
Municipal agencies and funds	5 000	-	-	5 000	5 000	-	100,0%	-	-
Departmental agencies and accounts	1 793 901	-	-	1 793 901	1 793 901	-	100,0%	1 758 952	1 758 952
Departmental agencies	1 793 901	-	-	1 793 901	1 793 901	-	100,0%	1 758 952	1 758 952
Higher education institutions	1 000	-	-	1 000	-	1 000	-	-	-
Public corporations and private enterprises	241 977	10 000	585	252 562	252 562	-	100,0%	346 690	343 489
Public corporations	238 302	10 000	585	248 887	248 887	-	100,0%	305 001	305 001
Other transfers to public corporations	238 302	10 000	585	248 887	248 887	-	100,0%	305 001	305 001
Private enterprises	3 675	-	-	3 675	3 675	-	100,0%	41 689	38 488
Other transfers to private enterprises	3 675	-	-	3 675	3 675	-	100,0%	41 689	38 488
Non-profit institutions	184 225	-	-	184 225	184 199	26	100,0%	297 835	297 835

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**
Households	745	-	1 589	2 334	2 334	-	100,0%	7 542	3 297
Social benefits	745	-	1 589	2 334	2 334	-	100,0%	807	807
Other transfers to households	-	-	-	-	-	-	-	6 735	2 490
Payments for capital assets	**16 518**	**-**	**9 305**	**25 823**	**25 823**	**-**	**100,0%**	**24 912**	**27 663**
Buildings and other fixed structures	4 385	-	(2 561)	1 824	1 824	-	100,0%	2 914	2 914
Buildings	-	-	-	-	-	-	-	487	487
Other fixed structures	4 385	-	(2 561)	1 824	1 824	-	100,0%	2 427	2 427
Machinery and equipment	11 886	-	11 867	23 753	23 753	-	100,0%	21 998	24 749
Transport equipment	-	-	6 152	6 152	6 152	-	100,0%	11 342	11 342
Other machinery and equipment	11 886	-	5 715	17 601	17 601	-	100,0%	10 656	13 407
Software and other intangible assets	247	-	(1)	246	246	-	100,0%	-	-
Payment for financial assets	**-**	**-**	**2**	**2**	**2**	**-**	**100,0%**	**1 707**	**1 707**
TOTAL	**3 018 451**	**-**	**-**	**3 018 451**	**3 008 066**	**10 385**	**99,7%**	**3 245 385**	**3 224 805**

Programme 1: ADMINISTRATION

Sub 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
1	Office of The MEC	18 070	-	(620)	17 450	17 450	-	100,0%	25 149	25 149
2	Office of The HOD	19 971	-	4 302	24 273	24 273	-	100,0%	20 008	20 008
3	Financial Management	29 797	-	3 096	32 893	32 893	-	100,0%	35 351	35 351
4	Corporate Services	179 901	-	832	180 733	180 621	112	100,0%	213 449	209 153
TOTAL		**247 739**	**-**	**7 610**	**255 349**	**255 237**	**112**	**100,0%**	**293 957**	**289 661**

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
Current payments	**240 924**	**-**	**(7 706)**	**233 218**	**233 174**	**44**	**100,0%**	**271 787**	**267 532**
Compensation of employees	96 717	-	2 490	99 207	99 207	-	100,0%	95 029	95 029
Salaries and wages	84 934	-	2 161	87 095	87 095	-	100,0%	84 337	84 337
Social contributions	11 783	-	329	12 112	12 112	-	100,0%	10 692	10 692

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
Goods and services	144 207	-	(10 196)	134 011	133 967	44	100,0%	176 758	172 503
Administrative fees	137	-	(7)	130	130	-	100,0%	3 734	3 734
Advertising	9 084	-	(1 728)	7 356	7 356	-	100,0%	10 941	10 941
Minor assets	141	-	368	509	509	-	100,0%	975	975
Audit costs: External	2 757	-	1 409	4 166	4 166	-	100,0%	4 826	4 826
Bursaries: Employees	137	-	34	171	171	-	100,0%	182	182
Catering: Departmental activities	10	-	8	18	18	-	100,0%	141	141
Communication (G&S)	15 140	-	(9 145)	5 995	5 995	-	100,0%	10 000	5 745
Computer services	29 301	-	(5 466)	23 835	23 835	-	100,0%	28 401	28 401
Consultants: Business and advisory services	5 287	-	1 485	6 772	6 772	-	100,0%	552	552
Legal services	3 357	-	119	3 476	3 476	-	100,0%	3 359	3 359
Contractors	2 363	-	(1 567)	796	796	-	100,0%	9 528	9 528
Fleet services (including government motor transport)	3 931	-	788	4 719	4 719	-	100,0%	4 956	4 956
Consumable supplies	1 311	-	132	1 443	1 443	-	100,0%	846	846
Consumable: Stationery, printing	1 956	-	504	2 460	2 460	-	100,0%	3 125	3 125

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
and office supplies									
Operating leases	35 439	-	(764)	34 675	34 672	3	100,0%	35 930	35 930
Property payments	28 472	-	3 760	32 232	32 191	41	99.9%	44 258	44 258
Transport provided: Departmental activity	-	-	3	3	3	-	100,0%	38	38
Travel and subsistence	3 890	-	168	4 058	4 058	-	100,0%	11 695	11 695
Training and development	846	-	(610)	236	236	-	100,0%	2 005	2 005
Operating payments	640	-	316	956	956	-	100,0%	1 266	1 266
Venues and facilities	4	-	(4)	-	-	-	-	-	-
Rental and hiring	4	-	1	5	5	-	100,0%	-	-
Transfers and subsidies	**461**	**-**	**752**	**1 213**	**1 145**	**68**	**94,4%**	**5 403**	**1 107**
Provinces and municipalities	110	-	300	410	342	68	83,4%	119	68
Provinces	110	-	-	110	42	68	38,2%	119	68
Provincial agencies and funds	110	-	-	110	42	68	38,2%	119	68
Municipalities	-	-	300	300	300	-	100,0%	-	-

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**
Municipal bank accounts	-	-	300	300	300	-	100,0%	-	-
Households	351	-	452	803	803	-	100,0%	5 284	1 039
Social benefits	351	-	452	803	803	-	100,0%	337	337
Other transfers to households	-	-	-	-	-	-	-	4 947	702
Payments for capital assets	**6 354**	**-**	**14 563**	**20 917**	**20 917**	**-**	**100,0%**	**16 573**	**20 828**
Buildings and other fixed structures	304	-	19	323	323	-	100,0%	-	-
Other fixed structures	304	-	19	323	323	-	100,0%	-	-
Machinery and equipment	5 833	-	14 545	20 378	20 378	-	100,0%	16 573	20 828
Transport equipment	-	-	6 152	6 152	6 152	-	100,0%	11 342	11 342
Other machinery and equipment	5 833	-	8 393	14 226	14 226	-	100,0%	5 231	9 486
Software and other intangible assets	217	-	(1)	216	216	-	100,0%	-	-
Payment for financial assets	**-**	**-**	**1**	**1**	**1**	**-**	**100,0%**	**194**	**194**
TOTAL	**247 739**	**-**	**7 610**	**255 349**	**255 237**	**112**	**100,0%**	**293 957**	**289 661**

Subprogramme: 1.1: Office of the MEC

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
Current payments	**18 070**	**-**	**(666)**	**17 404**	**17 404**	**-**	**100,0%**	**23 906**	**23 906**
Compensation of employees	15 693	-	263	15 956	15 956	-	100,0%	17 638	17 638
Goods and services	2 377	-	(929)	1 448	1 448	-	100,0%	6 268	6 268
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**43**	**43**
Households	-	-	-	-	-	-	-	43	43
Payments for capital assets	**-**	**-**	**46**	**46**	**46**	**-**	**100,0%**	**1 026**	**1 026**
Machinery and equipment	-	-	46	46	46	-	100,0%	1 026	1 026
Payment for financial assets				**-**		**-**	**-**	**174**	**174**
TOTAL	**18 070**	**-**	**(620)**	**17 450**	**17 450**	**-**	**100,0%**	**25 149**	**25 149**

Subprogramme: 1.2: Office of the HOD

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
Current payments	**19 714**	**-**	**3 944**	**23 658**	**23 658**	**-**	**100,0%**	**19 422**	**19 422**
Compensation of employees	14 529	-	1 824	16 353	16 353	-	100,0%	15 483	15 483
Goods and services	5 185	-	2 120	7 305	7 305	-	100,0%	3 939	3 939
Transfers and subsidies	**13**	**-**	**305**	**318**	**318**	**-**	**100,0%**	**271**	**271**
Provinces and municipalities	-	-	300	300	300	-	100,0%	-	-
Households	13	-	5	18	18	-	100,0%	271	271
Payments for capital assets	**244**	**-**	**53**	**297**	**297**	**-**	**100,0%**	**315**	**315**
Machinery and equipment	244	-	53	297	297	-	100,0%	315	315
Total	**19 971**	**-**	**4 302**	**24 273**	**24 273**	**-**	**100,0%**	**20 008**	**20 008**

Subprogramme: 1.3: Financial Management

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
Current payments	**28 900**	**-**	**2 065**	**30 965**	**30 965**	**-**	**100,0%**	**34 165**	**34 165**
Compensation of employees	23 736	-	162	23 898	23 898	-	100,0%	24 229	24 229
Goods and services	5 164	-	1 903	7 067	7 067	-	100,0%	9 936	9 936
Transfers and subsidies	**281**	**-**	**336**	**617**	**617**	**-**	**100,0%**	**7**	**7**
Households	281	-	336	617	617	-	100,0%	7	7
Payments for capital assets	**616**	**-**	**695**	**1 311**	**1 311**	**-**	**100,0%**	**1 159**	**1 159**
Machinery and equipment	399	-	696	1 095	1 095	-	100,0%	1 159	1 159
Software and other intangible assets	217		(1)	216	216	-	100,0%	-	
Payment for financial assets				**-**		**-**	**-**	**20**	**20**
Total	**29 797**	**-**	**3 096**	**32 893**	**32 893**	**-**	**100,0%**	**35 351**	**35 351**

Subprogramme: 1.4: Corporate Services

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
Current payments	**174 240**	**-**	**(13 049)**	**161 191**	**161 147**	**44**	**100,0%**	**194 294**	**190 039**
Compensation of employees	42 759	-	241	43 000	43 000	-	100,0%	37 679	37 679
Goods and services	131 481	-	(13 290)	118 191	118 147	44	100,0%	156 615	152 360
Transfers and subsidies	**167**	**-**	**111**	**278**	**210**	**68**	**75,5%**	**5 082**	**786**
Provinces and municipalities	110	-	-	110	42	68	38,2%	119	68
Households	57	-	111	168	168	-	100,0%	4 963	718
Payments for capital assets	**5 494**	**-**	**13 769**	**19 263**	**19 263**	**-**	**100,0%**	**14 073**	**18 328**
Buildings and other fixed structures	304	-	19	323	323	-	100,0%	-	-
Machinery and equipment	5 190	-	13 750	18 940	18 940	-	100,0%	14 073	18 328
Payment for financial assets			**1**	**1**	**1**	**-**	**100,0%**	**-**	
TOTAL	**179 901**	**-**	**832**	**180 733**	**180 621**	**112**	**100,0%**	**213 449**	**209 153**

Programme 2: Integrated Economic Development Services

Sub 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
1 Enterprise Development	287 295	10 000	(1 978)	295 317	295 317	-	100,0%	340 103	339 801
2 Regional And Local Economic Development	43 384	-	(808)	42 576	42 576	-	100,0%	22 805	22 484
3 Economic Empowerment	35 463	-	(1 061)	34 402	34 383	19	99,9%	22 180	21 294
TOTAL	**366 142**	**10 000**	**(3 847)**	**372 295**	**372 276**	**19**	**100,0%**	**385 088**	**383 579**

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
Current payments	**145 745**	**-**	**(3 807)**	**141 938**	**141 938**	**-**	**100,0%**	**108 424**	**107 128**
Compensation of employees	62 310	-	(266)	62 044	62 044	-	100,0%	67 890	67 313
Salaries and wages	55 372	-	(227)	55 145	55 145	-	100,0%	60 685	60 227
Social contributions	6 938	-	(39)	6 899	6 899	-	100,0%	7 205	7 086
Goods and services	83 435	-	(3 541)	79 894	79 894	-	100,0%	40 534	39 815

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
Administrative fees	14	-	14	28	28	-	100,0%	120	120
Advertising	730	-	(187)	543	543	-	100,0%	329	329
Minor assets	60	-	(27)	33	33	-	100,0%	182	182
Catering: Departmental activities	550	-	(537)	13	13	-	100,0%	580	175
Consultants: Business and advisory services	64 886	-	7 723	72 609	72 609	-	100,0%	4 770	4 770
Contractors	-	-	-	-	-	-	-	5 388	5 388
Agency and support / outsourced services	-	-	-	-	-	-	-	2	-
Inventory: Clothing material and accessories	700	-	(700)	-	-	-	-	472	472
Inventory: Farming supplies	700	-	(6)	694	694	-	100,0%	169	169
Inventory: Materials and supplies	4 183	-	(4 168)	15	15	-	100,0%	486	486
Inventory: Other supplies	700	-	(579)	121	121	-	100,0%	2 700	2 700
Consumable supplies	-	-	-	-	-	-	-	339	339
Consumable: Stationery, printing and office supplies	10	-	-	10	10	-	100,0%	67	67
Transport provided: Departmental activity	819	-	(500)	319	319	-	100,0%	110	110

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
Travel and subsistence	1 653	-	48	1 701	1 701	-	100,0%	4 650	4 650
Training and development	8 260	-	(4 501)	3 759	3 759	-	100,0%	18 908	18 744
Operating payments	100	-	(59)	41	41	-	100,0%	10	10
Venues and facilities	-	-	-	-	-	-	-	992	992
Rental and hiring	70	-	(62)	8	8	-	100,0%	260	112
Transfers and subsidies	**218 988**	**10 000**	**814**	**229 802**	**229 783**	**19**	**100,0%**	**274 378**	**274 378**
Provinces and municipalities	18 000	-	-	18 000	18 000	-	100,0%	2 100	2 100
Municipalities	18 000	-	-	18 000	18 000	-	100,0%	2 100	2 100
Municipal bank accounts	18 000	-	-	18 000	18 000	-	100,0%	2 100	2 100
Public corporations and private enterprises	151 227	10 000	585	161 812	161 812	-	100,0%	166 915	166 915
Public corporations	151 227	10 000	585	161 812	161 812	-	100,0%	164 717	164 717
Other transfers to public corporations	151 227	10 000	585	161 812	161 812	-	100,0%	164 717	164 717
Private enterprises	-	-	-	-	-	-	-	2 198	2 198
Other transfers to private enterprises	-	-	-	-	-	-	-	2 198	2 198

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
Non-profit institutions	49 661	-	-	49 661	49 642	19	100,0%	104 100	104 100
Households	100	-	229	329	329	-	100,0%	1 263	1 263
Social benefits	100	-	229	329	329	-	100,0%	298	298
Other transfers to households	-	-	-	-	-	-	-	965	965
Payments for capital assets	**1 409**	**-**	**(854)**	**555**	**555**	**-**	**100,0%**	**883**	**670**
Buildings and other fixed structures	700	-	(700)	-	-	-	-	-	-
Other fixed structures	700	-	(700)	-	-	-	-	-	-
Machinery and equipment	679	-	(154)	525	525	-	100,0%	883	670
Other machinery and equipment	679	-	(154)	525	525	-	100,0%	883	670
Software and other intangible assets	30	-	-	30	30	-	100,0%	-	-
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 403**	**1 403**
TOTAL	**366 142**	**10 000**	**(3 847)**	**372 295**	**372 276**	**19**	**100,0%**	**385 088**	**383 579**

Subprogramme: 2.1: ENTERPRISE DEVELOPMENT

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
Current payments	**87 146**	**-**	**(2 092)**	**85 054**	**85 054**	**-**	**100,0%**	**69 071**	**68 826**
Compensation of employees	37 057	-	567	37 624	37 624	-	100,0%	41 751	41 670
Goods and services	50 089	-	(2 659)	47 430	47 430	-	100,0%	27 320	27 156
Transfers and subsidies	**199 406**	**10 000**	**814**	**210 220**	**210 220**	**-**	**100,0%**	**269 115**	**269 115**
Public corporations and private enterprises	151 227	10 000	585	161 812	161 812	-	100,0%	164 717	164 717
Non-profit institutions	48 096			48 096	48 096	-	100,0%	104 100	104 100
Households	83	-	229	312	312	-	100,0%	298	298
Payments for capital assets	**743**	**-**	**(700)**	**43**	**43**	**-**	**100,0%**	**514**	**457**
Buildings and other fixed structures	700	-	(700)	-	-	-	-	-	-
Machinery and equipment	43	-	-	43	43	-	100,0%	514	457
Payment for financial assets				**-**		**-**	**-**	**1 403**	**1 403**
TOTAL	**287 295**	**10 000**	**(1 978)**	**295 317**	**295 317**	**-**	**100,0%**	**340 103**	**339 801**

Subprogramme: 2.2: REGIONAL AND LOCAL ECONOMIC DEVELOPMENT

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
Current payments	**25 302**	**-**	**(858)**	**24 444**	**24 444**	**-**	**100,0%**	**17 343**	**17 125**
Compensation of employees	13 641	-	(762)	12 879	12 879	-	100,0%	14 065	13 849
Goods and services	11 661	-	(96)	11 565	11 565	-	100,0%	3 278	3 276
Transfers and subsidies	**18 006**	**-**	**-**	**18 006**	**18 006**	**-**	**100,0%**	**5 263**	**5 263**
Provinces and municipalities	18 000	-	-	18 000	18 000	-	100,0%	2 100	2 100
Public corporations and private enterprises	-	-	-	-	-	-	-	2 198	2 198
Households	6	-	-	6	6	-	100,0%	965	965
Payments for capital assets	**76**	**-**	**50**	**126**	**126**	**-**	**100,0%**	**199**	**96**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	76	-	50	126	126	-	100,0%	199	96
TOTAL	**43 384**	**-**	**(808)**	**42 576**	**42 576**	**-**	**100,0%**	**22 805**	**22 484**

Subprogramme: 2.3: ECONOMIC EMPOWERMENT

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
Current payments	**33 297**	**-**	**(857)**	**32 440**	**32 440**	**-**	**100,0%**	**22 010**	**21 177**
Compensation of employees	11 612	-	(71)	11 541	11 541	-	100,0%	12 074	11 794
Goods and services	21 685	-	(786)	20 899	20 899	-	100,0%	9 936	9 383
Transfers and subsidies	**1 576**	**-**	**-**	**1 576**	**1 557**	**19**	**98,8%**	**-**	**-**
Non-profit institutions	1 565			1 565	1 546	19	98,8%	-	
Households	11	-	-	11	11	-	100,0%	-	-
Payments for capital assets	**590**	**-**	**(204)**	**386**	**386**	**-**	**100,0%**	**170**	**117**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	560	-	(204)	356	356	-	100,0%	170	117
Software and other intangible assets	30			30	30	-	100,0%	-	
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**35 463**	**-**	**(1 061)**	**34 402**	**34 383**	**19**	**99,9%**	**22 180**	**21 294**

Programme 3: TRADE AND SECTOR DEVELOPMENT

Sub 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
1	Trade and Investment Promotion	488 218	-	(1 892)	486 326	486 326	-	100,0%	587 137	583 895
2	Sector Development	199 601	(10 000)	(2 928)	186 673	185 666	1 007	99,5%	254 406	253 913
3	Strategic Initiatives (Industry Development)	87 075	-	-	87 075	87 075	-	100,0%	140 284	140 284
TOTAL		**774 894**	**(10 000)**	**(4 820)**	**760 074**	**759 067**	**1 007**	**99,9%**	**981 827**	**978 092**

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
Current payments	**53 551**	**(15 000)**	**(2 972)**	**35 579**	**35 579**	**-**	**100,0%**	**32 777**	**29 042**
Compensation of employees	15 173	-	725	15 898	15 898	-	100,0%	15 084	15 084
Salaries and wages	13 601	-	697	14 298	14 298	-	100,0%	13 554	13 554
Social contributions	1 572	-	28	1 600	1 600	-	100,0%	1 530	1 530

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
Goods and services	38 378	(15 000)	(3 697)	19 681	19 681	-	100,0%	17 693	13 958
Administrative fees	10	-	70	80	80	-	100,0%	223	193
Advertising	240	-	214	454	454	-	100,0%	279	279
Minor assets	-	-	-	-	-	-	-	16	16
Catering: Departmental activities	20	-	(10)	10	10	-	100,0%	35	9
Consultants: Business and advisory services	33 575	(15 000)	(3 150)	15 425	15 425	-	100,0%	10 548	7 473
Contractors	2 486	-	(1 461)	1 025	1 025	-	100,0%	828	828
Inventory: Clothing material and accessories	40	-	85	125	125	-	100,0%	308	308
Inventory: Farming supplies	-	-	7	7	7	-	100,0%	371	371
Inventory: Other supplies	95	-	-	95	95	-	100,0%	442	442
Consumable supplies	160	-	265	425	425	-	100,0%	2	-
Consumable: Stationery, printing and office supplies	58	-	(58)	-	-	-	-	-	-
Property payments	-	-	11	11	11	-	100,0%	-	-
Travel and subsistence	1 362	-	(5)	1 357	1 357	-	100,0%	3 429	2 877
Training and development	140	-	- (75)	65	65	-	100,0%	22	22

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
Operating payments	192	-	- (82)	110	110	-	100,0%	56	6
Venues and facilities	-	-	492	492	492	-	100,0%	1 134	1 134
Transfers and subsidies	**717 647**	**5 000**	**51**	**722 698**	**721 691**	**1 007**	**99,9%**	**946 022**	**946 022**
Provinces and municipalities	8 250	5 000	-	13 250	13 250	-	100,0%	34 750	34 750
Municipalities	8 250	5 000	-	13 250	13 250	-	100,0%	34 750	34 750
Municipal bank accounts	8 250	5 000	-	13 250	13 250	-	100,0%	34 750	34 750
Departmental agencies and accounts	483 067	-	-	483 067	483 067	-	100,0%	580 589	580 589
Departmental agencies	483 067	-	-	483 067	483 067	-	100,0%	580 589	580 589
Higher education institutions	1 000	-	-	1 000	-	1 000	-	-	-
Public corporations and private enterprises	90 750	-	-	90 750	90 750	-	100,0%	143 784	143 784
Public corporations	87 075	-	-	87 075	87 075	-	100,0%	140 284	140 284
Other transfers to public corporations	87 075	-	-	87 075	87 075	-	100,0%	140 284	140 284
Private enterprises	3 675	-	-	3 675	3 675	-	100,0%	3 500	3 500
Other transfers to private enterprises	3 675	-	-	3 675	3 675	-	100,0%	3 500	3 500
Non-profit institutions	134 564	-	-	134 564	134 557	7	100,0%	186 076	186 076

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
Households	16	-	51	67	67	-	100,0%	823	823
Social benefits	16	-	51	67	67	-	100,0%	-	-
Other transfers to households	-	-	-	-	-	-	-	823	823
Payments for capital assets	**3 696**	**-**	**(1 899)**	**1 797**	**1 797**	**-**	**100,0%**	**3 028**	**3 028**
Buildings and other fixed structures	3 381	-	(1 894)	1 487	1 487	-	100,0%	2 914	2 914
Buildings	-	-	-	-	-	-	-	487	487
Other fixed structures	3 381	-	(1 894)	1 487	1 487	-	100,0%	2 427	2 427
Machinery and equipment	315	-	(5)	310	310	-	100,0%	114	114
Other machinery and equipment	315	-	(5)	310	310	-	100,0%	114	114
TOTAL	**774 894**	**(10 000)**	**(4 820)**	**760 074**	**759 067**	**1 007**	**99,9%**	**981 827**	**978 092**

Subprogramme: 3.1: TRADE AND INVESTMENT PROMOTION

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**
Current payments	**5 151**	**-**	**(1 892)**	**3 259**	**3 259**	**-**	**100,0%**	**6 509**	**3 267**
Compensation of employees	1 798	-	(192)	1 606	1 606	-	100,0%	1 564	1 564
Goods and services	3 353	-	(1 700)	1 653	1 653	-	100,0%	4 945	1 703
Transfers and subsidies	**483 067**	**-**	**-**	**483 067**	**483 067**	**-**	**100,0%**	**580 589**	**580 589**
Departmental agencies and accounts	483 067	-	-	483 067	483 067	-	100,0%	580 589	580 589
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**39**	**39**
Machinery and equipment	-	-	-	-	-	-	-	39	39
TOTAL	**488 218**	**-**	**(1 892)**	**486 326**	**486 326**	**-**	**100,0%**	**587 137**	**583 895**

Subprogramme: 3.2: SECTOR DEVELOPMENT

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
Current payments	**48 400**	**(15 000)**	**(1 080)**	**32 320**	**32 320**	**-**	**100,0%**	**26 268**	**25 775**
Compensation of employees	13 375	-	917	14 292	14 292	-	100,0%	13 520	13 520
Goods and services	35 025	(15 000)	(1 997)	18 028	18 028	-	100,0%	12 748	12 255
Transfers and subsidies	**147 505**	**5 000**	**51**	**152 556**	**151 549**	**1 007**	**99,3%**	**225 149**	**225 149**
Provinces and municipalities	8 250	5 000	-	13 250	13 250	-	100,0%	34 750	34 750
Higher education institutions	1 000			1 000	-	1 000	-	-	
Public corporations and private enterprises	3 675	-	-	3 675	3 675	-	100,0%	3 500	3 500
Non-profit institutions	134 564			134 564	134 557	7	100,0%	186 076	186 076
Households	16	-	51	67	67	-	100,0%	823	823
Payments for capital assets	**3 696**	**-**	**(1 899)**	**1 797**	**1 797**	**-**	**100,0%**	**2 989**	**2 989**
Buildings and other fixed structures	3 381	-	(1 894)	1 487	1 487	-	100,0%	2 914	2 914
Machinery and equipment	315	-	(5)	310	310	-	100,0%	75	75
TOTAL	**199 601**	**(10 000)**	**(2 928)**	**186 673**	**185 666**	**1 007**	**99,5%**	**254 406**	**253 913**

Subprogramme: 3.3: STRATEGIC INITIATIVES (INDUSTRY DEVELOPMENT)

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
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers and subsidies	**87 075**	**-**	**-**	**87 075**	**87 075**	**-**	**100,0%**	**140 284**	**140 284**
Public corporations and private enterprises	87 075	-	-	87 075	87 075	-	100,0%	140 284	140 284
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**87 075**	**-**	**-**	**87 075**	**87 075**	**-**	**100,0%**	**140 284**	**140 284**

Programme 4: BUSINESS REGULATION AND GOVERNANCE

Sub 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
1	Regulation Services	7 369	-	(263)	7 106	7 106	-	100,0%	7 451	7 451
2	Consumer Protection	26 035	-	5 028	31 063	31 063	-	100,0%	34 950	34 950
3	Liquor Regulation	83 586	-	-	83 586	83 586	-	100,0%	84 680	84 680

4	Gaming And Betting	60 049	-	(2 048)	58 001	58 001	-	100,0%	48 786	48 786
TOTAL		**177 039**	**-**	**2 717**	**179 756**	**179 756**	**-**	**100,0%**	**175 867**	**175 867**

	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	**37 430**	**-**	**2 119**	**39 549**	**39 549**	**-**	**100,0%**	**45 838**	**45 838**
Compensation of employees	30 018	-	(1 284)	28 734	28 734	-	100,0%	28 513	28 513
Salaries and wages	26 095	-	(1 092)	25 003	25 003	-	100,0%	24 947	24 947
Social contributions	3 923	-	(192)	3 731	3 731	-	100,0%	3 566	3 566
Goods and services	7 412	-	3 403	10 815	10 815	-	100,0%	17 325	17 325
Administrative fees	29	-	(4)	25	25	-	100,0%	164	164
Advertising	1 893	-	1 024	2 917	2 917	-	100,0%	1 111	1 111
Minor assets	33	-	(20)	13	13	-	100,0%	122	122
Catering: Departmental activities	250	-	(250)	-	-	-	-	85	85
Communication (G&S)	1	-	(1)	-	-	-	-	-	-
Consultants: Business and advisory services	2 606	-	1 435	4 041	4 041	-	100,0%	3 370	3 370
Legal services	47	-	66	113	113	-	100,0%	155	155

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
Contractors	500	-	1 082	1 582	1 582	-	100,0%	6 826	6 826
Consumable supplies	-	-	-	-	-	-	-	17	17
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	23	23
Travel and subsistence	2 053	-	(98)	1 955	1 955	-	100,0%	3 890	3 890
Operating payments	-	-	169	169	169	-	100,0%	352	352
Venues and facilities	-	-	-	-	-	-	-	681	681
Rental and hiring	-	-	-	-	-	-	-	529	529
Transfers and subsidies	**139 394**	**-**	**554**	**139 948**	**139 948**	**-**	**100,0%**	**129 465**	**129 465**
Departmental agencies and accounts	139 374	-	-	139 374	139 374	-	100,0%	129 451	129 451
Departmental agencies	139 374	-	-	139 374	139 374	-	100,0%	129 451	129 451
Households	20	-	554	574	574	-	100,0%	14	14
Social benefits	20	-	554	574	574	-	100,0%	14	14
Payments for capital assets	**215**	**-**	**44**	**259**	**259**	**-**	**100,0%**	**564**	**564**
Machinery and equipment	215	-	44	259	259	-	100,0%	564	564

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
Other machinery and equipment	215	-	44	259	259	-	100,0%	564	564
TOTAL	**177 039**	**-**	**2 717**	**179 756**	**179 756**	**-**	**100,0%**	**175 867**	**175 867**

Subprogramme: 4.1: REGULATION SERVICES

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
Current payments	**7 365**	**-**	**(309)**	**7 056**	**7 056**	**-**	**100,0%**	**7 326**	**7 326**
Compensation of employees	4 235	-	(387)	3 848	3 848	-	100,0%	3 767	3 767
Goods and services	3 130	-	78	3 208	3 208	-	100,0%	3 559	3 559
Transfers and subsidies	**4**	**-**	**9**	**13**	**13**	**-**	**100,0%**	**-**	**-**
Households	4	-	9	13	13	-	100,0%	-	-

Subprogramme: 4.1: REGULATION SERVICES

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
Payments for capital assets	**-**	**-**	**37**	**37**	**37**	**-**	**100,0%**	**125**	**125**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	37	37	37	-	100,0%	125	125
TOTAL	**7 369**	**-**	**(263)**	**7 106**	**7 106**	**-**	**100,0%**	**7 451**	**7 451**

Subprogramme: 4.2: Consumer Protection

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
Current payments	**25 804**	**-**	**4 907**	**30 711**	**30 711**	**-**	**100,0%**	**34 596**	**34 596**
Compensation of employees	21 717	-	1 656	23 373	23 373	-	100,0%	21 666	21 666
Goods and services	4 087	-	3 251	7 338	7 338	-	100,0%	12 930	12 930

Subprogramme: 4.2: Consumer Protection

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
Transfers and subsidies	**16**	**-**	**114**	**130**	**130**	**-**	**100,0%**	**14**	**14**
Households	16	-	114	130	130	-	100,0%	14	14
Payments for capital assets	**215**	**-**	**7**	**222**	**222**	**-**	**100,0%**	**340**	**340**
Machinery and equipment	215	-	7	222	222	-	100,0%	340	340
TOTAL	**26 035**	**-**	**5 028**	**31 063**	**31 063**	**-**	**100,0%**	**34 950**	**34 950**

Subprogramme: 4.3: Liquor Regulation

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
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers and subsidies	**83 586**	**-**	**-**	**83 586**	**83 586**	**-**	**100,0%**	**84 680**	**84 680**
Departmental agencies and accounts	83 586	-	-	83 586	83 586	-	100,0%	84 680	84 680
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**83 586**	**-**	**-**	**83 586**	**83 586**	**-**	**100,0%**	**84 680**	**84 680**

Subprogramme: 4.4: Gaming and Betting

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**
Current payments	**4 261**	**-**	**(2 479)**	**1 782**	**1 782**	**-**	**100,0%**	**3 916**	**3 916**
Compensation of employees	4 066	-	(2 553)	1 513	1 513	-	100,0%	3 080	3 080
Goods and services	195	-	74	269	269	-	100,0%	836	836
Transfers and subsidies	**55 788**	**-**	**431**	**56 219**	**56 219**	**-**	**100,0%**	**44 771**	**44 771**
Departmental agencies and accounts	55 788	-	-	55 788	55 788	-	100,0%	44 771	44 771
Households	-	-	431	431	431	-	100,0%	-	-
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**99**	**99**
Machinery and equipment	-	-	-	-	-	-	-	99	99
Total	**60 049**	**-**	**(2 048)**	**58 001**	**58 001**	**-**	**100,0%**	**48 786**	**48 786**

Programme 5: Economic Planning

Sub 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**
1	Policy And Planning	5 535	-	15	5 550	5 550	-	100,0%	5 915	5 531
2	Research And Development	9 445	-	(2 283)	7 162	7 162	-	100,0%	8 379	6 705
3	Knowledge Management	2 996	-	143	3 139	3 139	-	100,0%	3 414	3 414
4	Monitoring And Evaluation	3 343	-	108	3 451	3 451	-	100,0%	1 980	1 605
TOTAL		**21 319**	**-**	**(2 017)**	**19 302**	**19 302**	**-**	**100,0%**	**19 688**	**17 255**

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**
Current payments	**19 936**	**-**	**(2 229)**	**17 707**	**17 707**	**-**	**100,0%**	**19 560**	**17 130**
Compensation of employees	11 895	-	327	12 222	12 222	-	100,0%	12 051	11 590
Salaries and wages	10 538	-	364	10 902	10 902	-	100,0%	10 714	10 299
Social contributions	1 357	-	(37)	1 320	1 320	-	100,0%	1 337	1 291
Goods and services	8 041	-	(2 556)	5 485	5 485	-	100,0%	7 509	5 540

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
Administrative fees	5	-	8	13	13	-	100,0%	194	194
Advertising	80	-	109	189	189	-	100,0%	126	104
Minor assets	23	-	7	30	30	-	100,0%	67	67
Consultants: Business and advisory services	6 027	-	(2 797)	3 230	3 230	-	100,0%	2 750	2 500
Scientific and technological services	-	-	-	-	-	-	-	1 671	-
Agency and support / outsourced services	300	-	181	481	481	-	100,0%	-	-
Consumable supplies	10	-	(10)	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	148	-	59	207	207	-	100,0%	101	101
Travel and subsistence	721	-	(102)	619	619	-	100,0%	1 812	1 812
Training and development	62	-	(62)	-	-	-	-	52	52
Operating payments	665	-	51	716	716	-	100,0%	736	710
Transfers and subsidies	**1 014**	**-**	**-**	**1 014**	**1 014**	**-**	**100,0%**	**7**	**7**
Provinces and municipalities	1 000	-	-	1 000	1 000	-	100,0%	-	-
Municipalities	1 000	-	-	1 000	1 000	-	100,0%	-	-

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**
Municipal bank accounts	1 000	-	-	1 000	1 000	-	100,0%	-	-
Households	14	-	-	14	14	-	100,0%	7	7
Social benefits	14	-	-	14	14	-	100,0%	7	7
Payments for capital assets	**369**	**-**	**211**	**580**	**580**	**-**	**100,0%**	**115**	**112**
Machinery and equipment	369	-	211	580	580	-	100,0%	115	112
Other machinery and equipment	369	-	211	580	580	-	100,0%	115	112
Payment for financial assets	**-**	**-**	**1**	**1**	**1**	**-**	**100,0%**	**6**	**6**
TOTAL	**21 319**	**-**	**(2 017)**	**19 302**	**19 302**	**-**	**100,0%**	**19 688**	**17 255**

Subprogramme: 5.1: Policy And Planning

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
Current payments	**4 322**	**-**	**16**	**4 338**	**4 338**	**-**	**100,0%**	**5 898**	**5 514**
Compensation of employees	3 294	-	(12)	3 282	3 282	-	100,0%	3 724	3 638
Goods and services	1 028	-	28	1 056	1 056	-	100,0%	2 174	1 876
Transfers and subsidies	**1 004**	**-**	**(1)**	**1 003**	**1 003**	**-**	**100,0%**	**-**	**-**
Provinces and municipalities	1 000	-	-	1 000	1 000	-	100,0%	-	-
Households	4	-	(1)	3	3	-	100,0%	-	-
Payments for capital assets	**209**	**-**	**-**	**209**	**209**	**-**	**100,0%**	**17**	**17**
Machinery and equipment	209	-	-	209	209	-	100,0%	17	17
TOTAL	**5 535**	**-**	**15**	**5 550**	**5 550**	**-**	**100,0%**	**5 915**	**5 531**

Subprogramme: 5.2: Research And Development

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
Current payments	**9 322**	**-**	**(2 181)**	**7 141**	**7 141**	**-**	**100,0%**	**8 366**	**6 695**
Compensation of employees	3 628	-	138	3 766	3 766	-	100,0%	3 838	3 838
Goods and services	5 694	-	(2 319)	3 375	3 375	-	100,0%	4 528	2 857
Transfers and subsidies	**3**	**-**	**-**	**3**	**3**	**-**	**100,0%**	**-**	**-**
Households	3	-	-	3	3	-	100,0%	-	-
Payments for capital assets	**120**	**-**	**(102)**	**18**	**18**	**-**	**100,0%**	**13**	**10**
Machinery and equipment	120	-	(102)	18	18	-	100,0%	13	10
Total	**9 445**	**-**	**(2 283)**	**7 162**	**7 162**	**-**	**100,0%**	**8 379**	**6 705**

Subprogramme: 5.3: Knowledge Management

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
Current payments	**2 949**	**-**	**154**	**3 103**	**3 103**	**-**	**100,0%**	**3 414**	**3 414**
Compensation of employees	2 672	-	96	2 768	2 768	-	100,0%	2 812	2 812
Goods and services	277	-	58	335	335	-	100,0%	602	602
Transfers and subsidies	**7**	**-**	**1**	**8**	**8**	**-**	**100,0%**	**-**	**-**
Households	7	-	1	8	8	-	100,0%	-	-
Payments for capital assets	**40**	**-**	**(12)**	**28**	**28**	**-**	**100,0%**	**-**	**-**
Machinery and equipment	40	-	(12)	28	28	-	100,0%	-	-
TOTAL	**2 996**	**-**	**143**	**3 139**	**3 139**	**-**	**100,0%**	**3 414**	**3 414**

Subprogramme: 5.4: Monitoring And Evaluation

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
Current payments	**3 343**	**-**	**(218)**	**3 125**	**3 125**	**-**	**100,0%**	**1 882**	**1 507**
Compensation of employees	2 301	-	105	2 406	2 406	-	100,0%	1 677	1 302
Goods and services	1 042	-	(323)	719	719	-	100,0%	205	205
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7**	**7**
Households	-	-	-	-	-	-	-	7	7
Payments for capital assets	**-**	**-**	**325**	**325**	**325**	**-**	**100,0%**	**85**	**85**
Machinery and equipment	-	-	325	325	325	-	100,0%	85	85
Payment for financial assets			**1**	**1**	**1**	**-**	**100,0%**	**6**	**6**
Total	**3 343**	**-**	**108**	**3 451**	**3 451**	**-**	**100,0%**	**1 980**	**1 605**

Programme 6: Tourism

Sub 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**

1	Tourism Planning	6 859	-	(1 607)	5 252	4 380	872	83,4%	6 200	5 889
2	Tourism Growth and Development	210 433	-	2 037	212 470	212 470	-	100,0%	339 413	335 435
3	Tourism Sector Transformation	5 925	-	(977)	4 948	4 948	-	100,0%	8 412	8 397
TOTAL		**223 217**	**-**	**(547)**	**222 670**	**221 798**	**872**	**99,6%**	**354 025**	**349 721**

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**
Current payments	**20 285**	**-**	**(206)**	**20 079**	**19 207**	**872**	**95,7%**	**28 465**	**27 642**
Compensation of employees	15 598	-	(735)	14 863	14 863	-	100,0%	17 037	16 750
Salaries and wages	13 712	-	(529)	13 183	13 183	-	100,0%	15 389	15 145
Social contributions	1 886	-	(206)	1 680	1 680	-	100,0%	1 648	1 605
Goods and services	4 687	-	529	5 216	4 344	872	83,3%	11 428	10 892
Administrative fees	89	-	(4)	85	85	-	100,0%	152	152
Advertising	315	-	(239)	76	76	-	100,0%	322	279
Minor assets	-	-	2	2	2	-	100,0%	18	18
Catering: Departmental activities	78	-	(54)	24	24	-	100,0%	69	49
Consultants: Business and advisory services	2 200	-	1 418	3 618	2 746	872	75,9%	35	-

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
Contractors	-	-	-	-	-	-	-	7 270	7 270
Inventory: Clothing material and accessories	59	-	-	59	59	-	100,0%	-	-
Inventory: Other supplies	-	-	44	44	44	-	100,0%	-	-
Consumable supplies	300	-	(300)	-	-	-	-	6	6
Consumable: Stationery, printing and office supplies	24	-	3	27	27	-	100,0%	35	35
Transport provided: Departmental activity	-	-	-	-	-	-	-	429	349
Travel and subsistence	1 412	-	(131)	1 281	1 281	-	100,0%	2 879	2 536
Training and development	-	-	-	-	-	-	-	198	198
Operating payments	60	-	(60)	-	-	-	-	15	-
Venues and facilities	150	-	(150)	-	-	-	-	-	-
Transfers and subsidies	**202 361**	**-**	**121**	**202 482**	**202 482**	**-**	**100,0%**	**325 101**	**321 901**
Provinces and municipalities	17 750	-	-	17 750	17 750	-	100,0%	9 800	9 800
Municipalities	17 750	-	-	17 750	17 750	-	100,0%	9 800	9 800
Municipal bank accounts	12 750	-	-	12 750	12 750	-	100,0%	9 800	9 800
Municipal agencies and funds	5 000	-	-	5 000	5 000	-	100,0%	-	-

Economic classification	2020/21 Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2019/20 Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	184 468	-	-	184 468	184 468	-	100,0%	279 474	279 474
Departmental agencies	184 468	-	-	184 468	184 468	-	100,0%	279 474	279 474
Public corporations and private enterprises	-	-	-	-	-	-	-	35 815	32 615
Private enterprises	-	-	-	-	-	-	-	35 815	32 615
Other transfers to private enterprises	-	-	-	-	-	-	-	35 815	32 615
Households	143	-	121	264	264	-	100,0%	12	12
Social benefits	143	-	121	264	264	-	100,0%	12	12
Payments for capital assets	**571**	**-**	**(462)**	**109**	**109**	**-**	**100,0%**	**443**	**162**
Machinery and equipment	571	-	(462)	109	109	-	100,0%	443	162
Other machinery and equipment	571	-	(462)	109	109	-	100,0%	443	162
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**16**
TOTAL	**223 217**	**-**	**(547)**	**222 670**	**221 798**	**872**	**99,6%**	**354 025**	**349 721**

Subprogramme: 6.1: Tourism Planning

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
Current payments	**6 859**	**-**	**(1 620)**	**5 239**	**4 367**	**872**	**83,4%**	**6 191**	**5 880**
Compensation of employees	4 371	-	(352)	4 019	4 019	-	100,0%	4 088	4 058
Goods and services	2 488	-	(1 268)	1 220	348	872	28,5%	2 103	1 822
Transfers and subsidies	**-**	**-**	**13**	**13**	**13**	**-**	**100,0%**	**9**	**9**
Households	-	-	13	13	13	-	100,0%	9	9
TOTAL	**6 859**	**-**	**(1 607)**	**5 252**	**4 380**	**872**	**83,4%**	**6 200**	**5 889**

Subprogramme: 6.2: Tourism Growth and Development

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
Current payments	**7 632**	**-**	**2 499**	**10 131**	**10 131**	**-**	**100,0%**	**15 965**	**15 468**

Subprogramme: 6.2: Tourism Growth and Development

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
Compensation of employees	6 406	-	(2)	6 404	6 404	-	100,0%	7 207	6 950
Goods and services	1 226	-	2 501	3 727	3 727	-	100,0%	8 758	8 518
Transfers and subsidies	**202 230**	**-**	**-**	**202 230**	**202 230**	**-**	**100,0%**	**322 989**	**319 789**
Provinces and municipalities	17 750	-	-	17 750	17 750	-	100,0%	7 700	7 700
Departmental agencies and accounts	184 468	-	-	184 468	184 468	-	100,0%	279 474	279 474
Public corporations and private enterprises	-	-	-	-	-	-	-	35 815	32 615
Households	12	-	-	12	12	-	100,0%	-	-
Payments for capital assets	**571**	**-**	**(462)**	**109**	**109**	**-**	**100,0%**	**443**	**162**
Machinery and equipment	571	-	(462)	109	109	-	100,0%	443	162
Payment for financial assets				**-**		**-**	**-**	**16**	**16**
TOTAL	**210 433**	**-**	**2 037**	**212 470**	**212 470**	**-**	**100,0%**	**339 413**	**335 435**

Subprogramme: 6.3: Tourism Sector Transformation

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
Current payments	**5 794**	**-**	**(1 085)**	**4 709**	**4 709**	**-**	**100,0%**	**6 309**	**6 294**
Compensation of employees	4 821	-	(381)	4 440	4 440	-	100,0%	5 742	5 742
Goods and services	973	-	(704)	269	269	-	100,0%	567	552
Transfers and subsidies	**131**	**-**	**108**	**239**	**239**	**-**	**100,0%**	**2 103**	**2 103**
Provinces and municipalities	-	-	-	-	-	-	-	2 100	2 100
Households	131	-	108	239	239	-	100,0%	3	3
TOTAL	**5 925**	**-**	**(977)**	**4 948**	**4 948**	**-**	**100,0%**	**8 412**	**8 397**

Programme 7: Environmental Affairs									
2020/21								**2019/20**	
Sub programme	**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**
1. Environmental Policy Planning And Co-Ordination	23 323	-	(1 210)	22 113	14 113	8 000	63.8%	12 724	11 661
2. Compliance And Enforcement	25 554	-	2 916	28 470	28 470	-	100.0%	28 077	27 708
3. Environmental Quality Management	41 779	6 600	(4 040)	44 339	43 964	375	99.2%	43 362	42 298
4. Biodiversity Management	1 084 413	(6 600)	3 723	1 081 536	1 081 536	-	100.0%	909 551	908 158
5. Environmental Empowerment Services	30 551	-	(561)	29 990	29 990	-	100.0%	37 204	36 940
6. Environmental Services Administrative Support	2 481	-	76	2 557	2 557	-	100.0%	4 015	3 865
TOTAL	**1 208 101**	**-**	**904**	**1 209 005**	**1 200 630**	**8 375**	**99.3%**	**1 034 933**	**1 030 630**

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**
Current payments	**217 104**	**(6 600)**	**3 020**	**213 524**	**205 524**	**8 000**	**96.3%**	**254 127**	**250 832**

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
Compensation of employees	121 406	-	3 691	125 097	125 097	-	100.0%	124 609	123 346
Salaries and wages	103 442	-	3 435	106 877	106 877	-	100.0%	107 010	105 794
Social contributions	17 964	-	256	18 220	18 220	-	100.0%	17 599	17 552
Goods and services	95 698	(6 600)	(671)	88 427	80 427	8 000	91.0%	129 518	127 486
Administrative fees	52	-	58	110	110	-	100.0%	595	587
Advertising	206	-	115	321	321	-	100.0%	182	133
Minor assets	136	-	84	220	220	-	100.0%	324	291
Catering: Departmental activities	200	-	(200)	-	-	-	-	87	87
Computer services	-	-	-	-	-	-	-	206	206
Consultants: Business and advisory services	11 492	(6 600)	3 876	8 768	768	8 000	8.8%	89	62
Laboratory services	30	-	(30)	-	-	-	-	-	-
Contractors	1 500	-	(1 500)	-	-	-	-	4 105	4 105
Agency and support / outsourced services	60 090	-	2 761	62 851	62 851	-	100.0%	83 130	83 130
Inventory: Clothing material and supplies	9 145	-	(7 206)	1 939	1 939	-	100.0%	11 635	11 185
Inventory: Farming supplies	3 599	-	(1 021)	2 578	2 578	-	100.0%	11 137	11 137
Consumable supplies	1 932	-	1 481	3 413	3 413	-	100.0%	1 934	1 934
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	125	125
Property payments	-	-	99	99	99	-	100.0%	-	-
Travel and subsistence	4 622	-	1 827	6 449	6 449	-	100.0%	13 413	13 172

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
Training and development	2 500	-	(1 118)	1 382	1 382	-	100.0%	2 105	913
Operating payments	194	-	103	297	297	-	100.0%	184	153
Venues and facilities	-	-	-	-	-	-	-	267	266
Transfers and subsidies	**987 093**	**6 600**	**182**	**993 875**	**993 500**	**375**	**100.0%**	**777 412**	**777 411**
Provinces and municipalities	-	6 600	-	6 600	6 225	375	94.3%	-	-
Municipalities	-	6 600	-	6 600	6 225	375	94.3%	-	-
Municipal bank accounts	-	6 600	-	6 600	6 225	375	94.3%	-	-
Departmental agencies and accounts	986 992	-	-	986 992	986 992	-	100.0%	769 438	769 438
Departmental agencies	986 992	-	-	986 992	986 992	-	100.0%	769 438	769 438
Public corporations and private enterprises	-	-	-	-	-	-	-	176	175
Private enterprises	-	-	-	-	-	-	-	176	175
Other transfers to private enterprises	-	-	-	-	-	-	-	176	175
Non-profit institutions	-	-	-	-	-	-	-	7 659	7 659
Households	101	-	182	283	283	-	100.0%	139	139
Social benefits	101	-	182	283	283	-	100.0%	139	139
Payments for capital assets	**3 904**	**-**	**(2 298)**	**1 606**	**1 606**	**-**	**100.0%**	**3 306**	**2 299**
Buildings and other fixed structures	-	-	14	14	14	-	100.0%	-	-
Other fixed structures	-	-	14	14	14	-	100.0%	-	-

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
Machinery and equipment	3 904	-	(2 312)	1 592	1 592	-	100.0%	3 306	2 299
Other machinery and equipment	3 904	-	(2 312)	1 592	1 592		100.0%	3 306	2 299
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**88**	**88**
TOTAL	**1 208 101**	**-**	**904**	**1 209 005**	**1 200 630**	**8 375**	**99.3%**	**1 034 933**	**1 030 630**

Subprogramme: 7.1: Environmental Policy Planning and 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	**22 886**	**-**	**(872)**	**22 014**	**14 014**	**8 000**	**63.7%**	**12 524**	**11 661**
Compensation of employees	13 417	-	(439)	12 978	12 978	-	100.0%	10 430	10 364
Goods and services	9 469	-	(433)	9 036	1 036	8 000	11.5%	2 094	1 297
Payments for capital assets	**437**	**-**	**(338)**	**99**	**99**	**-**	**100.0%**	**200**	**-**
Machinery and equipment	437	-	(338)	99	99	-	100.0%	200	-
TOTAL	**23 323**	**-**	**(1 210)**	**22 113**	**14 113**	**8 000**	**63.8%**	**12 724**	**11 661**

Subprogramme: 7.2: Compliance and Enforcement

Economic classification	2020/21 Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2019/20 Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**25 311**	**-**	**2 728**	**28 039**	**28 039**	**-**	**100.0%**	**27 372**	**27 372**
Compensation of employees	22 807	-	2 772	25 579	25 579	-	100.0%	23 555	23 555
Goods and services	2 504	-	(44)	2 460	2 460	-	100.0%	3 817	3 817
Transfers and subsidies	**-**	**-**	**89**	**89**	**89**	**-**	**100.0%**	**56**	**56**
Households	-	-	89	89	89	-	100.0%	56	56
Payments for capital assets	**243**	**-**	**99**	**342**	**342**	**-**	**100.0%**	**645**	**276**
Machinery and equipment	243	-	99	342	342	-	100.0%	645	276
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4**	**4**
TOTAL	**25 554**	**-**	**2 916**	**28 470**	**28 470**	**-**	**100.0%**	**28 077**	**27 708**

Subprogramme: 7.3: Environmental Quality Management

Economic classification	2020/21 Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2019/20 Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**39 465**	**-**	**(2 358)**	**37 107**	**37 107**	**-**	**100.0%**	**42 213**	**41 150**
Compensation of employees	36 761	-	(1 047)	35 714	35 714	-	100.0%	38 844	37 781
Goods and services	2 704	-	(1 311)	1 393	1 393	-	100.0%	3 369	3 369

Subprogramme: 7.3: Environmental Quality 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
Transfers and subsidies	**-**	**6 600**	-	**6 600**	**6 225**	**375**	**94.3%**	**259**	**258**
Provinces and municipalities	-	6 600	-	6 600	6 225	375	94.3%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	176	175
Households	-	-	-	-	-	-	-	83	83
Payments for capital assets	**2 314**	**-**	**(1 682)**	**632**	**632**	**-**	**100.0%**	**890**	**890**
Buildings and other fixed structures	-	-	14	14	14	-	100.0%	-	-
Machinery and equipment	2 314	-	(1 696)	618	618	-	100.0%	890	890
TOTAL	**41 779**	**6 600**	**(4 040)**	**44 339**	**43 964**	**375**	**99.2%**	**43 362**	**42 298**

Subprogramme: 7.4: Biodiversity 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	**96 656**	**(6 600)**	**3 919**	**93 975**	**93 975**	**-**	**100.0%**	**132 364**	**131 172**
Compensation of employees	20 965	-	130	21 095	21 095	-	100.0%	21 408	21 408

Subprogramme: 7.4: Biodiversity 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**
Goods and services	75 691	(6 600)	3 789	72 880	72 880	-	100.0%	110 956	109 764
Transfers and subsidies	**987 037**	**-**	**58**	**987 095**	**987 095**	**-**	**100,0%**	**776 597**	**776 597**
Departmental agencies and accounts	986 992	-	-	986 992	986 992	-	100.0%	769 438	769 438
Non-profit institutions	-	-	-	-	-	-	-	7 159	7 159
Households	45	-	58	103	103	-	100.0%	-	-
Payments for capital assets	**720**	**-**	**(254)**	**466**	**466**	-	**100.0%**	**590**	**389**
Machinery and equipment	720	-	(254)	466	466	-	100.0%	590	389
TOTAL	**1 084 413**	**(6 600)**	**3 723**	**1 081 536**	**1 081 536**	**-**	**100.0%**	**909 551**	**908 158**

Subprogramme: 7.5: Environmental Empowerment 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**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**30 305**	**-**	**(406)**	**29 899**	**29 899**	**-**	**100.0%**	**35 852**	**35 825**
Compensation of employees	25 144	-	2 366	27 510	27 510	-	100.0%	27 969	27 969

Subprogramme: 7.5: Environmental Empowerment 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**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Goods and services	5 161	-	(2 772)	2 389	2 389	-	100.0%	7 883	7 856
Transfers and subsidies	**56**	**-**	**35**	**91**	**91**	**-**	**100.0%**	**500**	**500**
Non-profit institutions	-	-	-	-	-	-	-	500	500
Households	56	-	35	91	91	-	100.0%	-	-
Payments for capital assets	**190**	**-**	**(190)**	**-**	**-**	**-**	**-**	**769**	**532**
Machinery and equipment	190	-	(190)	-	-	-	-	769	532
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**83**	**83**
TOTAL	**30 551**	**-**	**(561)**	**29 990**	**29 990**	**-**	**100.0%**	**37 204**	**36 940**

Subprogramme: 7.6: Environmental Services Administrative Support									
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	**2 481**	**-**	**9**	**2 490**	**2 490**	**-**	**100.0%**	**3 802**	**3 652**
Compensation of employees	2 312	-	(91)	2 221	2 221	-	100.0%	2 403	2 269
Goods and services	169	-	100	269	269	-	100.0%	1 399	1 383
Payments for capital assets	**-**	**-**	**67**	**67**	**67**	**-**	**100.0%**	**212**	**212**
Machinery and equipment	-	-	67	67	67	-	100.0%	212	212
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**
TOTAL	**2 481**	**-**	**76**	**2 557**	**2 557**	**-**	**100.0%**	**4 015**	**3 865**

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, disclosure notes and Annexure 1 (A-H) to the Annual 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	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
1. ADMINISTRATION	255 349	255 237	112	0.04%
The under spending is due to motor vehicle licence fees				
2. INTEGRATED ECONOMIC DEVELOPMENT SERVICES	372 295	372 276	19	0.01%
A savings realised through contract negotiations and bulk buying savings on the Downstream Aluminium Centre project.				
3. TRADE AND SECTOR DEVELOPMENT	760 074	759 067	1 007	0.13%
The underspending is due to delays in accreditation of Post Graduate /Masters degrees by SAQA				
4. BUSINESS REGULATION AND GOVERNANCE	179 756	179 756	-	0%
5. ECONOMIC PLANNING	19 302	19 302	-	0%
6. TOURISM	222 670	221 798	872	0.39%
The under spending was due to delays in implementing Tourism master plan				
7.ENVIRONMENTAL AFFAIRS	1 209 005	1 200 630	8 375	0.69%
The under spending was mainly due to delays in the implementation of projects aimed at reducing the vulnerability of key sectors to climate change as a result of outbreak of the Covid-19 pandemic and subsequent national lockdown; as well as delays in implementing Tourism master plan. Also there were delays in the submission of relevant information by the Dr. Nkosozana Dlamini-Zuma Municipality.				

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	358 065	358 065	-	0%

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2021

Goods and services	**343 529**	**334 613**	**8 916**	**2.60%**
Interest and rent on land	**-**	**-**	**-**	**-**
Transfers and subsidies	**2 291 032**	**2 289 563**	**1 469**	**0%**
Provinces and municipalities	**57 010**	**56 567**	**443**	**0.78%**
Departmental agencies and accounts	**1 793 901**	**1 793 901**	**-**	**0%**
Higher education institutions	**1 000**	**-**	**1 000**	**100%**
Public corporations and private enterprises	**252 562**	**252 562**	**-**	**0%**
Non-profit institutions	**184 225**	**184 199**	**26**	**0.01%**
Households	**2 334**	**2 334**	**-**	**0%**
Payments for capital assets				
Buildings and other fixed structures	**1 824**	**1 824**	**-**	**0%**
Machinery and equipment	**23 753**	**23 753**	**-**	**0%**
Heritage assets	**-**	**-**	**-**	**-**
Specialised military assets	**-**	**-**	**-**	**-**
Biological assets	**-**	**-**	**-**	**-**
Land and subsoil assets	**-**	**-**	**-**	**-**
Intangible assets	**246**	**246**	**-**	**0%**
Payments for financial assets	**2**	**2**	**-**	**0%**

Goods and services: **R8.916 million under spending was mainly due to delays in the implementation of projects aimed at reducing the vulnerability of key sectors to climate change as a result of the outbreak of the Covid-19 pandemic and subsequent national lockdown; as well as delays in implementing Tourism master plan.**
Provinces and municipalities**: R443 000 under spending is due to motor licences fee as well as delays in submission of relevant information by the Dr. Nkosozana Dlamini-Zuma Municipality**
Public corporations and private enterprises: **R26 000 under spending is mainly due to savings of R19 000 realised through contract negotiations and bulk buying for Downstream Aluminium Centre project."**
Higher education institutions: **R1 million was underspent due to delays in accreditation of Post Grad/Masters degrees in Aerostropolis Programme**

4.3 Per conditional grant	**Final Appropriation R'000**	**Actual Expenditure R'000**	**Variance R'000**	**Variance as a % of Final Appropriation %**
EPWP INTEGRATED GRANT	**4 988**	**4 988**	**-**	**0%**

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	1	3 018 451	3 245 385
Statutory appropriation		-	-
Departmental revenue	2	53 262	49 595
NRF Receipts		-	-
TOTAL REVENUE		3 071 713	3 294 980
EXPENDITURE			
Current expenditure			
Compensation of employees	3	358 065	357 625
Goods and services	4	334 613	387 519
Interest and rent on land		-	-
Total current expenditure		692 678	745 144
Transfers and subsidies			
Transfers and subsidies	*6*	2 289 563	2 450 291
Aid assistance		-	-
Total transfers and subsidies		2 289 563	2 450 291
Expenditure for capital assets			
Tangible assets	7	25 577	27 663
Intangible assets	7	246	-
Total expenditure for capital assets		25 823	27 663
Unauthorised expenditure approved without funding	8	-	-
Payments for financial assets	5	2	1 707
TOTAL EXPENDITURE		3 008 066	3 224 805
SURPLUS/(DEFICIT) FOR THE YEAR		63 647	70 175
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		10 385	20 580
Annual appropriation		10 385	20 580
Conditional grants			-
Departmental revenue and NRF Receipts	14	53 262	49 595
Aid assistance		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		63 647	70 175

STATEMENT OF FINANCIAL POSITION
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		**8 703**	**98 608**
Unauthorised expenditure	8	-	-
Cash and cash equivalents	9	-	75 442
Prepayments and advances	10	5 615	5 615
Receivables	11	3 088	17 551
Non-current assets		**1 039 606**	**1 039 393**
Investments	12	1 008 607	1 008 607
Receivables	11	30 999	30 786
TOTAL ASSETS		**1 048 309**	**1 138 001**
LIABILITIES			
Current liabilities		**35 855**	**125 803**
Voted funds to be surrendered to the Revenue Fund	13	10 384	20 580
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	3 284	46 717
Bank overdraft	15	21 792	-
Payables	16	395	58 506
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
TOTAL LIABILITIES		**35 855**	**125 803**
NET ASSETS		**1 012 454**	**1 012 198**

	Note	2020/21 R'000	2019/20 R'000
Represented by:			
Capitalisation reserve		1 008 607	1 008 607
Recoverable revenue		3 847	3 591
TOTAL		**1 012 454**	**1 012 198**

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
Capitalisation Reserves			
Opening balance		**1 008 607**	**1 008 607**
Closing balance		**1 008 607**	**1 008 607**
Recoverable revenue			
Opening balance		**3 591**	**3 608**
Transfers:		**256**	**(17)**
Irrecoverable amounts written off	**5**	**-**	**(365)**
Debts recovered (included in departmental receipts)		**190**	**(19)**
Debts raised		**66**	**367**
Closing balance		**3 847**	**3 591**
TOTAL		**1 012 454**	**1 012 198**

CASH FLOW STATEMENT
for the year ended 31 March 2021

	Note	2020/21	2019/20
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3 070 265	3 294 980
Annual appropriated funds received	1.1	3 018 451	3 245 385
Departmental revenue received	2	51 572	49 230
Interest received	2.3	242	365
Net (increase)/decrease in working capital		(43 648)	49 323
Surrendered to Revenue Fund		(117 276)	(110 600)
Current payments		(692 678)	(749 399)
Payments for financial assets	5	(2)	(1 707)
Transfers and subsidies paid		(2 289 563)	(2 450 291)
Net cash flow available from operating activities	17	(72 902)	32 306
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(25 823)	(23 408)
Proceeds from sale of capital assets	2.4	1 448	-
(Increase)/decrease in non-current receivables	11	(213)	1 165
Net cash flows from investing activities		(24 588)	(22 243)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		256	(17)
Net cash flows from financing activities		256	(17)
Net increase/(decrease) in cash and cash equivalents		(97 234)	10 046
Cash and cash equivalents at beginning of period		75 442	65 396
Cash and cash equivalents at end of period	18	(21 792)	75 442

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2	**Going concern** The financial statements have been prepared on a going concern basis.
3	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	**Foreign currency translation** Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	**Comparative information**
6.1	**Prior period comparative information** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	**Current year comparison with budget** A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	**Revenue**
7.1	**Appropriated funds** Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy
8	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements. Operating lease payments received are recognised as departmental revenue.
8.4.2	**Finance leases** Finance lease payments made during the reporting period are recognised as capital expenditure in the

	statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest. Finance lease payments received are recognised as departmental revenue.
9	**Aid Assistance**
9.1	**Aid assistance received** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	**Aid assistance paid** Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments or advanced are recognised in the statement of financial performance at cost when the payment is material and was budgeted for as an expense in the year in which the actual prepayment or advance was made.
12	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13	**Investments** Investments are recognised in the statement of financial position at cost.
14	**Financial assets**

14.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	**Payables** Payables recognised in the statement of financial position are recognised at cost.
16	**Capital Assets**
16.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	**Intangible assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

	Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
16.4	**Project Costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17	**Provisions and Contingents**
17.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
17.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
17.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
18	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the

	appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
19	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
20	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
21	**Changes in accounting estimates and errors** Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
22	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23	**Principal-Agent arrangements** The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24	**Departures from the MCS requirements** [*Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure*.]
25	**Capitalisation reserve**

	The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
28	**Inventories *(Effective from date determined in a Treasury Instruction)*** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.
31	**Transfers of functions** Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32	**Mergers** Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and

	liabilities at their carrying amounts at the date of the merger.

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

Programmes	2020/21			2019/20		
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	
1. Administration	255 349	255 349	-	293 957	293 957	-
2.Integrated Economic Development Services	372 295	372 295	-	385 088	385 088	-
3.Trade and Sector Development	760 074	760 074	-	981 827	981 827	-
4.Business Regulation and Governance	179 756	179 756	-	175 867	175 867	-
5.Economic Planning	19 302	19 302	-	19 688	19 688	-
6.Tourism	222 670	222 670	-	354 025	354 025	-
7.Environmental Affairs	1 209 005	1 209 005	-	1 034 933	1 034 933	-
Total	3 018 451	3 018 451	-	3 245 385	3 245 385	-

1.2 Conditional grants

	Note	2020/21	2019/20
		R'000	R'000
Total grants received	*45*	4 988	5 529

2. Departmental revenue

	Note	2020/21	2019/20
		R'000	R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	*2.1*	1 488	2 188
Fines, penalties and forfeits	*2.2*	2 438	1 763
Interest, dividends and rent on land	*2.3*	242	365

Sales of capital assets	*2.4*	**1 448**	**-**
Transactions in financial assets and liabilities	*2.5*	**47 646**	**45 279**
Total revenue collected		**53 262**	**49 595**
Departmental revenue collected		**53 262**	**49 595**

For the 2020/21 FY the department received the following revenue:
(R22,921m from KZN liquor Authority for liquor licences as well as R408,897m from Gaming and Betting).
This is not recognised as revenue in the financial statements as the department is only a conduit for the receiving of the cash on behalf of the Revenue Fund, as per the Modified Cash Standard.
-

During 2020/21 FY KZN Provincial Treasury recalled some funds from various Public entities for some projects that were funded in prior years such as: KZN Growth Fund R37,0m; KZN Trade & Investment R3,048m, Sharks Board R2.990m, Gaming & Betting R3,237m as well as KZNLA R1.388m.

2.1 Sales of goods and services other than capital assets

	Note	2020/21	2019/20
	2	**R'000**	**R'000**
Sales of goods and services produced by the department		**1 488**	**2 188**
Sales by market establishment		**41**	**43**
Administrative fees		**1 226**	**1 817**
Other sales		**221**	**328**
Total		**1 488**	**2 188**

2.2 Fines, penalties and forfeits

	Note	2020/21	2019/20
	2	**R'000**	**R'000**
Fines		**2 438**	**1 763**
Total		**2 438**	**1 763**

2.3 Interest, dividends and rent on land

	Note	2020/21	2019/20
	2	**R'000**	**R'000**
Interest		**242**	**365**
Total		**242**	**365**

2.4 **Sale of capital assets**

	Note	2020/21	2019/20
	2	**R'000**	**R'000**
Tangible assets		**1 448**	**–**

Machinery and equipment	*28*	**1 448**	**-**
Total		**1 448**	**-**

2.5 **Transactions in financial assets and liabilities**

	Note	**2020/21**	**2019/20**
	2	**R'000**	**R'000**
Receivables		**2**	**33**
Other Receipts including Recoverable Revenue		**47 644**	**45 246**
Total		**47 646**	**45 279**

2.6 **Cash received not recognised (*not included in the main note*)**

Name of entity	**2020/21 Amount received**	**Amount paid to the revenue fund**	**Balance**
	R'000	**R'000**	**R'000**
KZN Liquor Authority	**22 921**	**22 921**	**-**
KZN Gaming and Betting	**408 897**	**408 897**	**-**
			-
			-
Total	**431 818**	**431 818**	**-**

Name of entity	**2019/20 Amount received**	**Amount paid to the revenue fund**	**Balance**
	R'000	**R'000**	**R'000**
KZN Liquor Authority	**26 112**	**26 112**	**-**
KZN Gaming and Betting	**698 833**	**640 738**	**58 095**
Total	**724 945**	**666 850**	**58 095**

The amount outstanding at year end for Gaming & Betting was paid to the Revenue Fund in 2020/21 FY

3. Compensation of employees

3.1 Salaries and Wages

	Note	2020/21	2019/20
		R'000	R'000
Basic salary		257 100	257 556
Performance award		-	2 375
Service Based		1 389	941
Compensative/circumstantial		3 090	3 807
Periodic payments		-	113
Other non-pensionable allowances		50 924	49 511
Total		312 503	314 303

3.2 Social contributions

	Note	2020/21	2019/20
		R'000	R'000
Employer contributions			
Pension		32 192	30 747
Medical		13 297	12 524
Bargaining council		57	51
Insurance		16	-
Total		45 562	43 322

Total compensation of employees	358 065	357 625
Average number of employees	684	713

4. Goods and services

	Note	2020/21	2019/20
		R'000	R'000
Administrative fees		471	5 145
Advertising		11 856	13 175
Minor assets	4.1	807	1 670
Bursaries (employees)		171	182
Catering		65	546
Communication		5 995	5 745
Computer services	4.2	23 835	28 609
Consultants: Business and advisory services		105 591	18 726
Legal services		3 589	3 513
Contractors		3 403	33 944
Agency and support / outsourced services		63 332	83 130
Audit cost – external	4.3	4 166	4 826
Fleet services		4 719	4 956
Inventory	4.4	5 677	27 271
Consumables	4.5	7 985	6 618
Operating leases		34 672	35 930
Property payments	4.6	32 301	44 258
Rental and hiring		13	641
Transport provided as part of the departmental activities		322	497
Travel and subsistence	4.7	17 420	40 634
Venues and facilities		492	3 073
Training and development		5 442	21 934
Other operating expenditure	4.8	2 289	2 496
Total		334 613	387 519

The Consultants: Business & Advisory Account has a large increase mainly due to Operation Vula business services contracted with the Independent Development Trust (IDT)

4.1 Minor assets

	Note	2020/21	2019/20
	4	R'000	R'000
Tangible assets		807	1 522
Machinery and equipment		807	1 504
Transport assets		-	18
Intangible assets		-	148
Software		-	148
Total		807	1 670

4.2 Computer services

	Note	2020/21	2019/20
	4	R'000	R'000
SITA computer services			
External computer service providers		21 254	25 649
		2 581	2 960
Total		23 835	28 609

4.3 Audit cost – External

	Note	2020/21	2019/20
	4	R'000	R'000
Regularity audits		4 166	4 529
Investigations		-	297
Total		4 166	4 826

4.4 Inventory

	Note	2020/21	2019/20
	4	R'000	R'000
Clothing material and accessories		2 123	11 965
Farming supplies		3 279	11 678
Materials and supplies		15	486
Other supplies	4.4.1	260	3 142
Total		5 677	27 271

4.4.1 Other supplies

	Note	2021/20	2019/20
	4.4	R'000	R'000
Assets for distribution		260	3 142
Machinery and equipment		260	2 766
Other assets for distribution		-	376
Total		260	3 142

4.5 Consumables

	Note	2020/21	2019/20
	4	R'000	R'000
Consumable supplies		5 281	3 142
Uniform and clothing		7	45
Household supplies		2 318	1 341
Building material and supplies		491	11
Communication accessories		2	-
Other consumables		2 463	1 745
Stationery, printing and office supplies		2 704	3 476
Total		7 985	6 618

4.6 Property payments

	Note	2020/21	2019/20
	4	R'000	R'000
Municipal services		2 117	5 130
Property maintenance and repairs		548	1 089
Other		29 636	38 039
Total		32 301	44 258

4.7 Travel and subsistence

	Note	2020/21	2019/20
	4	R'000	R'000
Local		17 191	38 221
Foreign		229	2 413
Total		17 420	40 634

4.8 Other operating expenditure

	Note	2020/21	2019/20
	4	R'000	R'000
Professional bodies, membership and subscription fees		1 112	1 215
Resettlement costs		440	48
Other		737	1 233
Total		2 289	2 496

5. Payments for financial assets

	Note	2020/21	2019/20
		R'000	R'000
Debts written off	5.1	2	1 707
Total		2	1 707

5.1 Debts written off

	Note	2020/21	2019/20
	5	R'000	R'000
Nature of debts written off			
Other debt written off			

Salary Overpayment	2	284
Salary Tax Debt	-	12
Other	-	15
Supplier	-	1 392
Bursary	-	4
Total	2	1 707
Total debt written off	2	1 707

6. Transfers and subsidies

	Note	2020/21 R'000	2019/20 R'000
Provinces and municipalities	34, 35	56 567	46 718
Departmental agencies and accounts	*Annexure 1A*	1 793 901	1 758 952
Higher education institutions	*Annexure 1B*	-	-
Public corporations and private enterprises	*Annexure 1C*	252 562	343 489
Non-profit institutions	*Annexure 1D*	184 199	297 835
Households	*Annexure 1E*	2 334	3 297
Total		2 289 563	2 450 291

7. Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets		25 577	27 663
Buildings and other fixed structures	30	1 824	2 914
Machinery and equipment	28	23 753	24 749
Intangible assets		246	-
Software	29	246	-
Total		25 823	27 663

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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	25 577	-	25 577
Buildings and other fixed structures	1 824		1 824
Machinery and equipment	23 753		23 753
Intangible assets	246	-	246
Software	246		246

Total	**25 823**	**-**	**25 823**

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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**27 663**	**-**	**27 663**
Buildings and other fixed structures	2 914	-	2 914
Machinery and equipment	24 749	-	24 749
Total	**27 663**	**-**	**27 663**

7.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets			
Machinery and equipment		7 174	4 255
Total		**7 174**	**4 255**

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8. Unauthorised expenditure

8.1 Reconciliation of unauthorised expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		-	8 094
Prior period error		-	-
As restated		-	8 094
Unauthorised expenditure – discovered in current year (as restated)		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	(8 094)
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Capital		-	-
Current		-	-
Transfers and subsidies		-	-

Less: Amounts recoverable	-	-
Less: Amounts written off	-	-
Closing balance	-	-

9. Cash and cash equivalents

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account		-	75 442
Total		-	75 442

10. Prepayments and advances

	Note	2020/21 R'000	2019/20 R'000
Prepayments (Not expensed)	*10.1*	5 615	5 615
Total		5 615	5 615

10.1 Prepayments (Not expensed)

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2021
	10	R'000	R'000	R'000	R'000	R'000
Other		5 615	-	-	-	5 615
Total		5 615	-	-	-	5 615

	Note	Balance as at 1 April 2019	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2020
	10	R'000	R'000	R'000	R'000	R'000
Other		5 615	-	-	-	5 615
Total		5 615	-	-	-	5 615

10.2 Prepayments (Expensed)

	Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
Goods and services		8 901	(2 368)	-	2 397	8 930
Total		8 901	(2 368)	-	2 397	8 930

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	Note	Amount as at 1 April 2019	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2020
		R'000	R'000	R'000	R'000	R'000
Goods and services		**26 060**	**(19 159)**	**-**	**2 000**	**8 901**
Other		**-**	**-**	**-**	**-**	**-**
Total		**26 060**	**(19 159)**	**-**	**2 000**	**8 901**

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10.3 **Advances paid (Expensed)**

	Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
Other entities		**-**	**-**	**-**	**58 781**	**58 781**
Total		**-**	**-**	**-**	**58 781**	**58 781**

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11. Receivables

Receivables	***Note***	**2020/21**			**2019/20**		
		Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
		R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Claims recoverable	**11.1**	**2 845**	**30**	**2 875**	**17 440**	**30**	**17 470**
Trade receivables		**-**	**-**	**-**	**-**	**-**	**-**
Recoverable expenditure	**11.2**	**173**	**220**	**393**	**-**	**220**	**220**
Staff debt	**11.3**	**70**	**106**	**176**	**83**	**81**	**164**
Fruitless and wasteful expenditure		**-**	**-**	**-**	**-**	**-**	**-**
Other receivables	**11.4**	**-**	**30 643**	**30 643**	**28**	**30 455**	**30 483**
Total		**3 088**	**30 999**	**34 087**	**17 551**	**30 786**	**48 337**

11.1 Claims recoverable

	Note 11 and Annex 3	2020/21 R'000	2019/20 R'000
National departments		**570**	**17 470**
Provincial departments		**13**	**-**
Private enterprises		**44**	**-**
Local governments		**2 248**	**-**
Total		**2 875**	**17 470**

11.2 Recoverable expenditure (disallowance accounts)

	Note 11	2020/21 R'000	2019/20 R'000
(Group major categories, but list material items)			
Sal: Fin Institute Study Loans CL		**1**	-
Sal: Tax Debt CA		**3**	-
Sal: Reversal Control CA		**167**	-
Disallowance payment fraud: CA		**220**	220
Disall: Damages&Losses : Recover: CA		**129**	129
Disall: Damages&Losses :CA		**(129)**	(129)
Sal: Pension Fund CL		**2**	-
Total		**393**	**220**

11.3 Staff debt

	Note 11	2020/21 R'000	2019/20 R'000
Other			
Private telephone & Cellphone		**-**	**5**
Salary & allowance overpayments		**-**	**-**
Tax Debt		**166**	**131**
		10	**28**
Total		**176**	**164**

11.4 Other receivables

	Note 11	2020/21 R'000	2019/20 R'000
Supplier Debt		**30 643**	**30 483**
Total		**30 643**	**30 483**

11.5 Impairment of receivables

	Note	2020/21 R'000	2019/20 R'000
Estimate of impairment of receivables		**31 576**	**3 568**
Total		**31 576**	**3 568**

Impairment has been recorded after the assessment recoverability of the various items included in the Receivable note. The receivable will only be derecognised once the write-off procedures have been finalised and when the Department has a sufficient surplus to complete proceedings.

12. Investments

	2020/21 R'000	2019/20 R'000
Non-Current		
Shares and other equity		
Ithala Development Finance Cooperation	1 008 582	1 008 582
African Phoenix Investment (Ex African Bank)	25	25
Total	**1 008 607**	**1 008 607**
Total non-current	**1 008 607**	**1 008 607**

	2020/21 R'000	2019/20 R'000
Analysis of non-current investments		
Opening balance	1 008 607	1 008 607
Closing balance	**1 008 607**	**1 008 607**

12.1 Impairment of investments

	Note	2020/21 R'000	2019/20 R'000
Estimate of impairment of impairment		24	-
Total		**24**	**-**

Impairment in respect of the African Phoenix Investment (ex African Bank) shares held was recorded to reflect the current share value.

13. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		20 580	107 659
Prior period error			-
As restated		20 580	107 659
Transfer from statement of financial performance (as restated)		10 385	20 580
Add: Unauthorised expenditure for current year	8	-	-
Voted funds not requested/not received	1.1	-	-
Paid during the year		(20 581)	(107 659)
Closing balance		**10 384**	**20 580**

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

	Note	2020/21 R'000	2019/20 R'000
Opening balance		46 717	63

Prior period error		
As restated	**46 717**	**63**
Transfer from Statement of Financial Performance (as restated)	**53 262**	**49 595**
Paid during the year	**(96 695)**	**(2 941)**
Closing balance	**3 284**	**46 717**

During 2020/21 FY KZN Provincial Treasury recalled some funds from various Public entities for some projects that were funded in prior years (refer note 2 above).

15. Bank Overdraft

	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account	**21 792**	**-**
Total	**21 792**	**-**

16. Payables – current

	Note	2020/21 R'000	2019/20 R'000
Amounts owing to other entities		**-**	**-**
Advances received	<u>16.1</u>	**260**	**260**
Clearing accounts	<u>16.2</u>	**135**	**151**
Other payables	<u>16.3</u>	**-**	**58 095**
Total		**395**	**58 506**

16.1 Advances received

	Note 16	2020/21 R'000	2019/20 R'000
Provincial departments	*Annex 5A*	**260**	**260**
Total		**260**	**260**

16.2 Clearing accounts

	Note 16	2020/21 R'000	2019/20 R'000
Description			
Sal: Income Tax		**123**	**109**
Sal: ACB Recalls		**12**	**-**
Sal: GEHS Refund Control		**-**	**25**
Sal: Reversal Control: CA		-	17
Total		**135**	**151**

16.3 Other payables

	Note	2020/21 R'000	2019/20 R'000
Description			
Tax Receipts		-	58 095
Total		-	58 095

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		63 647	70 175
Add back non cash/cash movements not deemed operating activities		(136 549)	(37 869)
(Increase)/decrease in receivables		14 463	(17 198)
(Increase)/decrease in other current assets		-	8 094
Increase/(decrease) in payables – current		(58 111)	58 427
Proceeds from sale of capital assets		(1 448)	-
Expenditure on capital assets		25 823	23 408
Surrenders to Revenue Fund		(117 276)	(110 600)
Net cash flow generated by operating activities		(72 902)	32 306

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

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General account		(21 792)	75 442
Total		(21 792)	75 442

19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

Liable to	Nature	*Note*	2020/21 R'000	2019/20 R'000
Other guarantees		*Annex 2A*	300 000	300 000
Claims against the department		*Annex 2B*	5 178	8 178
Total			305 178	308 178

Other guarantees
The Ithala SOC Ltd guarantee is unlikely to be exercised as the entity has a clear plan of operations to mitigate the guarantee.

Claims against the department
The claims against the department are classified as one claim being unlikely (R 3m) three claims being possible (R 178,000.00), and one claim being probable (R 2m). It is not possible to determine the timing of the outflow from claims against the Department, as all the cases are subject to court proceedings, which have been substantially delayed as a result of the impact of the Covid-19 pandemic and the associated National State of Disaster on the Rolls of the Courts.

Employees of the department had previously received yearly cost of living wage increases in accordance with the DPSA's authorized compensation levels; however, owing to an ongoing legal disagreement between the National Treasury and labor unions, the pay increases for the 2020-21 fiscal year were not implemented. If the decision is against the department it may be obliged to pay back-pay to employees. The total amount cannot be established as the case is still being heard

19.2 Contingent assets

	Note	2020/21 R'000	2019/20 R'000
Nature of contingent asset			
Undue Salary Payment		840	840
Damage to the Vehicle		-	154
Breach of Contract		-	31
Total		**840**	**1 025**

It is not possible to determine the timing of the inflow of the contingent assets as the claim is subject to court proceedings against the defendant, which claim has been substantially delayed as a result of the impact of the Covid-19 Pandemic and the associated National State of Disaster on the Rolls of the Courts.

20. Capital commitments

	Note	2020/21 R'000	2019/20 R'000
Machinery & Equipment		2 367	3 228
Total		**2 367**	**3 228**

21. Accruals and payables not recognised

21.1 Accruals

			2020/21 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	2 275	805	3 080	1 710
Total	**2 275**	**805**	**3 080**	**1 710**

	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Programme 1: Administration		1 988	1 369
Programme 2: Integrated Economic Development		147	126
Services		19	-
Programme 3: Trade and Sector Development		153	2
Programme 4: Business Regulations &		134	31
Governance		17	19
Programme 5: Economic Planning		622	163
Programme 6: Tourism			
Programme 7: Environmental Affairs			

Total	**3 080**	**1 710**

21.2 **Payables not recognised**

			2020/21 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	**5 43**	**220**	**763**	**-**
Total	**543**	**220**	**763**	**-**

	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Programme 1: Administration		**693**	**-**
Programme 2: Integrated Economic Development Services		**-**	**-**
		-	**-**
Programme 3: Trade and Sector Development		**1**	**-**
Programme 4: Business Regulations & Governance		**-**	**-**
		-	**-**
Programme 5: Economic Planning		**69**	**-**
Programme 6: Tourism			
Programme 7: Environmental Affairs			
Total		**763**	**-**

	Note	2020/21 R'000	2019/20 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	*Annex 4*	**1 294**	**-**
Total		**1 294**	**-**

22. Employee benefits

	Note	2020/21 R'000	2019/20 R'000
Leave entitlement		**31 176**	**21 427**
Service bonus		**9 425**	**9 495**
Performance awards		**1 790**	**2 243**
Capped leave		**7 335**	**10 090**
Other		**135**	**1 905**
Total		**49 861**	**45 160**

At this stage the department is not able to reliably measure the long term portion of the long service awards.

23. Lease commitments

23.1 Operating leases

2020/21	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	36 783	757	37 540
Later than 1 year and not later than 5 years	7 648	400	8 048
Later than five years	-	-	-
Total lease commitments	44 431	1 157	45 588

2019/20	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	32 360	1 352	33 712
Later than 1 year and not later than 5 years	14 302	883	15 185
Later than five years	-	-	-
Total lease commitments	46 662	2 235	48 897

EDTEA photocopying machines leased do not escalate for the entire leased period of 36 months for all contracts. Rental for office accommodation is per the lease contract and they escalate between 5 to 10% as per lease agreement entered into between the landlord and Public Works on our behalf. Seven of the lease commitments disclosed have expired however the department still occupies these buildings. For these, the department disclosed a commitment of 12 months.

23.2 Finance leases

2020/21	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	1 671	1 671
Later than 1 year and not later than 5 years	696	696
Total lease commitments	2 367	2 367

2019/20	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	940	940
Total lease commitments	940	940

Mobile cell phones and internet data cards leases are fixed for a period of 24 months and packages allocated to officials of the Department according to RT15 Transversal Contract arranged by National Treasury.

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		225 252	169 442
Prior period error			(40)
As restated		225 252	169 402
Add: Irregular expenditure – relating to prior year		-	55 850
Add: Irregular expenditure – relating to current year		581	-
Less: Current year amounts condoned		(5 121)	-
Closing balance		220 712	225 252

Analysis of closing balance	2020/21	2019/20
Current year	581	-
Prior years	220 131	225 252
Total	220 712	225 252

Irregular Expenditure relating to Konica Minolta was incorrectly recognised in a prior year (2018/19).

24.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Approval of extension of scope was not obtained		568
Proper Procurement process not followed		13
Total		**581**

Determination test is in-progress

24.3 Details of irregular expenditure condoned

Incident	Condoned by (relevant authority)	2020/21 R'000
Proper procurement process not followed on appointing the service provider		600

Approval of Extension of scope was not obtained before service rendered	21
Transfer payment not authorised by Provincial Treasury	4 500
Total	**5 121**

24.4 **Details of irregular expenditures under assessment (not included in the main note)**

Incident	**2020/21**
	R'000
Proper Procurement Process not followed on appointing service provider	1 426
SBD forms not completed	135
No SLA or approval of Extension of scope was not obtained before service rendered	1 896
No supporting documents	192
Total	**3 649**

24.5 **Prior period error**

	Note	**2020/21**
		R'000
Nature of prior period error		**(40)**
Relating to 2018/19 ***[affecting the opening balance]***		**(40)**
Total prior period errors		**(40)**

25. Fruitless and wasteful expenditure

25.1 **Reconciliation of fruitless and wasteful expenditure**

	Note	**2020/21**	**2019/20**
		R'000	**R'000**
Opening balance		**3 747**	**2 908**
Prior period error			**-**
As restated		**3 747**	**2 908**
Fruitless and wasteful expenditure – relating to prior year			**839**
Fruitless and wasteful expenditure – relating to current year		**78**	**-**
Closing balance		**3 825**	**3 747**

25.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	**Disciplinary steps taken/criminal**	**2020/21**

proceedings	R'000
Interest Paid	34
Interest Paid	2
Interest Paid	1
Overpayment	41
Total	**78**

26. Related party transactions

	Note	2021/22	2019/20
		R'000	R'000
Other			
Guarantees issued/received		300 000	300 000
		-	-
Total		**300 000**	**300 000**

EDTEA has a significant number of Public Entities under its mandate. These Public Entities budget is included as part of the department's budget and the funds are transferred to these entities during the course of the financial year as tranch payment. These Public Entities are: KZN Sharks Board, KZN Tourism Authority, Trade and Investment KZN, Richardsbay IDZ, Dube Trade Port Corporation, Ithala Development Finance Corporation, KZN Growth Fund, KZN Liquor Authotity, Moses Kotane, Institute, KZN Film Commission, KZN Ezemvelo Wildlife, KZN Gaming and Betting.

The KZN MEC for Finance has granted approval for the KZN MEC EDTEA to issue a guarantee to the value of R300m annually over three years to enable Ithala Limited to comply with the capital adequacy and to protect the depositor's funds held by this institution. This guaranteed amount will be held in the KwaZulu-Natal Provincial Revenue Fund and will be drawn upon as and when required.

A Related Party transaction is included under Key Management Personnel disclosure note.

27. Key management personnel

	No. of Individuals	2020/21	2019/20
		R'000	R'000
Political office bearers (provide detail below)	2	1 978	2 118
Officials:			
Level 15 to 16	4	5 054	3 489
Level 14	14	16 532	16 115

Family members of key management personnel		**-**
Total	**23 564**	**21 722**

Members of the Executive Management Committee (EXCO) are entrusted with taking Key Management decisions on the Operational Policies and Performance of the Department.

28. Movable Tangible Capital Assets

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**100 463**	**18 753**	**11 446**	**107 770**
Transport assets	**36 702**	**7 740**	**7 322**	**37 120**
Computer equipment	**38 612**	**5 648**	**3 827**	**40 433**
Furniture and office equipment	**13 656**	**1 173**	**297**	**14 532**
Other machinery and equipment	**11 493**	**4 192**	**-**	**15 685**
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**100 463**	**18 753**	**11 446**	**107 770**

28.1 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	**23 752**	**1 746**	**(7 174)**	**429**	**18 753**

EQUIPMENT					
Transport assets	**6 152**	**1 588**	**-**	**-**	**7 740**
Computer equipment	**5 502**	**146**	**-**	**-**	**5 648**
Furniture and office equipment	**732**	**12**	**-**	**429**	**1 173**
Other machinery and equipment	**11 366**	**-**	**(7 174)**	**-**	**4 192**
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**23 752**	**1 746**	**(7 174)**	**429**	**18 753**

28.2 **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	**-**	**11 446**	**11 446**	**1 448**
Transport assets	**-**	**7 322**	**7 322**	**1 448**
Computer equipment	**-**	**3 827**	**3 827**	**-**
Furniture and office equipment	**-**	**297**	**297**	**-**
Other machinery and equipment	**-**	**-**	**-**	**-**
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	**-**	**11 446**	**11 446**	**1 448**

28.3 **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
MACHINERY AND EQUIPMENT	**79 927**	**63**	**20 495**	**22**	**100 463**
Transport assets	25 360	-	11 342	-	36 702
Computer equipment	33 087	26	5 521	22	38 612
Furniture and office equipment	11 498	(80)	2 238	-	13 656
Other machinery and equipment	9 982	117	1 394	-	11 493
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**79 927**	**63**	**20 495**	**22**	**100 463**

28.3.1 Prior period error

	Note	2020/21
		R'000
Nature of prior period error		63
Computer equipment		26
Furniture and office equipment		(80)
Other machinery and equipment		117
Total prior period errors		**63**

28.4 **Minor assets**

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	1 061	12 242	13 303
Additions	-	689	689
Disposals	-	594	594
TOTAL MINOR ASSETS	**1 061**	**12 337**	**13 398**

		Intangible assets	Machinery and equipment	Total
Number of minor assets	R1	17	4 123	4 140

Number of minor assets at cost	**262**	**6 846**	**7 108**
TOTAL NUMBER OF MINOR ASSETS	**279**	**10 969**	**11 248**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	**913**	**10 937**	**11 850**
Prior period error	**-**	**(218)**	**(218)**
Additions	**148**	**1 523**	**1 671**
Disposals	**-**	**-**	**-**
TOTAL MINOR ASSETS	**1 061**	**12 242**	**13 303**

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	**17**	**4 131**	**4 148**
Number of minor assets at cost	**262**	**7 261**	**7 523**
TOTAL NUMBER OF MINOR ASSETS	**279**	**11 392**	**11 671**

28.4.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		**(218)**
Machinery & Equipment		**(218)**
Total prior period errors		**(218)**

29. Intangible Capital Assets

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance

	R'000	R'000	R'000	R'000	R'000
SOFTWARE	**15 614**	**-**	**246**	**-**	**15 860**
TOTAL INTANGIBLE CAPITAL ASSETS	**15 614**	**-**	**246**	**-**	**15 860**

Intangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the intangible capital assets per the asset register are assets that are under investigation:		
Software	**45**	**12 131**

29.1 **Additions**

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

	Cash	Non-Cash	(Develop-ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	**246**	**-**	**-**	**-**	**246**
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	**246**	**-**	**-**	**-**	**246**

29.2 **Movement for 2019/20**

MOVEMENT IN INTANGIBLE 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
SOFTWARE	**15 614**	**-**	**-**	**-**	**15 614**
TOTAL INTANGIBLE CAPITAL ASSETS	**15 614**	**-**	**-**	**-**	**15 614**

30. Immovable Tangible Capital Assets

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

31 MARCH 2021

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**9 792**	**-**	**1 824**	**-**	**11 616**
Other fixed structures	**9 792**	**-**	**1 824**	**-**	**11 616**
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**9 792**	**-**	**1 824**	**-**	**11 616**

30.1 **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	**1 824**	**-**	**-**	**-**	**1 824**
Other fixed structures	**1 824**	**-**	**-**	**-**	**1 824**
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**1 824**	**-**	**-**	**-**	**1 824**

Movement for 2019/20

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

	Opening balance R'000	Additions R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**6 879**	**2 913**	**9 792**
Other fixed structures	**6 879**	**2 913**	**9 792**
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**6 879**	**2 913**	**9 792**

31. Principal-agent arrangements

31.1 Department acting as the principal

	2021/20 R'000	2019/20 R'000
Invasive alien species project	2 334	4 324
IDT	1 700	-
Total	**4 034**	**4 324**

The Department implements its Invasive Alien Plants Clearing Projects using Expanded Public Works Programme (EPWP). The Department uses contract method to manage and implement these projects and this is done through contracting of project work to locally based EPWP contractors. This method has been found to be effective and contributing to government objectives which include creation of jobs, skills development, SMME development and it is contributing to rural economic development.
The department recruits IASP contractors using the Departmental EPWP Policy and once the contractor has been selected, he/she enters into a service level agreement (SLA) with the Department and the SLA provides terms of reference that govern the contractual obligations. Contractors are paid for signed off completed polygons/sites (monthly tasks) on part- payment bases against the contractors issued order amount. For every contract invoiced, there is a management fee which is calculated at 7% out of wages that is paid to the contractor.

Also, the Independent Development Trust (IDT) was appointed by the department to assist with the implementation of the Operation Vula Fund. The primary role of the IDT is the procurement and delivery of business assets, equipment and inputs for successful applicants. The management fee is based on the value of the procurement undertaken by the entity. The arrangements with the IDT enables the Department to efficiently execute the programme. Should the contract with the IDT be terminated, the cost implication shall be limited to management fee aligned to the actual work undertaken or value of assets procured.

The financial resources that have been transferred to the IDT are recorded by the entity in accordance with the applicable reporting framework.

31.2 **Department acting as the agent**

31.2.1 **Revenue received for agency activities**

	2020/21	2019/20
	R'000	R'000
National Treasury IGR (iLembe LED Project)	-	-
Total	**-**	**-**

KZN EDTEA is the implementing agent on behalf of National Treasury IGR charged with the overall management, supervision and implementation of the SECO Local Economic Development Support Programme jointly with the Swiss State Secretariat for Economic Affairs in the Ilembe District Municipality as per the agreed Project Agreement.
The Department does not receive a management fee, but is responsible for the oversight of the use of project funds.

31.2.2 **Reconciliation of funds and disbursements – 2020/21**

Category of revenue or expenditure per arrangement	Total funds received	Expenditure incurred against funds
	R'000	R'000
Funds received for execution of project	21 170	4 530
Total	21 170	4 530

Reconciliation of funds and disbursements – 2019/20

Category of revenue or expenditure per arrangement	Total funds received	Expenditure incurred against funds
	R'000	R'000
Funds received for execution of project	21 690	38 930
Total	21 690	38 930

In respect of the LED Project, KZN EDTEA receives funding in advance from the Municipalities included in the Swiss agreement, and also receives Swiss funding after expenditure is incurred for the project. All project costs are disbursed to the contractors.

31.2.3 **Reconciliation of carrying amount of receivables and payables – 2020/21**

Receivables

Name of principal	Opening	Revenue	Less:	Cash	Closing

entity	balance 1 Apr 2020	principal is entitled to	Write-offs/settlements/waivers	received on behalf of principal	Balance 31 Mar 2021
	R'000	R'000	R'000	R'000	R'000
National Treasury IGR	**17 210**	**-**	**4 530**	**21 170**	**570**
EDTEA receives money from both Munis (prepaid) and from the SECO funding (after expenses)					
Total	**17 210**	**-**	**4 530**	**21 170**	**570**

Reconciliation of carrying amount of receivables and payables – 2019/20

Receivables

Name of principal entity	Opening balance 1 Apr 2019	Revenue principal is entitled to	Less: Write-offs/settlements/waivers	Cash received on behalf of principal	Closing Balance 31 Mar 2020
	R'000	R'000	R'000	R'000	R'000
National Treasury IGR	**(30)**	**-**	**38 930**	**21 690**	**17 210**
Total	**(30)**	**-**	**38 930**	**21 690**	**17 210**

32. Prior period errors

32.1 Correction of prior period errors

	Note	Amount bef error correction 2019/20	Prior period error 2019/20	Restated Amount 2020/20
		R'000	**R'000**	**R'000**
Expenditure:				
Communication	4	10 000	(4 255)	5 745
Machinery and other equipment	7	20 494	4 255	24 749
Net effect		**30 494**	**-**	**30 494**

	Note	Amount bef error correc	Prior period error	Restated Amount

		tion 2019/20 R'000	2019/20 R'000	2020/21 R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Prepayments(expensed): Transfers and Subsidies	10	49 997	(49 997)	-
Minor Assets - Opening Balance	28	10 937	(218)	10 719
Movable Tangible Capital Assets	28	79 927	63	79 990
Net effect		**140 861**	**(50 152)**	**90 709**

Prepayments(expensed) in the prior year in respect of transfers to Municipalities was erroneously reported as a prepayment (expensed)

	Note	Amount bef error correction 2019/20 R'000	Prior period error 2019/20 R'000	Restated Amount 2019/20 R'000
Other:				
Irregular Expenditure 2018/19	24	40	(40)	-
Net effect		**40**	**(40)**	**-**

Irregular Expenditure relating to Konica Minolta incorrectly recognised in 2018/19

33. STATEMENT OF CONDITIONAL GRANTS RECEIVED

	GRANT ALLOCATION					SPENT				2019/20	
NAME OF GRANT	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA 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 INTEGRATED GRANT FOR PROVINCES	4 988	-	-	-	4 988	4 988	4 988	-	100%	5 529	5 530
	4 988	-	-	-	4 988	4 988	4 988	-	100%	5 529	5 530

34. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2020/21							2019/20	
	GRANT ALLOCATION				TRANSFER				
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
Msunduzi Municipality (Motor Vehicle Licences)	110			110	42			119	68
Zululand Municipality	3 500	-	-	3 500	3 500			2 800	2 800
Mkhanyakude Municipality	-	-	-	-	-			30 700	30 700
Ray Nkonyeni Municipality	4 000	-	600	4 600	4 600			3 000	3 000
Phongola Municipality	3 500	-	-	3 500	3 500			4 000	4 000
Ilembe District Municipality	-	-	-	-	-			1 000	1 000
King Cetshwayo Municipality	-	-	-	-	-			700	700
Ugu District Municipality	-	-	-	-	-			2 000	2 000
Greater Kokstad Municipality	5 000	-	375	5 375	5 375			700	700
Umgungundlovu District	5 000	-	-	5 000	5 000			1 750	1 750
Umsunduzi Municipality	6 500	-	300	6 800	6 800			-	-
Okhahlamba Municipality	9 500	-	-	9 500	9 500			-	-
Umvoti Municipality	3 000	-	-	3 000	3 000			-	-
Umtubatuba Municipality	3 500	-	375	3 875	3 875			-	-
Jozini Municipality	1	-	-	1 500	1 500			-	-

	500								
Inkosi Langalibalele Municipality	**-**	**-**	**5 400**	**5 400**	**5 400**			**-**	**-**
Abaqulusi Municipality	**-**	**-**	**800**	**800**	**800**			**-**	**-**
Umhlathuze Municipality	**-**	**-**	**800**	**800**	**800**			**-**	**-**
Inkandla Municipality	**-**	**-**	**600**	**600**	**600**			**-**	**-**
Newcastle Municipality	**-**	**-**	**400**	**400**	**400**			**-**	**-**
Umlalazi Municipality	**-**	**-**	**375**	**375**	**375**			**-**	**-**
Endumeni Municipality	**-**	**-**	**375**	**375**	**375**			**-**	**-**
Emthonjaneni Municipality	**-**	**-**	**375**	**375**	**375**			**-**	**-**
Umfolozi Municipality	**-**	**-**	**375**	**375**	**375**			**-**	**-**
Ulundi Municipality	**-**	**-**	**375**	**375**	**375**			**-**	**-**
Dr Nkosazane Dlamini Zuma	**-**	**-**	**375**	**375**	**-**			**-**	**-**
TOTAL	**45 110**	**-**	**11 900**	**57 010**	**56 567**			**46 769**	**46 718**

35. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

36. COVID 19 Response Expenditure

	Note	2020/21	2019/20
	Annexure 6	R'000	R'000
Goods and services		3 546	128
Transfers and subsidies		-	126 969
Expenditure for capital assets		4 374	-
Total		7 920	127 097

34. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
NAME OF MUNICIPALITY	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Msunduzi Municipality (Motor Vehicle Licences)	**110**			**110**	**42**	**-**	**-**	**-**	**-**	**-**	**-**	**119**	**68**
Zululand Municipality	**3 500**	**-**	**-**	**3 500**	**3 500**	**-**	**-**	**-**	**-**	**3 500**	**-**	**2 800**	**2 800**
Mkhanyakude Municipality	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**30 700**	**30 700**
Ray Nkonyeni Municipality	**4 000**	**-**	**600**	**4 600**	**4 600**	**-**	**-**	**-**	**1 502**	**2 498**	**-**	**3 000**	**3 000**
Phongola Municipality	**3 500**	**-**	**-**	**3 500**	**3 500**	**-**	**-**	**-**	**2 761**	**739**	**-**	**4 000**	**4 000**
Ilembe District Municipality	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 000**	**1 000**
King Cetshwayo Municipality	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**700**	**700**
Ugu District Municipality	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 000**	**2 000**
Greater Kokstad Municipality	**5 000**	**-**	**375**	**5 375**	**5 375**	**-**	**-**	**-**	**-**	**5 000**	**-**	**700**	**700**

Umgungundlovu District	**5 000**	**-**	**-**	**5 000**	**5 000**	**-**	**-**	**-**	**-**	**5 000**	**-**	**1 750**	**1 750**
Umsunduzi Municipality	**6 500**	**-**	**300**	**6 800**	**6 800**				**2 500**	**4 300**	**-**	**-**	**-**
Okhahlamba Municipality	**9 500**	**-**	**-**	**9 500**	**9 500**	**-**	**-**	**-**	**-**	**9 500**	**-**	**-**	**-**
Umvoti Municipality	**3 000**	**-**	**-**	**3 000**	**3 000**	**-**	**-**	**-**	**-**	**3 000**	**-**	**-**	**-**
Umtubatuba Municipality	**3 500**	**-**	**375**	**3 875**	**3 875**	**-**	**-**	**-**	**-**	**3 500**	**-**	**-**	**-**
Jozini Municipality	**1 500**	**-**	**-**	**1 500**	**1 500**	**-**	**-**	**-**	**448**	**1 052**	**-**	**-**	**-**
Inkosi Langalibalele Municipality	**-**	**-**	**5 400**	**5 400**	**5 400**	**-**	**-**	**-**	**-**	**5 000**	**-**	**-**	**-**
Abaqulusi Municipality	**-**	**-**	**800**	**800**	**800**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Umhlathuze Municipality	**-**	**-**	**800**	**800**	**800**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Inkandla Municipality	**-**	**-**	**600**	**600**	**600**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Newcastle Municipality	**-**	**-**	**400**	**400**	**400**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Umlalazi Municipality	**-**	**-**	**375**	**375**	**375**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Endumeni Municipality	**-**	**-**	**375**	**375**	**375**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Emthonjaneni Municipality	**-**	**-**	**375**	**375**	**375**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Umfolozi Municipality	**-**	**-**	**375**	**375**	**375**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ulundi Municipality	**-**	**-**	**375**	**375**	**375**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Dr Nkosazane Dlamini Zuma	**-**	**-**	**375**	**375**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**45 110**	**-**	**11 900**	**57 010**	**56 567**	**-**	**-**	**-**	**7 211**	**43 089**	**-**	**46 769**	**46 718**

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ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
KZN Liquor Authority	83 586	-	-	83 586	83 586	100%	84 680
KZN Dube Tradeport	399 652	-	-	399 652	399 652	100%	478 268
Ezemvelo Kzn Wildlife	986 992	-	-	986 992	986 992	100%	769 438
KZN Tourism Authority	111 091	-	-	111 091	111 091	100%	199 887
Natal Sharks Board	73 377	-	-	73 377	73 377	100%	79 587
KZN Trade And Investment	83 415	-	-	83 415	83 415	100%	102 321
KZN Gambling & Betting Board	55 788	-	-	55 788	55 788	100%	44 771
TOTAL	1 793 901	-	-	1 793 901	1 793 901		1 758 952

UNAUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1B
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER			2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
UKZN	1 000	-	-	1 000	-	1 000	-	-
TOTAL	1 000	-	-	1 000	-	1 000		-

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

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2019/20
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers	**238 302**	**-**	**10 585**	**248 887**	**248 887**	**100%**	**87 075**	**161 812**	**307 501**
Ithala Limited	**151 227**	**-**	**10 585**	**161 812**	**161 812**	**100%**	**-**	**161 812**	**164 717**
Richards Bay IDZ	**87 075**	**-**	**-**	**87 075**	**87 075**	**100%**	**87 075**		**140 284**
CSIR	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 500**
Sub – Total	**238 302**	**-**	**10 585**	**248 887**	**248 887**	**100%**	**87 075**	**161 812**	**307 501**
Private Enterprises									
Transfers	**3 675**	**-**	**-**	**3 675**	**3 675**	**100%**	**-**	**3 675**	**41 689**
KZN Music Cluster	**3 675**			**3 675**	**3 675**	**100%**		**3 675**	**3 500**
Bonenhle Investments									**176**
Zakanisto Entertainment (Pty) Ltd	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 500**
033 PMB Events (Pty) Ltd									**410**
Bonginjabulo (Pty) Ltd									**1 200**
Buhlebuyeza Contracting									**565**
Conquerir General Services (Pty) Ltd									**1 200**
Durban Jazz Festival									**1 200**
Every Dimension (Pty) Ltd									**600**
Go King Cetshwayo Pty Ltd									**2000**
Kas Lam Events									**1 000**
Ladysmith 150 Events									**500**

Mminathoko Trading 186 CC									**1 700**
Nonortainment (Pty) Ltd									**1 200**
Ohlange Events									**1 700**
Refugee Pty Ltd Concepts									**600**
Rumbile Pty Ltd									**3 000**
Sqhovuvu Pty Ltd									**700**
Strategic Advisory Services Pty									**4 000**
Umdabula Music Pty Ltd									**2 440**
Newcastle Mus Fes 27 Dec Pty Ltd									**2 200**
Bomtimadze Consultants									**1 200**
Fact Durban Rocks Pty Ltd									**1 500**
Solesa Productions CC									**2 200**
International Radio Festival									**2 000**
uMgungundlovu Midmar Jazz Festival									**1 200**
The Lisizo Vegetable Process Proj									**2 198**
Sub - Total	**3 675**	**-**	**-**	**3 675**	**3 675**	**100%**	**-**	**3 675**	**41 689**
TOTAL	**241 977**	**-**	**10 585**	**252 562**	**252 562**	**100%**	**87 075**	**165 487**	**349 190**

ANNEXURE 1D
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
NON-PROFIT INSTITUTIONS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Moses Kotane Institute	47 866	-	-	47 866	47 866	100%	87 538
KZN Films Commission	83 548	-	-	83 548	83 548	100%	90 538
KZN Growth Fund Trust	48 096	-	-	48 096	48 096	100%	104 100
SAAMBR	-	-	-	-	-		7 159
KZN Clothing Textile	3 150	-	-	3 150	3 143	100%	3 500
KZN Fashion Council	-	-	-	-	-		4 500
WESSA	-	-	-	-	-		500
Downstream Aluminium Centre of Technology	1 565	-	-	1 565	1 546	99%	-
	184 225	-	-	184 225	184 199		297 835
Subsidies	-	-	-	-	-	-	-
TOTAL	184 225	-	-	184 225	184 199		297 835

UNAUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1E
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H EMPL S/BEN: INJURY ON DUTY	-	-	-	-	-	-	16
H/H EMPL S/BEN: LEAVE GRATUITY	745	-	1 589	2 334	2 334	100%	791
H/H: BURSARIES(NON-EMPLOYEE)	-	-	-	-	-	-	6 735
	745	-	1 589	2 334	2 334	100%	7 542
Subsidies	-	-	-	-	-	-	-
TOTAL	745	-	1 589	2 334	2 334	100%	7 542

ANNEXURE 2A
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 2020	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2021	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2021
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
ITHALA SOC	Other Capital Adequacy	300 000	300 000	-	-	-	300 000	-	-
	Subtotal	300 000	300 000	-	-	-	300 000	-	-
	TOTAL	300 000	300 000	-	-	-	300 000	-	-

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2021
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Claims against the department					
Nkosini Projects Marketing	3 000	-	3 000	-	-
Rainov8 Concepts Trading under DJ Production v EDTEA	75	-	-	-	75
Malherbe M v MEC for EDTEA	85	-	-	-	85
INET BFA (Pty) Ltd	18	-	-	-	18
Nandz Construction and Projects	2 000	-	-	-	2 000
Jali Bird	3 000	-	-	-	3 000
Subtotal	8 178	-	3 000	-	5 178
TOTAL	**8 178**	**-**	**3 000**	**-**	**5 178**

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
KZN Department of Human Settlements	-	-	2	-	2	-	-	-
KZN Department of Education	-	-	3	-	3	-	-	-
KZN Provincial Treasury	-	-	8	-	8	-	-	-
National Treasury((Swizz Gov) SECO Project)	570	17 470	-	-	570	17 470	-	-
	570	**17 470**	**13**	**-**	**583**	**17 470**	**-**	**-**
Other Government Entities								
Umgungundlovu Municipality	2 248	-	-	-	2 248	-	-	-
	2 248	**-**	**-**	**-**	**2 248**	**-**	**-**	**-**
TOTAL	**2 818**	**17 470**	**13**	**-**	**2 831**	**17 470**	**-**	**-**

.

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
KZN Department of Human Settlements	1 292	-	-	-	1 292	-	-	-
Department of Justice	-	481	-	-	-	481	-	-
KZN Department of Health	2	-	-	-	2	-	-	-
TOTAL INTERGOVERNMENT PAYABLES	**1 294**	**481**	**-**	**-**	**1 294**	**481**		

ANNEXURE 5A
INTER-ENTITY ADVANCES RECEIVED (note 16)

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
PROVINCIAL DEPARTMENTS						
Current						
Office of the Premier(Gaming and Betting)	260	260	-	-	260	260
TOTAL	**260**	**260**	**-**	**-**	**260**	**260**

ANNEXURE 6
COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2020/21					2019/20
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	**797**	**866**	**1 648**	**235**	**3 546**	**128**
Minor assets	-	-	188	-	188	-
Contractors	-	409	70	-	479	-
Consumable supplies	766	371	1 161	(39)	2 259	128
Consumable stationery and printing	-	-	165	-	165	-
Property payments	31	82	64	82	259	-
Operating payments	-	4	-	-	4	-
Inventory: Clothing material and accessories	-	-	-	192	192	-
Transfers and subsidies						**126 969**
Departmental agencies	-	-	-	-	-	29 824
Public corporations	-	-	-	-	-	72 245
Non-profit Institutions	-	-	-	-	-	24 900
Expenditure for capital assets	**-**	**-**	**304**	**4 070**	**4 374**	**-**
	-	-	304	4 070	4 374	-
Other expenditure not listed above	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
TOTAL COVID 19 RESPONSE EXPENDITURE	**797**	**866**	**1 952**	**4 305**	**7 920**	**127 097**

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KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

REPUBLIC OF SOUTH AFRICA