



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM

ANNUAL REPORT 2020/2021

VOTE NO.6





LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF ECONOMIC
DEVELOPMENT, ENVIRONMENT
AND TOURISM**

PROVINCE OF LIMPOPO

VOTE NO. 06

ANNUAL REPORT

2020/2021 FINANCIAL YEAR

CONTENTS

PART A: GENERAL INFORMATION	4
1. DEPARTMENT GENERAL INFORMATION	5
2. LIST OF ABBREVIATIONS/ACRONYMS	6
3. FOREWORD BY THE MEC	9
4. REPORT OF THE ACCOUNTING OFFICER.....	11
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	20
6. STRATEGIC OVERVIEW.....	21
6.1. Vision	21
6.2. Mission	21
6.3. Values	21
7. LEGISLATIVE AND OTHER MANDATES	21
8. ORGANISATIONAL STRUCTURE	31
9. ENTITIES REPORTING TO THE MEC.....	32
PART B: PERFORMANCE INFORMATION	35
1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	36
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	36
2.1 Service Delivery Environment	36
2.2 Service Delivery Improvement Plan	38
2.3 Organisational environment.....	39
2.4 Key policy developments and legislative changes.....	40
3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES.....	40
4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	41
4.1 Programme 1: Administration	41
4.2 Programme 2: Economic Development.....	47
4.3 Programme 3: Environmental Affairs.....	57
4.4 Programme 4: Tourism.....	71
5. TRANSFER PAYMENTS	77
5.1. Transfer payments to public entities.....	77
5.2. Transfer payments to all organisations other than public entities	79
6. CONDITIONAL GRANTS.....	80
6.1. Conditional grants and earmarked funds paid	80
6.2. Conditional grants and earmarked funds received	81

7.	DONOR FUNDS	82
7.1.	Donor Funds Received	82
8.	CAPITAL INVESTMENT	82
8.1.	Capital investment, maintenance and asset management plan	82
PART C: GOVERNANCE		85
1.	INTRODUCTION	86
2.	RISK MANAGEMENT	86
3.	FRAUD AND CORRUPTION.....	87
4.	MINIMISING CONFLICT OF INTEREST	87
5.	CODE OF CONDUCT	87
6.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	88
7.	PORTFOLIO COMMITTEES	88
8.	SCOPA RESOLUTIONS	88
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS	92
10.	INTERNAL CONTROL UNIT	92
11.	INTERNAL AUDIT AND AUDIT COMMITTEES	92
12.	AUDIT COMMITTEE REPORT.....	96
13.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION.....	98
PART D: HUMAN RESOURCE MANAGEMENT		99
1.	INTRODUCTION	100
2.	OVERVIEW OF HUMAN RESOURCES.....	100
3.	HUMAN RESOURCES OVERSIGHT STATISTICS	102
PART E: FINANCIAL INFORMATION		135
1.	REPORT OF THE AUDITOR GENERAL	136
2.	ANNUAL FINANCIAL STATEMENTS	141

PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS: Limpopo Department of Economic Development, Environment and Tourism
20 Hans van Rensburg Street/ 19 Biccard Street
POLOKWANE
0699

POSTAL ADDRESS: Private Bag X9484
POLOKWANE
0700

TELEPHONE NUMBER/S: 0027 15 293 8300

FAX NUMBER: 0027 15 295 4107

EMAIL ADDRESS: info@ledet.gov.za

WEBSITE ADDRESS: www.ledet.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AFS	Annual Financial Statement
AGSA	Auditor General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
AO	Accounting Officer
APP	Annual Performance Plan
BAS	Basic Accounting System
BBBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSD	Central Supplier Database
DDG	Deputy Director-General
DDFF	Department of Forestry, Fisheries and Environment
DORA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EE	Employment Equity
EIA	Environmental Impact Assessment
EIP	Environmental Implementation Plan
EMIS	Environmental Management Inspectors
EPWP	Expanded Public Works Programme
EXCO	Executive Council
FY	Financial Year
GDP	Gross Domestic Product
HIV	Human Immunodeficiency Virus

HOD	Head of Department
HR	Human Resource
HRP	Human Resource Plan
ICT	Information and Communication Technology
IT	Information Technology
LDP	Limpopo Development Plan
LED	Local Economic Development
LEDA	Limpopo Economic Development Agency
LEDET	Limpopo Department of Economic Development Environment and Tourism
LEO	Limpopo Environment Outlook
LGB	Limpopo Gambling Board
LTA	Limpopo Tourism Agency
LTRES	Limpopo Township and Rural Economy Strategy
MEC	Member of Executive Council
METT	Management Effective Tracking Tool
MMS	Middle Management Services
MMSEZ	Musina-Makhado Special Economic Zone
MPSA	Ministry for Public Service and Administration
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEMA	National Environmental Management Act
NPA	National Prosecuting Authority
PFMA	Public Finance Management Act
PMDS	Performance Management Development System
PPE	Personal Protective Equipment
PPP	Public Private Partnership

PSCBC	Public Service Coordinating Bargaining Council
SADAC	Southern African Development Community
SAPS	South African Police Service
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Account
SDG	Sustainable Development Goal
SEDA	Small Enterprise Development Agency
SEZ	Special Economic Zone
SHERQ	Safety Health Environment Risk and Quality
SMME	Small Medium and Micro Enterprises
SMS	Senior Management Service
SOC	State Owned Companies
TB	Tuberculosis
TDM	Tool, Die and Mould
TR	Treasury Regulations

3. FOREWORD BY THE MEC

The 2020/21 financial year was the most difficult year for the Limpopo Provincial Government as a whole to implement most of its key planned programs and projects due to the devastating Covid-19 pandemic. This pandemic brought a sudden halt to business operations as many businesses, except few that render essential services, were closed down. Government also suffered a huge blow as service delivery value chain was affected with only few government officials remaining in the offices while the majority were working remotely to continue rendering services to our communities. The 2020 is the year that not only the South Africans but the world at large will never forget as it brought new normal ways of doing things and we were forced to quickly adapt to this new normal. The impact of the Covid-19 was so dire that the Department of Economic Development, Environment and Tourism (LEDET), which is at centre of stimulating the provincial growth and job creation, was forced to cut down and reprioritise programs and projects that could save and sustain the remaining jobs by providing immediate relief to struggling local enterprises (SMMEs and Cooperatives). The Department was, however, given an opportunity to amend and table in the Provincial Legislature a revised Annual Performance Plan for 2020/21 financial year in line with the available budget resources. Due to nationwide lockdown restrictions as a result of Covid-19 and significant budget cut to fund the Covid-19 interventions or priorities, some important originally planned activities and projects were either scaled down or discontinued from the plan.

In line with the National Economic and Reconstruction Plan, R500 billion was appropriated to stimulate the economy and protect the lives and livelihoods of the people against the effects of the pandemic. In addition, the Limpopo Provincial Government approved the Limpopo Socio-Economic Recovery Plan and the Limpopo Industrial Master Plan for implementation. As a result, R500 million was appropriated for economic recovery programs and projects. We implemented Waste Management Relief Fund thus benefiting a total of 48 waste recyclers to the value of R4.5 million of the allocated funding from the Provincial Treasury. Through this initiative the department was able to ensure that 595 direct jobs are saved and 4 600 of the indirect jobs (waste pickers) were saved due to the continued operation of the recycling facilities.

For the Tourism sector an amount R9 029 500 was spent on 428 qualifying beneficiaries and over 500 jobs were saved through this initiative. In addition, National Empowerment Fund (NEF) Covid-19 Relief Fund for SMMEs and Co-operatives was implemented in the province and 11 SMMEs benefited to the value of R4.6 million. Moreover, LEDA COVID-19 Relief Fund benefited 4 local enterprises to the tune of R1 885 159.00, among other relief measures to assist many struggling local businesses in the province. Furthermore, the Department always strives to ensure that local enterprises continue to operate sustainably and as a result, the Department paid a total of 5 348 valid invoices within 30 days of receipt. The department has partnered with NEF and provided R10 m for SMMEs relief fund. To date, 11 Limpopo based SMMEs and Cooperatives have benefited to the tune of R4.650m. Furthermore, the department appropriated R10 million to LEDA to cater for

SMMEs and Cooperatives in the manufacturing and wholesale and retail sectors. The funds are used for the loans and grants to SMMEs and Co-ops that have been impacted by COVID-19 so as to develop manufacturing SMMEs database. Lastly, these funds will be used for product standardisation in with partnership with National Bureau of Standards.

The Department also continued to render essential services to communities and other stakeholders by conducting compliance and enforcement inspections to curb illegal operations by the regulated community. The Department continued to issue a total of 7 080 biodiversity permits to our clients, while also conducted a total of 302 environmental compliance inspections. We further inspected a total of 6 595 liquor businesses across the five districts of our province. The Department also issued a total of 134 Environmental Impact Assessment applications worth of R3 billion of investment with the potential to create over 500 jobs once the infrastructure development construction begins.

With all these milestones highlighted above, I must commend the Department under the leadership of Head of Department; Mr Solly Kgopong for ensuring that the Department continue to focus on its constitutional and other legal mandates and deliver quality services to our communities and stakeholders. I must, however, mention that the country is not yet off the hook pertaining to the impact of this devastating novel coronavirus. We have lost many people also in the Department due to COVID-19. Therefore, we must continue, as individuals and collective, to observe all the Department of Health protocols to stop the spread of this pandemic to save lives and protect livelihoods. I wish to thank and appreciate the continuous support and collaboration from various stakeholders working with the Department to grow the economy of Limpopo and create job opportunities. I also appreciate hard work of the departmental management including our three Entities and the staff in general for always discharging their responsibilities so professionally and with due diligence to render services to the people of Limpopo. That said, it is my pleasure to submit this Annual Report for 2020/21 financial year to the people of the province through the Limpopo Provincial Legislature.

MEC: Honourable Mokone TA

Department of Economic Development, Environment and Tourism

Date _____

4. REPORT OF THE ACCOUNTING OFFICER

This Annual Report is presented at most challenging time when the country is confronted with the enormous task of reconstructing our economy amidst the devastating COVID-19 pandemic that has caused severe global disruption. The financial year under review has been an unusual year with COVID-19 causing unprecedented economic roller coaster. President Cyril Ramaphosa described this situation as an 'unchartered territory' that has never been experienced before. The situation has left the country including our province simultaneously facing two unprecedented disasters: a pandemic, the likes of which we have not seen in more than a century, and projections for an economic downturn that will rival that of the Great Depression.

Performance

I am pleased, in my capacity as the Accounting Officer of the department, to present the 2020/21 Annual Report on the activities of the LEDET. The report provides progress on the performance of the department against the commitment made for the 2020/21 financial year. During the year under review the department had to revise its original and tabled annual performance plan as per the *DPME circular no.2 of 2020* to respond to COVID-19 pandemic and accommodate special budget adjustment. The revised APP 2020/21 included a total of 58 annual targets across four programmes. The department achieved an overall performance of 69% of the planned targets. However, this performance is a significant drop of 18 percent compared to the performance reported in the previous financial year. This drop is attributed mainly to impact of the Covid-19 pandemic and a significant budget cut across all government programs to focus more on Covid-19 interventions to save lives and livelihoods. Management will continue to ensure that the lessons learned in the implementation of intervention programmes are used to inform the development of effective and corrective actions and to significantly improve organisational performance. A detailed performance progress per main program report against all the planned targets for the year is contained in Part B of this Annual Report.

Budget

Due to the COVID-19, the original budget allocation was cut and reprioritised, as the entire government system had to pay particular attention to this deadly virus. As a result, in July 2020, the departmental budget was reduced from R1.706 billion to R1.327 billion as a contribution towards the COVID 19 provincial response package and economic recovery plan. Included in the allocation was a conditional grant of R2.198 million; and an amount of R42.5 million for Provincial Economic Recovery Package in the category of Waste Management Relief; SMME and Cooperative support; Special Economic Zone and Tourism Relief. Further an amount of R615.1 million was transferred to departmental Entities as appropriated to advance tourism, economic development and regulate gambling activities. As at the end of the financial year, the department had spent 99.3 percent of budget.

Audit opinion

In 2019/20 financial year, the department had retained an unqualified opinion with a material matter for misstatement of annual financial statement and we hope to sustain this positive audit outcome in the financial year under review. An action plan for the review of financial statements has been developed and progress is consistently tracked. The department remains committed to correct all matters raised in the audit opinion to ensure that a successful turnaround is achieved.

Economic growth and job creation

Research demonstrates that economic growth has been the most effective way to lift people out of poverty and improve their quality of life. Although the immediate task of the department remains to ensure sustainable growth of the economy and job creation, the province continues to reflect an economy that has been unable to create enough jobs to the multitude of unemployed youth including discouraged job seekers. The Statistics South Africa records that unemployment in Limpopo has risen from 18.6% in 2018 and 23.1% in quarter 1 of 2020. The expanded unemployment rate is, however, above 36% and is highest amongst the youth.

In Limpopo, mining, agriculture and the tourism sectors still remained strategic pillars of the provincial economy. The provincial economy remains dominated by primary and tertiary sectors with mining contributing the biggest share of 25% of the total economy. Despite this contribution towards the total economy, measures put in place are not able to accelerate economic growth and create jobs. This could be attributed to the economic literature, which has revealed that economies that rely on primary output have fewer growth opportunities than those who focus on value addition and manufacturing of complex products. There is a need to increase the contribution of manufacturing to the GDP. The agricultural sector, though contributing less to the provincial GDP compared to mining, has been able to create more jobs. To turn-around this socio-economic trajectory, the Executive Council approved the reviewed Industrial Master Plan 2020-2030 in November 2020.

With regard to performance on MTSF priority 2 regarding economic transformation and job creation, the province achieved the following milestones in terms of procurement spend: 60% for black owned businesses; 20% for black Youth owned businesses; 20% for black women businesses, 10% for black owned Cooperatives; 7% for business owned by persons with disability; 5% on rural and township businesses; 3% black military veterans and 65% for SMMEs. Although a significant performance has been realised, there is still a need for the province to strengthen the support to local businesses.

District Development Model

As the model was launched by President Cyril Ramaphosa in 2019, the department has identified key economic development and environmental as well as tourism projects as part of the DDM for implementation in our five district municipalities. Progress on their implementation is closely monitored and reported to the relevant IGR structures in the province including the Provincial Executive Council.

LEDET Entities

One of the most important functions of the department is oversight of its public entities, Limpopo Economic Development Agency (LEDA), Limpopo Gambling Board (LGB) and Limpopo Tourism Agency (LTA). The public entities reporting to the department were instrumental in carrying out the Department's programmes and promoting developmental and transformational objectives. During the financial year under review, these public entities were mainly responsible for implementing the Limpopo Socio-Economic Recovery Plan to stimulate economic growth and job creation as a response to the Covid-19 pandemic. The department will continue to provide leadership and strengthen its oversight function over the public entities for them to perform optimally.

Special Economic Zones (SEZs)

The COVID-19 pandemic outbreak has brought along opportunities for government and the business sector to realise potential in Special Economic Zones (SEZs) as a catalyst and great infrastructure for investment into setting up new manufacturing entities in our province. The Limpopo provincial government recognizes the SEZ programme as one of the strategic tools for industrialization, promotion of investments and exports as well as creation of much needed jobs especially for the youth. The province has since adopted both Musina-Makhado and Fetakgomo-Tubatse SEZ programmes as a tool to create new industrial hubs in the country, focusing strongly on sectors that are capable of accelerating economic growth and development. The key milestones achieved during the year under review for the MMSEZ was the completion of the Internal Infrastructure Master Plan for the North Site. The Environmental Impact Assessment Report was also completed.

Limpopo Connexion

The 4th Industrial Revolution (4IR) presents a juggernaut of technological disruption that could bring with immense growth potential to unlock new market opportunities and fuel growth across the global economy. ICT is a critical enabler for new technologies unleashed by the 4th Industrial Revolution such as robotics, Artificial Intelligence, Data Analytics and the Internet of Things. It is also a prerequisite to help countries effectively navigate the potential opportunities and risks presented by this shift towards 4IR. Accordingly, Limpopo Connexion SOC Limited has rolled-out the broadband telecommunication network infrastructure in municipalities for access by the population of Limpopo Province. The broadband is a necessary infrastructure and a foundation for the Fourth Industrial Revolution. A total of 52 sites have been connected to the network and approximately 140km of fibre has been rolled out in municipalities since the project inception.

Nine (9) Wi-Fi Hotspots are connected to the network to enable communities and learners to have reliable connectivity. The Data Centre, the Network Operating Control Centre and Call Centre facilities are in place and operational. The Call Centre is currently offering economic development advice through LEDA. About eight business advisors have been deployed to manage and operate the Call Centre remotely. 2083 local

clients were assisted with information dissemination, statutory compliance and advisory services to take advantage of available opportunities from different types of finance schemes related to Covid-19 lockdown in the public and private sectors.

The expansion of the broadband telecommunication network infrastructure is achieved in partnership with the construction partner, municipalities and national state-owned companies. An amount of R 195,148, 988 was spent in the 2020/21 financial year. Delays in obtaining way-leaves from different municipalities as well as COVID-19 were challenges that delayed project implementation.

The Limpopo Science and Technology Park is a catalytic investment project which creates, captures and delivers value, not just for tenants of the park, but also for the community, it supports research in the key dominant sectors of the provincial economy. Significant progress has been made with this Project. In addition to the Regional Innovation Strategy, Environmental Impact Assessment (including a Record of Decision) has been completed. The Master Plan and Business Plan is also completed. Township establishment is now being finalized.

SMME and Co-operatives

As the NDP and the LDP advocates the role of SMMEs including co-operatives in the economic development trajectory of South Africa, the sixth administration prioritised the implementation of the NDP goals in particular as it relates to small business development. Under the stewardship of MEC Thabo Mokone, the department remained steadfast on its primary objective to support and empower SMMEs and Co-operatives, notwithstanding the fact that have been painfully impacted by the unavoidable consequences of lockdown regulations due to the COVID-19 pandemic. The new norm has compelled many to adjust, from those who could not operate digitally, to those who could not accept electronic payment. Now a higher percentage of transactions are done online, be it ordering of food or making a payment for their orders and consequently data has become a new currency.

Environment

In 2020/2021 financial year, the department issued over 130 decisions within legislated timeframes on Environmental Impact Assessments (EIA) applications for infrastructure projects inclusive of basic services provision with an estimated investment worth approximately R3 billion to the provincial economy. The represents 100% achievement of the EIA applications within the legislated timeframes. Of course, this achievement is above the 98% target set nationally by the Office of the President. These developments have the potential to create approximately 500 job opportunities once construction has commenced on the approved infrastructure projects. Despite the Covid-19 pandemic, provincial Environmental Management Inspectors (EMIs) continued to ensure the realization of the constitutional right to an environment that is not harmful to people's health or well-being and to protect the environment. The fight against increasing poaching of rhinos, lions, pangolins, unsustainable exploitation of fauna and flora, non-compliance to environmental

legislation and other environmental crimes remain high on the government agenda. The number of rhinos poached in Limpopo were reduced from 45 in 2019/2020 to 18 in 2020/2021 financial year.

The significance of the waste industry cannot be underestimated in assisting municipalities to safeguard the limited landfill airspace, cleaning our streets and providing much-needed jobs. The industry was also not spared from the impact of the COVID-19 pandemic due to the nationwide lockdown restrictions and has seen the department rolling out the COVID-19 Waste Relief Fund wherein 46 waste recyclers were supported to the value of over R4 million. This has ensured that 595 direct jobs are saved and 4600 of the indirect jobs (waste pickers) were saved due to the continued operation of the recycling facilities.

The department continued to create environmental awareness activities through virtual and other social media platforms including the celebrations of the various annual environmental calendar days, environmental career exhibitions, etc. Further environmental awareness on wetlands, biodiversity, effects of plastic to the environment and the protection of ecological systems and habitats have been provided to the communities in the province. The department has planted over 1 600 trees to mitigate the impact of climate change in the 2020/2021 financial year and will continue with this initiative into the future.

The Department implemented some Infrastructure Management Projects in the provincial nature reserves in the financial year 2020/2021. These include the maintenance of infrastructure for roads, electricity, water, and buildings; with completion of fence upgrade and repairs, and staff ablution upgraded at the Nylsvlei nature reserve. The Department in partnership with the Department of Forestry, Fisheries and Environment (DFFE) through the Presidential Stimulus Package maintained, repaired and upgraded over 30km of fence at the Letaba Ranch nature reserve.

Tourism

The Covid-19 lockdown period did not only stop international travel, but also impacted on local tourism businesses that provide essential services to the industry. In 2018/19, Limpopo received 2.2 million international visitors that resulted in R7.6 billion spend. This investment was lost in 2020/21 due to the Covid-19, which resulted in several job losses. This was furthermore impacted by the restriction on domestic travel, a critical component of the provincial tourism industry, as Limpopo is known to be the number one tourism destination on the domestic front.

To save the tourism industry, the National Department of Tourism launched a Tourism Relief fund specifically earmarked for small to medium sized tourism enterprises. Four-hundred-and-twenty-eight (428) tourism establishments in Limpopo received relief from the fund to the value over R21 900 000. In support of this initiative, the department further allocated an additional R10 million to support recovery of the industry during the pandemic. In total, 655 applications were received, of which 294 tourism SMMEs successfully benefited from this fund. Over 500 jobs were saved directly through this initiative.

Due to COVID-19 pandemic and lockdown restrictions, the department could not host the Annual Marula festival, which had an impact boosting the provincial economy of Mopani District Municipality but benefitting

more local businesses within the Ba-Phalaborwa Local Municipality. The funds allocated for the event had to be reprioritised for other COVID-19 interventions by the Provincial Treasury.

Overview of the financial results of the department:

Departmental receipts

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	83,098	81,170	(1,928)	110,726	123,282	12,556
Casino taxes	42,548	44,442	1,894	63,897	79,253	15,356
Horse racing taxes	36,650	33,208	(3,442)	42,972	40,386	(2,586)
Liquor licences	3,900	3,520	(380)	3,857	3,643	(214)
Motor vehicle licences	0	0	0	0	0	0
Sale of goods and services other than capital assets	14,528	10,689	(3,839)	22,469	17,290	(5,179)
Transfers received	19,179	21,005	1,826	1,020	21,891	20,871
Fines, penalties and forfeits	2,647	3,920	1,273	1,634	3,247	1,613
Interest, dividends and rent on land	171	267	96	1,383	1,420	37
Sale of capital assets	1,450	330	(1,120)	3,354	88	(3,266)
Financial transactions in assets and liabilities	2,955	476	(2,479)	18,355	12,509	(5,846)
Total	124,028	117,857	(6,171)	158,941	179,727	20,786

The revenue budget was adjusted from R167, 683 million to R124, 028 million as a result of no economic activities conducted during the national lockdown resulting from Covid-19 pandemic. Actual collection amounts to R117, 857 million or 95.0 percent with under collection of 5.0 percent.

Reason for Variance

Tax receipt - The item reported under collection of R1, 928 million due to fewer liquor license applications than anticipated and more winnings allocated to public participants on sporting and horse racing activities.

Sales of goods and services other than capital assets – There was an under collection of R3, 839 million or 26.4 percent. National lockdown had a huge impact on tourism industry in the sense that number of daily and overnight guests in the resorts were reduced in compliance with the Covid-19 regulations. Fewer hunting permit applications were received than anticipated.

Transfers received - The budget was increased from R9, 179 million to R19, 179 million to correct the misclassification under financial transaction in assets and liabilities. The item over collected by R1, 826 million or 9.5 percent due to unspent funds surrendered by LTA and LGB.

Fines, penalties and forfeits - The over collection of R1,826 million or 9.5 percent emanates from Section 24G (NEMA) cases which were finalized during the financial year.

Interest, Dividends and rent on land - The over collection of R1, 273 million or 48.1 percent resulted from interest earned on the bank balance from Limpopo Tourism Agency.

Sales of Capital Assets - The item under collected by R1, 120 million or 77.2 percent of the adjusted budget of R1, 450 million. The planned auction did not take place due to Covid-19 restrictions. The only proceeds received was the sale of MEC vehicle that was due for replacement.

Financial transaction in assets and liabilities - Under collection of R2, 497 million or 83.9 percent. The target was based on possible recovery of previous year's expenditure fund. Recovery did not occur as anticipated.

Determination of tariffs:

The department does not provide any free services. Departmental Tariffs that are governed by law are Casino taxes; Horse racing taxes; Liquor licences; Trading licences; Angling licenses; Environmental Authority application fees; Tourist guide registration fees; Commission on Insurance; Court fines and Environmental authorisation fine. The Department annually revise tariffs for hunting licences and permits; Camping, accommodation and entrance fees; and Sales of bird, game and fish through Treasury approval.

Programme Expenditure

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
Administration	333,689	333,593	96	394,111	390,657	3,454
Economic development	630,832	629,025	1,807	1,053,410	1,053,260	150
Environmental affairs	332,477	327,677	4,800	386,892	375,046	11,848
Tourism	93,793	90,556	3,237	119,497	199,162	335
Total	1,390,791	1,380,851	9,940	1,953,910	1,938,516	15,785

The department has spent 99.3 per cent of the adjusted budget of R1. 391 billion in the 2020/21 financial year compared to 99.2 per cent of R1. 954 billion in the 2019/20 financial year. A summary of the actual expenditure to the appropriation for the current year and the previous year at a programme level is as follows:

Administration - The programme has spent 100 per cent in 2020/21 financial year as compared to 99.2 per cent in 2019/20 financial year.

Economic Development - The programme has spent 99.7 per cent in 2020/21 financial year as compared to 100.0 per cent in 2019/20 financial year.

Environmental Affairs - The programme has spent 98.6 per cent in 2020/21 financial year as compared to 96.9 per cent in 2019/20 financial year. Underspending in 2020/21 was on Covid-19 relief funds on goods and services. However, payment for Waste Management Relief Fund was disbursed to all qualifying applicants.

Tourism - The programme has spent 96.5 per cent in 2020/21 financial as compared to 99.7 per cent in 2019/20 financial year. Underspending was on COVID-19 relief funds on goods and services. However, payment for Tourism Relief Fund was disbursed to all qualifying applicants.

- **Virements/roll overs**

Virements amounting to R16.0 million was effected between programme 1, programme 2, programme 3 and programme 4 through Treasury Approval. Virements were approved to augment insufficient budget in particular for Goods and Services on fixed costs and contractual obligations as well as to augment Transfers and Subsidies on natural attrition. A saving amount of R14.5 million was identified on compensation of employees for purpose of virement.

- **A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.**

The Department did not incur any unauthorised expenditure in the financial year 2020/21. Fruitless expenditure was, however, incurred totalling R384 000 mainly on duplicate flight tickets for international trip and sanitation booth purchased not in use. Further fruitless and wasteful expenditure was incurred on interest charged by, amongst others, Municipalities on service charges. Reconciliation of accounts is ongoing in an effort to reverse wrongly charged interest. On the fruitless expenditure incurred, investigations are taking place and recommendations are duly implemented which include recovery as well as disciplinary processes where officials are found to be wrong doers.

- **Public Private Partnerships**

None

- **Discontinued key activities/activities to be discontinued**

Temporary closure of Mphephu resort in Vhembe District Municipality due to heavy rains and flooding which damaged the infrastructure. Service delivery will be affected as the clients will no longer have access to the facility for recreational purposes. The department has lost revenue because of the temporary closure.

- **New or proposed key activities**

- Nothing new due to the budget cuts.

- **Supply chain management**

Supply Chain Management prescripts, processes, systems and checklists are in place to detect and prevent irregular expenditure. The Department opened the 2020/21 financial year with the irregular expenditure balance of R40.5 million and closed the books with a balance of R22.4 million. Efforts are in place to clear the irregular expenditure from the books of accounts in compliance with the National Treasury Irregular Expenditure Framework. The department did not conclude any unsolicited bid proposals for the financial year under review.

➤ **Challenges experienced in SCM and how they were resolved**

The key post of Director Supply Chain Management remained vacant for the year 2020-21. The Supply Chain Management Team under the leadership of the Chief Financial Officer worked together in ensuring effective service delivery. The reluctance of departmental officials to participate in Bid Committees resulted in procurement processes delays. However, Head of Branches were made to account for nomination of officials from their Units accordingly. Also, there is no automated system for sourcing of quotations through rotation on the CSD database system and thus the Department resorted to manual selection of suppliers which is been effectively managed.

- **Gifts and Donations received in kind from non-related parties**

None

- **Exemptions and deviations received from the National Treasury**

No other exemptions from the PFMA or Treasury Regulations or deviation from the financial reporting requirements were applied for, or received, for the current and /or previous financial year.

- **Events after the reporting date**

There is an amount of R672 000 as a non-adjusting event or unconfirmed debt to SANBI. Debt will be created once confirmed.

An amount of R8 544 million is removed as irregular expenditure due to the legal opinion and consultation with AGSA.

- **Other**

None

Approval and sign off

Mr NS Kgopong

Accounting Officer

Department of Economic Development, Environment and Tourism

Date: _____

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

Accounting Officer

Name: Mr NS Kgopong

Date _____

6. STRATEGIC OVERVIEW

6.1. Vision

A competitive economy within a sustainable environment.

6.2. Mission

To enable a competitive economy, sustainable environmental and tourism development towards an improved quality of life for all.

6.3. Values

Value	Description
Transparency	Our service delivery processes are available for public scrutiny.
Professionalism	LEDET employees provide services and interact with various stakeholders including community members with great rapport.
Accountability	Employees of the department take individual and/ or collective ownership of their actions in rendering services to the stakeholders
Integrity	LEDET conducts its operations honestly and ethically.
Respect	Citizens and other stakeholders are treated with utmost respect and humility and feedback is provided in accordance with the departmental service standards.
Impartiality	We strive to maintain equal treatment to all stakeholders without prejudice.

7. LEGISLATIVE AND OTHER MANDATES

LEDET further draws its mandates from an array of national and provincial laws and policies outlined below.

7.1. *Legislative mandates*

7.1.2. Northern Province Development Corporation Act (Act No. 4 of 1994)

The Northern Province Development Corporation Act of 1994 empowers LEDET to plan, finance, coordinate, promote and carry out development of Limpopo province in the fields of agriculture, commerce, industry, mining, training and tourism, among other things. The Act prescribes that the Executive Authority must appoint a board to manage the affairs of the entity on behalf of the provincial government.

7.1.3. Limpopo Business Registration Act (Act No. 5 of 2003)

This Act mandates the Department to register all businesses operating in the province and to establish business registration centres.

7.1.4. Limpopo Gambling Act (Act No. 3 of 2013)

The Act provides for the establishment and appointment of the gambling board to run the affairs of the entity. The Act empowers the board to regulate the administration of casino and gambling industry in the Limpopo.

7.1.5. Liquor Act (Act No. 27 of 1989)

The Liquor Act provides for the Department to regulate liquor businesses and trading by approving liquor applications and issuing liquor licenses in Limpopo Province.

7.1.6. Limpopo Environmental Management Act (Act No. 7 of 2003)

The Act provides for the Department to regulate conservation, ensure protection, development and manage natural resources in the province in line with national legislation.

7.1.7. Limpopo Tourism Act (Act No. 4 of 2018)

The provincial Tourism Act mandates the Department to provide for the development, management and promotion of sustainable tourism businesses in line with National Tourism Act of 1993 (Act No. 72 of 1993) and Tourism Second Amendment Act (Act No. 70 of 2000), which provides for the regulation of tourist guides in South Africa. The Limpopo Tourism Act further establishes continuous existence of the Limpopo Tourism Agency. This Act, however, repealed the Limpopo Tourism Act of 2009 (Act No. 2 of 2009).

7.1.8. Consumer Affairs (Unfair Business Practices) Act (Act No. 8 of 1996)

The Act provides for the protection of consumers in Limpopo province. The Act empowers the Executive Authority to establish the Consumer Office and appoint the Consumer Protector. The Act further provides for the Executive Authority to establish the Consumer Affairs Court.

7.2. Other legislations

LEDET further derives its mandate from the following national legislations:

7.2.1. The National Archives and Records Services of South Africa Act (Act No. 43 of 1996)

The Act provides for specific provisions for ensuring effective records managements in government institutions.

7.2.2. National Environment Management Act (NEMA) (Act No. 107 of 1998), as amended.

The Act provides for the Department to manage all environmental activities in the province including environmental and spatial development planning, policy development and environmental research coordination. The Act further provides for the provision of environmental empowerment services to communities and to ensure compliance and enforcement of environmental legislation. Sections 28 and 30A of the Act empower the Department to manage environmental impact from development activities and provide for environmental land-use planning and development

7.2.3. National Environment Management (NEM): Air Quality Act (Act No. 39 of 2004)

The Act mandates the Department to regulate point sources and ambient air quality in the province.

7.2.4. NEM: Protected Areas Act (Act No. 57 of 2003)

This Act empowers the Department to regulate declaration and management of different categories of protected areas in Limpopo province.

7.2.5. NEM: Waste Management Act (Act No. 59 of 2008)

The Act empowers the Department to regulate pollution and waste management in the province.

7.2.6. NEM: Biodiversity Act (Act No. 10 of 2004)

The Act provides for the management and conservation of the province's biodiversity, the protection of species and ecosystems. It also provides for the sustainable use of indigenous biological resources, fair and equitable sharing benefits arising from bio-prospecting involving indigenous biological resources. The Act further provides for the regulation of the management of alien invasive species and sustainable use of fauna and flora.

7.2.7. Consumer Protection Act (Act No. 68 of 2008)

The Act provides for the protection of consumers. Section 84 of the Act provides for the establishment of Consumer Protection Authority to fulfil the following:

- Issue compliance notices on behalf of the Consumer Commission to any person carrying out business,
- Facilitate the mediation or conciliation of a dispute arising in terms of this Act between or among person's resident,
- Refer a dispute contemplated in paragraph (b) to the Provincial Consumer Court within that province, and
- Request the Consumer Commission to initiate a complaint in relation to any apparent prohibited conduct or offence in terms of this Act arising within a province.

7.2.8. Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)

The BBBEE Act provides for the promotion of black economic empowerment of which LEDET is directly responsible in the province of Limpopo.

7.2.9. National Credit Act (Act No. 34 of 2005)

The Act promotes a fair and non-discriminatory market place for access to consumer credit and for that purpose, the Act provides for the general regulation of consumer credit and improved standards of consumer information.

7.2.10. Co-operatives Act (Act No. 14 of 2005)

Cooperative Act promotes recognition of international co-operative principles for implementation in South Africa to enable cooperatives to register and acquire a legal status separate from their members. The Act further facilitate the provision of targeted support to emerging co-operatives particularly those owned by women, persons with disability and particularly black people.

7.2.11. National Small Business Act (Act No. 102 of 1996)

The Act provided for the establishment of the National Small Business Council and the Ntsika Enterprise Promotion Agency and also provide the guidelines for organs of state that promote small business development in South Africa.

7.2.12. National Small Business Amendment Act (Act No. 29 of 2004)

The Act amends the National Small Business Act of 1996 by repealing all provisions pertaining to Ntsika Enterprise Promotion Agency, This Act then provides for the establishment of the Small Business Development Agency.

7.2.13. Special Economic Zone Act (Act No. 16 of 2014)

This Act provides for the designation, promotion, development, operation and management of Special Economic Zones (SEZ) in South Africa, of which Musina-Makhado Special Economic Zone has been designated in Limpopo Province.

7.2.14. Electronic Communication and Transactions Act (Act No. 25 of 2002)

The Act provides for the facilitation and regulation of electronic communications and transactions. It further provides for the development of a national e-strategy and promotes universal access to electronic communications and transactions as well as the use of electronic transactions by SMMEs. The Act further provides for human resource development in electronic transactions, and to prevent abuse of information systems and encourage the use of e-government services.

7.3. Policies & International Treaties Influencing LEDET's Work

The mandates of the Department of Economic Development, Environment and Tourism are further directly or indirectly influenced by regional and international treaties and conventions

outlined below. This is simply because the South Africa is a signatory to number of regional and global treaties and conventions, which then become binding to the state.

7.3.1. White Paper on Integrated Pollution and Waste Management for SA (May 2000)

The White Paper provides for the integrated pollution and waste management. The Department of Economic Development, Environment and Tourism is responsible for pollution prevention and minimization at source, managing the impact of pollution and waste on the environment, and remediating damaged environments.

7.3.2. White Paper on National Environment Management Policy (April 1999)

The White Paper is an overarching framework policy, which applies to all government institutions and to all activities that impact on the environment. Through this White Paper government undertakes to give effect to the many rights in the South African Constitution that relate to the environment. The White Paper further defines the essential nature of sustainable development as the combination of social, economic, and environmental factors. It entrenches environmental sustainability in policy and practice.

7.3.3. National Climate Change Response White Paper of 2011

The White Paper provides for the development of the South African Climate Change Response Strategy to achieve the National Climate Change Response objectives. The Response Strategy focuses on risk reduction and management, mitigation actions with significant outcomes, sectoral responses, policy and regulatory alignment; informed decision making and planning, integrated planning, technology research, development and innovation, facilitation of behavioural change, behavioural change through choice, and resource mobilization. LEDET is therefore mandate, among other things, to ensure environmental protection and natural resource management.

7.3.4. World Summit on Sustainable Development: Johannesburg Plan of Implementation (September 2002)

The summit was aimed at expediting the achievement of time-bound, socioeconomic and environmental targets, which fall within the ambit of LEDET service delivery mandate in terms of the law.

7.3.5. Agenda 21- Rio Convention

Agenda 21 is a non-binding action plan of the United Nations regarding to sustainable development. This plan can be executed at local, national and global level by any country.

7.3.6. Convention on Biological Diversity

This Convention is an international agreement adopted during the Earth Summit in Rio De Janeiro in Brazil in 1992. It has three main objectives as thus: to conserve biological diversity,

use its components in a sustainable way, and share fairly and equally the benefits arising from the use of genetic resources.

7.3.7. Convention on International Trade in Endangered Species (CITES)

The Convention on International Trade in Endangered Species of Wild Fauna and Flora is an international treaty to prevent species from becoming endangered or extinct because of global trade. LEDET is responsible for protecting and managing natural resources including endangered species. Under this international treaty, countries work together to regulate international trade of animals and plant species to ensure that international trade is not detrimental to the survival of wild populations. Any trade in protected plant and animal species should be sustainable and based on sound biological understanding and principles.

7.3.8. Convention on Wetlands of International Importance (RAMSAR)

RAMSAR Convention provides a framework for voluntary international cooperation for wetland conservation. The Convention recognizes the wetlands' importance to communities, governments and businesses and thus encourage wetland conservation and wise use of wetlands locally. Limpopo province boasts having number of wetlands and LEDET is responsible for ensuring their conservation.

7.3.9. World Heritage Convention

The primary mission of this Heritage Convention is to identify and protect the world's natural and cultural heritage considered to be of outstanding universal value.

7.3.10. Convention on the Control of Trans-Boundary Movements of Hazardous Waste and Disposals (Basel Convention)

The Basel Convention aims to protect human health and the environment against the adverse effects of hazardous wastes. Its scope of application covers a wide range of wastes defined as 'hazardous wastes' based on their origin and/ or composition and their characteristics, as well as two other types of wastes defined as 'other wastes' such as household waste and incinerator ash. LEDET is responsible for managing waste in the province, among other things.

7.3.11. United Nations Framework Convention on Climate Change

The framework aims to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

7.3.12. Kyoto Protocol

Kyoto protocol is an international agreement linked to the United Nations Framework Convention on Climate Change. The agreement commits all signatories by setting international binding emission reduction targets and standards.

7.3.13. Stockholm Convention on Persistent Organic Pollutants

This is global treaty which commit member states to protect human health and the environment from chemicals that remain intact in the environment for long periods, become widely distributed geographically, accumulate in the fatty tissue of humans and wildlife, and have harmful impact on human health or on the environment.

7.3.14. United Nations Framework Convention on Climate Change

The framework aims to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

7.3.15. United Nations Convention to Combat Desertification

The Convention aims to improve the living conditions of vulnerable populations living in arid, semi-arid and dry-sub-humid areas.

7.3.16. United Nations Sustainable Development Goals (SDGs)

The SDGs seek to end poverty and hunger in the world, to reduce inequalities within and among nations, to build peaceful, just and inclusive societies, to protect human rights and promote gender equality, the empowerment of women and girl children, and to ensure the lasting protection of the planet and its natural resources. Countries committed to the SDGs aim to creation conditions for sustainable, inclusive economic growth, shared prosperity and decent work for all. The SDGs encapsulate three important dimensions of sustainable development of which some directly talk to the mandate of LEDET being the economic and environment dimensions.

7.3.17. Convention for the Protection of the Ozone Layer

The Convention serves as framework for international efforts to protect the ozone layer and LEDET has a bid role to play at the provincial level to ensure that ozone layer is protected in Limpopo.

7.3.18. Montreal Protocol on Substances that Deplete the Ozone Layer

This is another global agreement to protect the stratospheric ozone layer by phasing out the production and consumption of ozone-depleting substances.

7.3.19. African Union Agenda 2063

African Union Agenda 2063 is a strategic framework for socio-economic and political transformation of Africa over the next 44 years. Agenda 2063 seeks to accelerate the implementation of past and existing continental initiatives for growth and sustainable development. Amongst its aspirations are an Africa whose development is people-driven, an Africa of good governance, democracy, respect for human rights, a peaceful and secured Africa.

These aspirations have priority areas which are aligned to the United Nations Sustainable Development Goals.

7.3.20. SADAC Convention on Conservation

The SADAC Convention on Wildlife conservation and law enforcement provides for regionally-agreed approaches to conservation, management and enforcement of illegal use of wildlife. Information exchange regarding wildlife management and utilization are important part for effective conservation. Through this convention, national and regional capacity building initiatives and the facilitation of community-based wildlife management are paramount.

7.4. Institutional Policies and Strategies over Five-Year Planning Period

7.4.1. National Development Plan (NDP) Vision 2030

The NDP is an overarching long-term national plan for South Africa. The main thrust of NDP is to transform and grow the economy, eliminate poverty, reduce unemployment and inequality by 2030. The NDP further aims to build a capable, ethical and developmental state. LEDET, as one of the government departments in Limpopo, is expected to implement the NDP objectives. The NDP Five-Year Implementation Plan is medium term plan guiding the attainment of the NDP priorities and it encapsulates the seven priorities for the current 6th administration for implementation.

7.4.2. Medium-Term Strategic Framework (MTSF) 2019-2024

The MTSF is the government's monitoring framework for the NDP Five-Year Implementation Plan for the current 6th government administration. The MTSF reflects the commitments drawn from the NDP and other policy pronouncements of government such as the State of the Nation Address & the State of the Province Address. The MTSF sets out the tone for the implementation of key seven focus areas of this government as outlined by the president Ramaphosa during the State of the Nation Address (February 2019). However, out of the seven MTSF priorities, LEDET shall lead or contribute on implementing the following six MTSF priorities at provincial level:

1. Economic transformation and job creation,
2. Education, skills and health,
3. A capable, ethical and developmental state,
4. Spatial integration, human settlement and local government,
5. Social cohesion and safe communities, and
5. A better Africa and the World.

7.4.3. Limpopo Development Plan (LDP), as being revised

The LDP is an overarching five-year plan for Limpopo province, which is aligned to the NDP 5-Year Implementation Plan and the MTSF in terms of key priorities. The main thrust of the LDP is industrialization, inclusive economic growth and job creation with trickle effects on poverty,

unemployment and inequality. However, it is worth noting that the LDP is being currently reviewed by the Office of the Premier.

7.4.4. Limpopo Green Economy Plan

The Green Economy Plan views green economy as a sustainable development path based on addressing the interdependence between economic growth, social protection and natural ecosystem.

7.4.5. Limpopo Climate Change Response Strategy: 2016-2020

LEDET championed the development of this provincial climate change response strategy. The Strategy identifies measures needed to adapt to current climate changes and future climate changes that are likely to occur as well as key areas wherein provincial actions can assist in mitigating the impact of climate change in energy, transport and resource efficiency.

7.4.6. Limpopo Environment Outlook 2016

The Limpopo Environment Outlook (LEO) Report is a snapshot at this point in time of the environment and the people of Limpopo Province. The LEO Report provides a summary of the current state and future prospects of the environment. It demonstrates how the state or condition of the environment impacts on the wellbeing of people, and how appropriate responses can improve the overall state or condition of the environment to the benefit of the people who depend on the natural resources for their survival and well-being.

LEO Report makes people more aware of the environment and enable them to understand deep interconnectedness between people and the environment. It showcases multiple interactions between people and the environment and demonstrates how these interactions can be negative or positive. The LEO Report further highlights trends in resource use that should inform decision-making and future planning to ensure a more sustainable future for the people of Limpopo.

The LEO Report provides a moment to take stock of and assess the current state or condition of the environment, in general, and environmental resources. It identifies and assesses environmental issues and challenges, determines the condition and trends, and identifies priority environmental challenges and trends in resource use. It evaluates the effectiveness of environmental policies, strategies, plans, programs, projects and actions that are in place. It also looks into the future and presents appropriate responses to improve the status quo. It highlights how a range of interrelated measures may either enhance or undermine the environmental resilience of Limpopo. This resilience is a critical component of climate change adaptation.

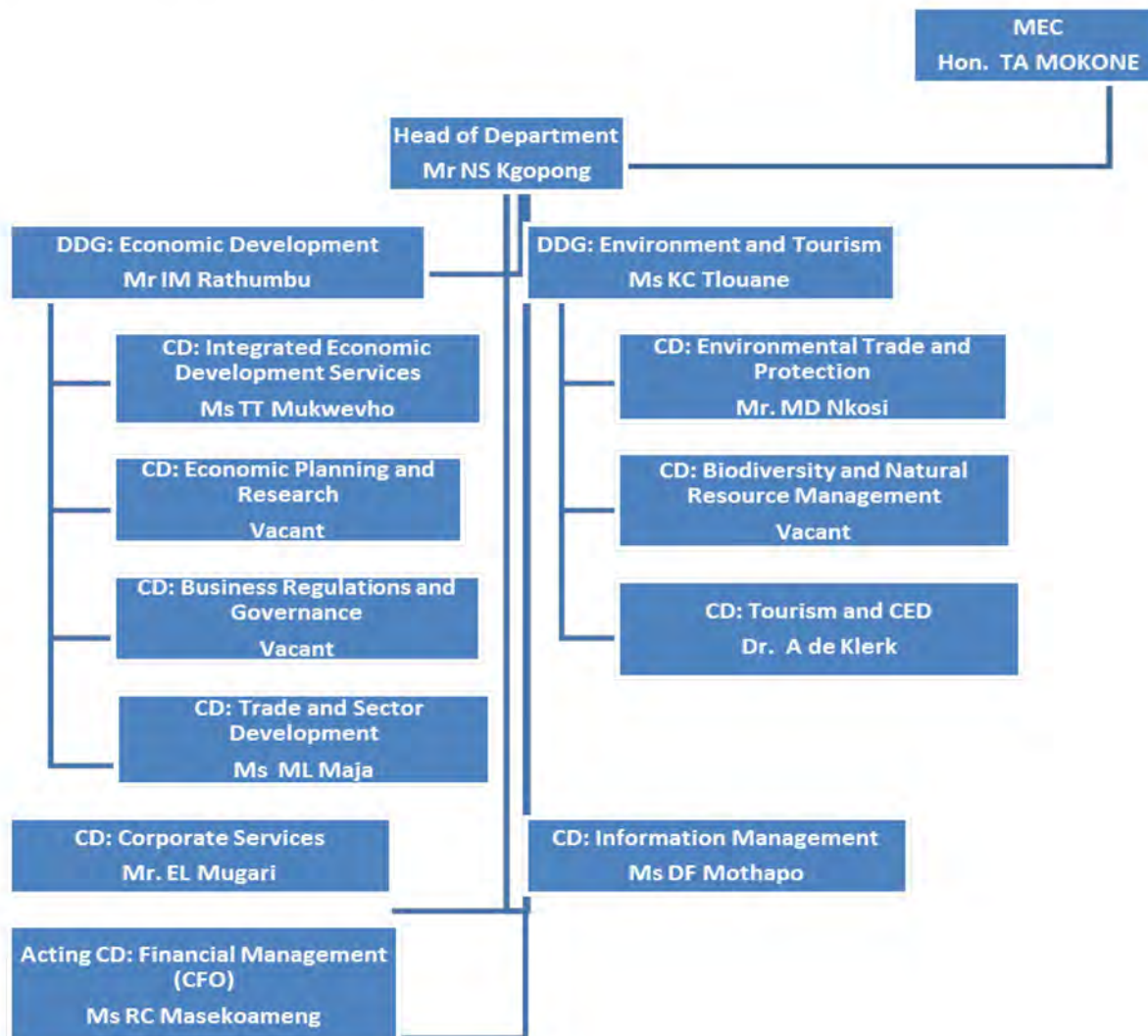
7.4.7. Limpopo Environmental Implementation Plan, 2015-2020

The EIP is required in terms of Chapter 3 of the National Environmental Management Act (NEMA), 1998 (Act No. 107 of 1998 as amended). The EIP describes departmental policies, plans and programs that may impact on the environment and how these will comply with NEMA principles and national environmental norms and standards. The aim is to ensure that government integrates environmental considerations into its core mandate, functions and

activities. The EIP aims to co-ordinate and harmonize the environmental policies, plans, programs and decisions of the various departments that exercise functions that may affect the environment or are entrusted with powers and duties aimed at the achievement, promotion, and protection of a sustainable environment at provincial and local government levels. The purpose is to minimize the duplication of procedures and functions; and to promote consistency in the exercise of functions that may affect the environment.

Section 11(1) of chapter 3 of NEMA (as amended) provides that every provincial department responsible for environmental affairs must prepare an Environmental Implementation Plan (EIP) within five years of the coming into operation of the National Environmental Management Laws Second Amendment Act, 2013 (Act No 30 of 2013) and at intervals of not more than five years thereafter. In this light of that, the Limpopo province has commenced with the process of developing the Limpopo EIP 2020–2025. The plan will be implemented in the next five years and in terms of section 16(1)(b) of NEMA (as amended), every organ of state must report annually within four months of the end of the financial year on the implementation of its adopted EIP to the Director-General of Environmental Affairs.

8. ORGANISATIONAL STRUCTURE



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
LIMPOPO ECONOMIC DEVELOPMENT AGENCY (LEDA)	Northern Province Development Corporation Act, 1994 (Act No. 4 of 1994) empowers the Entity to plan, finance, co-ordinate, promote and carry out development of the province in the fields of agriculture, commerce, industry, mining, training, tourism, public transport and other business undertakings as well as in housing including community development.	Appropriated transfers Appropriated funds and own revenue	Responsible for development of the Limpopo Province and to empower its people, entrepreneurs and business pioneers through a clear, strategic path for sustainable development Plan and coordinate development of SMME's through financing Responsible for the provision of non-financial business support to ensure job creation, thus reducing poverty in line with the Limpopo Provincial Growth and Development Strategy Provide business development support services to SMME's and Co-operatives To promote the province as the preferred investment and trade location in Southern Africa through marketing the competitive advantages of establishing and maintaining a business in Limpopo

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
			Facilitate investment into Limpopo Facilitate trade
Limpopo Tourism Agency (LTA)	Limpopo Tourism Act, 2018 (Act No 4 of 2018) empowers the Entity to provide for the development, management and promotion of sustainable tourism in Limpopo. The Act further provides for the registration of tourism businesses and regulation of the tourist guides.	Appropriated transfers	The Agency must: Market the province as a tourist destination; Market provincial tourism products and facilities; Develop and implement a marketing strategy for tourism that promotes- (i) the objects of Limpopo Tourism Act; and (ii) the provincial tourism sector strategy; Advise the MEC on any matter relating to tourism marketing; and Perform any other function the MEC may assign or delegate to the Agency.
Limpopo Gambling Board (LGB)	Limpopo Gaming Act, 2013 (Act No. 3 of 2013) empowers the Entity to regulate the administration of the casino and gambling industry in Limpopo.	Appropriated transfers	Regulate, control and monitor gambling activities in the province Promotion of the gambling industry for the benefit of the people of the province

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
			Collections of gambling taxes on behalf of the LEDET

PART B: PERFORMANCE INFORMATION

1. **AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES REFER TO PAGE OF THE REPORT UNDER PART E ON FINANCIAL INFORMATION**

2. **OVERVIEW OF DEPARTMENTAL PERFORMANCE**

2.1 **Service Delivery Environment**

The COVID-19 pandemic immensely affected the operations of the department and subsequently service delivery during the financial year under review. Majority of the officials had to be locked down to save lives and protect livelihoods thus forcing the department to operate with skeleton staff, especially the ones rendering essential services during the level 5 to 2 of nationwide lockdown restrictions. A departmental Covid-19 Steering Committee was established to monitor implementation of the COVID-19 health protocols. However, the department lost some officials due to this pandemic. As support measure during this difficult time, a total of 150 SMMEs and Cooperatives in various sectors were supported through the provisioning of tools of trade in partnership with LEDA, SEDA and other agencies so as to enable them to contribute towards stimulating economic growth and sustaining the remaining employment opportunities to address the triple challenges of poverty, unemployment and inequality. The department developed and coordinated the implementation of the Limpopo Socio-Economic Recovery Plan for all economic sectors in the province. A detailed information on how this Plan was implemented through the relief funds is contained in a table talking about external and internal relief funding.

The Limpopo Environment Outlook Report (2016), identified some of the key challenges faced by the province, which are relevant to the mandate of the Department to be; Climate change, biodiversity and ecosystems health, waste management and environmental governance. Climate change is becoming increasingly apparent in the Limpopo province, which is perhaps one of the most vulnerable to climate change in South Africa. This is attributed to issues such as poverty, inadequate housing and poor access to services exacerbating environmental change. These issues compound and result in an inability to respond to the disastrous effects of climate change. The province is already experiencing the effects of climate change. The consequences of the extreme events experienced most recently in February 2021 in the Vhembe and Mopani Districts exposed the inadequate resources in positioning the Province to handle climate change effects. The province therefore needs to strengthen climate mitigation and adaptation measures. Some notable efforts have been made by the Province in the development of a framework and strategies to address mitigation and adaptation, but more intervention is necessary. Furthermore, the Department has commenced with the review of the Provincial Climate Change Strategy.

Whilst the Department has planted over 1600 trees as one of the climate change response initiatives, more effort needs to be strengthened in this space. The province needs to leverage the opportunities provided by working in collaboration with the private sector, particularly Non-Governmental Organizations (NGOs) towards improving the resilience to climate change effects by the citizens of the province. However, with the current financial constraints globally, it is expected that the implementation of climate change mitigation and adaptation plans will be challenging particularly on the integration and effective implementation at local government level. The Department is working in collaboration with the national, provincial and local spheres of government in refocusing its efforts towards decreasing vulnerability and improving resilience of the citizens of the province.

Whilst it is the mandate of this Department to contribute towards sustainable development of the province, the progressive transformation of land poses a significant threat to quality of life in Limpopo. The loss of biodiversity priority areas is exacerbated by land increasingly transformed by various drivers. Once land is degraded, it is unlikely that such land will return to its previous ecological state and function. One of the critical

mandates of this Department to regulate any development projects that are likely to have detrimental impact on the environment through the Environmental Impact Assessment (EIA) processes. The EIA process allows for identification of potential impact and mitigation measures to minimize development impacts potentially on environmentally sensitive areas.

In endeavor to attain sustainable development, the Department continues to issue environmental authorisations as a means to minimize negative environmental impacts from infrastructure developmental project aimed at improving service delivery. Over 134 EIAs were finalized with a projected investment of over R3 billion in 2020/2021 financial year. As part of integrated environmental management, the Department has also supported over 70 waste recyclers in the province, owing to the rolling out of the COVID-19 Waste Relief fund as well as provision of technical support to participants in waste diversion programs.

The department continues to play a significant role in ensuring compliance with environmental legislation through compliance inspections that are conducted on the environmental authorisations, permits and licenses issued. Furthermore, the department also conducts joint inspections with other law enforcement agencies to ensure compliance with environmental legislation as well as combating environmental crimes.

There is existing tension in respect of biodiversity and ecosystems services and socio-economic demands. There is growing competition between the need for food security and improved livelihoods and the need to conserve valuable natural habitats and ecosystem services. Communities in the province are most reliant on biodiversity and natural resources for survival. Exploitation of natural resources leading to biodiversity loss is evident across the provinces, with illegal activities such as hunting, fishing, harvesting of plants of medicinal importance increasing in the province. Beneficiation of natural resources is also key to attaining sustainable development and demands for sustainable utilization and management of such natural resources, particularly in provincial protected areas. Participation by communities adjacent to the provincial protected areas is encouraged through the co-management framework, allowing for participation in wildlife economic activities such as culling of game and provision of venison. Allocation of hunting quotas to communities that have signed co-management agreements with the Department has paved a way for them to participate in the hunting industry.

The effective management of waste is of critical importance to avoid detrimental impacts on health and the environment and to ensure the protection of rivers and wetlands in Limpopo. The waste management function should be strengthened in view of the problems experienced in the collection of waste and monitoring of the performance of waste disposal sites. Effective work is being done by Local Municipalities in managing solid waste and monitoring through participation in the Green Municipalities Competition. While there are many difficulties associated with waste management in Limpopo, the proper functioning and monitoring of solid waste disposal sites, and improved waste collection and recycling efforts, can provide significant improvement to the situation. There are no hazardous waste disposal sites in Limpopo and the department is currently not monitoring hazardous waste generation, or its disposal. The integrated waste management plan for the province has been reviewed. The Local authorities also require assistance on the development and implementation of their respective integrated waste management plans.

These challenges require collaborated efforts from all key stakeholders, thus the need to strengthen environmental governance and active participation by the regulated community in environmental decision-making. Central to effective participation by the regulated community in environmental decision-making processes is the implementation of environmental awareness and capacity programs. The department continuously implements such programs with the stakeholders such as the Traditional Authorities and the Traditional Health Practitioners in the province. The department further offered an accredited training to the Traditional Authorities on environmental legislation, proving to have improved environmental governance in the province.

Some key policies, laws and structures are in place in the Limpopo Province, and a few more are under development. The presence of such frameworks and tools requires urgent and effective implementation.

Shortfalls in resources, skills and capacity must be addressed to ensure the alignment and implementation of key policies, plans and laws that pertain to environmental management at the different levels of government within the Province. Strengthened institutional structures and capacities and increased staff and resources for essential environmental management functions, collaboration among government sectors, different levels of government and other parties to promote and support cooperative environmental governance, and support for environmental observation, research and monitoring to inform decision-making and improve risk identification and mitigation.

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.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Protection of Consumer Rights	Consumers/ Citizens Businesses	The identified key service is Protection of Consumer Rights wherein consumers manually lodge complaints which must be mediated and resolved by the Department and/ or the Consumer Protector within 90 days of receipt of the complaint	100% of lodged consumer complaints finalised within 90 days of receipt.	53% (33 of 62) of lodged complaints were resolved within 90 days, while 29 of 62 (representing 47% of total) complaint cases were resolved beyond 90 days' period.

Batho Pele arrangements with beneficiaries (Consultation, access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation to be conducted through education by directorate, Consumer Affairs	Continuous consultation about consumer rights with customers through all avenues available	339 000 consumers were reached through awareness campaigns
The service is currently available in all 5 district offices	To roll out the services to Thusong Service Centres	Service offered in all 5 district offices
Accurate information is being disseminated through brochures	To increase roadshows and workshops upon appointment of more personnel. Provision of assistive devices e.g. braille printing	1500 brochures distributed during roadshows
Contact details of service centres will be made available on the departmental newsletter and website	Contact details of service centres will be made available on the departmental newsletter and website	Contact details of service centres are available on the departmental newsletter and website

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Information is conveyed through newsletters and website publications, radio and roadshows	Information is conveyed through newsletters and website publications, radio and roadshows	49 awareness campaigns were conducted through radio and roadshows

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Complaints are attended to in terms of approved departmental service delivery standards within 90 days of receipts	100% complaints investigated and resolved within 90 days	33 of 62 complaints were resolved within stipulated timeframes in terms of the approved Service Delivery Standards and other laws

2.3 Organisational environment

The department vacancy rate on funded vacant posts at the end of March 2021 remained at 0.3%, which is within the acceptable norm in terms of the DPSA standard. During the period under review 10 posts were filled mostly at SMS level. However, a moratorium was placed on filling of other posts and approval was granted to fill SMS positions only. Six (6) SMS posts were filled during the period under review and the position of the CFO remained vacant but it was advertised in 2020. Currently, there is an acting CFO seconded from Provincial Treasury to assist the department. In addition, the Director position for SCM still remains vacant due to reasons of complexity.

The outbreak of Coronavirus has brought new normal way for doing business. It has call for new creativity and innovation in delivering public services to communities. The ICT section has been working hard to ensure that management and other meetings continue to be held virtually to minimize exposing officials to the spread of this pandemic. Departmental Covid-19 Steering Committee was established to oversees the implementation and adherence to health and safety protocols by all employees.

All departmental officials were provided with the necessary Personal Protective Equipment (PPE) as part of risk mitigation for Covid-19 in the workplace, and these includes but not limited to cloth masks, face shields, and hands sanitisers. The department has introduced basic occupational hygiene practices such as washing of hands with soap regularly, hands sanitizing, covering your cough with an elbow and no hugging.

To mitigate the impact of the pandemic on employees the Department amended the SHERQ policy to include Covid-19 safety measures and developed a Risk Mitigation Strategy and Business Continuity Plan adjusted in line with the National guidelines and regulations on Covid-19. The Employee Health and Wellness Unit has trained Covid-19 screeners in all workstations and education and awareness sessions regarding the prevention of the spread of Covid-19 in the workplace are ongoing. Although, the department failed to appoint temporary Covid-19 screeners, the department has successfully negotiated to utilize the services of security personnel for this essential service in all our service points including the Head Office.

During the financial year under review the Department lost some staff members due to COVID-19 pandemic and this unfortunate occurrence had a negative impact on the organisational operations and capacity to deliver due to shortage of personnel.

2.4 Key policy developments and legislative changes

None

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department contributes towards the achievements of the MTSF priority 1: a capable, ethical and developmental state, priority 2: economic transformation and job creation, priority 3: education, skills and health, priority 5: spatial integration, human settlement and local government and priority 7: a better Africa and world. The Department continues to facilitate training of Youth in Energy Management Systems in mitigation of load-shedding and energy efficiency usage. For the year under review, twenty youths were put through the programme. Eight graduated as Certified Energy Auditors and, the remainder of the group is awaiting their results from the re-write examination. Furthermore, the Department facilitates the training of youths as artisans in the Tool, Die and Mould (TDM) sector. The TDM is a critical sub-sector in driving our industrialization trajectory and it is during the year under review that six youths graduated as Tool, Jig and Die Making artisans.

It was during the year under review that EXCO approved the Limpopo Township and Rural Economic Revitalization Strategy. The strategy will enable the department to focus on the economic revitalization of the townships and rural economies so as to make a meaningful dent to poverty, unemployment and inequality. The Department has developed the Limpopo Socio-Economy Recovery Plan and the Limpopo Industrial Master Plan, which were approved by EXCO in November 2020.

To mitigate the effects of COVID 19, the Department was able to craft mitigation plans for the manufacturing, mining and; retail & wholesale sectors. It was through these mitigation plans that the Department was able to contribute immensely to the provincial reduction of the spread of the COVID 19 pandemic.

The Department through its planned operations in collaboration with SAPS was able to inspect six thousand five hundred and ninety-five (6 595) liquor businesses for compliance with their licence conditions. The operations were aimed at ensuring compliance and operations within the confines of the law and regulations. In addition, regular consumer awareness campaigns were conducted to educate consumers about their rights. It was through these campaigns that the Department was able to unearth consumer complains, which we were able to resolve with others referred for further investigations.

The environment sector was also affected by the current COVID-19 pandemic in terms of its contribution to the GDP and creation of jobs in the province. There is significant decline in development projects finalised (134) during the 2020/21 financial year compared to the (212) in 2019/20 financial year. This has affected potential development investments as well as creation of jobs. Job creation through the environmental programmes has also declined from (452) jobs in 2019/20 financial year to (166) jobs in 2020/21 financial year. Infrastructure developments such as filling stations and resorts to identify a few have been adversely affected. There has also been a significant decline in terms of the hunting activities in the province. All Game farms that are reliant on hunting have been seriously impacted and foresee very difficult financial times. This is evident in terms of the decline in the number of permits (7080) issued during the 2020/21 financial year as compared to the (14 119) in 2019/20 financial year. There is significant increase in the number of waste recycling facilities supported, that is, from fifty-five (55) in 2019/20 financial year to seventy-two (72) in 2020/21 financial year.

Non-compliance with environmental legislation has also increased significantly. Illegal activities such as poaching of fauna and flora especially in the provincial nature reserves, keeping of fauna, fishing, hunting, deforestation have seen significance increase since the beginning of the COVID-19 pandemic lockdown. This can be accounted to a decline in the number of administrative enforcement notices issued for non-compliance with environmental management legislation from ninety-two (92) in 2019/20 financial year to forty-nine (49) in 2020/21 financial year. The number of completed criminal investigations handed to the NPA for prosecution

also declined from thirteen (13) in 2019/20 financial year to four (4) in 2020/21 financial year. Nine-hundred-and-thirty-one (931) compliance inspections were conducted in 2019/20 financial year whilst three-hundred-and-two (302) were conducted in 2020/21 financial year.

An environment sector recovery plan has been implemented to ensure gradual recovery of the environment sector. This plan will ensure that collaborative efforts are implemented between government and environment sub-sectors such as the hunting industry, biodiversity economy etc. to ensure that opportunities that can be derived from beneficiation of natural resources are maximized.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

The purpose of this program is to provide strategic direction and support to line function programs to enable the achievement of their respective mandates.

The program is subdivided into six subprograms as follows:

- Office of the MEC
- Office of the HoD
- Corporate services
- Financial Management
- Information Management, and
- Infrastructure Management.

NB: For the Office of the MEC and the HoD, there are no output indicators set in the planning document.

Institutional Outcomes that Program 1 contributes to:

- An ethical and professional public service maintained;
- Gender and disability mainstreamed;
- Covid-19 risks in the workplace mitigated;
- Improved financial governance;
- Modernised business processes and systems.

Outcomes, outputs, output indicators, targets and actual achievements table

Under Program 1, the department achieved 45% of the planned annual output targets. Comparatively, there is no variance with the previous financial year performance for the program. The following are the reasons for this under performance for this program in the financial year under review:

- Frequent postponement of disciplinary hearings due to unavailability of the Chairpersons and the parties to the dispute amid the Covid-19 lockdown restrictions hampered the speed resolution to all reported disciplinary cases on stipulated time.
- During nationwide hard lockdown measures, some designated officials located in deep rural areas could not disclose their financial interests on time due to poor ICT network infrastructure in their areas.

- 10 vacancies were filled and four (04) females were appointed at senior management level.
- Resignation and/ or retirement by female SMS members including a person with disability contributed to slow progress in improving the performance for the Program.
- Lastly, significant budget cut and reprioritisation of budget to cater for Covid-19 interventions affected performance and/ or revision of certain output indicator and targets.

Table 2.4.4.1:

This table presents changes made on the originally tabled APP 2020/21 until date of re-tabling.

Programme / Sub-programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
An ethical and professional public service maintained	Promote good governance in the department	Number of skills development programs implemented	4	4	4	1	-3	Lockdown restrictions & budget cut due to Covid-19 affected implementation of the activity since it was discontinued from the plan.	Earmarked funds were reprioritised to cater for COVID-19 interventions
Improved financial governance	Unqualified audit outcome attained	Credible assets register prepared	Not measured	Not measured	Credible assets register prepared	Not target set for Q1	N/A	Judgement about credibility of asset register was not yet offered by assurance partners	Indicator removed from APP & cascaded down into Operational Plan
		Annual financial statements free from material misstatements prepared	Not measured	Not measured	Annual financial statements free from material misstatements prepared	No target set for Q1	N/A	Judgement about credibility of AFS was not yet offered by assurance partners	Indicator removed from APP & cascaded into operational plan

NB: When the original annual performance plan tabled in March 2020 was revised around July 2020, as per the DPME circular no. 2 of 2020, the three output indicators were then cascaded into the operational plan due to the following reason:

- The output indicators were deemed as too operational.
- For the output indicators on asset register and annual financial statements, management felt that the judgement about their credibility and accuracy is only provided by assurance partners such as the Internal Auditor and the Auditor-General. Therefore, it was going to be difficult for the department to measure these output indicators on its own.
- Further for the output indicator on skills development program, although the indicator is operational, the earmarked funding for skills development in the department was reprioritised to cater for Covid-19 interventions.

Table 2.4.4.2:

This table presents information based on the revised APP 2020-21

Programme: Administration								
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
CORPORATE SERVICES								
An ethical and professional public service maintained	Promote good governance in the department	Percentage compliance to e-disclosure of financial interests within set timelines	Not measured	Not measured	100%	100% (41 of 41) SMS members 91% (261 of 287) MMS	-9% (26 of 287)	Poor IT network infrastructure in remote areas made some officials not to disclose on time as observing lockdown measures.
		Percentage of received disciplinary cases adjudicated within 90 days	45,8% (11 of 24)	63% (19 of 30)	100%	95% (62 of 65)	-5% (03 of 65)	Postponement due to unavailability of chairpersons &/ or parties to the hearings
		Percentage of employees' performance contracts	Not measured	Not measured	100%	100% (1167 of 1167)	None	None

Programme: Administration								
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
		signed within set timelines	d					
		Funded vacancy rate maintained below acceptable norm of 10%	1.15% (78 funded posts filled)	7% of funded vacancy rate maintained (02 posts filled)	10%	0.3%	None	None
Gender and disability mainstreamed	Implemented national gender mainstreaming strategy and employment equity plan	Percentage of female at SMS level	41,5%	43,5%	50%	41,5%	-8.5%	Three female SMS retired and posts not filled during the year under review
		Percentage of persons with disability improved	1,4%	1,7%	2%	1,5%	-0,5%	Resignation of a person with disability & no new disclosures on disability status made
COVID-19 risks in the workplace mitigated	Implemented National guidelines and directives on Covid-19 in the workplace	Number of temporary Covid-19 screeners recruited	Not measured	Not measured	55	0	-55	Reprioritised funds used for other contractual obligations
	Number of temporary Covid-19 Cleaners recruited	Number of temporary Covid-19 Cleaners recruited	Not measured	Not measured	36	0	-36	Reprioritised funds used for other contractual obligations
Improved financial governance	Unqualified audit outcome	Percentage of invoices paid within 30 days of	100% (12 862 of	99.9% (12063 of 12071)	100%	99.9% (5 348 of 5 356)	-0.1 (8 of 5356)	Insufficient funds due to budget cut

Programme: Administration								
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
	attained	receipt	12 867)					
		Percentage expenditure in relation to the allocated budget	99.2%	99.2%	98%-100%	99.3%	None	None
INFORMATION MANAGEMENT								
Modernised business processes and systems	Efficient business processes	Information, Communication & Technology draft Strategy developed	Not measured	Not measured	Draft ICT strategy developed	Draft ICT strategy developed	None	None

Strategy to overcome areas of under-performance

- The department shall continue to engage other departments including public entities to assist in presiding over cases.
- Continuous encouragement through training workshops to officials to voluntarily disclose their disability status, if any.
- In addition, to continue to work with organisations representing persons with disability to avail the pool of qualifying and competent candidates for potential employment opportunities when posts are advertised.
- Furthermore, certain advertised posts shall be ring-fenced for targeted categories of people for employment to increase the representation of females at SMS level.
- Regarding non-compliance with the financial disclosure system, the department shall request the officials to report at Head Office during the disclosure periods and/ or provided with gadgets to enable them to disclose wherever they are.

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

Program 1 has no standardised outputs and output indicators.

Linking performance with budget

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
Office of the MEC	6,650	6,651	-1	8,282	8,266	16
Office of the HOD	5,857	5,752	105	7,629	7,666	(37)
Financial Management	77,894	77,770	124	86,358	87,951	(1,593)
Corporate Services	243,288	243,420	-132	289,864	284,796	5,068
Total	333,689	333,593	96	392,133	388,679	3,454

4.2. PROGRAMME 2: ECONOMIC DEVELOPMENT

The purpose of this program is to stimulate economic growth and job creation through economic planning and research, enterprise development, investment promotion and business regulations.

The program is sub-divided into four subprograms as follows:

- **Economic planning and research:** the subprogram aims to promote economic planning and research as well as monitor implementation of economic development programs
- **Integrated economic development services:** aims to create an enabling environment for SMMEs and Cooperatives development to improve the quality of life of the people of Limpopo province.
- **Trade and sector development:** aims to stimulate economic growth and job creation through industry development, trade and investment promotion.
- **Business regulation and governance:** the subprogram aims to regulate businesses in all sectors and ensure effective protection of consumer rights.

Institutional Outcomes that Program 2 contribute to:

- Improved provincial economic growth and development.
- Up-scaled and expanded support to local enterprises (SMMEs and Cooperatives).
- Increased ownership and participation by historically disadvantaged individuals in the province.
- Economy and employment recovered from the impact of Covid-19.
- Regulated and compliant businesses.

Outcomes, outputs, output indicators, targets and actual achievements

Program 2 achieved 67% of the planned output indicators and targets during the year under review, which is significant drop of 20 percentage point compared to 87% in 2019/20 financial year. This under-performance for the program was as the result of mainly significant budget cut due to the impact Covid-19 pandemic that affected the operations of the department. The department had to reprioritise the budget to cater for Covid-19 interventions as a measure to deal with the impact and also honour all the contractual obligations in terms of payment. Another reason for the under-performance was a result of the Chairperson of the Limpopo Liquor Board resigning in the beginning of quarter four. The resignation prompted the Board not to sit for three months to process all the received liquor applications. Lack of personnel as evidenced by high vacancy rate within Program 2 also contributed to the program not achieving as originally planned. Nevertheless, the department has been able to make some considerable strides towards realisation of the departmental outcomes to grow and develop the economy through vigorous implementation of the Limpopo Socio-Economic Recovery Plan. For instance, Limpopo province implemented some Covid-19 relief funds in partnership with national government targeting youth, women and persons with disability in all sectors of the economy.

In implementing Enterprise Development Program to support local SMMEs and Cooperatives owned by youth, women and persons with disability as part of the Covid-19 relief measures, a total of 150 equipment were bought and provided to local enterprises. Out of 150 targeted support, a total of 50 equipment were provided to businesses owned by persons with disability, while 100 were provided to youth and women-owned businesses respectively across all the five districts in the province. More detailed information about the performance of Economic Development branch or program is reflected on table 2.4.4.2 below, which is based on the revised and approved APP.

Table 2.4.4.1:

This table presents changes made on the originally tabled APP 2020/21 until date of re-tabling.

Programme / Sub-programme: Economic Development									
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 date of re-tabling</u>	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
SUB-PROGRAM: ECONOMIC PLANNING AND RESEARCH									
Improved provincial economic growth and development	Social dialogue hosted	Number of provincial social dialogue hosted	1	1	1	0	-1	Project discontinued from the plan	Budget cut and reprioritisation to cater for COVID-19 interventions
	Economic strategies Developed	Number of economic strategies developed	2	1	1	0	-1	Reported under performance is not a reflection of the whole FY performance	Annual Target was revised to 02
	Economic strategies Developed	Number of economic developing research studies completed	3	2	2	0	-2	Project affected by lockdown restrictions and was discontinued from the plan	Budget cut & reprioritisation to cater for Covid-19 interventions & contractual obligation
SUB-PROGRAM: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
Up-scaled and expanded support to local enterprise	Broad-Based Black Economic Empowerment	Number of Broad-Based Black Economic Empowerment	Not measured	Not measured	4	1	-3	Reported performance reflects performance for Q1 not the	Revised downwards due to budget cut & budget reprioritisation

Programme / Sub-programme: Economic Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
s (SMMEs & Cooperatives) Increased ownership and participation by historically disadvantaged individuals in the province	compliance report compiled	ent compliance reports produced						whole financial year.	tion for Covid-19 interventions & contractual obligation
	Walala Wasala Youth development programme implemented	Number of reports produced on implementation of Walala Wasala youth development programme	Not measured	Not measured	4	0	-4	Program Implementation affected by lockdown restrictions	Target revised downward due to budget cut and reprioritisation for Covid-19 interventions & contractual obligation
	Integrated reporting on the implementation of enterprise development programme	Number of Enterprise Development Support Programmes mainstreamed	Not measured	Not measured	4	0	-4	Program Implementation affected by lockdown restrictions & target was revised downward	Budget cut & reprioritisation of budget for Covid-19 interventions and contractual obligation
		Number of reports produced on implementation of Informal trader	Not measured	Not measured	4	0	-4	Program implementation affected by lockdown restrictions & target revised	Budget cut and reprioritisation to cater for Covid-19 interventions

Programme / Sub-programme: Economic Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		support programme						downward	
		Number of cooperatives development initiatives conducted	Not measured	Not measured	2	0	-2	The activity affected by lockdown restrictions & since Activity discontinued from the plan	Budget cut and reprioritisation for Covid-19 interventions & contractual obligation
SUB-PROGRAM: TRADE AND SECTOR DEVELOPMENT									
Improved provincial economic growth and development	Monitoring reports on trade and investment programmes	Number of monitoring reports on trade and investment programmes produced	4	4	4	1	-3	Reported performance reflects Q1 not whole FY achievement and annual target revised downward	Budget cut and budget reprioritisation as result of Covid-19 restrictions & cater contractual obligation
SUB-PROGRAM: BUSINESS REGULATION AND GOVERNANCE									
Regulated and compliant businesses	Compliant businesses	Number of liquor businesses regulated	8 440	8 463	8440	524	-7 916	Reported performance reflects Q1 performance not whole FY performance & annual target revised downward.	Liquor industry was not operating due to nationwide lockdown restrictions as result of Covid-19

Programme / Sub-programme: Economic Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
									pandemic

NB: The reported performance on output indicators for Program 2 under the above Table does not reflect the performance of the program for the whole financial year but reflects program performance until end of first quarter of the 2020/21 financial year or until the date of re-tabling of the revised APP. Then the original APP tabled in March 2020 in the legislature was amended due to the impact of the Covid-19 pandemic on the operations of the department in line with the DPME Circular No. 2 of 2020. As a result, Economic Development branch scaled down on some of the annually planned activities or targets while some activities were completely discontinued from the APP due to significant budget cut and reprioritisation of the budget to cater for Covid-19 interventions. With regard to regulation or inspection of liquor outlets in the province, the economic development branch was forced to considerably reduce the annual targets. This is because the liquor industry was closed for most of the time as result of lockdown restrictions and the ban on the sale of alcohol.

Table 2.4.4.2:

This table presents information based on the revised APP 2020-21

Programme: Economic 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
Improved provincial economic growth and development	Economic indicator reports compiled	Number of Economic Development reports compiled on economic indicators	4	4	4	4	None	None
	Economic strategies Developed	Number of economic strategies	2	1	2	2	None	None

Programme: Economic 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
		developed						
SUBPROGRAM: INTEGRATED ECONOMIC DEVELOPMENT SERVICES								
Up-scaled and expanded support to local enterprises (SMMEs & Cooperatives)	Broad-Based Black Economic Empowerment compliance report compiled	Number of Broad-Based Black Economic Empowerment compliance reports produced	Not measured	Not measured	1	1	None	None
Increased ownership and participation by historically disadvantaged individuals in the province.	Limpopo Township and Rural Economy strategy developed	Limpopo Township and Rural Economy Strategy (LTRES) approved	Not measured	Not measured	LTRES approved	LTRES approved	None	None
	Walala Wasala Youth development programme implemented	Number of reports produced on implementation of Walala Wasala youth development programme	Not measured	Not measured	1	0	-1	Budget cut and reprioritisation of budget to cater for Covid-19 interventions and contractual obligations
	Integrated reporting on the implementation of enterprise development	Number of Enterprise Development Support Programmes mainstreamed	Not measured	Not measured	1	0	-1	Budget cut and reprioritisation of budget to cater for Covid-19 interventions and contractual

Programme: Economic 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
Economy and employment recovered from the impact of Covid-19	t programme							obligations
		Number of reports produced on implementation of Informal trader support programme	Not measured	Not measured	1	0	-1	Budget cut and reprioritisation of budget to cater for Covid-19 interventions and contractual obligations
	LED support provided to municipalities	Number of LED interventions implemented in Municipalities	1	1	1	1	None	None
	Wholesale & Retail Sector Mitigations Plans Against COVID-19 implemented	Number of reports on the implementation of Wholesale & Retail Sector Mitigations Plans Against COVID-19 compiled	Not measured	Not measured	2	2	None	None
	Local enterprises supported	Number of enterprises supported with equipment	Not measured	Not measured	150 (100 for Youth and 50 for Persons with	150 (100 for Youth and 50 for Persons with	None	None

Programme: Economic 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
					Disabilities)	Disabilities)		
SUBPROGRAM: TRADE AND SECTOR DEVELOPMENT								
Improved provincial economic growth and development	Monitoring reports on trade and investment promotion programmes	Number of monitoring reports on trade and investment programmes produced	4	4	1	1	None	None
	Programmes on manufacturing support facilitated	Number of Manufacturing Support programmes implemented	3	3	3	3	None	None
Economy and employment recovered from the impact of Covid-19	Contribution of mining sector to local development	Number of programmes implemented to enhance local participation in the mining sector	Not measured	Not measured	3	3	None	None
	Mining Sector Mitigations Plans Against COVID-19 implemented	Number of monitoring reports on implementation of Mining Sector Mitigations Plans Against COVID-19	Not measured	Not measured	4	4	None	None

Programme: Economic 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
		compiled						
	Manufacturing Sector Mitigations Plans Against COVID-19 implemented	Number of monitoring reports on implementation of Manufacturing Sector Mitigations Plans Against COVID-19 compiled	Not measured	Not measured	2	2	None	None
SUBPROGRAM: BUSINESS REGULATION AND GOVERNANCE								
Regulated and compliant businesses	Compliant businesses	Number of liquor businesses regulated	8 440	8 463	6970	6595	-375	Liquor industry did not operate during different levels of lockdown since alcohol ban
		Percentage of liquor applications processed within 90 days of receipt	72,5% (1 313 of 1 810)	92% (1584 of 1716)	100%	81% (796 of 984)	-19% (188 of 984)	No settings of liquor board due to resignation of Chairperson in last quarter
		Percentage of consumer complaints processed	59% (108 of 184)	63% (104 of 164)	100%	53% (33 of 62)	-47% (29 of 62)	Lack of personnel

Programme: Economic 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
		within 90 days of receipt						

Strategy to overcome areas of under-performance

The following measures shall be implemented to deal with these strategic challenges towards the realisation of the above institutional outcomes and impact:

- To strengthen the implementation of the Limpopo Socio-Economic Recovery Plan.
- To strengthen implementation of entrepreneurship programs targeting youth, women and persons with disability.
- The department to advertise and finalise the recruitment of new Chairperson of the Limpopo Liquor Board.
- Departmental Human Resource Management Committee to prioritise filling of funded vacant posts within the core programs such as Consumer Affairs directorate.

Performance in relation to Standardised Outputs and Output Indicators for Economic Development Sector with Concurrent Functions

Although, LEDET has concurrent functions with other national departments, it is worth noting that economic development sector nationally is not yet customised. This means the department implemented an APP with only province-specific outputs and output indicators to address its economic challenges.

Sub-programme expenditure

Sub- Programme Economic Development	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
Integrated Economic Development Services	513,180	511,706	1,474	904,875	904,830	1
Trade and Sector Development	13,025	12,864	161	20,643	19,573	1,070
Business Regulation and Governance	98,012	97,952	60	118,478	119,682	(1,160)
Economic Planning and Research	6,615	6,503	112	9,414	9,175	239
Total	630,832	629,025	1,807	1,053,410	1,053,260	150

4.3. PROGRAMME 3: ENVIRONMENTAL AFFAIRS

The purpose of this program is to provide sustainable environmental management services.

This program is divided into three subprograms as thus:

- **Environmental Quality Management:** the subprogram aims to provide environmental quality management, empowerment, compliance and enforcement services in the province.
- **Biodiversity and Natural Resource Management:** It aims to provide sustainable natural resources management, utilisation and regulation services in the province.
- **Environmental Empowerment Service:** It aims to ensure the development, promotion and management of environmental activities in the province through the provision of environmental empowerment support services.

Institutional Outcomes that Program 3 contributes to:

- Compliance with environmental legislation improved.
- Sustainable waste management practices improved.
- Environmental and spatial planning, development and governance improved.
- Environmental decision making improved.
- Climate change resilient province built.
- Ecosystems and species protection and natural resources utilised sustainably.
- Contribution of environment sector jobs to economic growth and development.
- Environmental skills training, awareness and development improved.

Outcomes, outputs, output indicators, targets and actual achievements table

Program 3 achieved 81% of the annually planned targets for the financial year under review. However, this performance represents a drop of 19% percentage point compared to 100% reported in the previous financial year. Although, the performance of the environmental affairs branch has dropped, the program has been able to make significant milestones towards the achievement of the set outputs and the outcomes. For example, the program was able to issue 134 Environmental Impact Assessment applications within legislated timeframe worth R3 billion of investment. In addition, a total of 7 080 biodiversity permits were issued. Compliance by the legislated community was enhanced when the department through Program 3 conducted 302 compliance inspections on environmental laws and regulations. In terms of contribution towards the outcome on economic transformation and job creation, Program 3 created a total of 166 EPWP job opportunities through environmental programs. However, there are areas of under-performance noted and the reasons for this under performance are reflected on the table below.

Table 2.4.4.1:

This table presents changes made on the originally tabled APP 2020/21 until date of re-tabling.

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Compliance with environmental legislation improved	Biodiversity permits issued within legislated timeframes	Number of biodiversity permits issued within legislated timeframes	13 108	14 119	11 500	997	-10 503	Reported achievement reflects Q1 performance, not whole FY performance & annual target was revised downward due to Covid-19 restrictions	Budget cut and reprioritisation of budget to fund COVID-19 interventions
	Compliance inspections conducted	Number of compliance inspections conducted	839	931	860	18	-842	Reported achievement reflects Q1 performance, not whole FY performance & the target was revised downward due to Covid-19 restrictions	Reprioritisation of budget to fund COVID-19 interventions

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
	Criminal enforcement actions undertaken	Number of criminal enforcement actions undertaken	9	13	05	2	-3	The indicator is not predictable since it depends on crimes committed	Indicator was rephrased in the revised plan
	Administrative notices issued for non-compliance with environmental management legislation	Number of administrative enforcement notices issued for non-compliance with environmental management legislation	84	92	100	1	-99	Reported actual achievement does not reflect whole year performance but for Q1. Annual target revised downward due to lockdown restriction	Budget cut & reprioritisation of budget to fund COVID-19 interventions
Sustainable waste management	Waste recycling facilities	Number of waste recycling	54	55	50	6	-44	Reported actual achievement	Revised upward due to

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Waste management practices improved	supported	facilities supported						ent does not reflect whole FY performance but for Q1 and target was revised upwards.	availability of COVID-19 Waste Relief Funding
	Provincial Integrated Waste Management Plan reviewed	Number of Provincial Integrated Waste Management Plan reviewed	Not measured	Not measured	Provincial Integrated Waste Management Plan reviewed	No first quarter target until date of re-tabling	None	None	Project discontinued due to reprioritisation of budget to fund COVID-19 interventions
SUBPROGRAM: BIODIVERSITY AND NATURAL RESOURCE MANAGEMENT									
Climate change resilient province built	Climate change response interventions implemented	Number of Climate change response interventions implemented	1 climate change response intervention implemented	1	One (1) Climate change response interventions implemented	0	-1	No target set until date of re-tabling This indicator is reported on during the 4 th quarter	Output and output Indicator rephrased to ensure consistency.
Ecosystems and Species protection and natural resources utilised sustainably	Increase in the conservation estate	Number of hectares in the conservation estate	25027.46 hectares in the conservation estate	55239,1579 hectares	12000 hectares	0	-12000 hectares	Not target set until date of re-tabling This indicator is reported	Output and indicator were rephrased to ensure consistency

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
ly								on during the 4 th quarter	
	Increase area of state managed protected areas assessed with METT score above 67%	Percentage increase area of state managed protected areas assessed with a METT score above 67%	0% (0 of ha of 260890)	3.721% (9708 ha of 260890 ha)	1% increase area of state managed protected areas assessed with a METT score above 67%	0	-1%	No target set until date of re-tabling This indicator is reported on during the 4 th quarter	Output and output indicator rephrased to ensure consistency
	Biodiversity economy initiatives implemented	Number biodiversity economy initiatives implemented	0	1	One (1) Biodiversity economy initiative implemented	0	-1	No target set until date of re-tabling & activity discontinued from the plan	Budget cut and reprioritisation of budget for COVID-19 interventions
	Revenue enhancement projects developed	Number of revenue enhancement projects developed	Four (4) revenue enhancement projects developed	5	Five (5) revenue enhancement projects developed	0	-5	Adherence to nationwide level 5 Covid-10 lockdown restrictions	Revised downward due to Covid-19 lockdown restrictions & budget reprioritisation for Covid-19 interventions

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
									ons
	Resorts marketing initiatives conducted	Number of resorts marketing initiatives conducted	Eleven (11) resorts marketing initiatives conducted	16	Twelve (12) resorts marketing initiatives conducted	0	-12	Budget cut and nationwide COVID-19 lockdown affected operation	Annual target reduced due to budget cut and reprioritisation for Covid-19 interventions
	Resort assessments conducted	Number of resort assessments conducted	Six (6) resort assessment conducted	12	Thirteen (13) resort assessments conducted	0	-13	No target set until date of re-tabling but target revised downward This indicator is reported on during the 4 th quarter	Revised downwards due to Covid-19 lockdown restrictions
Environmental decision making improved	Environmental research and evidence based strategy developed	Number of Environmental research and evidence based strategies developed	Not measured	Not measured	One (1) environmental research and evidence based strategy developed	0	-1	No target set until date or re-tabling and project discontinued from the plan	Removed due to reprioritisation of budget to cater for COVID-19 interventions
Environm	Intergo	Numbe	One (1)	1	One (1)	0	-1	No target	Output

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
ental and spatial planning; development, and governance improved	vernmental tools reviewed	r of Intergovernmental tools reviewed	intergovernmental sector tool reviewed		intergovernmental tools reviewed			set until date of re-tabling This indicator is reported on during the 4 th quarter	and indicator reviewed to ensure alignment with the sector
SUBPROGRAM: ENVIRONMENTAL EMPOWERMENT SERVICES									
Contribution of environment sector jobs to economic growth and development	Work opportunities created through environmental programmes	Number of work opportunities created through environmental programmes	610 work opportunities created through environmental programmes	452 work opportunities created through environmental programmes	460 work opportunities created through environmental programme	0	-460	No target set until date of re-tabling and annual target revised downward This indicator is reported on during the 4 th quarter	Reduced due to reprioritisation of budget to fund COVID-19 interventions
Environmental skills training, awareness and development improved	Environmental awareness activities conducted	Number of Environmental awareness activities conducted	20 environmental awareness activities conducted	20 environmental awareness activities conducted	25 environmental awareness activities conducted	3	-22	Reported actual does not reflect whole year performance but for Q1 performance and eventually annual target	Reduced due to Reprioritisation of budget to fund COVID-19 interventions The Outcome was

Programme : Environmental Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
								revised downward	amended to align with the Environment Sector's
	Environmental capacity building activities conducted	Number of Environmental capacity building activities conducted	69 environmental capacity building activities conducted	66	50	1	-49	Reported actual does not reflect whole year performance but for Q1 and annual target revised downward	Reduced due to reprioritisation of budget to fund COVID-19 interventions The Outcome was amended to align with the Environment Sector's

NB: Under Program 3: It must be noted that the reported performance of some output indicators in the Table above does not reflect the actual performance on the indicators for the whole financial year but only reflects performance until end of June 2020 hence the APP was revised and re-tabled after the end of quarter 1. Again on some output indicators and targets where reported performance reflects as zero (0), it means that there was nothing for the department to report on as no quarterly targets were set until the date of re-tabling of the revised APP. On other output indicators and targets, progress was only expected to be reported at the end of either third quarter or the fourth quarter of 2020/21.

The Table further shows that there are certain output indicators that have been amended either by rephrasing the indicator to ensure alignment with sector outputs and indicators; and/ or decreasing or increasing the planned annual target. Where annual targets are mostly reduced, the main reason was due to the significant impact of the Covid-19 pandemic and nationwide lockdown measures, which affected the operations of the

department. In addition, significant budget cut across the board prompted the department to reprioritise the budget to fund the Covid-19 interventions to deal with the impact of this pandemic.

Table 2.4.4.2:

This table presents information based on the revised APP 2020-21

Program: Environmental Affairs								
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
Compliance with environmental legislation improved	Environmental Impact Assessment (EIA) applications finalised within legislated timeframes	Percentage of Environmental Impact Assessment (EIA) applications finalised within legislated timeframes	100% (221 of 221)	100% (212 of 212)	100% of EIA applications finalised within legislated timeframes	100% (134 of 134)	None	None
	Section 24G applications finalised	Number of section 24G applications finalised	21	18	04 section 24G applications finalised	23	19	Voluntary process on the side of the transgressors
	Compliance inspections conducted	Number of compliance inspections conducted	839	931	300 compliance inspections conducted	302	2	Alternative tools of trade were made available for officials to perform inspections
	Completed criminal investigations handed to the NPA for prosecution	Number of completed criminal investigations handed to the NPA for	9	13	05 completed criminal investigations handed to the NPA for	4	-1	One case—CAS 26/02/2021 was referred back to the department

Program: Environmental Affairs								
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
	n	prosecution			prosecution			for further investigation
	Administrative notices issued for non-compliance with environmental management legislation	Number of administrative enforcement notices issued for non-compliance with environmental management legislation	84	92	Forty-five (45) administrative enforcement notices issued for non-compliance with environmental management legislation	49	4	Alternative tools of trade were made available for officials
	Biodiversity permits issued within legislated timeframes	Number of biodiversity permits issued within legislated timeframes	13 108	14 119	5000 biodiversity permits issued within legislated timeframes	7080	2080	Demand driven, more applications received and processed against planned
	Atmospheric emission licenses (AELs) issued within legislated timeframes	Percentage of Atmospheric Emission Licenses (AELs) issued within legislated timeframes	100% (5 of 5)	100% (13 of 13)	100% of AELs issued within legislated timeframes	100% (7 of 7)	None	None

Program: Environmental Affairs								
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
	Waste management licenses (WML) issued within legislated timeframes	Percentage of Waste Management Licenses (WMLs) issued within legislated timeframes	100% (6 of 6)	100% (1 of 1)	100% WMLs issued within legislated timeframes	100% (2 of 2)	None	None
Sustainable waste management practices improved	Waste recycling facilities supported	Number of waste recycling facilities supported	54	55	Sixty (60) waste recycling facilities supported	72	12	More facilities supported due to implementation of COVID-19 Waste Management Relief Fund
BIODIVERSITY AND NATURAL RESOURCE MANAGEMENT								
Environmental and spatial planning; development, and governance improved	Intergovernmental sector tools reviewed	Number of sector Intergovernmental tools reviewed	1	1	1	1	None	None
	Legislated tools developed	Number of legislated tools developed	1	1	1	1	None	None
Environmental decision making improved	Environmental research projects completed	Number of environmental research projects completed	1	1	1	1	None	None

Program: Environmental Affairs								
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
Climate change resilient province built	Climate change response interventions reviewed	Number of climate change response interventions reviewed	1	1	1	0	-1	The Department requested for financial support from DFFE. The appointment of the service provider was delayed.
Ecosystems and Species protection and natural resources utilised sustainably	Hectares in the conservation estate	Number of hectares in the conservation estate	25027.46	55239,1579 hectares	12000 hectares in the conservation estate	5587 ha has been added in the conservation estate	-6413	The consultation and verification processes could not be finalized due to Lockdown restrictions
	Area of state managed protected areas assessed with a METT score above 67%	Percentage of area of state managed protected areas assessed with a METT score above 67%	0% (0 of ha of 260890)	3.721% (9708 ha of 260890 ha)	2% (5218 of 260890 ha) of state managed protected areas assessed with a METT score above 67%	3.721% (9708 ha of 260890 ha)	1.721%	The Department maintained the status of management effectiveness for the two nature reserves
	Revenue enhancement projects developed	Number of revenue enhancement projects	Four (4) revenue enhancement projects	5	Two (2) revenue enhancement projects	2	None	None

Program: Environmental Affairs								
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
	d	projects developed	developed		developed			
	Resorts marketing initiatives conducted	Number of resorts marketing initiatives conducted	Eleven (11) resorts marketing initiatives conducted	16	Three (3) resorts marketing initiatives conducted	5	2	Collaboration with other stakeholders
	Resort assessments conducted	Number of resort assessments conducted	Six (6) resort grading assessments conducted	12	Four (4) resort assessments conducted	4	None	None
ENVIRONMENTAL EMPOWERMENT SERVICES								
Contribution of environment sector jobs to economic growth and development	Work opportunities created through environmental programmes	Number of work opportunities created through environmental programmes	610 work opportunities created through environmental programs	452	300 work opportunities created through environmental programs	166	-134	Inadequate budget due to match funding not provided for by the Department
Environmental skills training awareness and development improved	Environmental awareness activities conducted	Number of Environmental awareness activities conducted	20 environmental awareness activities conducted	20	Eight (8) environmental awareness activities conducted	10	2	Demand from targeted stakeholders
	Environmental capacity building	Number of Environmental capacity	69	66	Fourteen (14) environmental	16	2	More requests by stakeholders on

Program: Environmental Affairs								
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
	activities conducted	building activities conducted			capacity building activities conducted			capacity building

Strategy to overcome areas of under performance

- The department to strengthen the working relationship and collaboration with SAPS and NPA regarding the fight against environmental crimes.
- Partner with other key relevant stakeholders such as DFFE to provide additional resources for implementation of certain environmental projects.
- The Department to explore more options for match-funding to allow for creation of more work opportunities through environment programmes.
- Given the existence of the Covid-19 pandemic, the department shall explore alternative means using technology to consult with stakeholders.
- With easing of lockdown measures in terms of Levels, minimal physical verification of sites would be conducted on certain projects.

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

For the year under review, the Environmental Sector was not customised in terms of outputs and outputs indicators, as it would do normally. This is because the sector could not finalise the customisation process on time meaning before the departmental APPs could be approved and tabled in the Legislature. As a result, the department implemented an APP with non-standardised outputs and outputs indicators for 2020/21 financial year. However, the outputs and outputs indicators for 2020/21 financial year were closely aligned with the ones for 2019/20 financial year.

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 Trade and Protection	97,827	92,724	5,103	105,759	95,951	9,808
Biodiversity and Natural Resources Management	196,598	197,386	-788	222,704	221,467	1,237
Environmental Empowerment	24,696	24,749	-53	28,817	28,837	(20)

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
Services						
Limpopo Wildlife resorts	13,356	12818	538	29,612	28,791	821
Total	332,477	327,677	4,800	386,892	375,044	11,848

4.4. PROGRAMME 4: TOURISM

The purpose of this program is to ensure development, promotion and regulation of tourism in the province.

This program is divided into two subprograms as follows:

- **Tourism planning and regulation:** the aim here is to contribute to integrated tourism development and planning and regulate tourism in the province.
- **Tourism destination development and transformation:** it aims to support and facilitate tourism destination development and transformation programs.

Institutional Outcomes that Program 4 Contribute to:

- Contribution of tourism sector to economic growth and development.

Outcomes, outputs, output indicators, targets and actual achievements

Tourism Program achieved 75% of the annually planned targets in the financial year under review. This performance was a significant drop by 25 percentage point compared to 100% achieved in the 2019/20 financial year. The significant under-performance is attributed to the fact that the tourism industry was completely closed for most part of the 2020/21 financial year due to the nationwide lockdown restrictions as the result of COVID-19 pandemic. During the financial year under review, the department initiated the processing of interviewing unemployed youth tourism graduates for placement in municipalities across the province but the appointment process was put on hold due to reasons of complexity. However, with the easing of lockdown measures especially towards the end of the financial year under review, the tourism industry began to slowly operate since the department was able to conduct tourism awareness and capacity building programs in partnership with the National Department of Tourism.

Limpopo Tourism Relief Fund and National Tourism Relief Fund as well as the Tourism Guides Relief Fund were implemented as intervention measures to assist the tourism sector that was hit hard by the impact of COVID-19. Regarding the provincial tourism relief fund, a total of 428 tourism beneficiaries were assisted but this information cannot be disaggregated in terms of youth, women and persons with disability. Another 294

tourism beneficiaries were supported through the National Tourism Relief Fund in the province. A detailed information on disbursement of the tourism relief funding is contained in the Table on external and internal relief funding included herein this report. The contribution of the program towards the achievement of the institutional set outcome, as highlighted above, was minimal due to late operation of the tourism sector not only in the province but the country as well.

Table 2.4.4.1:

This table presents changes made on the originally tabled APP 2020/21 until date of re-tabling.

Programme: Tourism									
Sub-programme: Tourism Planning and Regulation									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Contribution of tourism sector to economic growth and development	Tourism mass events held	Number of tourism mass events implemented	Not measured	Not measured	4	0	-4	Immediate closure of all mass gathering events due to COVID-19 pandemic	Program discontinued due to budget cut and reprioritisation of the budget to fund Covid-19 interventions
TOURISM DESTINATION DEVELOPMENT AND TRANSFORMATION									
Contribution of tourism sector to economic growth and development	Capacity building programs implemented	Number of capacity building programs implemented	6	3	6	1	-5	Reported actual does not reflect performance for whole year but for Q1. Indicator rephrased & revised downward	Budget cut and national Covid-19 lockdown restrictions

NB: The reported performance does not reflect the performance of the entire financial year under review hence the tourism industry was completely shut down up until the date of re-tabling. Therefore, the department had to revise the output indicators and targets amid the Covid-19 pandemic and the reduced budget allocation for the program. During the hard lockdown measures, there was no way that the department could facilitate and hold tourism mass events such as Marula festival, for example.

Table 2.4.4.2:

This table presents information based on the revised APP 2020-21

Sub-programme: Tourism Planning and Regulation								
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
Contribution of tourism sector to economic growth and development	Tourism growth strategy implemented	Tourism Growth Strategy (TGS) implemented	Prioritised Tourism Growth Strategy (TGS) projects implemented	2nd phase of prioritised tourism growth strategy (TGS) projects implemented	3rd phase Tourism Growth Strategy (TGS) implemented	3rd phase Tourism Growth Strategy (TGS) implemented	None	None
	Annual Provincial State of Tourism Report developed	Annual Provincial State of Tourism Report developed	Limpopo State of Tourism Report developed	Limpopo state of the Tourism report developed	Annual Provincial State of Tourism Report developed	Annual Provincial State of Tourism Report developed	None	None
	Registered Tourist Guides	Number of Tourist Guides registered	Not measured	313	300	189	-111	Most tourists guides did not renew registration licenses due to Covid-19 lockdown regulation
	Tourism event	Number of tourism	Not	Not	3	3	None	None

Sub-programme: Tourism Planning and Regulation								
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
	impact assessment conducted	event impact assessments conducted	measured	measured				
TOURISM DESTINATION DEVELOPMENT AND TRANSFORMATION								
Contribution of tourism sector to economic growth and development	Tourism destination development initiatives supported	Number of community tourism owned initiatives supported	5	3	05	05	None	None
	Facilitated targeted tourism awareness programs	Number of tourism awareness programs facilitated	6	5	04	5	1	Collaboration with national department of tourism
	Capacity building programs implemented	Number of capacity building programmes implemented	6	3	04	7	3	Collaboration with national department of tourism
	Unemployed tourism youth graduates placed	Number of tourism youth graduates placed within municipalities	Not measured	Not measured	54	0	-54	The appointment process for the graduates was put on hold.

Strategy to overcome areas of under-performance

- The department would finalise the appointment and placement of unemployed tourism graduates in municipalities across the province.
- Since the tourism industry restrictions have been eased, the department shall design and implement a program to drive tourist guides registration.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

- Tourism sector is not yet customised pertaining to outputs and output indicators.

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 and Development	93,793	90,556	3,237	119,497	119,162	335
Total	93,793	90,556	3,237	119,497	119,162	335

Reporting on the Institutional Response to the COVID-19 Pandemic

This table provides information about the Department's response to the Covid-19 pandemic through the implementation of the external and internal interventions. The report highlights the achievements of the departmental interventions funded through the various relief packages'

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

Budget programme	Intervention	Geographic Location (Province/District/Local municipality) (Where Possible)	No. of Beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget Allocation Per Intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Environmental Affairs	Limpopo Waste Management Relief Program	Whole Province	46	N/A	R7 800	R4 514 485.25	Seventy-two (72) waste recyclers supported, of which twenty-four (24) were provided with technical	Sustainable waste management practices improved

Budget programme	Intervention	Geographic Location (Province/District/Local municipality) (Where Possible)	No. of Beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget Allocation Per Intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
							support	
Tourism	National Tourism Relief Fund	Province	294	N/A	R200 million (national allocation)	R14 700m	294 tourism businesses supported	Tourism industry sustained
	Limpopo Tourism Relief Fund	Province	428	98 Tourism Accommodation 62 Tourism Hospitality and Related services 44 Tourism Travel and related services 95 Tourist Guides 121 Professional Hunters 5 Tourism Grading assessors 3 Government supported community tourism projects	R10 million	R9, 053m	428 tourism beneficiaries supported	Tourism industry sustained
	National Relief Fund for Tourist Guides	Province	155	155 Tourist Guides received R4 500 each from the National Tourist Guides Relief Fund.	R30 000.00	R697 500.00	250 Tourist guides supported	Tourism industry sustained

Budget programme	Intervention	Geographic Location (Province/District/Local municipality) (Where Possible)	No. of Beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget Allocation Per Intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Economic Development	NEF COVID Relief Fund Financial Relief to SMME's and Cooperatives adversely affected by the pandemic through the provision of Loans and Grants	Limpopo province	11	N/A	R10 million	R4 650m	Inclusive Growth and job creation	Business sustainability and staff retention
	LEDA COVID Relief Fund Financial Relief to SMME's and Cooperatives adversely affected by the pandemic through the provision of Loans and Grants	Limpopo Province	4	N/A	R 10 million	R 1 885 159	Inclusive Growth and job creation	Business sustainability and expansion Development of enterprise database portal.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

Money is transferred monthly according to the cash flow projections schedule and entities report to the department on the expenditure. M&E sessions are conducted on quarterly basis to review the performance of entities based on commitments made in the shareholder compact. The M&E sessions with Entities are chaired by the Head of Department.

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
Limpopo Economic Development Agency	To accelerate economic growth, development and job creation of the Province	Main appropriation: R588 396m Adjusted budget: R396 723m	R396 723 000	- Unqualified audit opinion obtained; - Expanded Broadband network telecommunication infrastructure footprint to municipalities; 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
				Increased Foreign Direct Investment through Exports facilitation
Limpopo Tourism Agency	Render Tourism Destination marketing (i.e. the Entity is mandated to market Limpopo as the preferred tourist destination domestically, regionally and internationally)	R66,413,000	R53,666,765	- Implemented the COVID-19 Marketing Recovery Plan, supporting products through webinars and digital marketing. - Implemented four (4) branding and marketing campaigns to support tourism recovery plan, that is, COVID-19 Recovery Campaign, Tourism Month Campaign, Summer Campaign and Brand Awareness Campaign. - Partnership with Limpopo-based PSL clubs, Baroka FC, Black Leopards FC & Tshakhuma Tsha Madzivhandila FC - Partnered with Koro Creek Golf Course and Itu Sports Wear for golf tournaments in the Waterberg Region. - Held a Media Launch for the Limpopo Championship - Virtually participated in the ITB Berlin as well as the International Conference and Congress Association (ICCA) World Congress - Conducted four researches to support tourism marketing
Limpopo Gambling Board	Ensure a regulated, fully compliant and socially responsible and controlled gambling environment in the Province	Main appropriation: R78 321m Adjusted budget: R61 381m	R61 381m	- Unqualified Audit outcome - Compliance audits conducted and achieved; - Levy audits conducted

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
				and achieved; and • Crime Awareness campaigns conducted and achieved

5.2. Transfer payments to all organisations other than public entities

This section provides information on transfer payments made to provinces, municipalities, departmental agencies (excl. public entities), higher education institutions, public corporations, private enterprises, foreign governments, non-profit institutions and households.

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
Kruger to Canyon Biosphere Reserve The following monitoring arrangements are in place: Biosphere Reserves submits plans and audit reports prior to disbursement of transfers Quarterly reports are submitted to the department Quarterly meetings are held between the department and the Biosphere Reserves	Non-profit organisation	To support the implementation of the Departmental conservation mandate through the Biosphere Reserves and contribute to Sustainable development	Yes	R246 667	R246 667	N/A
Waterberg Biosphere Reserve The following monitoring arrangements are in place: Biosphere Reserves submit plans and audit reports prior to disbursement of transfers Quarterly reports	Non –profit organisation	To support the implementation of the Departmental conservation mandate through the Biosphere Reserves and contribute to Sustainable development	Yes	R246 667	R246 667	N/A

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
are submitted to the department Quarterly meetings are held between the department and the Biosphere Reserves						
Vhembe Biosphere Reserve The following monitoring arrangements are in place: Biosphere Reserves submits plans and audit reports prior to disbursement of transfers Quarterly reports are submitted to the department Quarterly meetings are held between the department and the Biosphere Reserves	Non- profit organisation	To support the implementation of the Departmental conservation mandate through the Biosphere Reserves and contribute to Sustainable development	Yes	R246 667	R246 667	Late transfer of funds to the entity due to outstanding audit report for the 2018/19

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

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
None				

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

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

Conditional Grant 1: None

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

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 1: EPWP Incentive Grant

Department who transferred the grant	National Department of Public Works
Purpose of the grant	Alleviate poverty through temporary job creation
Expected outputs of the grant	Maintenance and improvement of infrastructure in State owned nature reserves
Actual outputs achieved	State owned nature reserves maintained in terms of fences, roads and bush clearing.
Amount per amended DORA (R'000)	R2 994 000
Amount received (R'000)	R2 994

Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	R 2,973,450.00
Reasons for the funds unspent by the entity	The last payment for the EPWP beneficiaries included days up to 24 March 2021. The remaining five days could not be included in the last payment run of the BAS Payment System closing earlier than the contract end date.
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the receiving department	None

7. DONOR FUNDS

7.1. Donor Funds Received

Donor Fund: None

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

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

For the financial year under review, the initial allocation for infrastructure management was R20 million which was consequently cut to assist with the nationwide COVID Fund. The department was left with a total of R6.6 million to implement all the infrastructure plans. Unfortunately, the department was then forced to shelf some infrastructure projects and to limit other projects to stay only at design and not be carried through to construction. The budget was then adjusted to R 11.3 million to assist in meeting majority of infrastructure commitments. Only three (3) projects which were maintenance projects were

implemented, of which, two (2) were handed over to the department and one (1) project was significantly delayed due to contractor's financial strains.

- **Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,**

There are two (2) projects that are still running on site, although one (1) of which has been partially handed over to the department. Maintenance at DNyala is estimated to be completed in Q2 and the rest of the game fence at Letaba Ranch is estimated to be handed over to the department in Q1 of 2021/22.

- **Plans to close down or down-grade any current facilities,**

The Department has temporary closed down Mphephu resort in Vhembe District Municipality due to heavy rains and flooding which damaged the infrastructure. Service delivery will be affected as the clients will no longer have access to the facility for recreational purposes. The department has lost revenue because of the temporary closure.

- **Progress made on the maintenance of infrastructure**

The department has embarked on a programme to upgrade the water and electrical infrastructure in several reserves in phases. Unfortunately, due to the budget cuts, this programme did not have a successful launch as the department had to shelf the projects. However, the department managed to maintain the perimeter fence at Nyslvlei nature reserve as well as maintenance of the tourist facilities and offices. The department also upgraded the ablution facilities at Nyslvlei for the staff accommodations. Maintenance and refurbishments of the admin building are still underway at DNyala nature reserve. The programme for water and electrical infrastructure will resume in the 2021/22 financial year.

- **Developments relating to the above that are expected to impact on the department's current expenditure.**

The water and electrical infrastructure programme that is set to resume in the 2021/22 financial year will require significant funding in order to make significant impact. The department will also require funds to pay off final accounts for projects that have finally been completed and handed over but have not had their final accounts/retention paid. This is in addition to all the new works that the department wish to implement for the 2021/22 financial year.

- **Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft**

None

- **Measures taken to ensure that the department's asset register remained up-to-date during the period under review**

Regular asset verification exercise was carried out throughout the financial year under review.

- **The current state of the department's capital assets, for example what percentage is in good, fair or bad condition**

With the conditional assessment that was concluded in 2018, it shows that in all the reserves, there is a great need for capital maintenance of facilities. Bulk services also need to be upgraded and staff accommodations ought to be added to the reserves. However, generally, the facilities are in fair conditions.

- **Major maintenance projects that have been undertaken during the period under review**

Significant maintenance was undertaken at Nyslvlei nature reserve where the fence was upgraded as well as new fence was erected. The tourist facilities were also repaired and offices in the reserve had their roofs upgraded. The admin building at DNyala is being refurbished with the roof completely replaced with a new one as well as the interior refurbished.

-

- **Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track**

Due to budget cuts as a result of COVID-19 pandemic, maintenance was not performed as planned. To address the backlog, the department had to reprioritised some projects for maintenance according to the available budget.

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	0	0	0	26 300	0	26 300
Existing infrastructure assets	0	0	0	0	0	0
- Upgrades and additions	11 300	11 480	-180	11 100	8 345	2 755
- Rehabilitation, renovations and refurbishments	0	0	0	3 500	0	3 500
- Maintenance and repairs	0	0	0	4 350	0	4 350
Infrastructure transfer	0	0	0	0	0	0
- Current	0	0	0	0	0	0
- Capital	0	0	0	0	0	0
Total	11 300	11 480	-180	45 267	8 345	36 905

PART C: GOVERNANCE

1. INTRODUCTION

The Department strives to ensure sound governance of all functions within its mandate and that of its entities. This is facilitated by the highest strategic decision-making body within the department, the Department Management Committee (DMC) that is chaired by the Head of Department (HOD). The department also implements the Monitoring & Evaluation Framework to monitor its functions and progress against targets. Structures such as the Audit Committee (AC), Risk Management Committee (RMC) and Audit Steering Committee (ASC) assist with ensuring good governance, robust control environment and adherence to internal controls. The Department also ensures that when delivering service to the public it meets the requirements of legislation and policies, to prevent fraud and corruption. The Department has implemented number of mechanisms to enhance the standards of corporate governance, as directed by King IV Report on Corporate Governance for South Africa. These mechanisms include, the application of the Public Financial Management Act (PFMA), Treasury Regulations and Public Service Act.

2. RISK MANAGEMENT

- During the financial year under review, the department had an approved Risk Management Policy, Risk Management Strategy and a Risk Management Implementation Plan in place.
- The annual risk assessment for the 2019/20 financial year was conducted prior to the start of the 2020/21 financial year. During the financial year, emerging and new risks were identified through audits and the continuous review of the quarterly performance reports, proposed policy changes, socio-economic environment and the control environment. During the course of the financial year, the internal audit function regularly provided assurance on the department's risk management systems and control environment for completeness, adequacy and effectiveness.
- During the financial year under review, a Risk Management Committee with formally appointed members was in place. Its key mandate was to oversee the risk management system within the department. The committee operated as per its approved Terms of Reference. Furthermore, the committee advised on the adequacy and effectiveness of the overall system of risk management, especially the mitigation of risks outside the acceptable levels.
- An independent Audit Committee with formally appointed members was in place, with the key objective of independently overseeing the department's risk management system and control environment, as well providing advice to the Accounting Officer on the management of risks and the effectiveness of the system of risk management.
- Although the department operated within a challenging environment, characterized by limited resources worsened by the COVID-19 pandemic, proactive management of risks was a priority throughout the financial year, which translated into mitigation of a number of significant risks to

within acceptable levels. However, overall performance was still not at the desired levels due to resource constraints.

3. FRAUD AND CORRUPTION

This section provides a brief description of the following:

- **The department's fraud prevention plan and the progress made in implementing the fraud prevention plan**

- The Department has an approved fraud policy, strategy, procedures to implement the fraud plan and to confront fraud within the institution. These plans are functional and addresses correctly the department's objectives regarding corruption-commitment to sound corporate governance and zero tolerance policy towards corruption.

Mechanisms in place to report fraud and corruption and how these operate.eg: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption

The fraud policy outlines reporting mechanisms to be followed, e.g. internal reporting mechanisms to allow employees to make protected disclosures in good faith. Training and awareness on the reporting mechanisms and the protected disclosures are offered regularly to all employees during awareness workshops.

- **How these cases are reported and what action is taken**

All reported cases are recorded in a case register and then allocated to the internal investigator for investigation and completion. Upon the conclusion of an investigation, a report is submitted to the Accounting Officer to apply his mind on the recommended resolution of the matter from the investigation report.

4. MINIMISING CONFLICT OF INTEREST

This section provides a brief description on the processes implemented to minimise conflict of interest.

The department has implemented the Fraud & Ethics Policy and Strategy. These policy documents encourage employees to put public interest first and discourage any conduct that infringes on the execution of such employees' duties (e.g. conflict of interest). It also stipulates that an employee need to recuse him or herself in any decision-making process where such an employee has a personal interest.

The Department also abide to the prescripts pertaining to the disclosures of financial interest by all categories of designated officials. Therefore, during the beginning of the financial year under review, all categories of designated officials were made to disclose their financial interests through the e-Disclosure System hosted by the DPSA. In all procurement transactions, participating employees needed to submit written confirmation that they do not have any personal interest in the transaction under adjudication. Furthermore, regular awareness workshops were conducted on Ethics which encourages protective disclosures on conflict of interest matters.

5. CODE OF CONDUCT

The Department has a fully operational Ethics Office that adhere to all the stipulations mentioned in chapter 2 of the Public Service Regulations, 2016. This includes adhering to the prescripts mentioned in part 1 of Chapter 2 of the said regulations that deals with Code of conduct, breaches are dealt with in terms of the disciplinary code and procedures of public service.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Covid-19 is one major health, safety and environmental issue that affected the Department and its operations during the period under review. To mitigate the impact thereof on the employees the Department amended the SHERQ policy to include Covid-19 safety measures and developed a Risk Mitigation Strategy and Business Continuity Plan adjusted in line with the National guidelines and regulations on Covid-19. Covid-19 protocols were developed to be followed by all staff members for prevention, and to report exposure or positive results.

Employees were educated about the disease through awareness and information sharing sessions. Personal Protective Equipment's (PPEs) were procured and distributed to all. These included hand sanitisers, cloth face masks, surgical face masks, face shields and sani-wipes. Workplaces were supplied with temperature scanners and screening of staff and visitors was done daily to identify those at risk of infection. The impact of the disease on the Department was mainly on service delivery because of illness related absenteeism resulting from time taken by employees for quarantine and isolation purposes. Seven injuries on duty incidents were reported of which one was a fatal case. All cases have been reported to the Department of Labour as required by applicable legal prescripts.

7. PORTFOLIO COMMITTEES

The Portfolio Committee on Economic Development, Environment and Tourism held briefing sessions with the Department of the following dates for the financial year under review:

- 02 June 2020
- 20 August 2020
- 28 August 2020
- 10 September 2020
- 15 & 16 October 2020
- 26 March 2021

Matters raised by the Portfolio Committee and how has the department addressed these matters

- A progress report on the developments with the Musina-Makhado SEZ – submitted
- The Limpopo Socio-Economic Recovery Plan – submitted
- The Limpopo Industrial Master Plan (LIMP 2020-2030) – submitted
- Turnaround Strategy for Great North Transport (GNT) – submitted

8. SCOPA RESOLUTIONS

The department did not appear before the Standing Committee on Public Accounts (SCOPA) in the 2020/21 financial year. Therefore, there were no resolutions transmitted to the department for 2019-20 financial year. However, hereunder is the progress on the previous SCOPA resolutions raised.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	2017/18 Key audit findings	The Committee recommended that the Accounting Officer must develop a comprehensive audit	An Annual Financial Statements (AFS) Preparation Plan has been	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		plan to deal with material findings to improve the Department's audit outcomes.	developed and implemented. On significant uncertainties, the nature of the work of the department is regulatory and is prone to litigation.	
2.	2017/18 Regression in the audit outcomes	The Committee recommended that the Accounting Officer must develop an audit action plan to obtain a clean audit.	The department developed a detailed action plan to address the internal control deficiencies, to gradually reduce qualification matters with the objective of ultimately attaining a clean audit.	No
3.	2017/18 Significant uncertainties	The Committee recommended that the Executing Authority must table a report in the House on the implementation of recommendations of the investigation report.	The investigation report has been submitted to the house in February 2021.	No
4.	2017/18 Irregular expenditure	The Committee recommended that the Accounting Officer must take effective steps to prevent irregular expenditure as required by section 38(1) (c) (ii) of the PFMA and treasury regulation 9.1.1, investigation be conducted and implicated official action taken against them.	The following measure were put in place: "Declaration of Interest" and verification thereof, by all members handling the procurement processes. All request for deviations are reviewed by the Chief Financial Officer. The number of advertisement days limited to 21 days.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			All members of the Adjudication committee are appointed by the Accounting Officer. Continuous verification on the Central Supplier Database to track state employees. Investigations are done on all irregular expenditure cases.	
5.	2017/18 Achievement of planned targets	The Committee recommended that the Accounting Officer must take appropriate action commensurate with the offence committed against responsible officials for failing to achieve planned targets.	Department provided reason for non-achievement of targets. Some of the reasons provided illustrated that the situation was beyond the control of the department hence the target could not be achieved.	No
6.	2018/19 Restatement of corresponding figures	The Committee recommended that the Executing Authority take appropriate action with the misconduct committed against both the Accounting Officer and the Chief Financial Officer for failing to identify errors on the financial statements with prior to submission to the Auditor General.	The Executing Authority took appropriate action proportionate with the misconduct committed against both the Accounting Officer and the Chief Financial Officer for failing to ensure that errors contained in the financial statements were corrected before submission to the Auditor General.	No
7.	2018/19 Irregular expenditure	The Committee recommended that the Accounting Officer must investigate all irregular	Irregular cases with elements of loss/ theft/ fraud are investigated internally or	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		expenditure and recover the loss from responsible officials and must take appropriate action against the Chief Financial Officer for not following proper supply chain management processes which resulted in the Department incurring irregular expenditure to the tune of R47, 552 million Lastly, the Committee recommended that the Executing Authority must take appropriate action against the Accounting Officer for failing to take effective steps to prevent irregular expenditure amounting to R47, 552 million.	externally. The Accounting officer requested that the irregular expenditure be investigated and in instance where the officials are found to be in the wrong consequence management is implemented. Some of the cases are still under investigations and others were finalised. Responsible officials were issued written warnings.	
8.	2018/19 Significant uncertainties	The Committee recommended that the Executing Authority must table a report in the House on the implementation of recommendations of the investigation report once the investigations have been concluded and provide progress report every six months until the resolution is fully implemented with effect from 31 October 2020.	The investigation report has been submitted to the house in February 2021. The MEC will table the report to the House every 6 months. The MEC will brief the house every six months until the resolution is implemented.	No

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The department attained an unqualified audit opinion for the 2019/20 financial year. The department developed action plans to resolve matters reported by AGSA so that the department could maintain this positive audit opinion for the financial year under review.

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
Public Finance Management Act (PFMA) Section 55 (1) - Material misstatements on the Annual Financial Statement	2015/16- 2019/20	Financial Statements Review Plan developed and implemented

10. INTERNAL CONTROL UNIT

Effective internal controls embedded in the departmental systems assist in achieving the objectives of the Department. The Accounting Officer is entrusted with the responsibility of ensuring that the Department has implemented internal controls that are effective, efficient and transparent. Internal Control Unit is responsible for oversight in relation to potential non-compliance with internal control measures implemented to prevent irregularities. Audit Steering Committee (ASC) and Departmental Management Committee meetings are held to track progress on the implementation of action plans, in relation to issues raised by Internal Audit and Auditor General South Africa (AGSA). This is an ongoing process to ensure that the Department continuously improves the audit outcome. The Department has developed an action plan and implemented 50% of the findings raised for the 2019/20 financial year.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Provide a brief description of the following:

11.1. Key objectives of the Internal Audit

- To assist the Head of Departments and Audit Committees to effectively discharge their responsibilities
- Provide strategic support to management of the departments and contribute to the establishment of an adequate and effective systems of risk management, internal control and governance processes, and
- Provide value-adding recommendations to improve the effectiveness and efficiency of the departmental operations.

11.2. Key Activities of the Internal Audit

- Review the reliability and integrity of financial and non-financial performance information
- Appraise the economy, efficiency and effectiveness of the prescripts and plans, which could have a significant financial or operational impact.
- Review the means of recording, safeguarding and disposal of assets and verify the existence of assets
- Review operations and program outputs to ascertain whether results are consistent with the established outcomes and whether operations have been carried out effectively as planned.

Appraise the economy, efficiency and effectiveness with which resources are employed.
Perform an objective assessment of the effectiveness of the risk management processes

11.3. Specify summary of audit work done

During the financial year under review, the Internal Audit Unit carried out the following projects:

Quarter 1

- Annual Financial Statements
- Annual Report
- Assets Management

Quarter 2

- Supply Chain Management
- Transfer Payment
- Monitoring Covid-19 Protocol
- Follow up

Quarter 3

- Interim Financial Statements
- Tourism Relief Fund (1st Intake)

Quarter 4

- Assurance on Performance Information
- Business Regulations
- Waste Management Relief Fund
- SMME and Cooperatives Relief Fund
- Tourism Relief Fund (2nd Intake)
- Follow up

The following were areas of concern:

- Supply Chain Management
- Waste Management Relief Fund

11.4. Impact of Covid-19 on Audit Committee Activities

During 2020/2021 financial year, the AC was unable to hold its AC Meetings physically as planned due to difficulties posed by the COVID-19 pandemic. As a result, the AC Annual Schedule of meetings was amended during 19 May 2020 from the original AC Annual Schedule of 22 January 2020 to pave a way-forward for AC meetings to take place virtually under COVID-19 National Regulations. The impact of COVID-19 further affected the special AC meetings to consider Draft Annual Reports, and the Draft Audit and Management Reports as well as AC First Quarterly Reports. All the aforementioned AC meetings were pushed forward in a month or two to allow time for Departments, Shared Internal Audit Service (SIAS), and Auditor General (Limpopo) to prepare and finalise all the reports to be considered during the AC meetings.

Nevertheless, all the AC activities took place through virtual platforms (Microsoft Teams) as a direct consequence of COVID-19. The need for all the AC activities to take place through virtual platforms had actually emphasised the vulnerability of our servers, connectivity, Data allocation and poor networks across

the country. Poor connectivity ranging from myriad of issues remains a problem hampering Provincial Accountant General's (PAG) office through AC Secretariat to facilitate smooth AC meetings.

During the financial year under review, the AC has met five (5) times to perform its roles and responsibilities as stipulated in the AC Charter. This was in addition to the special meetings to consider both Three Year Internal Audit Plans Plus Annual Plans and Auditor General Audit Coverage Strategy held during June 2020. As per National Treasury guidance on review of audit cycle, AC Meetings to consider Draft Annual Report including Annual Financial Statements (AFS) were held during July 2020. AC Meetings to consider Draft Audit and Management Reports were subsequently held during September 2020. Moreover, first and second quarter AC meetings were combined and held during November 2020 to ensure that the AC was able to cover the scope of its work and advise the Accounting Officers accordingly

11.5. Key activities of the Audit Committee

Despite the challenges posed by the National Regulations as a direct consequence of COVID-19 (Coronavirus), Audit Committee (AC) has satisfactorily performed its mandate as enshrined in Sections 76 (4) (d) and 77 of the Public Finance Management Act (Act No. 1 of 1999) read in conjunction with Treasury Regulations 3.1 which states that AC must, amongst others, review the following:

- I. the effectiveness of the internal control systems;
- II. the effectiveness of the internal audit function;
- III. the risk areas of the institution's operations to be covered in the scope of internal and external audits;
- IV. the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- V. any accounting and auditing concerns identified as a result of internal and external audits;
- VI. the institution's compliance with legal and regulatory provisions; and
- VII. the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

11.6. Objectives of the Audit Committee

The Strategic Objectives of the AC as stipulated in its approved written Terms of Reference (AC Charter) are to ensure:

- a. The availability of a well-resourced, functional and sustained internal audit function;
- b. Sound relationship with all assurance providers, oversight structures and other stakeholders;
- c. Effective and efficient Internal and External Audit processes;
- d. Promotion of sound functional interaction between the internal audit and other assurance providers;
- e. That there is adequate and effective corporate governance, encompassing fraud and risk management, information technology, internal control, financial management and reporting systems;
- f. Accounting Officers are fully supported in fulfilling their responsibilities in terms of the PFMA;
- g. Accountability in terms of financial management and performance information for effective service delivery; and

h. Compliance with relevant laws and regulations.

The table below discloses relevant information on the Audit Committee Members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
T.F Tukisi	B Com CIA	External	N/A	01 February 2020	To date	5
J.N Mpjane	BCOMPT Honours (CTA) BCOMPT Degree	External	N/A	01 February 2020	To date	5
M.P Ramutsheli	CIA MPhil: Internal Auditing B TECH: Internal Auditing ND: Internal Auditing	External	N/A	01 February 2017 Re-appointed 01 February 2020	To date	5
A.P.C Mangoma	CISA B Com Honours: Auditing B Com: Accounting	External	N/A	01 February 2017 Re-appointed 01 February 2020	To date	4
M.K Sebeelo	B TECH: Internal Auditing ND: Internal Auditing Cert. in Advance Project Management	External	N/A	01 February 2017 Re-appointed 01 February 2020	To Date	1 (Co-Opted)

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2021.

Audit Committee Structure

Limpopo Provincial Government has appointed Audit Committee structure which is two tiered. The structure consists of four cluster audit committees dealing with specific departments and a Shared Central Audit Committee consisting of cluster chairpersons.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were discussed with the Department.

The following internal audit work was completed during the year under review:

Risk Based Audits

- Annual Financial Statements
- Annual Report Review
- Asset Management
- Supply Chain Management
- Interim Financial Statements
- Transfer Payment
- Monitoring COVID-19 Protocols Implementation
- Assurance on Performance Information
- Tourism Support
- Business Regulations
- SMME's and Co-Operatives
- Follow up Audits

Fraud Risk Audits

- Expenditure Management

Information Systems Audits

- Disaster Recovery Plan Review
- Expenditure Management

The following were areas of concern:

- Fruitless and wasteful expenditure not prevented
- Non-VAT vendors claimed and paid for VAT
- Inconsistency in odometer readings
- Differences between means of verification and reported performance information

- LIBRA implementation process has not been completed at the municipalities

Risk Management

The department has appointed a Risk Management Committee, which monitors the implementation of mitigation action plans on a quarterly basis. Recommendations of the Audit Committee's recommendations with regards to risks management were to a certain extent considered by the Department. The Department did not have an independent chairperson.

In-Year Management and Monthly/Quarterly Report

The department has reported monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

The Committee has reviewed the Annual Financial Statements prepared by the department prior submission to AGSA for the annual regulatory audit. Detailed feedback on the impression of the Committee was provided; and the department was expected to consider all the inputs provided by the Committee.

Auditor-General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved.

The Committee concurs and accepts the conclusions of the Auditor-General 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.



Mashamaite Peterlia Ramutsheli
Chairperson of the Audit Committee
Department of Economic Development Environment and Tourism
29 September 2021

13. 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 / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The department does not have a criteria for issuing of licenses, concessions or other authorisations. Licenses are issued to all applicants who qualify without discrimination
Developing and implementing a preferential procurement policy?	Yes	The department applies the Preferential Procurement Policy Framework Act and Regulations which are alignment to the BBBEE Act
Determining qualification criteria for the sale of state-owned enterprises?	No	There has not been a consideration to dispose of any enterprise and as such no criteria established
Developing criteria for entering into partnerships with the private sector?	No	The department has not entered into the Public Private Partnerships and no criteria has been set for that
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The department has not awarded grants, incentives or investment schemes

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

Provide commentary on the following:

- **The status of human resources in the department.**

The Department has a total number of **2 576** posts on the approved organisational structure. The vacancy rate on all posts on the approved structure is 56% at the end of the financial year 2020/21. However, the vacancy rate on funded vacant posts at the end of March 2021 was 0.3% and this was within the acceptable norm of below ten percent in terms of the DPSA norm.

- **Human resource priorities for the year under review and the impact of these.**

- o **Recruitment**

During the period under review the Department managed to fill 10 posts amidst the Covid-19 pandemic. However, a moratorium was placed on filling of posts especially at the lower levels and approval was granted to fill SMS posts only. As a result, a total of 6 SMS posts were filled during the period under review.

- o **Employment Equity**

The EE at SMS level is as follows: Male: 58.6% and Female: 41.5%. Levels 1 – 12 are as follows: Male: 56.2% and Female: 43.8%. The departmental EE plan has been developed, approved and implemented in the recruitment process.

The disability for salary level 13 – 16 is at 0% and for levels 1 - 12 it stands at 1.5%.

- **Workforce planning and key strategies to attract and recruit a skilled and capable workforce.**

The Human Resource Plan (HRP) has been developed and approved in alignment with the department's strategic plan. The main goal of the HRP within the department is to recruit a skilled, accountable, empowered and integrated workforce to ensure that the strategic objectives of the Department are met. The Head of Department has appointed a Human Resource Planning Committee which is very contributory in ensuring the development and implementation of the Human Resource plan. The Department's HR implementation plan is being compiled on an annual basis and submitted to the Office of the Premier.

The Department's Employment Equity plan is in place and in alignment with the prescripts of the Employment Equity plan and this is augmented by the appointment of the Employment Equity Consultative Forum which aid in the monitoring of the Department's endeavour to attain its Employment

Equity targets as well as the adherence with the prescripts requirements. The Department has submitted Annual Electronic Employment Equity Report to the Department of Employment & Labour in adherence to section 21 of Employment Equity Act 55 of 1998 as amended (the Act).

- **Employee performance management.**

The Department of Public Service and Administration (DPSA) in collaboration with the Office of the Premier in Limpopo; has approved the implementation of Transversal Performance Management and Development System Policy Framework for all the Provincial Departments in Limpopo Province. The purpose of these policy collaboration is to align the implementation of PMDS Policy Framework with organisational objectives and priorities with the Provincial Administration. The PMDS Policy Framework provides for the assessment of all employee's performance, and ensuring good performance is rewarded accordingly. The Departmental PMDS Standards have been developed and closely monitored in alignment with the Transversal PMDS Policy. All compliance issues raised had been observed.

- **Employee wellness programmes.**

The department in accordance with the National Strategic Framework on Employee Health and Wellness for the public service implements an integrated Employee Health and Wellness programme. The department has developed the Employee Health and Wellness policies that seeks to address the wellbeing of the employees. The programme entails Safety, Health, Risk and Quality Management, Workplace HIV, AIDS and TB management in the workplace, Wellness Management, and Health and Productivity Management programmes. The Employee Health and Wellness has dedicated budget and personnel to implement the set priorities and initiated programmes or interventions including in the five districts. The programme is set to contribute and support service delivery through reduction on sick leave utilisation, sick leave abuse, absenteeism and presenteeism by employees. It seeks to achieve high level of productivity in the department through dedicated and healthy workforce.

- **Highlight achievements and challenges faced by the department, as well as future human resource plans /goals.**

Due to COVID-19, a moratorium was placed on the filling of posts and approval was granted to fill SMS posts only during the period under review. The department filled 10 vacancies during the period under review. This include six senior management positions, that is Chief Director: Integrated Economic Development Services, which has been vacant for over five years and Directors for Financial Accounting, Limpopo Wildlife Resorts, Sector Development, Business Regulation and Internal Control. Of all these posts filled, four (04) females were appointed to these senior management position, which was a positive step in realising 50% female representation at SMS level. The department will continue to implement the HR policy and plan to meet the set objectives towards realising the MTSF priority 1, 2, 3,5 and 7 applicable to the department. However, continuous budget constraints pose a threat for the

department to fill all funded vacant posts on time. Another challenge is continuous staff turnover due to various reasons such as death, retirement and resignations of the key personnel.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

This section provides the following key information on its human resources. All the financial amounts agree with the amounts disclosed in the annual financial statements.

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	R337,009.00	R189,163.00	R0.00	R0.00	R56.10	R503.00
Economic Development	R629,022.00	R62,665.00	R0.00	R0.00	R10.00	R696.00
Environmental Affairs	R327,649.00	R284,877.00	R0.00	R0.00	R86.90	R419.00
Tourism	R92,177.00	R14,556.00	R0.00	R0.00	R15.80	R728.00
Total	R1,385,946.00	R551,261.00	R0.00	R0.00	R39.80	R473.00

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

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	R13,894	2,40%	71	R195,690.00
Skilled (level 3-5)	R145,428.00	25,60%	498	R292,024.00
Highly skilled production (levels 6-8)	R123,594.00	21,70%	261	R473,540.00
Highly skilled supervision (levels 9-12)	R222,316.00	39,10%	260	R855,062.00
Senior and Top management (levels 13-16)	R52,168.00	9,20%	43	R1,213,209.00
Contract (Levels 3-5)	R278.00	0%	1	R278,000.00
Contract (Levels 9-12)	R480.00	0,10%	1	R480,000.00

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Contract Other	R2,374.00	0,40%	30	R79,133.00
Total	R560,531.00	98,60%	1166	R480,730.00

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	R155,826.00	79,10%	R212.00	0,10%	R5,941.00	3,00%	R9,549.00	4,80%
Economic Development	R53,168.00	81,80%	R132.00	0,20%	R1,442.00	2,20%	R1,952.00	3,00%
Environmental Affairs	R214,218.00	73,40%	R17,075.00	5,90%	R10,897.00	3,70%	R18,827.00	6,50%
Tourism	R12,377.00	82,50%	R0.00	0%	R267.00	1,80%	R551.00	3,70%
Total	R435,589.00	76,60%	R17,419.00	3,10%	R18,548.00	3,30%	R30,879.00	5,40%

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)	R8,710.00	62,50%	R643.00	4,60%	R1,220.00	8,80%	R2,233.00	16%
Skilled (level 3-5)	R95,046.00	65%	R13,317.00	9,10%	R8,631.00	5,90%	R15,241.00	10,40%
Highly skilled production (levels 6-8)	R94,849.00	75,50%	R2,130.00	1,70%	R4,358.00	3,50%	R7,837.00	6,20%
Highly skilled supervision (levels 9-12)	R188,539.00	83,10%	R1,326.00	0,60%	R3,387.00	1,50%	R5,106.00	2,30%
Senior management (level 13-16)	R45,431.00	85,60%	R0.00	0%	R943.00	1,80%	R432.00	0,80%
Contract (level 3-5)	R207.00	74,50%	R0.00	0%	R17.00	6,10%	R30.00	10,80%
Contract (level 9-12)	R436.00	87,20%	R0.00	0%	R0.00	0%	R0.00	0%
Contract Other	R2,371.00	99,80%	R3.00	0,10%	R0.00	0%	R0.00	0%
Total	R435,589.00	76,60%	R17,419.00	3,10%	R18,548.00	3,30%	R30,879.00	5,40%

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

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

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	383	376	1,80%	30
Economic Development	91	90	1,10%	0
Environmental Affairs	628	680	0,30%	0
Tourism	20	20	0%	0
Total	1176	1166	0,90%	30

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

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	71	71	0%	0
Skilled(3-5)	499	498	0,20%	0
Highly skilled production (6-8)	263	261	0,80%	0
Highly skilled supervision (9-12)	265	261	1,50%	0
Senior management (13-16)	46	43	6,50%	0
Other	30	30	0%	30
Contract (3-5)	1	1	0%	0
Contract (9-12)	1	1	0%	0
Total	1176	1166	0,90%	30

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

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	89	84	5,60%	29
Agricul Animal Oceanography Forestry & Other Scien, Permanent	5	5	0%	0
Agriculture Related, Permanent	75	75	0%	0
Artisan Project And Related Superintendents,	1	1	0%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Permanent				
Building And Other Property Caretakers, Permanent	7	7	0%	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	96	96	0%	0
Client Inform Clerks(Switchb Recept Inform Clerks), Permanent	52	52	0%	0
Communication And Information Related, Permanent	7	7	0%	0
Computer System Designers And Analysts, Permanent	3	3	0%	0
Conservation Labourers, Permanent	358	358	0%	0
Economists, Permanent	7	7	0%	0
Finance And Economics Related, Permanent	37	37	0%	0
Financial And Related Professionals, Permanent	41	41	0%	0
Financial Clerks And Credit Controllers, Permanent	52	52	0%	0
Food Services Aids And Waiters, Permanent	7	7	0%	0
Head Of Department/Chief Executive Officer, Permanent	1	1	0%	0
Human Resources & Organisat Developm & Relate Prof, Permanent	53	53	0%	0
Human Resources Clerks, Permanent	4	4	0%	0
Human Resources Related, Permanent	6	6	0%	0
Legal Related, Permanent	2	2	0%	0
Library Mail And Related Clerks, Permanent	8	8	0%	0
Light Vehicle Drivers, Permanent	1	1	0%	0
Logistical Support Personnel, Permanent	23	23	0%	0
Material-Recording And Transport Clerks, Permanent	4	4	0%	0
Messengers Porters And Deliverers, Permanent	6	6	0%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Mining Geology & Geophysical & Related Technicians, Permanent	1	1	0%	0
Motor Vehicle Drivers, Permanent	1	1	0%	0
Nature Conservation And Oceanographical Rel.Techni, Permanent	88	87	1,10%	0
Other Administrat & Related Clerks And Organisers, Permanent	14	14	0%	0
Other Administrative Policy And Related Officers, Permanent	22	22	0%	0
Other Information Technology Personnel, Permanent	3	3	0%	0
Other Occupations, Permanent	1	1	0%	0
Regulatory Inspectors, Permanent	39	39	0%	0
Risk Management And Security Services, Permanent	4	3	25%	0
Secretaries & Other Keyboard Operating Clerks, Permanent	6	5	16,70%	0
Security Officers, Permanent	5	5	0%	0
Senior Managers, Permanent	39	37	5,10%	0
Social Sciences Related, Permanent	7	7	0%	0
Trade Labourers, Permanent	1	1	0%	0
Total	1176	1166	0,90%	30

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	0	0	0%	0	0%

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
Salary Level 15	2	2	100%	0	0%
Salary Level 14	8	7	87.5%	1	12.5%
Salary Level 13	34	31	91.2%	3	8.8%
Total	45	41	91.2%	4	8.8%

Table 3.3.2 SMS post information as on 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	2	2	100%	0	0%
Salary Level 14	8	7	87.5%	1	12.5%
Salary Level 13	34	28	82.4%	6	17.6%
Total	45	38	84.5%	7	15.5%

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	N/A	N/A	N/A
Salary Level 16	N/A	N/A	N/A
Salary Level 15	N/A	N/A	N/A
Salary Level 14	1	0	0
Salary Level 13	1	0	0
Total	2	0	0

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
There was a provincial moratorium on filling of posts

Lack of suitable candidates and posts had to be re-advertised

Reasons for vacancies not filled within twelve months

There was a provincial moratorium on filling of posts

Lack of suitable candidates and posts had to be re-advertised

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

None

Reasons for vacancies not filled within six months

None

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 (Levels 1-2)	71	0	0	0	0	0	0
Skilled (Levels 3-5)	500	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	263	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	266	0	0	0	0	0	0
Senior Management Service Band A	34	0	0	0	0	0	0
Senior Management Service Band B	7	1	14,29%	0	0	0	0
Senior Management	4	0	0	0	0	0	0

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
Service Band C							
Senior Management Service Band D	1	0	0	0	0	0	0
Total	1146	1	0,09%	0	0	0	0

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

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

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0
-----------------------------	----------

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

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

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

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

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

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0	0	0	0	0
-----------------------------	---	---	---	---	---

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

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (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)	74	0	2	2,70%
Skilled (Levels3-5)	530	0	30	5,70%
Highly skilled production (Levels 6-8)	278	0	16	5,80%
Highly skilled supervision (Levels 9-12)	267	0	11	4,10%
Senior Management Service Bands A	29	4	2	6,90%
Senior Management Service Bands B	7	1	2	28,60%
Senior Management Service Bands C	4	0	0	0%
Senior Management Service Bands D	1	0	0	0%
Other	48	0	18	37,50%
Contracts	1	1	0	0%
Total	1,239	6	81	6,50%

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

Critical occupation	Number of employees at beginning of period- April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	106	1	22	20,80%
Agricul Animal Oceanography Forestry & Other Scien Permanent	5	0	0	0%
Agriculture Related Permanent	74	0	0	0%
Artisan Project And Related Superintendents Permanent	1	0	0	0%
Building And Other Property Caretakers Permanent	9	0	1	11,10%
Cleaners In Offices Workshops Hospitals Etc. Permanent	101	0	5	5%
Client Inform Clerks (Switchb Recept Inform Clerks) Permanent	53	0	1	1,90%
Communication And Information Related Permanent	7	0	0	0%

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
Computer System Designers and Analysts. Permanent	3	0	0	0%
Conservation Labourers Permanent	382	0		5,80%
Economists Permanent	10	0		30%
Finance And Economics Related Permanent	41	0	3	7,30%
Financial And Related Professionals Permanent	43	0	4	9,30%
Financial Clerks And Credit Controllers Permanent	53	0	1	1,90%
Food Services Aids And Waiters Permanent	8	0	1	12,50%
Head Of Department/Chief Executive Officer Permanent	1	0	0	0%
Human Resources & Organisat Developm & Relate Prof Permanent	55	0	3	5,50%
Human Resources Clerks Permanent	4	0	0	0%
Human Resources Related Permanent	6	0	0	0%
Legal Related Permanent	2	0	0	0%
Library Mail And Related Clerks Permanent	8	0	0	0%
Light Vehicle Drivers Permanent	1	0	0	0%
Logistical Support Personnel Permanent	26	0	3	11,50%
Material-Recording And Transport Clerks Permanent	4	0	0	0%
Messengers Porters And Deliverers Permanent	7	0	1	14,30%
Mining Geology & Geophysical & Related Technicians Permanent	1	0	0	0%
Motor Vehicle Drivers Permanent	1	0	0	0%
Nature Conservation And Oceanographical Rel.Techni Permanent	88	0	2	2,30%
Other Administrat & Related Clerks And Organisers Permanent	15	0	1	6,70%
Other Administrative Policy And Related Officers Permanent	22	0	0	0%
Other Information Technology Personnel. Permanent	4	0	1	25%
Other Occupations Permanent	1	0	0	0%
Regulatory Inspectors Permanent	42	0	3	7,10%
Risk Management And Security Services Permanent	2	0	0	0%
Secretaries & Other Keyboard Operating Clerks Permanent	6	0	0	0%
Security Officers Permanent	5	0	0	0%
Senior Managers Permanent	34	5	4	11,80%
Social Sciences Related Permanent	7	0	0	0%
Trade Labourers Permanent	1	0	0	0%

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
TOTAL	1,239	6	81	6,50%

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	14	17,30%
Resignation	7	8,60%
Expiry of contract	18	22,20%
Dismissal – operational changes	0	0%
Dismissal – misconduct	2	2,50%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	2	2,50%
Retirement	38	46,90%
Transfer to other Public Service Departments	0	0%
Other	0	0%
Total	81	100%
Total number of employees who left as a % of total employment	6,95%	

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
Production Officers Environment	278	6	.02%	6	.02%
Nature Conservators	49	23	26%	23	26%
TOTAL	327	29	26.02%	29	26.02%

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)	0	0	0	0	0
Skilled (Levels3-5)	0	0	0	0	0
Highly skilled production (Levels 6-8)	278	6	.02%	6	.02%
Highly skilled supervision (Levels 9-12)	49	23	26%	23	26%
Senior Management (Level 13-16)	0	0	0	0	0
Total	327	29	26.02%	29	26.02%

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	21	0	1	1	13	0	1	1	38
Professionals	112	0	0	9	116	1	0	9	247
Technicians and associate professionals	93	1	0	7	85	1	0	0	187
Clerks	45	0	0	0	90	1	0	3	139
Service and sales workers	24	0	0	0	21	0	1	1	47
Skilled agriculture and fishery workers	0	0	0	0		0	0	0	
Craft and related trades workers	1	0	0	0		0	0	0	1
Plant and machine operators and assemblers	2	0	0	0	0	0	0	0	2
Elementary occupations	322	0	0	0	153	0	0	0	475
Total	620	1	1	17	478	3	2	14	1136
Employees with disabilities	11	0	0	0	6	0	0	0	17

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	3	0	0	0	1	0	0	0	4
Senior Management	20	0	1	1	15	0	1	1	39
Professionally qualified and experienced specialists and mid-management	107	1	0	13	90	0	0	8	219
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	137	0	0	3	155	3	1	5	304
Semi-skilled and discretionary decision making	328	0	0	0	171	0	0	0	499
Unskilled and defined decision making	25	0	0	0	46	0	0	0	71
Total	620	1	1	17	478	3	2	14	1136

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	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	4	0	0	0	6
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	0	0	0	0	2
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	5	0	0	0	5	0	0	0	10
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	15	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	2	0	0	0	4	0	0	0	6
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	17	0	0	0	4	0	0	0	6
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	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	4	0	0	0	4
Professionally qualified and experienced specialists and mid-management	5	0	0	2	4	0	0	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	12	0	0	0	4	0	0	0	16
Semi-skilled and discretionary decision making	26	0	0	0	22	0	0	0	48
Unskilled and defined decision making	2	0	0	0	0	0	0	0	2
Total	45	0	0	2	34	0	0	0	81
Employees with Disabilities	2	0	0	0	2	0	0	0	4

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	
Formal	6	0	0	0	0	0	0	0	6
Informal	26	0	0	1	31	0	0	1	59

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	05	0	0	0	07	0	0	0	12
Professionals	01	0	0	0	06	0	0	0	07
Technicians and associate professionals	11	0	0	01	14	0	0	0	26
Clerks	33	0	0	0	33	0	0	1	67
Service and sales workers	35	0	0	0	35	0	0	0	70
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	02	0	0	0	02
Elementary occupations	0	0	0	0	01	0	0	0	01
Total	85	0	0	01	98	0	0	01	185
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 2020

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	N/A	N/A	N/A	N/A
Salary Level 16	N/A	N/A	N/A	N/A
Salary Level 15	3.00	3.00	3.00	100.00
Salary Level 14	7.00	7.00	7.00	100.00
Salary Level 13	27.00	27.00	27.00	96.00
Total	37	37	37	96.0

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

Reasons
Non-compliance / Labour Dispute

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

Reasons
The dispute is in progress.

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 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	8.00	21.00	38.00	129 248.42	161 56.00
Female	4.00	13.00	3.2	58 653.62	14 663.40
Asian					
Male	0	0	0	0	0
Female	0	0	0	0	0
Coloured					
Male	0	1	0	0	0
Female	1	1	100	15 255.40	15 255.10
White					
Male	0	0	0	0	0
Female	1	1	100	19 447.43	19 447.43
Total	14	37	38	222 604.87	65 521.93

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)	62	74	83.7	8 9115.99	1 437.35	2.2
Skilled (level 3-5)	429	549	78.9	938 380.26	3 879.32	23.6
Highly skilled production (level 6-8)	249	280	88.9	965 950.00	3879.32	24.3
Highly skilled supervision (level 9-12)	209	267	78.2	1 979 551.99	9 471.54	49.8
Total	949	1167	81.3	3 974 886.99	3 406.07	100.00

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

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial clerk and controllers	49	52	94.20	152.19	3 106.00
Human Resource Clerks	4.00	4.00	100.00	11.14	2 786.00
Security Officers	5.00	5.00	100.00	21.45	4 290.00
Risk Management and Security Services	2.00	3.00	66.70	12.24	6 121.00
Human Resources & Organisation Development & relate Prof	47.00	53.00	88.70	242.30	5 155.00
Finance and Economics Related	34.00	37.00	91.90	322.57	9 487.00
Logistical Support Personnel	24.00	23.00	104.30	106.99	4 458.00
Other Administration & Related Clerks and Organisers	11.00	14.00	78.60	32.30	2 936.00
Other Occupations	0.00	1.00	0.00	0.00	0.00
Legal Related	2.00	2.00	100.00	27.05	13 256.00
Nature Conservation and Ocean Graphical related technical.	68.00	86.00	79.10	367.29	5 401.00
Financial and other related professionals	38.00	41.00	92.70	172.10	4 529.00
Administration Related	44.00	84.00	52.40	383.51	8 716.00
Communication and information Related	6.00	7.00	85.70	39.19	6 532.00
Secretaries & Other Keyboard operators	4.00	5.00	80.00	16.50	4 125.00
Cleaners in offices	83.00	96.00	86.50	134.79	1 624.00
Human Resource related	5.00	6.00	83.00	57.05	11 411.00
Head of Department	0.00	1.00	0.00	0.00	0.00
Mining Geology & Geophysical & Related Technicians	1.00	1.00	100.00	4.14	4 137.00
Regulatory Inspectors	37.00	39.00	94.90	137.74	3723.00
Material- Recording and Transport Clerk	4.00	4.00	100.00	12.16	3 040.0
Other Administration Policy and Related Officers.	18.00	22.00	81.80	78.50	4 361.00
Artisan Project and Related Superintendents	1.00	1.00	100.00	3.41	3 408.00
Directors	16.00	37.00	43.20	334.54	20 309.00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Client Inform Clerks(Switchboard Reception Inform Clerk)	44.00	52.00	84.60	146.34	3 326.00
Computer System Designers and Analysts	3.00	2.00	100.00	14.41	4 803.00
Economists	8.00	7.00	114.30	71.07	8 883.00
Other Information Technology Personnel	3.00	3.00	100.00	27.09	9 030.00
Light Vehicle Drivers	1.00	1.00	100.00	2.22	2.225.00
Engineering Science Related	0.00	1.00	0.00	0.00	0.00
Motor Vehicle Drives	0.00	1.00	0.00	0.00	0.00
Food service Aids and Waiters	8.00	7.00	114.30	13.18	1647.00
Conservation Labourers	292	358	81.60	626.95	2 147.00
Agriculture Related	59	75	78	625.56	10 603.00
Trade Labours	1.00	1.00	100.00	1.57	1 570.00
Library Mail and Related Clerks	4.00	8.00	50.00	10.72	2 679.00
Building and Other Property Caretaker	9.00	7.00	128.60	13.76	1 529.00
Agricultural Animal Oceanography Forestry & Other Scientists	2.00	5.00	40.00	15.43	7 716.00
Social Sciences Related	7.00	7.00	100.00	67.00	9 571.00
Messenger Porters and Deliveries	4.00	7.00	66.70	8.73	2 183.00
Total	984.00	1167.00	81.30	4 313.19	4 550.00

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	13	27	48	199 278, 85	15 255, 28	.055
Band B	2	7	28	36 537, 93	16 757, 25	.061
Band C	2	3	67	40 159, 24	19 780, 68	.072
Band D						

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	
Total	17	37	45	273 203, 81	17 264, 40	.063

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	0,00%	0	0,00%	0	0,00%
Highly skilled production (Lev. 6-8)	0	0,00%	0	0,00%	0	0,00%
Highly skilled supervision (Lev. 9-12)	1	100%	1	100%	0	0,00%
Contract (level 9-12)	0	0,00%	0	0,00%	0	0,00%
Contract (level 13-16)	0	0,00%	0	0,00%	0	0,00%
Total	1	100%	1	100%	0	0,00%

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

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	100%	1	100%	0	0,00%
Total	1	100%	1	100%	0	0,00%

3.10 Leave utilisation

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

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

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	318,00	91,80	49,00	7,50	6,00	179,00
Skilled (levels 3-5)	2012,00	93,00	306,00	46,60	7,00	1760,00
Highly skilled production (levels 6-8)	927,00	88,70	153,00	23,30	6,00	1521,00
Highly skilled supervision (levels 9 -12)	802,00	88,20	123,00	18,80	7,00	2480,00
Top and Senior management (levels 13-16)	79,00	88,60	13,00	2,00	6,00	407,00
Contract /other	50,00	66,00	12,00	1,80	4,00	15,00
Total	4188,00	90,60	656,00	100,00	6,00	6361,00

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

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	28,00	100,00	1,00	4,80	28,00	16,00
Skilled (Levels 3-5)	508,00	100,00	13,00	61,90	39,00	420,00
Highly skilled production (Levels 6-8)	76,00	100,00	3,00	14,30	25,00	143,00
Highly skilled supervision (Levels 9-12)	44,00	100,00	3,00	14,30	15,00	134,00
Senior management (Levels 13-16)	102,00	100,00	1,00	4,80	102,00	551,00
Total	758,00	100,00	21,00	100,00	36,00	1264,00

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)	1581,00	74,00	21,00
Skilled Levels 3-5)	13226,00	529,00	25,00

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Highly skilled production (Levels 6-8)	6648,00	278,00	24,00
Highly skilled supervision (Levels 9-12)	6748,00	270,00	25,00
Senior management (Levels 13-16)	932,00	39,00	24,00
Contract (Levels 3-5)	14,00	1,00	14,00
Contract other	545,00	37,00	15,00
Total	29694,00	1228,00	24,00

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

Salary band	Total days of capped leave taken	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)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	7,00	5,00	1,00	81,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	94,00
Highly skilled supervision (Levels 9-12)	6,00	4,00	2,00	95,00
Senior management (Levels 13-16)	0,00	0,00	0,00	80,00
Total	13,00	9,00	1,00	87,00

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 2020/21 due to non-utilisation of leave for the previous cycle	419,00	8,00	52 375,00
Capped leave payouts on termination of service for 2020/21	1 494,00	41,00	36 439,00
Current leave payout on termination of service for 2020/21	6 184,00	36,00	171 778,00
Total	8 096,00	50,00	

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Cleaners	--Education and awareness workshops are conducted on a quarterly basis including condom distributions. --Employees are provided with Personal Protective Equipments (PPEs). --Health screening is done on a quarterly basis for early detection and treatment of diseases including HIV. --Healthy lifestyle workshops are done quarterly. --Procedures for reporting occupational exposure are in place.
Field Rangers	

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.	x		Mr EL Mugari Chief Director Corporate Services
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.	x		Seven (7) and the budget was R300 000.00
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	x		--Assessment and Counselling --Trauma debriefing and counselling --Crisis intervention --Health education and promotion --Physical wellness --Work-life balance --Health screening --Disease 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.	x		Union representatives D Mhlarhi D Busakwe P Hlako Head Office representatives TG Chabalala PT Banyini MR Ramogobedi

Question	Yes	No	Details, if yes
			GM Seanego TJ Ngoasheng MC Ngoasheng District representatives CK Kanama MJ Phasha T Khubana TE Ntsanwisi
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.	x		Recruitment Policy Skills Development Policy SHERQ Policy
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.	x		Disclosure of HIV status is voluntary Equal treatment of all employees EAP services are confidential.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	x		HIV counselling and testing is conducted on a quarterly basis in partnership with Gems and the Department of Health Utilisation of these services is very good at 40% of employees
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		Sick leave absenteeism rate reports EAP utilisation rate Fitness Centre utilization rate

3.12 Labour Relations

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

Subject matter	Date
None	
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	0	0%
Verbal warning	0	0%
Written warning	0	0%
Final written warning	59	95%
Suspended without pay	2	3%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	0	0%
Case withdrawn	3	4.8%
Total	62	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
Gross insubordination	1	1.5%
Tempering with PMDS scores	1	1.5%
Doing business with an organ of state	2	3.0%
Failure to take reasonable steps to prevent loss or theft of firearm	1	1.5%
Misuse and damage to state vehicle	1	1.5%
Damaged to laptop	1	1.5%
Loss of laptop	2	3.0%
Failure to comply with DPSA directive on financial disclosure	56	86.1%
Total	65	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	1	16.6%
Number of disputes dismissed	2	33.3%
Number of disputes not resolved	3	50%
Total number of disputes lodged	6	100%

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

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

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

Number of people suspended	0
Number of people who's suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

3.13 Skills development

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

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

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	15	0	5	0	05
	Male	23	0	2	0	02
Professionals	Female	126	0	3	0	03
	Male	121	0	2	0	02
Technicians and associate professionals	Female	86	0	5	0	05
	Male	101	0	2	0	02
Clerks	Female	94	35	5	0	40
	Male	45	23	2	0	25
Service and sales workers	Female	23	0	0	0	0
	Male	24	0	0	0	0
Skilled agriculture and	Female	0	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
fishery workers	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	153	0	10	41	51
	Male	322	0	20	60	80
Sub Total	Female	497	35	28	41	104
	Male	639	23	28	60	111
Total		1136	58	56	101	215

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

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	15	0	4	3	07
	Male	23	0	3	2	05
Professionals	Female	126	0	1	5	06
	Male	121	0	0	1	01
Technicians and associate professionals	Female	86	0	4	10	14
	Male	101	0	1	11	12
Clerks	Female	94	15	0	19	34
	Male	45	15	1	17	33
Service and sales workers	Female	23	31	0	4	35
	Male	24	33	0	2	35
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	2	2
	Male	2	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Elementary occupations	Female	153	0	0	1	01
	Male	322	0	0	0	0
Sub Total	Female	497	43	9	44	99
	Male	639	48	5	33	86
Total		1136	94	14	77	185

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	06	85,29%
Temporary Total Disablement	0	0,00%
Permanent Disablement	0	0,00%
Fatal	01	14,29%
Total	07	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
Provision of services for Specialist Review of Musina-Makhado SEZ application: EDET262/2020 Service provider: Tholoana Environment	25	2800	R 4 210 586,96

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Consulting			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
1	25	2800	R 4 210 586,96

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
Provision of services for Specialist Review of Musina-Makhado SEZ application: EDET262/2020 Service provider: Tholoana Environment Consulting	100	100	25

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
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

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
None			

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)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	0,00
Highly skilled supervision (Levels 9-12)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00

PART E: FINANCIAL INFORMATION

REPORT OF THE AUDITOR GENERAL

Report of the Auditor-General to the Limpopo Provincial Legislature on vote no. 6: Department of Economic Development, Environment and Tourism

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Economic Development, Environment and Tourism set out on pages 141 to 238 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 of Economic Development, Environment and Tourism as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act, 2019 (Act No. 16 of 2019) (DORA)

Context of opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Significant uncertainties

7. With reference to note 25 to the financial statements, the department is currently involved in litigation. The department is opposing the claim as it believes it has reasonable grounds to defend the claim. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements

Restatement of corresponding figures

8. As disclosed in note 44 to the financial statements, the corresponding figures for 30 June 2020 have been restated as a result of an error in the financial statements of the department at, and for the year ended, 30 June 2021.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 09 to 134 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

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 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 the 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 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
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 the following selected programmes presented in the department's annual performance report for the year ended 31 March 2021

Programme	Pages in the annual performance report
Programme 3:Environmental affairs	 to.....

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 complete.

Programme 3: Environmental Affairs

19. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
 - Programme 3: Environmental affairs

Other matter

20. I draw attention to the matter below.

Adjustment of material misstatements

21

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

Report on the audit of compliance with legislation

Introduction and scope

22. 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.

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

Other information

24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the accounting officer's report and the audit committee's 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.

25. 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.

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

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

Internal control deficiencies

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

Auditor – General

Polokwane

31 August 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNUAL FINANCIAL STATEMENTS FOR DEPARTMENT OF ECONOMIC DEVELOPMENT ENVIRONMENT AND TOURISM

For the year ended
31 March 2021

VOTE 6

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

Table of Contents

Appropriation Statement

Notes to the Appropriation Statement

Statement of Financial Performance

Statement of Financial Position

Statement of Changes in Net Assets

Cash Flow Statement

Notes to the Annual Financial Statements (including Accounting policies)

Annexures

APPROPRIATION STATEMENT for the year ended 31 March 2021

Appropriation per programme									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. ADMINISTRATION	324 060	-	7 651	331 711	331 615	96	100.0%	392 133	388 679
2. ECONOMIC DEVELOPMENT	633 240	-	(2 408)	630 832	629 025	1 807	99.7%	1 053 410	1 053 260
3. ENVIRONMENTAL AFFAIRS	335 720	-	(3 243)	332 477	327 677	4 800	98.6%	386 892	375 046
4. TOURISM	95 793	-	(2 000)	93 793	90 556	3 237	96.5%	119 497	119 162
.....									
Subtotal	1 388 813	-	-	1 388 813	1 378 873	9 940	99.3%	1 951 932	1 936 147
Statutory Appropriation	1 978	-	-	1 978	1 978	-	100.0%	1 978	1 978
Members' remuneration	1 978	-	-	1 978	1 978	-	100.0%	1 978	1 978
TOTAL	1 390 791	-	-	1 390 791	1 380 851	9 940	99.3%	1 953 910	1 938 125

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

	2020/21		2019/20	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	117 857		179 732	
Aid assistance			358	
Actual amounts per statement of financial performance (total revenue)	1 508 648		2 134 000	
ADD				
Aid assistance				174
Prior year unauthorised expenditure approved without funding		-		-
Actual amounts per statement of financial performance (total expenditure)		1 380 851		1 938 299

Appropriation per economic classification

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	753 053	-	(6 215)	746 838	741 469	5 369	99.3%	873 606	852 862
Compensation of employees	565 827	-	(14 500)	551 327	551 314	13	100.0%	582 862	581 796
Salaries and wages	491 552	(1 804)	(18 031)	471 717	471 531	186	100.0%	501 497	501 046
Social contributions	74 275	1 804	3 531	79 610	79 783	(173)	100.2%	81 365	80 750
Goods and services	186 164	-	8 285	194 449	189 157	5 292	97.3%	289 774	270 115
Administrative fees	124	(2)	-	122	67	55	54.9%	804	773
Advertising	445	(92)	-	353	293	60	83.0%	1 737	1 687
Minor assets	53	-	-	53	33	20	62.3%	775	690

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Appropriation per economic classification									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Audit costs: External	5 561	(257)	-	5 304	5 304	-	100.0%	6 323	6 322
Bursaries: Employees	871	(314)	-	557	556	1	99.8%	1 553	1 551
Catering: Departmental activities	287	11	-	298	176	122	59.1%	3 878	3 584
Communication	6 783	692	959	8 434	8 417	17	99.8%	11 707	11 234
Computer services	13 179	905	564	14 648	14 195	453	96.9%	16 524	16 516
Consultants: Business and advisory services	28 138	(7 918)	1 142	21 362	20 436	926	95.7%	11 997	12 026
Legal services	1 133	(869)	-	264	264	-	100.0%	3 017	2 872
Contractors	17 489	(134)	-	17 355	6 887	10 468	39.7%	31 121	22 316
Agency and support / outsourced services	46	-	-	46	-	46	-	21	21
Fleet services	8 806	-	2 220	11 026	11 000	26	99.8%	15 268	15 196
Inventory: Food and food supplies	272	40	-	312	286	26	91.7%	984	968
Inventory: Other supplies	106	(106)	-	-	-	-	-	168	168
Consumable supplies	7 503	8 033	(1 500)	14 036	19 105	(5 069)	136.1%	14 172	10 715
Consumable: Stationery, printing and office supplies	549	1	-	550	525	25	95.5%	1 763	1 761
Operating leases	48 210	(1 139)	3 000	50 071	52 096	(2 025)	104.0%	55 214	55 125
Property payments	32 058	2 059	1 900	36 017	35 530	487	98.6%	40 382	35 605
Travel and subsistence	9 823	(586)	-	9 237	9 571	(334)	103.6%	52 536	52 257
Training and development	502	(414)	-	88	64	24	72.5%	3 721	3 220
Operating payments	1 543	199	-	1 742	1 890	(148)	108.5%	6 214	6 073

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Appropriation per economic classification									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Venues and facilities	526	(45)	-	481	385	96	80.0%	6 171	5 906
Rental and hiring	2 157	(64)	-	2 093	2 077	16	99.2%	3 359	3 168
Interest and rent on land	1 062	-	-	1 062	998	64	94.0%	970	951
Rent on land	1 062	-	-	1 062	998	64	94.0%	970	951
Transfers and subsidies	625 673	-	5 800	631 473	626 742	4 731	99.3%	1 054 901	1 060 027
Provinces and municipalities	235	-	-	235	173	62	73.6%	2 009	1 738
Provinces	-	-	-	-	-	-	-	260	256
Provincial agencies and funds	-	-	-	-	-	-	-	260	256
Municipalities	235	-	-	235	173	62	73.6%	1 749	1 482
Municipal bank accounts	235	-	-	235	173	62	73.6%	1 749	1 482
Departmental agencies and accounts	615 236	-	-	615 236	615 204	32	100.0%	1 045 294	1 044 833
Departmental agencies and accounts	615 236	-	-	615 236	615 204	32	100.0%	1 045 294	1 044 833
Non-profit institutions	740	-	-	740	740	-	100.0%	750	750
Households	9 462	-	5 800	15 262	10 625	4 637	69.6%	6 848	12 706
Social benefits	7 285	655	5 800	13 740	8 206	5 534	59.7%	4 340	9 272
Other transfers to households	2 177	(655)	-	1 522	2 419	(897)	158.9%	2 508	3 434
Payments for capital assets	12 065	-	415	12 480	12 640	(160)	101.3%	25 100	24 933
Buildings and other fixed structures	11 360	(60)	-	11 300	11 480	(180)	101.6%	16 467	20 120
Buildings	11 360	(60)	-	11 300	11 480	(180)	101.6%	16 467	20 120
Machinery and equipment	705	60	415	1 180	1 160	20	98.3%	8 633	4 813
Transport equipment	-	-	-	-	-	-	-	734	733
Other machinery and equipment	705	60	415	1 180	1 160	20	98.3%	7 899	4 080
Payments for financial assets	-	-	-	-	-	-	-	303	303

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Statutory 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
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 978	-	-	1 978	1 978	-	100.0%	1 978	1 978
Compensation of employees	1 978	-	-	1 978	1 978	-	100.0%	1 978	1 978

Programme 1: ADMINISTRATION									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. OFFICE OF THE MEC	4 780	(108)	-	4 672	4 673	(1)	100.0%	8 282	8 266
2. OFFICE OF THE HOD	6 004	(147)	-	5 857	5 752	105	98.2%	7 629	7 666
3. FINANCIAL MANAGEMENT	78 548	1 871	(2 525)	77 894	77 770	124	99.8%	86 358	87 951
4. CORPORATE SERVICES	234 728	(1 616)	10 176	243 288	243 420	(132)	100.1%	289 864	284 796
Total for sub programmes	324 060	-	7 651	331 711	331 615	96	100.0%	392 133	388 679
Economic classification									
Current payments	319 261	-	2 643	321 904	323 193	(1 289)	100.4%	380 749	375 776
Compensation of employees	193 226	9	(6 000)	187 235	187 201	34	100.0%	197 655	195 982
Salaries and wages	167 761	(1 391)	(6 000)	160 370	160 359	11	100.0%	170 306	168 883
Social contributions	25 465	1 400	-	26 865	26 842	23	99.9%	27 349	27 099
Goods and services	126 035	(9)	8 643	134 669	135 992	(1 323)	101.0%	183 094	179 794
Administrative fees	124	(2)	-	122	67	55	54.9%	587	557
Advertising	223	(45)	-	178	163	15	91.6%	1 627	1 579
Minor assets	-	-	-	-	-	-	-	452	421

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Programme 1: ADMINISTRATION									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Audit costs: External	5 561	(257)	-	5 304	5 304	-	100.0%	6 323	6 322
Bursaries: Employees	871	(314)	-	557	556	1	99.8%	1 553	1 551
Catering: Departmental activities	35	15	-	50	16	34	32.0%	984	829
Communication	6 783	692	959	8 434	8 417	17	99.8%	11 667	11 234
Computer services	13 179	905	564	14 648	14 195	453	96.9%	16 524	16 516
Consultants: Business and advisory services	131	(108)	-	23	17	6	73.9%	207	85
Legal services	1 133	(869)	-	264	264	-	100.0%	3 013	2 872
Contractors	608	(20)	-	588	507	81	86.2%	855	781
Fleet services	8 797	-	2 220	11 017	11 000	17	99.8%	15 268	15 196
Inventory: Other supplies	106	(106)	-	-	-	-	-	168	168
Consumable supplies	2 541	176	-	2 717	2 560	157	94.2%	3 775	3 727
Consumable: Stationery, printing and office supplies	520	-	-	520	517	3	99.4%	1 741	1 740
Operating leases	48 210	(1 139)	3 000	50 071	52 096	(2 025)	104.0%	55 214	55 125
Property payments	31 658	2 086	1 900	35 644	35 413	231	99.4%	36 136	35 207
Travel and subsistence	3 623	(567)	-	3 056	3 447	(391)	112.8%	19 018	18 229
Training and development	431	(414)	-	17	17	-	100.0%	2 257	2 257
Operating payments	1 025	67	-	1 092	1 071	21	98.1%	3 927	3 809
Venues and facilities	146	(45)	-	101	99	2	98.0%	1 578	1 369
Rental and hiring	330	(64)	-	266	266	-	100.0%	220	220
Transfers and subsidies	4 352	-	5 008	9 360	7 959	1 401	85.0%	5 486	8 459
Provinces and municipalities	235	-	-	235	173	62	73.6%	2 009	1 738
Provinces	-	-	-	-	-	-	-	260	256
Provincial agencies and funds	-	-	-	-	-	-	-	260	256
Municipalities	235	-	-	235	173	62	73.6%	1 749	1 482
Municipal bank accounts	235	-	-	235	173	62	73.6%	1 749	1 482

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Programme 1: ADMINISTRATION									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	42	-	-	42	10	32	23.8%	37	26
Departmental agencies	42	-	-	42	10	32	23.8%	37	26
Higher education institutions	-	-	-	-	-	-	-	-	-
Households	4 075	-	5 008	9 083	7 776	1 307	85.6%	3 440	6 695
Social benefits	1 898	655	5 008	7 561	5 357	2 204	70.9%	932	4 359
Other transfers to households	2 177	(655)	-	1 522	2 419	(897)	158.9%	2 508	2 336
	-	-	-	-	-	-	-	-	-
Payments for capital assets	447	-	-	447	463	(16)	103.6%	5 595	4 141
Machinery and equipment	447	-	-	447	463	(16)	103.6%	5 595	4 141
Transport equipment	-	-	-	-	-	-	-	734	733
Other machinery and equipment	447	-	-	447	463	(16)	103.6%	4 861	3 408
Payments for financial assets	-	-	-	-	-	-	-	303	303

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

1.1 OFFICE OF THE MEC									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 780	(108)	-	4 672	4 673	(1)	100.0%	8 182	8 092
Compensation of employees	3 690	30	-	3 720	3 780	(60)	101.6%	4 040	3 950
Goods and services	1 090	(138)	-	952	893	59	93.8%	4 142	4 142
Transfers and subsidies	-	-	-	-	-	-	-	100	174
Households	-	-	-	-	-	-	-	100	174
Payments for financial assets	-	-	-	-	-	-	-	-	-

1.2 OFFICE OF THE HOD									
	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	5 990	(147)	-	5 843	5 738	105	98.2%	7 629	7 600
Compensation of employees	5 649	-	-	5 649	5 563	86	98.5%	5 784	5 781
Goods and services	341	(147)	-	194	175	19	90.2%	1 845	1 819
Transfers and subsidies	14	-	-	14	14	-	100.0%	-	66
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	14	-	-	14	14	-	100.0%	-	66
Payments for financial assets	-	-	-	-	-	-	-	-	-

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

1.3 FINANCIAL 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	78 235	377	(2 525)	76 087	76 184	(97)	100.1%	85 443	85 401
Compensation of employees	66 300	(21)	(2 525)	63 754	63 881	(127)	100.2%	66 667	66 653
Goods and services	11 935	398	-	12 333	12 303	30	99.8%	18 776	18 748
Transfers and subsidies	313	1 494	-	1 807	1 586	221	87.8%	612	2 247
Households	313	1 494	-	1 807	1 586	221	87.8%	612	2 247
	-			-	-	-	-	-	

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

1.4 CORPORATE SERVICES									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	230 256	(122)	5 168	235 302	236 598	(1 296)	100.6%	279 495	274 683
Compensation of employees	117 587	-	(3 475)	114 112	113 977	135	99.9%	121 164	119 598
Goods and services	112 669	(122)	8 643	121 190	122 621	(1 431)	101.2%	158 331	155 085
Transfers and subsidies	4 025	(1 494)	5 008	7 539	6 359	1 180	84.3%	4 774	5 972
Provinces and municipalities	235	-	-	235	173	62	73.6%	1 749	1 482
Departmental agencies and accounts	42	-	-	42	10	32	23.8%	37	26
Households	3 748	(1 494)	5 008	7 262	6 176	1 086	85.0%	2 728	4 208
	-			-	-	-	-	-	-
Payments for capital assets	447	-	-	447	463	(16)	103.6%	5 595	4 141
Machinery and equipment	447	-	-	447	463	(16)	103.6%	5 595	4 141
Heritage assets	-			-	-	-	-	-	-
	-			-	-	-	-	-	-

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Programme 2: ECONOMIC DEVELOPMENT									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. INTERGRADED ECONOMIC DEVELOPMENT	514 063	57	(940)	513 180	511 706	1 474	99.7%	904 831	904 830
2. TRADE AND SECTOR DEVELOPMENT	13 789	(458)	(306)	13 025	12 864	161	98.8%	20 643	19 573
3. BUSINESS REGULATION AND GOVERNANCE	98 313	401	(702)	98 012	97 952	60	99.9%	118 522	119 682
4. ECONOMIC PLANNING AND RESEARCH	7 075	-	(460)	6 615	6 503	112	98.3%	9 414	9 175
Total for sub programmes	633 240	-	(2 408)	630 832	629 025	1 807	99.7%	1 053 410	1 053 260
Economic classification									
Current payments	82 778	-	(3 200)	79 578	79 144	434	99.5%	99 053	97 061
Compensation of employees	65 302	(9)	(2 500)	62 793	62 668	125	99.8%	71 502	69 957
Salaries and wages	57 374	(438)	(2 263)	54 673	54 765	(92)	100.2%	62 652	61 500
Social contributions	7 928	429	(237)	8 120	7 903	217	97.3%	8 850	8 457
Goods and services	17 476	9	(700)	16 785	16 476	309	98.2%	27 551	27 104
Administrative fees	-	-	-	-	-	-	-	8	7
Advertising	92	(23)	-	69	54	15	78.3%	-	-
Catering: Departmental activities	105	(5)	-	100	52	48	52.0%	1 309	1 193

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

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
Consultants: Business and advisory services	14 274	(210)	800	14 864	14 796	68	99.5%	9 227	9 213
Infrastructure and planning services	-	-	-	-	-	-	-	365	361
Legal services	-	-	-	-	-	-	-	4	-
Consumable supplies	1 496	4	(1 500)	-	-	-	-	-	-
Travel and subsistence	1 102	101	-	1 203	1 107	96	92.0%	11 679	11 439
Training and development	61	-	-	61	37	24	60.7%	625	624
Operating payments	54	142	-	196	190	6	96.9%	1 089	1 070
Venues and facilities	292	-	-	292	240	52	82.2%	3 245	3 197
Transfers and subsidies	550 462	-	792	551 254	549 881	1 373	99.8%	954 357	956 199
Departmental agencies and accounts	548 781	-	-	548 781	548 781	-	100.0%	954 041	953 591
Departmental agencies	548 781	-	-	548 781	548 781	-	100.0%	954 041	953 591
Non-profit institutions									
Households	1 681	-	792	2 473	1 100	1 373	44.5%	316	2 608
Social benefits	1 681	-	792	2 473	1 100	1 373	44.5%	316	2 304
Other transfers to households	-	-	-	-	-	-	-	-	304
Total	633 240	-	(2 408)	630 832	629 025	1 807	99.7%	1 053 410	1 053 260

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

2.1 INTEGRATED ECONOMIC DEVELOPMENT 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	25 290	57	(940)	24 407	24 306	101	99.6%	23 357	22 951
Compensation of employees	12 752	43	(240)	12 555	12 541	14	99.9%	14 758	14 424
Goods and services	12 538	14	(700)	11 852	11 765	87	99.3%	8 599	8 527
Interest and rent on land									
Transfers and subsidies	488 773	-	-	488 773	487 400	1 373	99.7%	881 474	881 879
Provinces and municipalities									
Departmental agencies and accounts	487 400	-	-	487 400	487 400	-	100.0%	881 474	881 474
Non-profit institutions									
Households	1 373	-	-	1 373	-	1 373	-	-	405

2.2 TRADE AND 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	13 481	(257)	(306)	12 918	12 758	160	98.8%	20 327	19 433
Compensation of employees	9 677	(52)	(306)	9 319	9 298	21	99.8%	10 047	9 254
Goods and services	3 804	(205)	-	3 599	3 460	139	96.1%	10 280	10 179
Transfers and subsidies	308	(201)	-	107	106	1	99.1%	316	140
Households	308	(201)	-	107	106	1	99.1%	316	140

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

2.3 BUSINESS REGULATION AND GOVERNANCE									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	36 932	200	(1 494)	35 638	35 577	61	99.8%	45 955	45 580
Compensation of employees	36 099	-	(1 494)	34 605	34 571	34	99.9%	39 947	39 715
Goods and services	833	200	-	1 033	1 006	27	97.4%	6 008	5 865
Transfers and subsidies	61 381	201	792	62 374	62 375	(1)	100.0%	72 567	74 102
Departmental agencies and accounts	61 381	-	-	61 381	61 381	-	100.0%	72 567	72 117
Households	-	201	792	993	994	(1)	100.1%	-	1 985

2.4 ECONOMIC PLANNING AND RESEARCH									
	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	7 075	-	(460)	6 615	6 503	112	98.3%	9 414	9 097
Compensation of employees	6 774	-	(460)	6 314	6 258	56	99.1%	6 750	6 564
Goods and services	301	-	-	301	245	56	81.4%	2 664	2 533
Transfers and subsidies	-	-	-	-	-	-	-	-	78
Households	-	-	-	-	-	-	-	-	78

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Programme 3: ENVIRONMENTAL AFFAIRS									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
5. ENVIRONMENTAL TRADE AND PROTECTION.	99 278	(69)	(1 382)	97 827	92 724	5 103	94.8%	105 759	95 951
6. BIODIVERSITY AND NATURAL RESOURCES MANAGEMENT	198 960	(86)	(2 276)	196 598	197 386	(788)	100.4%	222 704	221 467
7. ENVIRONMENTAL EMPOWERMENT SERVICES	24 696	-	-	24 696	24 749	(53)	100.2%	28 817	28 837
8. LIMPOPO WILDLIFE RESORTS	12 786	155	415	13 356	12 818	538	96.0%	29 612	28 791
Total for sub programmes	335 720	-	(3 243)	332 477	327 677	4 800	98.6%	386 892	375 046
Economic classification									
Current payments	321 611	-	(3 658)	317 953	313 011	4 942	98.4%	363 622	350 302
Compensation of employees	288 495	-	(4 000)	284 495	284 905	(410)	100.1%	296 226	298 975
Salaries and wages	249 844	-	(7 768)	242 076	242 051	25	100.0%	253 174	255 856
Social contributions	38 651	-	3 768	42 419	42 854	(435)	101.0%	43 052	43 119
Goods and services	32 054	-	342	32 396	27 108	5 288	83.7%	66 426	50 376
Administrative fees	-	-	-	-	-	-	-	209	209
Advertising	130	(24)	-	106	76	30	71.7%	110	108
Minor assets	53	-	-	53	33	20	62.3%	323	269
Catering: Departmental activities	130	1	-	131	97	34	74.0%	1 281	1 276
Communication	-	-	-	-	-	-	-	40	-
Consultants: Business and advisory services	13 733	(7 600)	342	6 475	5 623	852	86.8%	2 563	2 728
Contractors	6 881	(114)	-	6 767	6 380	387	94.3%	21 519	12 955
Agency and support / outsourced services	46	-	-	46	-	46	-	21	21

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

	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
Fleet services	9	-	-	9	-	9	-	-	-
Inventory: Food and food supplies	272	40	-	312	286	26	91.7%	984	968
Consumable supplies	3 466	7 853	-	11 319	7 515	3 804	66.4%	10 257	6 851
Consumable: Stationery, printing and office supplies	29	1	-	30	8	22	26.7%	22	21
Property payments	400	(27)	-	373	117	256	31.4%	4 246	398
Travel and subsistence	4 622	(120)	-	4 502	4 580	(78)	101.7%	18 908	19 327
Training and development	10	-	-	10	10	0	97.6%	839	339
Operating payments	407	(10)	-	397	572	(175)	144.1%	1 198	1 194
Venues and facilities	39	-	-	39	-	39	-	767	764
Rental and hiring	1 827	-	-	1 827	1 811	16	99.1%	3 139	2 948
Interest and rent on land	1 062	-	-	1 062	998	64	94.0%	970	951
Interest	-	-	-	-	-	-	-	-	-
Rent on land	1 062	-	-	1 062	998	64	94.0%	970	951
Transfers and subsidies	2 491	-	-	2 491	2 489	2	99.9%	3 765	3 952
Non-profit institutions	740	-	-	740	740	-	100.0%	750	750
Households	1 751	-	-	1 751	1 749	2	99.9%	3 015	3 202
Social benefits	1 751	-	-	1 751	1 749	2	99.9%	3 015	2 532
Payments for capital assets	11 618	-	415	12 033	12 177	(144)	101.2%	19 505	20 792
Buildings and other fixed structures	11 360	(60)	-	11 300	11 480	(180)	101.6%	16 467	20 120
Buildings	11 360	(60)	-	11 300	11 480	(180)	101.6%	16 467	20 120
Machinery and equipment	258	60	415	733	697	36	95.1%	3 038	672
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	258	60	415	733	697	36	95.1%	3 038	672
Total	335 720	-	(3 243)	332 477	327 677	4 800	98.6%	386 892	375 046

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

3.1 ENVIRONMENTAL TRADE AND PROTECTION									
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	87 194	(9)	(1 382)	85 803	81 096	4 707	94.5%	97 400	83 873
Compensation of employees	71 236	-	(1 382)	69 854	69 852	2	100.0%	74 037	74 001
Goods and services	15 958	(9)	-	15 949	11 244	4 705	70.5%	23 363	9 872
Transfers and subsidies	724	-	-	724	148	576	20.4%	742	821
Households	724	-	-	724	148	576	20.4%	742	821
Payments for capital assets	11 360	(60)	-	11 300	11 480	(180)	101.6%	7 617	11 257
Buildings and other fixed structures	11 360	(60)	-	11 300	11 480	(180)	101.6%	7 617	11 257

3.2 BIODIVERSITY AND NATURAL RESOURCES 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	197 832	(86)	(2 276)	195 470	195 710	(240)	100.1%	219 268	219 319
Compensation of employees	186 099	-	(2 618)	183 481	183 717	(236)	100.1%	192 407	192 561
Goods and services	10 671	(86)	342	10 927	10 995	(68)	100.6%	25 891	25 807
Interest and rent on land	1 062	-	-	1 062	998	64	94.0%	970	951
Transfers and subsidies	1 027	-	-	1 027	1 600	(573)	155.8%	1 773	1 863
Households	1 027	-	-	1 027	1 600	(573)	155.8%	1 773	1 863
Payments for capital assets	101	-	-	101	76	25	75.2%	1 663	285
Machinery and equipment	101	-	-	101	76	25	75.2%	1 663	285

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

3.3 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	23 956	-	-	23 956	24 008	(52)	100.2%	27 567	27 569
Compensation of employees	22 929	-	-	22 929	23 158	(229)	101.0%	23 574	23 564
Goods and services	1 027	-	-	1 027	850	177	82.8%	3 993	4 005
Transfers and subsidies	740	-	-	740	741	(1)	100.1%	1 250	1 268
Non-profit institutions	740	-	-	740	740	-	100.0%	750	750
Households	-	-	-	-	1	(1)	-	500	518

3.4 LIMPOPO WILDLIFE RESORTS									
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	12 629	95	-	12 724	12 197	527	95.9%	19 387	19 541
Compensation of employees	8 231	-	-	8 231	8 178	53	99.4%	6 208	8 849
Goods and services	4 398	95	-	4 493	4 019	474	89.5%	13 179	10 692
Payments for capital assets	157	60	415	632	621	11	98.3%	10 225	9 250
Buildings and other fixed structures	-	-	-	-	-	-	-	8 850	8 863
Machinery and equipment	157	60	415	632	621	11	98.3%	1 375	387
Heritage assets	-	-	-	-	-	-	-	-	-

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

Programme 4: TOURISM									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
9. TOURISM PLANNING AND DEVELOPMENT	95 793	-	(2 000)	93 793	90 556	3 237	96.5%	119 497	119 162
Total for sub programmes	95 793	-	(2 000)	93 793	90 556	3 237	96.5%	119 497	119 162
Economic classification									
Current payments	27 425	-	(2 000)	25 425	24 143	1 282	95.0%	28 204	27 745
Compensation of employees	16 826	-	(2 000)	14 826	14 562	264	98.2%	15 501	14 904
Salaries and wages	14 888	(1)	(2 000)	12 887	12 645	242	98.1%	13 666	13 108
Social contributions	1 938	1	-	1 939	1 917	22	98.9%	1 835	1 796
Goods and services	10 599	-	-	10 599	9 581	1 018	90.4%	12 703	12 841
Catering: Departmental activities	17	-	-	17	11	6	64.7%	304	286
Contractors	10 000	-	-	10 000	-	10 000	-	8 747	8 580
Consumable supplies	-	-	-	-	9 030	(9 030)	-	140	137
Travel and subsistence	476	-	-	476	437	39	91.8%	2 931	3 262
Operating payments	57	-	-	57	57	-	100.0%	-	-
Venues and facilities	49	-	-	49	46	3	93.9%	581	576
Transfers and subsidies	68 368	-	-	68 368	66 413	1 955	97.1%	91 293	91 417
Provinces and municipalities									
Departmental agencies and accounts	66 413	-	-	66 413	66 413	-	100.0%	91 216	91 216
Departmental agencies	66 413	-	-	66 413	66 413	-	100.0%	91 216	91 216
Households	1 955	-	-	1 955	-	1 955	-	77	201
Social benefits	1 955	-	-	1 955	-	1 955	-	77	77
Other transfers to households	-	-	-	-	-	-	-	-	124
Total	95 793	-	(2 000)	93 793	90 556	3 237	96.5%	119 497	119 162

ANNUAL REPORT 2020/2021

APPROPRIATION STATEMENT for the year ended 31 March 2021

4.1 TOURISM PLANNING AND DEVELOPMENT									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	27 425	-	(2 000)	25 425	24 143	1 282	95.0%	28 204	27 745
Compensation of employees	16 826	-	(2 000)	14 826	14 562	264	98.2%	15 501	14 904
Goods and services	10 599	-	-	10 599	9 581	1 018	90.4%	12 703	12 841
Interest and rent on land									
Transfers and subsidies	68 368	-	-	68 368	66 413	1 955	97.1%	91 293	91 417
Provinces and municipalities									
Departmental agencies and accounts	66 413	-	-	66 413	66 413	-	100.0%	91 216	91 216
Households	1 955	-	-	1 955	-	1 955	-	77	201

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 R'000	Variance as a % of Final Appropriation
Administration	333 689	333 593	96	0.0%
Economic Development	630 832	629 025	1 807	0.3%
Environmental Affairs	332 477	327 677	4 800	1.4%
Tourism	93 793	90 556	3 237	3.5%

4.2 Per economic classification

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current payments				
Compensation of employees	551 327	551 314	13	0.5%
Goods and services	194 449	189 157	5 292	1.1%
Interest and rent on land	1 062	998	64	6.0%
Transfers and subsidies				
Provinces and municipalities	235	173	62	26.4%
Departmental agencies and accounts	615 236	615 204	32	0.0%
Non-profit institutions	740	740	-	0.0%
Households	15 262	10 625	4 637	30.4%
Payments for capital assets				
Buildings and other fixed structures	11 300	11 480	(180)	0.3%
Machinery and equipment	1 180	1 160	20	1.7%
Intangible assets				

Payments for financial assets

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

The underspending on transfers and subsidies is on early retirement without penalties that could not be finalised during the year whereas; Goods and services under spend as a result of COVID 19 - relief funds since all applicants did not qualify for payment.

4.3 Per conditional grant

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
EPWP Incentive Grant	2 994	2 973	21	0.7%

The department has spent 99.3 per cent of the budget and the remaining budget is because the department made part payments in March 2021 for only day worked.

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	<u>1</u>	1 388 813	1 951 932
Statutory appropriation	<u>2</u>	1 978	1 978
Departmental revenue	<u>3</u>	117 857	179 732
NRF Receipts		-	-
Aid assistance		-	358
TOTAL REVENUE		1 508 648	2 134 000
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>5</u>	551 314	581 796
Goods and services	<u>6</u>	189 157	270 115
Interest and rent on land	<u>7</u>	998	951
Aid assistance	<u>4</u>	-	174
Total current expenditure		741 469	853 036
Transfers and subsidies			
Transfers and subsidies	<u>9</u>	626 742	1 060 027
Aid assistance	<u>4</u>	-	-
Total transfers and subsidies		626 742	1 060 027
Expenditure for capital assets			
Tangible assets	<u>10</u>	12 640	24 933
Intangible assets	<u>10</u>	-	-
Total expenditure for capital assets		12 640	24 933
Payments for financial assets	<u>8</u>	-	303
TOTAL EXPENDITURE		1 380 851	1 938 299
SURPLUS/(DEFICIT) FOR THE YEAR		127 797	195 701

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		9 940	15 785
Annual appropriation		9 919	15 785
Conditional grants		21	-
Departmental revenue and NRF Receipts	<u>16</u>	117 857	179 732
Aid assistance	<u>4</u>	-	184
SURPLUS/(DEFICIT) FOR THE YEAR		127 797	195 701

STATEMENT OF FINANCIAL POSITION as at 31 March 2026

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		21 715	27 474
Unauthorised expenditure		-	-
Cash and cash equivalents	11	20 297	26 067
Other financial assets		-	-
Prepayments and advances		-	-
Receivables	13	746	735
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable	4	672	672
Non-current assets		409 276	409 249
Investments	14	409 216	409 216
Receivables	13	60	33
Loans		-	-
Other financial assets		-	-
TOTAL ASSETS		430 991	436 723
LIABILITIES			
Current liabilities		21 193	27 243
Voted funds to be surrendered to the Revenue Fund	15	9 940	15 785
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	16	9 613	10 529
Bank overdraft		-	-
Payables	17	1 333	622
Aid assistance repayable	4	307	184
Aid assistance unutilised	4	-	123
Non-current liabilities			
Payables	17	-	-
TOTAL LIABILITIES		21 193	27 243
NET ASSETS		409 798	409 480

VOTE 6

STATEMENT OF FINANCIAL POSITION as at 31 March 2026

	Note	2020/21 R'000	2019/20 R'000
Represented by:			
Capitalisation reserve		409 216	409 216
Recoverable revenue		582	264
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		409 798	409 480

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

	Note	2020/21 R'000	2019/20 R'000
Capitalisation Reserves		409 216	409 216
Closing balance		409 216	409 216
Recoverable revenue			
Opening balance		264	421
Transfers:		318	(157)
Irrecoverable amounts written off		-	-303
Debts revised		-	-12
Debts recovered (included in departmental receipts)		-281	-491
Debts raised		599	649
Closing balance		582	264
TOTAL		409 798	409 480

CASH FLOW STATEMENT for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 508 318	2 133 912
Annual appropriated funds received	<u>1.1</u>	1 388 813	1 951 932
Statutory appropriated funds received	<u>2</u>	1 978	1 978
Departmental revenue received	<u>3</u>	117 258	178 225
Interest received	<u>3.3</u>	269	1 419
NRF Receipts		-	-
Aid assistance received	<u>4</u>	-	358
Net (increase)/decrease in working capital		700	63
Surrendered to Revenue Fund		(134 558)	(192 226)
Surrendered to RDP Fund/Donor		-	-
Current payments		(741 469)	(853 036)
Interest paid		-	-
Payments for financial assets		-	(303)
Transfers and subsidies paid		(626 742)	(1 060 027)
Net cash flow available from operating activities	<u>18</u>	6 249	28 383
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	<u>10</u>	(12 640)	(24 933)
Proceeds from sale of capital assets	<u>3.4</u>	330	88
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	<u>15</u>	(27)	480
Net cash flows from investing activities		(12 337)	(24 365)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		318	(157)
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		318	(157)
Net increase/(decrease) in cash and cash equivalents		(5 770)	3 861
Cash and cash equivalents at beginning of period		-	-
Unrealised gains and losses within cash and cash equivalents		26 067	22 206
Cash and cash equivalents at end of period	<u>17</u>	20 297	26 067

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

7	Revenue
7.1	Appropriated funds Appropriated funds comprises 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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

	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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

	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. <Indicate when prepayments and advances are expensed and under what circumstances.>
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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

	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. 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

	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 <i>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.]</i>
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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

	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 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.

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

PART B: EXPLANATORY NOTES

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:

	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	328 711	328 711	-	392 133	392 133	-
2. Economic Development	631 832	631 832	-	1 053 410	1 053 410	-
3. Environmental Affairs	332 477	332 477	-	386 892	386 892	-
5. Tourism	95 793	95 793	-	119 497	119 497	-
Total	1 388 813	1 388 813		1 951 932	1 951 932	-

All funds requested out of the voted funds were received

1.2 Conditional grants

	Note	2020/21 R'000	2019/20 R'000
Total grants received	47	2 994	3 563
Provincial grants included in Total Grants received		2 994	3 563

The appropriated national conditional grant reduced in 2020/21.

2. Statutory Appropriation

	2020/21 R'000	2019/21 R'000
Members' remuneration	1 978	1 978
Total	1 978	1 978
Actual Statutory Appropriation received	1 978	1 978

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

3. Departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Tax revenue		81 168	123 287
Sales of goods and services other than capital assets	2.1	10 690	17 295
Fines, penalties and forfeits	2.2	3 919	3 247
Interest, dividends and rent on land	2.3	269	1 419
Sales of capital assets	2.4	330	88
Transactions in financial assets and liabilities	2.5	476	12 506
Transfer received	2.6	21 005	21 890
Total revenue collected		117 857	179 732
Less: Own revenue included in appropriation	19	-	-
Departmental revenue collected		117 857	179 732

Include discussion here where deemed relevant

Reduction in collection is mainly on tax receipts from gambling and tourism activities due to Covid-19 lockdown restrictions which affected social and economic activities

3.1 Sales of goods and services other than capital assets

	Note	2020/21 R'000	2019/20 R'000
	3		
Sales of goods and services produced by the department		10 690	17 293
Sales by market establishment		3 090	3 302
Administrative fees		-	-
Other sales		7 600	13 991
Sales of scrap, waste and other used current goods			
Total		10 690	17 295

Revenue reduction in 2020/21 is mainly on resorts revenue due to travelling restrictions and reduction in number of daily and overnight guests resulting from COVID-19

3.2 Fines, penalties and forfeits

	Note	2020/21 R'000	2019/20 R'000
	3		
Fines		3 752	3 057
Penalties		167	190
Forfeits		-	-
Total		3 919	3 247

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

Increased collection in 2020/21 on environmental fines through the implementation of the National Environment Management Act (NEMA)

3.3 Interest, dividends and rent on land

	Note	2020/21 R'000	2019/20 R'000
	3		
Interest		269	1 419
Dividends		-	-
Rent on land		-	-
Total		269	1 419

In 2020/21, interest received from LTA on bank balances reduced due to COVID-19 budget cut.

3.4 Sale of capital assets

	Note	2020/21 R'000	2019/20 R'000
	3		
Tangible assets			
Buildings and other fixed structures	41		
Machinery and equipment	39	330	88
Biological assets	39		
Total		330	88

Increase in 2020/21 is as a result of MEC vehicle disposal through auction.

3.5 Transactions in financial assets and liabilities

	Note	2020/21 R'000	2019/20 R'000
	3		
Stale cheques written back			
Other Receipts including Recoverable Revenue		476	12 506
Gains on GFECRA			
Total		476	12 506

The reduction in 2020/21 emanates from surrender of surpluses from entities that is accounted in Transfers received.

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

3.6 Transfers received

	Note	2020/21 R'000	2019/20 R'000
Other governmental units	3	21 005	21 890
Total		21 005	21 890

The collection is for surrender of surpluses by schedule 3C public entities at year end.

4. Aid assistance

	Note	2020/21 R'000	2019/20 R'000
Opening Balance		(365)	(549)
Prior period error			
As restated		(365)	(549)
Transferred from statement of financial performance		-	184
Transfers to or from retained funds			
Paid during the year			
Closing Balance		(365)	(365)

4.1 Analysis of balance by source

	Note	2020/21 R'000	2019/20 R'000
Aid assistance from RDP			
Aid assistance from other sources		(365)	(365)
CARA			
Closing balance	4	(365)	(365)

4.2 Analysis of balance

	Note	2020/21 R'000	2019/20 R'000
Aid assistance receivable		(672)	(672)
Aid assistance prepayments (not expensed)		-	-
Aid assistance unutilised		-	123
Aid assistance repayable		307	184
Closing balance	4	(365)	(365)
Aid assistance not requested/not received		672	672

An amount of R 307 utilised will be surrendered to the Agency whereas R672 is due to the department by SANBI. A debt will created.

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

4.3 Aid assistance expenditure per economic classification

	Note	2020/21 R'000	2019/20 R'000
Current		-	174
Capital	10	-	-
Transfers and subsidies			
Total aid assistance expenditure		-	174

5. Compensation of employees

5.1 Salaries and Wages

	Note	2020/21 R'000	2019/20 R'000
Basic salary		371 675	395 049
Performance award		4 313	6 195
Service Based		30 848	32 467
Compensative/circumstantial		3 544	3 294
Periodic payments		-	-
Other non-pensionable allowances		61 150	64 042
Total		471 530	501 047

Reduced expenditure as compared to prior year is due to amongst others; reduced budget, natural attrition and moratorium on non-executive posts.

5.2 Social contributions

	Note	2020/21 R'000	2019/20 R'000
Employer contributions			
Pension		48 143	50 965
Medical		31 128	29 593
UIF		-	-
Bargaining council		122	119
Official unions and associations		-	-
Insurance		391	72
Total		79 784	80 749
Total compensation of employees		551 314	581 796
Average number of employees		1 194	1 253

Reduction in average number of employees is due to natural attrition

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

6. Goods and services

	Note	2020/21	2019/20
		R'000	R'000
Administrative fees		-	773
Advertising		294	1 687
Minor assets	6.1	34	691
Bursaries (employees)		556	1 551
Catering		176	3 584
Communication		8 418	11 627
Computer services	6.2	14 195	16 125
Consultants: Business and advisory services		20 436	12 387
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		264	2 872
Contractors		6 885	22 315
Agency and support / outsourced services		67	21
Entertainment		-	-
Audit cost – external	6.3	5 304	6 322
Fleet services		11 001	15 196
Inventory	6.4	286	1 136
Consumables	6.5	19 628	12 474
Housing		-	-
Operating leases		52 095	55 125
Property payments	6.5	35 531	35 604
Rental and hiring		2 077	3 167
Transport provided as part of the departmental activities		-	-
Travel and subsistence	6.6	9 609	52 259
Venues and facilities		177	5 907
Training and development		26	3 219
Other operating expenditure	6.7	2 098	6 073
Total		189 157	270 115

Expenditure in 2020/21 financial year reduced due to COVID-19 budget cut

6.1 Minor assets

	Note	2020/21	2019/20
	6	R'000	R'000
Tangible assets			
Machinery and equipment		34	691
Total		34	691

There was reduction in budget in 2020/21 relating to COVID-19 hence reduced spending.

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

6.2 Computer services

	Note	2020/21 R'000	2019/20 R'000
	6		
SITA computer services		8 642	7 650
External computer service providers		5 553	8 475
Total		14 195	16 125

6.3 Audit cost – External

	Note	2020/21 R'000	2019/20 R'000
	6		
Regularity audits		5 304	6 322
Total		5 304	6 322

Expenditure hereto relates to AGSA fees

6.4 Inventory

	Note	2020/21 R'000	2019/20 R'000
	6		
Food and food supplies		286	968
Medical supplies		-	168
Total		286	1 136

6.5 Consumables

	Note	2020/21 R'000	2019/20 R'000
	6		
Consumable supplies		19 103	10 713
Uniform and clothing		258	-
Household supplies		1 828	1 752
Building material and supplies		1 571	1 817
Communication accessories		-	-
IT consumables		561	2 815
Other consumables		14 885	4 329
Stationery, printing and office supplies		525	1 761
Total		19 628	12 474

included in other is payments for COVID-19 waste and tourism relief funds

6.6 Property payments

	Note	2020/21 R'000	2019/20 R'000
	6		
Municipal services		8 584	9 600
Property management fees		-	-
Property maintenance and repairs		3 483	2 410
Other		23 464	23 594
Total		35 531	35 604

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

6.7 Travel and subsistence

	Note	2020/21 R'000	2019/20 R'000
Local	6	9 457	49 516
Foreign		152	2 743
Total		9 609	52 259

6.8 Other operating expenditure

	Note	2020/21 R'000	2019/20 R'000
Professional bodies, membership and subscription fees	6	395	1 732
Resettlement costs		275	39
Other		1 428	4 302
Total		2 098	6 073

reduced expenditure on professional bodies, membership and subscription is as a results of budget cut

7. Interest and rent on land

	Note	2020/21 R'000	2019/20 R'000
Interest paid		-	-
Rent on land		998	951
Total		998	951

8. Payments for financial assets

	Note	2020/21 R'000	2019/20 R'000
Debts written off	8.3	-	303
Total		-	303

Provision for debts write off was not made in 2020/21 financial year due to budget limitation.

Staff debts written off	-	303
Total debt written off	-	303

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

9. Transfers and subsidies

		2020/21 R'000	2019/20 R'000
	<i>Note</i>		
Provinces and municipalities	48, 49	173	1 738
Departmental agencies and accounts	Annexure 1B	615 194	1 044 807
Public corporations and private enterprises	Annexure 1D	10	26
Non-profit institutions	Annexure 1F	740	750
Households	Annexure 1G	10 625	12 706
Total		626 742	1 060 027

10. Expenditure for capital assets

	<i>Note</i>	2020/21 R'000	2019/20 R'000
Tangible assets			
Buildings and other fixed structures	40	11 480	20 120
Heritage assets	39, 41		
Machinery and equipment	39	1 160	4 813
Total		12 640	24 933

Budget was reduced in 2020/21 for COVID-19 Provincial response package and economic recovery plan, and thus expenditure.

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

	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	12 640		12 640
Buildings and other fixed structures	11 480	-	11 480
Machinery and equipment	1 160	-	1 160
Total	12 640		12 640

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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	24 933		24 933
Buildings and other fixed structures	20 120		20 120
Heritage assets			
Machinery and equipment	4 813		4 813
Total	24 933	-	24 933

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

10.3 Finance lease expenditure included in Expenditure for capital assets

	R'000	R'000
Tangible assets		
Machinery and equipment	291	760
Total	<u>291</u>	<u>760</u>

Variance is as a results of expired leases on Machinery and Equipment.

11. Cash and cash equivalents

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account		20 162	26 057
Cash receipts		-	1
Disbursements		135	9
Cash on hand			
Total		<u>20 297</u>	<u>26 067</u>

There are no cash and cash equivalent balances held by the department that are not available for use. The difference between the PMG account and bank statement as at 31 March 2021 is due to late bank interface. The corrected error is reflected on the bank statement of the 1 April 2021

12. Prepayments and advances

12.1 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					18	18
Transfers and subsidies		260	(260)	-	93	93
Total		<u>260</u>	<u>(260)</u>	<u>-</u>	<u>111</u>	<u>111</u>

	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
Transfers and subsidies		5	(5)	-	260	260
Total		<u>5</u>	<u>(5)</u>	<u>-</u>	<u>260</u>	<u>260</u>

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

12.2 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
Public entities	3 243	(12 683)	-	9 972	532
Other entities					
Total	3 243	(12 683)	-	9 972	532

There is an improvement in implementation of projects hence the reduced advance paid as compared to 2019/20 financial year.

Note	Amount as at 1 April 2019	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2020
	R'000	R'000	R'000	R'000	R'000
Provincial departments					
Public entities	6 289	(6 289)	-	3 243	3 243
Other entities					
Total	6 289	(6 289)	-	3 243	3 243

refer to note 44

13. Receivables

	Current	2020/21 Non- current	Total	Current	2019/20 Non- current	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable				392	-	392
Recoverable expenditure	401	60	461	331	33	364
Other receivables	345	-	-	12	-	12
Total	401	60	461	735	33	768

Note
12.1

12.2

12.3

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

13.1 Claims recoverable

	Note 15 and Annex 4	2020/21 R'000	2019/20 R'000
Public entities		-	392
Total		-	392

13.2 Staff debt

	Note 15	2020/21 R'000	2019/20 R'000
(Group major categories, but list material items)			
Salaries overpayments		252	149
Erroneous payments		34	1
Salary Tax debt		9	3
Insufficient leave days		88	87
Loss of assets and other resources		75	120
Bursary debts		3	3
Untraveled kilometres		-	-
Fruitless expenditure		-	1
Total		461	364

The increase on staff debt is mainly due to death cases where termination happens after pay date

13.3 Other receivables

	Note 15	2020/21 R'000	2019/20 R'000
(Group major categories, but list material items)			
Suppliers Overpayments		19	12
Outstanding permit fee		318	-
Medical aid termination		8	-
Total		345	12

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

14. Investments

	Note	2020/21 R'000	2019/20 R'000
Non-Current			
Shares and other equity			
Shareholding in Limpopo Development Agency (LEDA)		409 216	409 216
Total		409 216	409 216
		2020/21 R'000	2019/20 R'000
Analysis of non-current investments			
Opening balance		409 216	409 216
Closing balance		409 216	409 216

15. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		15 785	12 830
Prior period error	14.2		
As restated		15 785	12 830
Transfer from statement of financial performance (as restated)		9 940	15 785
Paid during the year		(15 785)	(12 830)
Closing balance		9 940	15 785

Reduction in surrenders implies improved spending.

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

	Note	2020/21 R'000	2019/20 R'000
Opening balance		10 529	10 193
Prior period error	15.1		
As restated		10 529	10 193
Transfer from Statement of Financial Performance (as restated)		117 857	179 732
Paid during the year		(118 773)	(179 396)
Closing balance		9 613	10 529

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

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

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General account		20 162	(3 338)
Cash receipts		-	1
Disbursements		135	9
Cash on hand		-	-
Cash with commercial banks (Local)		-	29 395
Total		20 297	26 067

The difference between the PMG account and bank statement as at 31 March 2021 is due to late bank interface. The corrected error is reflected on the bank statement of the 1 April 2021

20. Contingent liabilities and contingent assets

20.1 Contingent liabilities

		Note	2020/21 R'000	2019/20 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	Annex 3A		
Housing loan guarantees	Employees	Annex 3A	202	202
Other guarantees		Annex 3A		
Claims against the department		Annex 3B	11 552	38 087
Intergovernmental payables (unconfirmed balances)		Annex 5		
Environmental rehabilitation liability		Annex 3B		
Other		Annex 3B		
Total			11 754	38 289

Reduction is mainly due to files closed since the matters are dormant.

"The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court.

The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute. Due to high degree of uncertainties in the input information on the calculation, a reliable estimate cannot be determined at reporting date.

There are no contingent liabilities not disclosed due to sensitivity.

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

17. Payables – current

	Note	2020/21 R'000	2019/20 R'000
Amounts owing to other entities		1 280	596
Advances received	16.1	-	-
Clearing accounts	16.2	53	26
Other payables	16.3	-	-
Total		1 333	622

The amount owed to other entities relates to Government Employee Health Scheme and SARS due to PERSAL cut off.

17.1. Clearing accounts

	Note	2020/21 R'000	2019/20 R'000
Description	21		
Employees housing subsidies received		53	26
Total		53	26

18. 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		127 797	195 701
Add back non cash/cash movements not deemed operating activities		(121 548)	(167 318)
(Increase)/decrease in receivables		(11)	(559)
(Increase)/decrease in prepayments and advances		-	-
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		711	622
Proceeds from sale of capital assets		(330)	(88)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		12 640	24 933
Surrenders to Revenue Fund		(134 558)	(192 226)
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generated by operating activities		6 249	28 383

Reduction in surrender of revenue funds relate to reduced revenue collection in 2020/21 financial year

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

20.2 Contingent assets

	Note	2020/21 R'000	2019/20 R'000
Nature of contingent asset			
Salary overpayment and Salary Tax debt		4	4
Government owned vehicle accidents		424	482
untraveled kilometres		368	368
Insufficient leave days		-	-
Lost assets		21	38
Stolen Departmental Vehicle		135	135
Suppliers overpayments		3	3
Absenteeism without permission		73	73
Penalties relating to Makuya Nature reserve		2 986	-
Total		4 014	1 103

Where the disclosure requirements of the Standards are not done due to impracticalities, and or the sensitivity of the information, disclose this fact with reasons.

21. Capital commitments

	Note	2020/21 R'000	2019/20 R'000
<i>Specify class of asset</i>			
Other fixed Structures		6 559	15 187
Machinery and Equipments		-	3 035
Total		6 559	18 222

There were no outstanding orders for machinery and equipment at year end.

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

22. Accruals and payables not recognised

22.1 Accruals

			2020/19 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	6 658	-	6 658	8 742
Interest and rent on land	-	-	-	-
Transfers and subsidies	1 098	-	1 098	104
Capital assets	7	79	86	1 372
Other	-	-	-	-
Total	7 763	79	7 842	10 218

Note

	2020/21 R'000	2019/20 R'000
--	------------------	------------------

Listed by programme level

Administration	5 845	7 230
Economic Development	1 365	285
Environmental Affairs	609	2 610
Tourism	23	93
Total	7 842	10 218

22.2 Payables not recognised

			2020/21 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	3 156	20	3 176	1 514
Interest and rent on land	-	87	87	19
Transfers and subsidies	5 209	28 896	34 105	28 897
Capital assets	-	116	116	320
Other	-	536	536	1
Total	8 365	29 655	38 020	30 751

Note

	2020/21 R'000	2019/20 R'000
--	------------------	------------------

Listed by programme level

Administration	8 670	1 087
Economic Development	26 004	424
Environmental Affairs	289	26 232
Tourism	3 057	3 008
Total	38 020	30 751

Included in the above totals are the following:

	Note	2020/21 R'000	2019/20 R'000
Confirmed balances with other departments	Annex 5	2 218	717
Confirmed balances with other government entities	Annex 5	34 043	29 190
Total		36 261	29 907

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

23. Employee benefits

	Note	2020/21 R'000	2019/20 R'000
Leave entitlement		31 521	24 942
Service bonus		15 801	16 622
Performance awards		12 719	5 251
Capped leave		46 731	54 403
Other		3 032	1 206
Total		109 804	102 424

The amount listed as other, relates to long service awards and unpaid overtime. Leave entitlement values includes negatives for insufficient credits. The method used in performance awards is in terms of the prescribed percentages as per the PMDS incentive policy. Service awards.

24. Lease commitments

24.1 Operating leases

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			56 611	-	56 611
Later than 1 year and not later than 5 years			310 236	-	310 236
Later than five years			213 112	-	213 112
Total lease commitments			579 959	-	579 959

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			47 115	-	47 115
Later than 1 year and not later than 5 years			287 256	-	287 256
Later than five years			292 413	-	292 413
Total lease commitments			626 784	-	626 784

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

24.2 Finance leases

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2020/21					
Not later than 1 year				47	47
Later than 1 year and not later than 5 years				-	-
Later than five years				-	-
Total lease commitments				47	47
2019/20					
Not later than 1 year				167	167
Later than 1 year and not later than 5 years				31	31
Later than five years				-	-
Total lease commitments				198	198

**This note excludes leases relating to public private partnership as they are separately disclosed in note no. 35.

Machinery & Equipment: Contract expired, the department is in the process of entering into a new contract.

25. Accrued departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Tax revenue		2 464	552
Sales of goods and services other than capital assets		847	853
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		117	-
Sales of capital assets		94	94
Transactions in financial assets and liabilities			-
Transfers received			-
Other			389
Total		3 522	1 888

An increase in tax revenue accruals relates to revenue to be surrendered by LGB.

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

25.1 Analysis of accrued departmental revenue

	Note	2020/21	2019/21
		R'000	R'000
Opening balance		1 888	3 938
Less: amounts received		1 794	3 938
Less: services received in lieu of cash		-	-
Add: amounts recorded		3 428	1 888
Less: amounts written-off/reversed as irrecoverable		-	-
Less: amounts transferred to receivables for recovery		-	-
Other (<i>Specify</i>)			
Closing balance		3 522	1 888

An increase in tax revenue accruals relates to revenue to be surrendered by LGB.

26. Irregular expenditure

26.1 Reconciliation of irregular expenditure

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		40 305	61 467
Prior period error			762
As restated		40 305	62 229
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		-	16 022
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned		(24)	(37 918)
Less: Prior year amounts not condoned and removed		(19 797)	-
Less: Current year amounts not condoned and removed		-	-
Less: Amounts recoverable (current and prior year)	15	-	(28)
Less: Amounts written off			
Closing balance		20 514	40 305

Analysis of closing balance

Current year	-	15 994
Prior years	20 514	24 311
Total	20 514	40 305

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

26.2 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
		-
Total		-

26.3 Details of irregular expenditure condoned

Incident	Condoned by (relevant authority)	2020/21 R'000
Disqualification of supplier whose tax affairs were not in order		24
Total		24

26.4 Details of irregular expenditure recoverable (not condoned) Danger Allowances

	2020/21 R'000
Danger Allowances	18 166
Goods and services with a transaction value of between R10,000.00 and R500,000.00 procured without obtaining three quotations.	829
Misapplication of the Preferential Procurement Policy Framework Act and its regulations - Exceeded the 80/20 threshold of R5000 000.00 when issuing an order. Contravention of the Treasury regulations; Chapter 8(8 .1.1)	772
Total	19 767

26.5 Prior period error

Note

	2019/20 R'000
Nature of prior period error	762
Relating to 2016/17 <i>[affecting the opening balance]</i>	
Relating between 2015/16 to 2017/18(affecting the opening balance)	(3)
Disqualification of supplier whose tax affairs were not in order	(268)
Compensating Events DBSA	1 033
Relating to 2019/20	-
Total prior period errors	762

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

27. Fruitless and wasteful expenditure

27.1 Reconciliation of fruitless and wasteful expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		259	264
Prior period error		-	-
As restated		259	264
Fruitless and wasteful expenditure – relating to prior year		219	-
Fruitless and wasteful expenditure – relating to current year		165	19
Less: Amounts recoverable	15.6	(9)	-
Less: Amounts written off		(171)	(24)
Closing balance		463	259

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

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Interest paid to Eskom		4
Interest paid to telkom		11
Duplicate flight invoice relating to 2020		219
Sanitizing booths purchased, not in use.		150
Total		384

27.3 Details of fruitless and wasteful expenditure recoverable

Incident	2020/21 R'000
Duplicate service	4
Interest reversed by municipality	5
Total	9

27.4 Details of fruitless and wasteful expenditure written off

Incident	2020/21 R'000
Interest charged by standard bank	125
Interest accrued on annual salary	21
Additional costs acquired by service provider	16
SARS penalty	8
Traffic fines	1
Total	171

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

28. Related party transactions

	Note	2020/21 R'000	2019/20 R'000
In kind goods and services provided/received			
List in kind goods and services between the			
Audit committee costs paid by Limpopo Provincial		300	322
Treasury on behalf of the department			
Internal audit fees paid by Limpopo Provincial		3 466	3 199
Treasury on behalf of the department			
PPE's purchased by the Provincial Department of		739	-
Health on behalf of the department			
Total		4 505	3 521

List related party relationships and the nature thereof

All provincial departments are related party to the department as we are governed by the same legislation. E.g. DPWRI-as the provincial custodian of government properties, maintenance and refurbishment/upgrading of infrastructure. Limpopo Provincial Treasury- the department made use of the provincial (shared) audit committee and internal audit function, fees charged by the audit committee members and internal audit members are paid by Provincial Treasury on behalf of the department. The Department received PPEs paid from Health. LEDA-The entity plans and coordinates development of SMME's on behalf of the department through financing, generic marketing of the Limpopo province as an investment destination and marketing of specific trade and investment; provide business development and support services to the SMME's.LGB Is responsible for regulating control and monitoring of gambling activities in the Province on behalf of the Department. LTA is responsible for marketing Limpopo Province as a tourism destination.

29. Key management personnel

	No. of Individuals	2020/21 R'000	2019/20 R'000
Political office bearers (provide detail below)			
Officials:	1	1 978	1 978
Key staff in control of the department	4	6 802	6 813
Chief director at level 14(Including CFO)	7	8 220	9 714
Family members of key management personnel			
Total		17 000	18 505

Included in the number of personnel at level 14 is secondment of CFO from Provincial Treasury. An amount of R 536 000 is disclosed as inter- departmental debt.

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

30. Non-adjusting events after reporting date

Nature of event	2020/21 R'000
Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.	
The amount relates to claim recoverable from SAMBI as refund to department.	672
Based on the legal opinion and consultation with AGSA, the irregular expenditure is removed	8 544
Total	9 216

31. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	146 077	-	889	1 366	145 600
Transport assets	69 352		-	1 173	68 179
Computer equipment	23 573		28	58	23 523
Furniture and office equipment	19 204		29	-	19 233
Other machinery and equipment	33 948		832	135	34 645
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	146 077		889	1 366	145 600

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Heritage assets		
Machinery and equipment	147	1 381
Specialised military assets		
Biological assets		

Assets under investigation relates to assets which are lost and those that are still to be verified.

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

31.1 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
HERITAGE ASSETS					
Heritage assets					
MACHINERY AND EQUIPMENT	1 160	39	(291)	(19)	889
Transport assets	-	-	-	-	-
Computer equipment	22	6	-	-	28
Furniture and office equipment	29	-	-	-	29
Other machinery and equipment	1 109	33	(291)	(19)	832
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	1 160	39	(291)	(19)	889

An amount of R 19 000 relates to assets that were received during 2019/20 FY but paid in the current FY. Included in the additions are assets amounting to R 39 000 which are non-cash additions (replacements and fair valued assets in the current FY)

31.2 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
HERITAGE ASSETS				
Heritage assets				
MACHINERY AND EQUIPMENT	1 173	193	1 366	330

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

Transport assets	1 173	-	1 173	330
Computer equipment		58	58	-
Furniture and office equipment		-	-	-
Other machinery and equipment		135	135	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	1 173	193	1 366	330

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

31.3 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
HERITAGE ASSETS					
Heritage assets					
MACHINERY AND EQUIPMENT	143 867	103	4 260	2 153	146 077
Transport assets	68 633		733	14	69 352
Computer equipment	22 421	20	2 299	1 167	23 573
Furniture and office equipment	19 093	16	364	269	19 204
Other machinery and equipment	33 720	67	864	703	33 948
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	143 867	103	4 260	2 153	146 077

Include discussion here where deemed relevant

31.3.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2018/19 [affecting the opening balance]		103
Computers that were previously written-off being reinstated.		103
Relating to 2019/20		-
Total prior period errors		103

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

31.4 Minor assets

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance				25 222		25 222
Value adjustments				88		88
Additions				59		59
Disposals						
TOTAL MINOR ASSETS				25 251		25 251

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				2 114		2 114
Number of minor assets at cost				16 285		16 285
TOTAL NUMBER OF MINOR ASSETS				18 399		18 399

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Specialised military assets		
Intangible assets		
Heritage assets		
Machinery and equipment	509	542
Biological assets		

Included in the addition of R 88 000, is R 28 700 cash additions and R 59 700 non-cash additions. Assets under investigation relates to assets which are lost and those that are still to be verified.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance				25 298		25 298
Prior period error				-		-
Additions				1 013		1 013
Disposals				1 089		1 089
TOTAL MINOR ASSETS				25 222		25 222
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				2 123		2 123
Number of minor assets at cost				16 297		16 297
TOTAL NUMBER OF MINOR ASSETS				18 420		18 420

31.4.1 Prior period error

	Note	2019/20 R'000
Relating to 2019/20		
Reinstatement of assets previously written-off		42
Total prior period errors		42

MAJOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
No. of Assets				21		21
Value of the assets (R'000)				188		188

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

MINOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
No. of Assets				121		121
Value of the assets (R'000)				247		247

32. 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	233	-	-	-	233
TOTAL INTANGIBLE CAPITAL ASSETS	233	-	-	-	233

33. 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	85 933	-	78 638		164 571
Dwellings	-		-		-
Non-residential buildings	10 787	-	78 638		89 425
Other fixed structures	75 146	-	-		-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	85 933	-	78 638	-	164 571

Additions relates to work completed and ready to be transferred in terms of sec 42 of the PFMA.

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

33.1 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	11 480	78 638	(11 480)	-	78 638
Dwellings	-	-	-	-	-
Non-residential buildings	11 480	78 638	(11 480)	-	78 638
Other fixed structures	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	11 480	78 638	(11 480)	-	78 638

33.2 Movement for 2019/20

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	85 846	-	76 192	76 105	85 933
Dwellings	-	-	-	-	-
Non-residential buildings	10 787	-	-	-	10 787
Other fixed structures	75 059	-	76 192	76 105	75 146
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	85 846	-	76 192	76 105	85 933

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

33.3 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Opening balance 1 April 2020	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2021
Note	R'000	R'000	R'000	R'000
<i>Annexure 7</i>				
Buildings and other fixed structures	112 732	10 952	78 638	45 046
Intangible assets				
TOTAL	112 732	10 952	76 638	45 046

Included in the current expenditure of R 11 480 million is an amount of R 10 952 million which is the amount recognised as current WIP. An amount of R 532 000 as advance payment to DBSA.

	Number of projects		2020/21
Age analysis on ongoing projects	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	1	9	11 752
1 to 3 Years	2	11	25 192
3 to 5 Years	2	2	11 401
Longer than 5 Years	2	-	600
Total	7	22	48 945

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

Payables not recognised relating to Capital WIP	Note	2020/21 R'000	2019/20 R'000
<i>[Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress]</i>			
Retention work done Infrastructure projects		102	102
Total		102	102

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note	Opening balance 1 April 2019 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2020 R'000
	Annexure 7					
Buildings and other fixed structures		118 790	-	23 792	29 850	112 732
Intangible assets						
TOTAL		118 790	-	23 792	29 850	112 732

Age analysis on ongoing projects	Number of projects		2019/20
	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	-	5	23 792
1 to 3 Years	-	5	26 175
3 to 5 Years	-	2	62 765
Longer than 5 Years	-	-	-
Total	-	12	112 732

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

33.4 S42 Immovable assets

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

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	96	149 495
Dwellings	96	149 495
TOTAL	96	149 495

Included in the R149,495 is the assets that were not transferred to Public Works in the prior year.

Assets to be transferred in terms of S42 of the PFMA – 2019/20

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	33	70 857
Dwellings	-	-
Non-residential buildings	33	70 857
Other fixed structures		
TOTAL	33	70 857

Principal-agent arrangements

34. Department acting as the principal

	2020/21 R'000	2019/20 R'000
Include a list of the entities acting as agents for the department, the fee paid as compensation to the agent and any other transactions undertaken		
Prism Architects	-	673
LEMEG Architects	403	1 199
Restore Africa Designs	-	159
DBSA	1 987	678
Total	2 390	2 709

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

Principal Agents oversee the implementation of Infrastructure projects of the Department. Principal Agents prepares progress reports after meeting held with contractors and also certify works done for each project. The Department is the principal (employer) of the agent.

All the Principal Agents oversees other professionals, namely Quantity Survey, Environmental, Civil and Electrical Engineering. Infrastructure is governed by SIPDM and that requires the expertise of the Architects and various engineers which the Department has to outsource. Excluding the Principal Agent when implementing Infrastructure would be very risky and not in compliance with the prescripts.

- Restore Africa did not perform any works during 2020/21 FY, because their project is completed
- Prism Architects did not perform any works during 2020/21 FY, but the project is still ongoing

35. Prior period errors

35.1 Correction of prior period errors

	Not e	Amount bef error correction	Prior period error	Restated Amount
		2019/20 R'000	2019/20 R'000	2019/20 R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
Property payments Maintenance & repair	6.6	25 874	(23 464)	2 410
Property payments: other	6.6	130	23 464	23 594
Tangible capital asset	39.3	145 974	103	146 077
Minor Assets	39.4	25 202	18	25 220
Minor Assets	39.4	25 254	42	25 296
Net effect		22 434	163	222 597

Correction of misclassification in the prior year for security services. Major previously written -off are now re-reinstated(R 103). Minor assets that were previously under investigation added.

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

	Note	Amount bef error correction 2019/20 R'000	Prior period error 2019/20 R'000	Restated Amount 2019/20 R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Cash and cash equivalent	12	26 062	5	26 067
Cash on hand	24	(29 395)	-	(29 395)
Consolidated PMG	24	-	29 395	29 395
Prepayment	14.3	3 243	(3 243)	-
Advance (expensed)	14.4	-	3 243	3 243
Value of Immovable assets to be transferred	41.6	76 105	(5 248)	70 857
Net effect		76 015	24 152	100 167

There is error on the Cash and cash equivalent note differing from the Financial Position, and the correction was made. There was a misclassification due to template wording of cash in the bank as "Cash on Hand". The right item was activated in the current template, hence classified correctly as "Consolidated PMG"

	Note	Amount bef error correction 2019/20 R'000	Prior period error 2019/20 R'000	Restated Amount 2019/20 R'000
Other: (E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Irregular expenditure	31	61 467	762	62 229
Net effect		61 467	762	62 229

Provide a description of the nature of the prior period error as well as why the correction was required.

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

36. Inventories

Inventories for the year ended 31 March 2021

	Groceries	Ammunition			TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	123	145	-	-	268
Add/(Less): Adjustments to prior year balances	-	-			-
Add: Additions/Purchases – Cash	286	-			286
Add: Additions - Non-cash	-	141			141
(Less): Disposals	-52	-			(52)
(Less): Issues	-309	-116			(425)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	273			273
Add/(Less): Adjustments					
Closing balance	48	443	-		491

The inventory additions amounting to R 273 000,00 was received in the current year, but not yet paid for.

Inventories for the year ended 31 March 2020

	Groceries	Ammunition			TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	142	789	-	-	221
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	968	168	-	-	1 136
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-6	-	-	-	(6)
(Less): Issues	-981	-102	-	-	(1 083)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	
Add/(Less): Adjustments	-	-	-	-	
Closing balance	123	855	-	-	268

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

37. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	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 / (Overspen-ding)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by departmen-t
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Incentive Grant	2 994	-	-	-	2 994	2 994	2 973	21	99%	3 563	3 563
	2 994	-	-	-	2 994	2 994	2 973	21		3 563	3 562

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

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

38. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2020/21							2019/20	
NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Polokwane Municipality	83			83	76			1 205	1 048
Lepelle Nkumpi Municipality	52			52	23			305	303
Modimolle Municipality	10			10	4			400	301
Greater Giyani Municipality	35			35	22			41	39
Thulamela Municipality	55			55	48			58	47
TOTAL	235			235	173			2 009	1 738

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

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance

Economic Development, Environment and Tourism VOTE 6

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

39. COVID 19 Response Expenditure

	Note Annexure 11	2020/21 R'000	2019/20 R'000
Compensation of employees			
Goods and services		29 417	-
Transfers and subsidies		10 000	-
Expenditure for capital assets		150	-
Other		-	-
Total		39 567	-

Included in the expenditure is the ring-fenced Covid-19 relief fund for SMMEs support; Waste Management and Tourism relief as well as departmental Covid-19 allocation Personal Protective Equipment.

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

ANNEXURE 1A STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				20XX/YY	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocation 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
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Polokwane Municipality	83			83	76							1 205	
Lepelle Nkumpi Municipality	52			52	23							305	
Modimolle Municipality	10			10	4							400	
Greater Giyani Municipality	35			35	22							41	
Thulamela Municipality	55			55	48							58	
TOTAL	235			235	173							2 009	

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

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

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance

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

ANNEXURE 1B
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
Limpopo Development Agency	487 400			487 400	487 400	100%	881 474
Limpopo Gambling Board	61 381			61 381	61 381	100%	72 117
Limpopo Tourism Agency	66 413			66 413	66 413	100%	91 216
TOTAL	615 194			615 194	615 194		1 044 807

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

ANNEXURE 1D 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									
Tv Licence Transfers	42	-	-	42	10	23.8%			37
Subsidies									
Total	42	-	-	42	10	23.8%			37

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

ANNEXURE 1F STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Vhembe Biosphere Reserves	247			247	247	100%	250
Kruger to Canyon Biosphere Region	247			247	247	100%	250
Waterberg Biosphere Reserve	246			246	247	100%	250
	740			740	740		750

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

ANNEXURE 1G STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
H/H S/BEN: Injury on duty	133			133	38	29%	136
H/H S/BEN: Leave gratuity	7 702			7 702	8 168	106%	4 654
H/H S/BEN: Bursaries (Non employees)	1 522			1 522	2 419	159%	2 508
H/H S/BEN: S/BEN : ER PENS Penalty	5 905			5 905	-	0%	-
H/H S/BEN: Injury on duty	133						
	15 262			15 262	10 625		7 298
Subsidies							
TOTAL	15 262			15 262	10 625		7 298

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

ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDI- TURE	PAID BACK ON/BY 31 MARCH	CLOSING BALANCE
		R'000	R'000	R'000	R'000	R'000
Received in cash						
SANBI TRAINING		(672)				(672)
DPSA: TIRELO BOSHA		307				307
Subtotal		(365)				(365)

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

ANNEXURE 2A STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 2020/21	% Held 2019/20	Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guaranteed
						R'000		R'000		R'000		
				2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	Yes/No
National/Provincial Public Entity												
Limpopo Economic Development Agency (LEDA)	3D	100	100	409 216 005	409 216 005	409 216	409 216	1 048 241	1 285 105	(59 513)	(2 562)	
Subtotal				409 216 005	409 216 005	409 216	409 216	1 048 241	1 285 105	(59 513)	(2 562)	
Other												
Subtotal												
TOTAL				409 216 005	409 216 005	409 216	409 216	1 048 241	1 285 105	(59 513)	(2 562)	

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

ANNEXURE 2B STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of Public Entity	Nature of business	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
		R'000		R'000		R'000		R'000	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Controlled entities									
Limpopo Economic Development Agency (LEDA)	Economic Development activities in the province	409 216	409 216	1 048 241	1 285 105				
Subtotal		409 216	409 216	1 048 241	1 285 105				
Non-controlled entities									
	Associates								
	Subtotal								
	Joint Ventures								
	Subtotal	409 216	409 216	1 048 241	1 285 105				
	Other non controlled entities								
	Subtotal								
TOTAL		409 216	409 216	1 048 241	1 285 105				

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

ANNEXURE 1K STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2020	Feb 2020	Mar 2020	Total
Grant Type	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Other	60	73	73	74	-	-	75	319	486	505	474	834	2 973
TOTAL	60	73	73	74	-	-	75	319	486	505	474	834	2 973

The information reflected herein is for EPWP Incentive Grant.

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

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

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 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
	Motor vehicles								
	Subtotal								
	Housing		202				202		
	ND Development Corporation		202				202		
	Subtotal								
	Other								
	Subtotal								
	TOTAL		202				202		

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

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

	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
Nature of Liability	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Collusion with state vehicle driven by the officer	354	-	21	-	333
Claim for wrongly calculated capped days	400	-	-	-	400
Claim for unlawful arrest	200	-	200	-	-
Claim for accommodation provided to employees	14	-	14	-	-
Resettlement claim	139	-	139	-	-
Claim for damages due to veld fires- Seral CPA	25 000	-	25 000	-	-
Claim for unlawful arrest by environmental officer	1 100	-	1 100	-	-
Claim for lost hunt after an officer killed an elephant	700	-	700	-	-
Claim for services rendered to the department	53	-	53	-	-
Claim for services rendered to the department	127	-	-	-	127
Civil claim due to unlawful arrest by the environmental officers	10 000	-	-	-	10 000
Claim for debt due to breach of contract for services rendered to LEDET	-	692	-	-	692
Subtotal	38 087	692	27 227	-	11 552
Environmental Liability	-	-	-	-	-
Subtotal	-	-	-	-	-
TOTAL	38 087	692	27 227	-	11 552

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

ANNEXURE 4 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								
	-	-	-	-	-	-	-	-
Other Government Entities								
Limpopo Gambling Board	392	-	-	-	392	-		
SANBI	-	672	-	672	-	-		
TOTAL	392	672	-	672	392	392		

*

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

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21 *	
							Payment date up to six (6) working days before year end	Amount
	31/03/2021 R'000	31/03/2020 R'000	31/03/2021 R'000	31/03/2020 R'000	31/03/2021 R'000	31/03/2020 R'000		R'000
DEPARTMENTS								
Current								
Department of Justice	1 662	702			1 662	702		
South African Police Services (SAPS)	20	1			20	1		
Department of International Relations & Cooperation	-	14			-	14		
Limpopo Provincial Treasury	536	-			536	-		
Subtotal	2 218	717			2 218	717		
Non-current								
Subtotal								
TOTAL	2 218	717			2 218	717		
OTHER GOVERNMENT ENTITY								
Current								
Limpopo Tourism Authority (LTA)	3 008	3 008	-		3 008	3 008		
Limpopo Economic Development	25 888	25 888	-		25 888	25 888		

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

Agency (LEDA)					
National School of Government	-	1	1	1	1
G Fleet Management	-	293	-	-	293
Government Employees Pension Fund	5 147	-	-	5 147	-
Subtotal	34 043	29 190	1	34 044	29 190
Non-current					
Subtotal	34 043	29 190	1	34 044	29 190
TOTAL INTERGOVERNMENT PAYABLES	36 261	29 907	1	-	36 262

*

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

ANNEXURE 6 INVENTORIES

Inventories for the year ended 31 March 2021

Opening balance			
Add/(Less): Adjustments to prior year balances			
Add: Additions/Purchases – Cash			
Add: Additions - Non-cash			
(Less): Disposals			
(Less): Issues			
Add/(Less): Received current, not paid			
(Paid current year, received prior year)			
Add/(Less): Adjustments			
Closing balance			

Groceries	Ammunition			Total
R'000	R'000	R'000	R'000	R'000
123	145			268
				-
286	-			286
	141			141
(52)				(52)
(309)	(116)			(425)
	273			273
				-
48	443			491

Inventories for the year ended 31 March 2020

Opening balance			
Add/(Less): Adjustments to prior year balances			
Add: Additions/Purchases – Cash			
Add: Additions - Non-cash			
(Less): Disposals			
(Less): Issues			
Add/(Less): Received current, not paid			
(Paid current year, received prior year)			
Add/(Less): Adjustments			
Closing balance			

Groceries	Ammunition			Total
R'000	R'000	R'000	R'000	R'000
142	79			221
-	-			-
968	168			1 136
-	-			-
(6)	-			(6)
(981)	(102)			(1 083)
-	-			-
-	-			-
123	145			268

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

ANNEXURE 7 MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	112 731	10 952	78 638	45 045
Dwellings				
Non-residential buildings				
Other fixed structures	112 731	10 952	78 638	45 045
TOTAL	112 731	10 952	78 638	45 045

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

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	118 790	-	23 791	(29 850)	112 731
Dwellings					
Other fixed structures	118 790	-	23 791	(29 850)	112 731
TOTAL	118 790	-	23 791	(29 850)	112 731

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

ANNEXURE 11 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	511	907	11 996	16 003	29 417	-
Goods and services						
List all applicable SCOA level 4 items						
CONS SUPPLIES	440	864	1 996	12 108	15 408	-
PROPERTY PAYMENTS	71	43	-	-	114	-
CONSULT:BUSINESS&ADVISORY SERV	-	-	10 000	3 895	13 895	-
Transfers and subsidies						
List all applicable SCOA level 4 items						
DEPARTMENTAL AGENCIES & ACCOUNTS: LEDA			10 000		10 000	-
Expenditure for capital assets						
List all applicable SCOA level 4 items						
OTHER MACHINERY & EQUIPMENT	150				150	-
TOTAL COVID 19 RESPONSE EXPENDITURE	661	907	21 996	16 003	39 567	-

The department spent funds on the procurement of Personal Protective Equipment such as sanitizers, masks, thermometers etc. The department also received Covid-19 grants for Economic stimulus which included relief funds for Tourism; Waste Management and SMMEs.

III ANNUAL REPORT 2020/2021

EVRIDIKITOWERS

20 Hans van Rensburg Street/19 Biccard Street, Private Bag X9484 Polokwane, 0700 | Tel: +27 15 293 8300

Website: www.ledet.gov.za Twitter: @LimpopoLEDET | Facebook: www.facebook.com/pages/LEDET | Instagram@limpopoLEDET

VOIE NO.6

