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Department:
Economic Development, Environment, Conservation and Tourism
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



ANNUAL REPORT

Economic Development, Environment, Conservation and Tourism

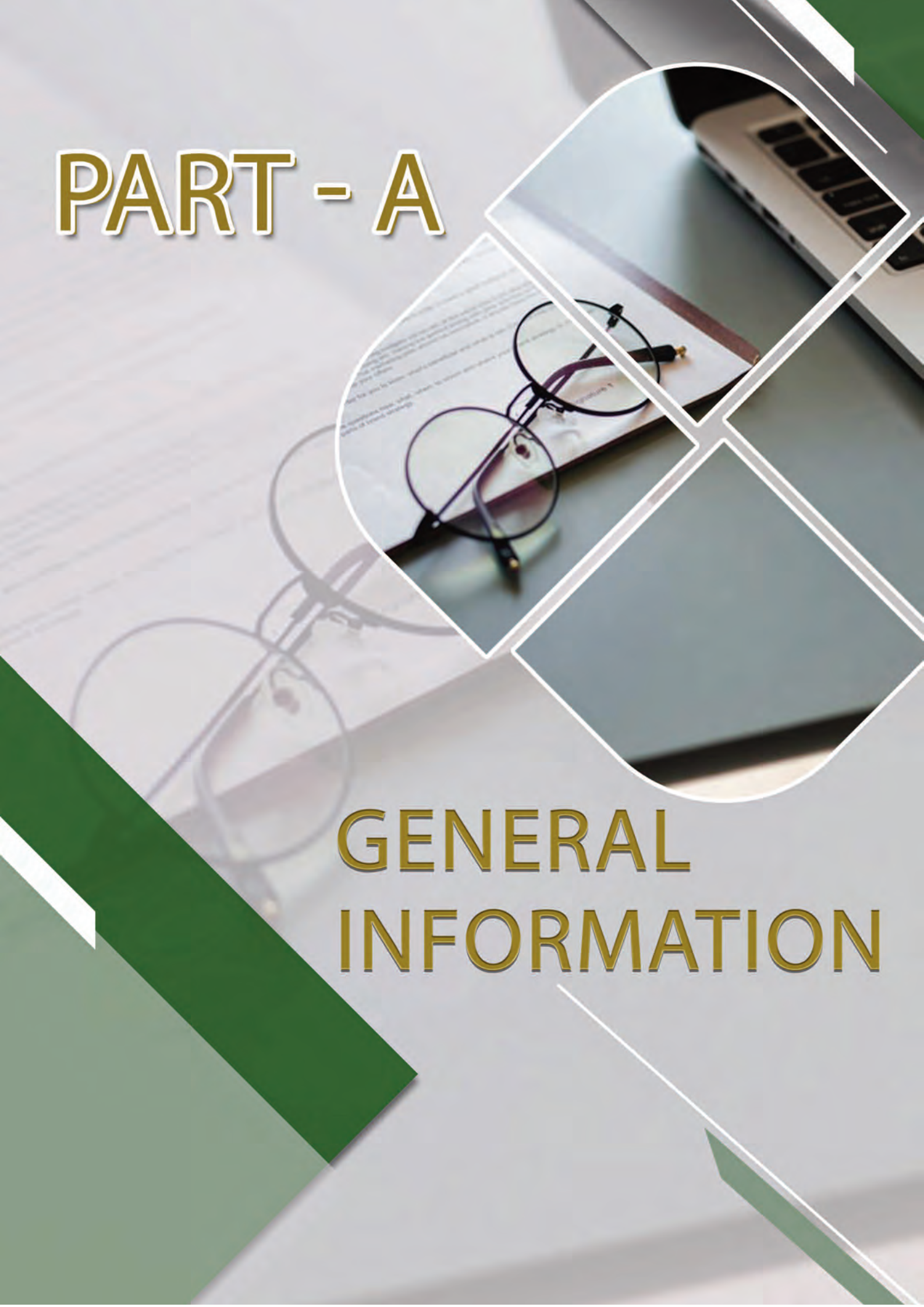
2020/21

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PART - A



GENERAL INFORMATION

**THE DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT,
CONSERVATION AND TOURISM
NORTH WEST PROVINCE**

NWDC Building

Cnr. University Drive & Provident Street

Private Bag X15, Mmabatho, 2735

Tel: (018) 388 5870

Web: <http://www.nwpg.gov.za/EED>

email: nnsibande@nwpg.gov.za

1. List of Abbreviations / Acronyms

A

AFS	-	Annual Financial Statement
ACT	-	Agriculture, Culture and Tourism

B

BAS	-	Basic Account System
BBEE	-	Broad-Based Black Economic Empowerment

C

CSIR	-	Council for Scientific and Industrial Research
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D

DBSA	-	Development Bank of South Africa
DCA	-	Damage Causing Animal
DEDECT	-	Department of Economic Development, Environment, Conservation and Tourism
DPWRT	-	Department of Public Works, Roads and Transport
DLGTA	-	Department of Local Government and Traditional Affairs
DPSA	-	Department of Public Service Administration
DTI	-	Department of Trade and Industry

F

FDI	-	Foreign Direct Investment
FET	-	Further Education & Training

G

GCIS	-	Government Communications Information Services
GDS	-	Growth and Development Summit
GVA	-	Gross Value Added

H

HOD	-	Head of Department
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I

ICT	-	Information Communication Technology
IDP	-	Integrated Development Plan
IDZ	-	Industrial Development Zone
IGR	-	Intergovernmental Relations
INW	-	Invest North West
IPAP	-	Industrial Policy Action Plan

L

LED	-	Local Economic Development
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M

MEC	-	Member of Executive Council
MIDZ	-	Mafikeng Industrial Development Zone
MINMEC	-	Ministers and Member of Executive Council
MOA	-	Memorandum of Agreement
MOU	-	Memorandum of Understanding
MTEF	-	Medium Term Expenditure Framework
MTSF	-	Medium term Strategic Framework

N

NDP	-	National Development Plan
NIPF	-	National Industrial Policy Framework
NSDP	-	National Spatial Development Perspective
NWDC	-	North West Development Corporation
NWGB	-	North West Gambling Board

O

OHS	-	Occupational Health Safety
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P

PFMA	-	Public Finance Management Act
PGDS	-	Provincial Growth and Development Strategy
PGMs	-	Platinum Group Metals
PPP	-	Public Private Partnership

Q

QPR	-	Quarterly Performance Report
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R

RDP	-	Reconstruction and Development Programme
RIDS	-	Regional Industrial Development Strategy
RRR	-	Rebranding, Repositioning and Renewal

S

SABS	-	South African Bureau of Standards
SALGA	-	South African Local Government Association
SAQA	-	South African Qualification Authority
SCOPA	-	Standing Committee on Public Accounts
SDI	-	Spatial Development Initiative
SDIP	-	Service Delivery Improvement Plan
SDF	-	Spatial Development Framework
SEZ	-	Special Economic Zone
SIC	-	Standard Industrial Classification
SMART	-	Specific, Measurable, Achievable, Realistic and Time bound
SME	-	Small Medium Enterprises
SMS	-	Senior Management Services
SMME	-	Small Medium Micro Enterprises
SOE	-	State-Owned Enterprises
SHERQ	-	Safety, Health, Environment, Risk and Quality

V

VTSD	-	Village, Township and Small Dorpies
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W

WCRD	-	World Consumer Right Day
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2 *Foreword by the MEC*



MEC KENETSWE MOSENOGI

I am pleased to table the 2020/21 annual report for the Department of Economic Development, Environment, Conservation and Tourism. The report is unfortunately presented at a time when we are facing unprecedented social and economic challenges as a result of COVID-19 pandemic. The pandemic continues to negatively affect many sectors of the economy across the province, country and globally. Notwithstanding the impact of the pandemic on other sectors like, agriculture and mining; we note that the tourism sector has suffered the most due to travel restrictions imposed by some countries because of the new variant found in South Africa. As a result, there was considerable collaboration between officials in undertaking their work throughout the period, much of which was evident in the response to the COVID-19 pandemic.

The Department has a significant mandate and is responsible for a large number of public entities, and its work is at the heart of Economic Development and SMME's Development in the Province. The Department took responsibility for the development of Northwest Economic Recovery Plans which seeks to deepen partnerships at sector level to increase economic output in productive sectors, largely manufacturing, Agriculture and Agro-processing.

The mandate of the department as outlined in the Annual Performance Plan is to drive economic development and ensure achievement of development and growth of a well-coordinated, transformed and diversified economy within a sustainable environment that will create jobs and eradicate poverty and inequality in the North West Province. In realising this goal, the Department will focus its efforts on improving the competitiveness of the Province by attracting investment, developing tradable sectors, investing in infrastructure, and growing SMME's as well as Cooperatives in the North West.

As we rebuild our economy in the midst of the pandemic, it is necessary that we continue to strive for socio-economic transformation and build an inclusive economy. Driven by the need to accelerate economic development, promote environmental awareness as well as tourism across Bokone Bophirima; the department was compelled to revise and reconsider targets planned over the MTSF as a result of the pandemic.

During the 2020/21 financial year, the department implemented the North West SMME's and Informal Traders Relief Support Programme to cushion against the adverse effects of the pandemic. I can report that 6409 applications were received, out of which 3876 were approved and payments processed. The programme will continue until the funds are exhausted. In responding to challenges posed by the pandemic, the department commissioned the services of CSIR working with the North West University to conduct the Provincial Socio-Economic Impact and development of the Provincial Economic Recovery Plan for most of the sectors that were negatively affected.

The department further hosted the Premier's dialogue with key industry leaders, to come up with an economic recovery plan and to forge strategic partnerships in order to realise strategic objectives of the department.

In our quest to support start-up enterprises to create sustainable entrepreneurs, the department partnered with SEDA to establish Mahikeng Digital Incubation Hub that incubated 30 SMMEs focusing on digital

economy and Mogwase Township Manufacturing Hub (Leema) that incubated 40 SMMEs focusing on electronics to advance the 4th Industrial Revolution. Over the same period and in the quest for skills development, we partnered with Automotive Industrial Development Centre (AIDC) to implement Youth Automotive Skills Development Programme. A total of 2416 SMME's and Co-operatives were supported through start-up and existing business development support services that include business registrations, skills development business incubation and market access.

The youth unemployment remains one the major challenge in the Province; despite limited resources, the department created 144 jobs for youth covering the whole Province in each local municipality to create data base for liquor outlets, business and consumer related issues. Together with SAPS, SARS and other relevant legislative authorities, we inspected a total number of 1 055 liquor outlets during compliance enforcements operations and through the Liquor Board adjudicated 382 applications.

The department successfully hosted its first webinar in March 2021 to share the content of the North West Environment Outlook report. The webinar created awareness on critical issues and trends outlined in the 2018 North West Environment Outlook Report. During the 2020/21 financial year, a total of 1168 compliance inspections were conducted and a total of 236 job opportunities were created by the programme.

Despite being the hardest hit, tourism remains a key strategic sector for economic development in the province. For the reporting financial year, we successfully recruited and placed 100 youth on the EPWP Tourism and Hospitality programme and 215 tourism SMME's from the North West province managed to access the National Department of Tourism's (NDT) Tourism Relief Fund. Further to that, 180 Tourist Guides accessed the Tourist Guide Relief Fund.

In building a capable department to serve the citizens of the Province to strengthen the organisational environment of the department and make it optimally responsive to be able to address gaps in our service delivery model to improve economic development and investment in the province, the reconfiguration process was finalised and all employees placed on the start-up structure. The department has also developed an ideal organisational structure which will allow the department to perform its functions effectively and efficiently.

The poor performance of our entities continues to be a major challenge in realising our mandate and improve the economic outlook of the province. To this end, we have finalised the appointment of the NWDC board and have begun the process of turning the entity into profitability. During the 2020/21 financial year, the department began the process to merge the North West Parks and Tourism Boards in order to effectively monitor and improve their performance. In mitigating against the challenges faced by our entities, we have resolved to create a new Directorate that will solely focus on oversight of all our entities to enhance performance.

As the third wave looms, we remain hopeful that the provincial government, working together with various stakeholders will be able to mitigate against the impact of the pandemic and once again call on all citizens to remain vigilant and maintain social distancing.

The department will continue to implement interventions that will assist in reconstruction and recovering the economy in order to create and sustain jobs. The department and its entities continue to support enterprise development and infrastructure development.



MS. KENETSWE MOSENOGI, MPL
MEMBER OF THE EXECUTIVE COUNCIL:
ECONOMIC DEVELOPMENT, ENVIRONMENT,
CONSERVATION AND TOURISM

3 REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2021

1. OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

Important policy decisions and strategic issues facing the department.

In its quest for accelerated inclusive growth, The Department of Economic Development, Environment, Conservation and Tourism Development is guided by a number of policy imperatives. At the national level, the following policy prescripts are of relevance. The Department of Economic Development, Environment, Conservation and Tourism has the responsibility to respond to a number of policy imperatives, of which the following are but some of the policy decisions and strategic issues to be considered:

- **National Development Plan (NDP)**
The Presidency, through the National Planning Commission has developed a long term strategic plan of Government through the National Development Plan. The National Development Plan (NDP) offers a long-term perspective for development. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.
- **Medium Term Strategic Framework (MTSF)**
MTSF is government's strategic plan for an electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions Government will take and targets to be achieved. For the 2014-2019 term, the Department is guided by Outcome 4 and 12, with the former focusing on decent work through creating an all-inclusive economy, whilst the latter focuses on an efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship.
- **New Growth Path**
The new growth path is aimed at stepping up the fight against poverty and unemployment in South Africa. This is a proactive response to the global recession which took a heavy toll on the economy of the North West Province. The New Growth Path extrapolates its thrust by latching onto IPAP to accelerate industrial development in the country.
- **National Industrial Policy Framework (NIPF)**
The National Industrial Policy Framework (NIPF) sets out government's broad approach to industrialisation in the context of the Accelerated and Shared Growth Initiative for South Africa (ASGI-SA) and its targets of halving unemployment and poverty through accelerated growth of at least 6% by intensification of industrialisation towards a knowledge economy beyond 2014.
- **Industrial Policy Action Plan (IPAP)**
The Industrial Policy Action Plan (IPAP) sets out in detail key actions and timeframes for the implementation of industrial policy. The publication of IPAP takes place within the framework of continuous improvements and up scaling of concrete industrial development interventions, as set out in the National Industrial Policy Framework (NIPF). Successive iterations of IPAP seek to scale up key interventions over a rolling three-year period, with a 10-year outlook on desired economic outcomes.
- **Regional Industrial Development Strategy (RIDS)**
The Regional Industrial Development Strategy (RIDS) is one of the strategic programmes of the Industrial Policy Framework. RIDS fits within Strategic Programme 9: Spatial and Industrial Infrastructure and aims to give effect to these goals and to help close the gap between regions that, in particular, reflect the divide between the first and second economies.

- **SMME Strategy**

The SMME strategy aims to influence sustainability on enterprises, promoting economic growth and development through entrepreneurship. The SMME strategic thrust is to create and strengthen enterprise support services; implement mentoring; skill development, incubation services for new and growing enterprises; establishing SMME support units at local Municipalities; increasing visibility of the Department through outreach programmes and information dissemination particularly to rural communities; interact with ordinary members of the community and understand challenges faced by SMME's within the rural communities; ensuring that the enterprises comply with the BBBEE and Preferential Procurement policy requirements; establish SMME forums to coordinate activities of the SMME development.

- **Special Economic Zone Policy**

The new SEZ policy aimed to address the weaknesses identified with the existing IDZ programme by strengthening governance arrangements for the management of SEZ's, expanding the range of support measures, developing a financing framework that would enable long-term planning and strengthening the support system for SEZ's to enable the Zones to become effective tools for industrial development.

The objectives of the SEZ policy included supporting industrial development in order to promote economic growth, creating sustainable jobs, promoting the development of a regionally diverse industrial economy, promoting beneficiation of the country's mineral resources and developing world-class infrastructure to support the targeted industries in each region.

- **The Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises (2005)**

The Strategy covers the entire continuum of needed support from pre-start-up and start-up assistance measures to growing enterprises and enterprises in distress. It focuses on three strategic areas with aligned actions, as follows: • Increase supply for financial and non-financial support services • Create demand for small enterprise products and services • Reduce small enterprise regulatory constraints

- **The Integrated Strategy on the Development and Promotion of Co-operatives (2012)**

The Strategy further introduces key Co-operatives development and support programmes, under four strategic pillars, namely: • To increase the supply of non-financial support services to Co-operatives; • To create demand for Co-operative enterprises products and services; • To improve sustainability of Co-operatives; and • To increase the supply of financial support services to Co-operatives

- **The National Rural Tourism Strategy**

The National Department of Tourism (NDT) developed a National Rural Tourism Strategy, a strategy meant to ensure a developmental approach upon packaging rural tourism products and opportunities in South Africa. This approach is also meant to prioritise spatial nodes which have a growth potential in order to stimulate growth of the tourism industry in South Africa.

- **The Domestic Tourism Growth Strategy**

The aim of this strategy is to promote domestic tourism growth based on a culture of travel; innovation; stakeholder participation; offering authentic, affordable experiences and packages which meet the needs of all existing and potential local travellers.

- **The National Heritage and Cultural Tourism Strategy**

This strategy aims to unlock the economic potential of heritage and cultural resources through responsible and sustainable tourism development; and to raise awareness of the ability of heritage and cultural tourism to contribute towards social cohesion.

South African trade policy framework

The key objectives of the Trade Policy Framework is to develop the South Africa's terms for global integration to secure policy space to pursue national economic objectives and leverage opportunities that may arise from global markets and the flow of trade and to identify future focus areas such as services, investment, intellectual property, procurement, labour and environment.

Beneficiation strategy for the minerals industry of South Africa

The beneficiation strategy provides a framework that seeks to translate the country's sheer comparative advantage inherited from mineral resources endowment to a national competitive advantage. The strategy is aligned to a national industrialisation programme, which seeks to enhance the quantity and quality of exports, promote creation of decent employment and diversification of the economy, including promotion of the green economy. Further, the strategy is contributory towards strengthening of the knowledge economy in support of the overall competitiveness of the economy.

Renewable Energy Policy of South Africa White Paper

The objective of the policy is to ensure that an equitable level of national resources was invested in renewable technologies; direct public resources to implementation of renewable energy technologies; introduce suitable fiscal incentives for renewable energy and; create an investment climate for the development of the renewable energy sector.

The Economic Reconstruction and Recovery Plan

The Economic Reconstruction and Recovery Plan forms part of extraordinary measures that government is taking – after extensive consultation with the business, labour and community sectors as social partners – to restore the economy to inclusive growth following the devastation caused by the Coronavirus Disease (COVID-19) Pandemic. The Economic Reconstruction and Recovery Plan aims to build a new economy and unleash South Africa's true potential. The overarching goal of the plan is to create sustainable, resilient and inclusive economy. It focuses on the following priority areas: Energy security, Industrial base to create jobs, Mass public employment programme; Infrastructure development, Macro-economic interventions, Green economy Food security and Reviving the tourism sector".

At the provincial level, the Provincial Development Plan remains the sole guide for all planning in the province, include economic planning.

- **Provincial Development Plan**

The North West Provincial Development Plan (PDP) is predominantly based on the NDP in an attempt to align with the objectives and priorities it identifies, as well with the vision for 2030 of a united South Africa. The North West Provincial Government endorses and subscribes to the NDP as an overarching policy framework that guides implementation across all spheres of government. The primary objectives of the PDP entail the elimination of poverty, alleviation of unemployment and inequality.

Significant events that have taken place during the year

During the year under review, the following significant events took place:

Business Turnaround Interventions

Business diagnostics and implementation of business turnaround solutions to assist business in distress to enhance their productivity. The Business Turnaround and Recovery programme's is implemented in partnership with Productivity-SA and focusses on supporting initiatives aimed at preventing job losses, implementing turn-around strategies and plans to restructure and improve the productivity and operational efficiencies. The outcome of these interventions is to prevent or minimize retrenchment/job losses and improve company competitiveness of staff on productivity improvement program. The outcome of these interventions is to prevent or minimize retrenchment/job losses and improve company competitiveness. 10 x Business were supported through

Business Incubation Support Programme

Implement incubation programme to enhance the survival rates of SMME's through the establishment of incubators in targeted sectors. The department partnered with SEDA to support Mahikeng Innovation Hub and Leema Township Incubation on a 50/50 funding basis. This has resulted in 30 start-ups been incubated through the Mahikeng Incubation Hub. The Department will continue to support incubators to enable them to provide incubation support services to start-up enterprises in the province.

Empowerment Fund

The programme support Northwest based existing enterprises with machinery and equipment to reduce their cost of doing business. The target is intend to improve business sustainability of project owners benefiting from this intervention. For the 2020/21 15 enterprises were funded from this programme.

- The unit has conducted a trade study to understand the patterns and dynamics of trade in the province. The findings of the study indicated that though the province had a positive trade balance to the value of 97 billion in 2019 there is still opportunity for further growth, however this has been hindered by the following:
 - o Most exporters in the province have their Head Quarters in other provinces resulting in exports transactions being reported in those provinces.
 - o Lack of access to good infrastructure such as water supply, electricity supply, road and ICT infrastructure.
 - o Low levels of partnership with big corporates indicate that small businesses cannot access opportunities such as mentorship, skills transfer and value chain integration.
 - o There is currently no comprehensive exporter database in the province.
 - o There is a high dependency on raw commodity exports (whose prices are volatile), this can negatively impact the province's growth prospects. Economic diversification must be prioritized.
- The unit facilitated the implementation of the Automotive Sector Skills Development and Training Programme. Within the North West Province there is a potential for growing the automotive industry in the province through growing the aftermarket repair and maintenance sector by increasing skilled labour. The programme in partnership with the Gauteng Automotive Industry Development Centre (AIDC) provides skills development and training in the automotive sector to unemployed youth that will have a measurable and positive socio-economic impact for the community. The Automotive Sector Skills Development and Training Programme is comprised out of three components and the following achievements were registered for the 2020/2021 financial year with the project focussing on Bojanala Platinum District and Dr Kenneth Kaunda District (the programme will continue in the 2021/2022 financial year focussing on the remaining two districts);

Unemployed youth trained in automotive sector skills

- o The AIDC Automotive Sector Skills Development and Training Programme focusses on providing skills development to unemployed youth in the following trade areas; Welding, Panel Beating, Spray Painting, Mechanics, Diesel Mechanics, Auto Electricians, Wheel Alignment and Tyre Replacement.
- o The planned target for this output indicator was to have one-hundred-and-twenty (120) students registered and on-boarded for training by end of March 2021.
- o The actual number of students registered and on-boarded for training is a fifty-nine (59).

ARPL Pre-Assessments conducted in automotive trades

- o The target was to provide twenty (20) candidates with Artisans ARPL Pre-Assessments. Artisans Recognition of Prior Learning combines applicable work experience with various forms of theoretical type qualifications (such as N-courses, NCV and Technical diplomas) in the recognition of prior learning for an artisan qualification.
- o Actual achievement is zero (0) due to learners not being able to submit their required documentation for assessment.

SMME's mentored and trained in the automotive sector

- o The planned target was to have 15 SMME's registered and on-boarded for training in the automotive sector based on a needs-assessment.

Actual target achievement is 4 SMME's registered and on-boarded for training.

The programme also conducted regular inspections to enforce adherence to Regulations. Joint inspections were conducted in collaboration with other Regulators in particular Health Practitioners and SAPS. The programme therefore managed to ensure that the businesses did not inflate prices for basic foods. Non-compliant businesses were either closed, suspended, or issued with fines

The Department successfully hosted an event on the 30 November 2020 where the Premier and Provincial Executive engaged leaders of the Industry on how to recover the Provincial economy and mitigate the effect of Covid-19. This engagement attracted more than 200 business people from the following sectors; Tourism and creative industry, Real Estate & Township Development, Transport, Retail sector Mining & Processing, Manufacturing and SMME's Sector.

North West Recovery and Growth strategy was developed

The Department produced the following research reports:

- The impact of covid-19 pandemic on Small Medium and Micro Enterprises (SMMES) with specific reference to operations, planning and recovery during the crisis; and
 - Impact of the Covid-19 Virus on the Labour Market of the North West Province
 - Intelligence reports on the economy;
 - Report on the economic opportunities identified in the :Packing Industry and Capital Equipment industry; and
 - Report on commissioned economic studies: Bio Economy-Agriculture, Electronics sector
1. Contribution by the environment sector to job creation
 - A total of 236 EPWP workers have been appointed during the 2020/21 financial year.
 2. Implementation of National Environmental Education and Training Strategy and Action Plan
 - A total of 38 Environmental Empowerment Programmes were conducted during the year.
 3. Building a climate resilient province
 - The provincial Ambient Air Quality Monitoring Programme continued to be implemented through the seven (7) air quality monitoring stations of the department.

4. Environmental Management Instruments and planning tools developed
 - The Bojanala Platinum District Municipality Environmental Management Framework (BPDM EMF) was gazetted for implementation on 16 June 2020. The BPDM EMF is a spatial tool, revealing where specific land uses may best be practiced in consideration of the environmental sensitivity. The attributes of the environment are specified to inform environmental management in the Bojanala Platinum District, especially in terms of decision-making on applications for environmental authorisations and to inform spatial planning in the district.
 - The North West Environment Outlook 2018 was published and gazetted on 23 March 2021. DEDECT then successfully hosted its first webinar on 24 March 2021 to share the content of the North West Environment Outlook report. The webinar created awareness on critical issues and trends outlined in the 2018 North West Environment Outlook Report.
 - The North West Province has concluded the implementation of the 3rd Edition of the North West Environmental Implementation Plan (2015–2020) through the approval and adoption of the 2019/20 NW EIP Annual Compliance Report in July 2020.
 - The 4th Edition of the North West Environmental Implementation Plan (2020 – 2025) was developed and subsequently gazetted on 23 March 2021.
 - An Infrastructure Development Plan was developed and approved for the Taung Skull World Heritage Site.
 - The NW Hunting Regulations 2021 were approved for implementation.
 - Four (4) Environmental Information Management Systems were maintained, namely: the i) Geographic Information System (GIS); ii) the Compliance and Enforcement Tool; iii) the North West Integrated Permit Administration System (NW NIPAS) and iv) the Biodiversity Sector Plan web tool.
5. Percentage compliance to environmental legislation
 - More inspections were conducted and enforcement actions undertaken resulting in more visibility of Environmental Management Inspectors, compliance monitoring and enforcement of environmental legislation.
6. Percentage of environmental authorizations / biodiversity permits issued within legislated timeframes
 - The Programme was 100% effective in finalising Environmental Authorisations (EIA, Waste Management Licenses, and Atmospheric Emission Licenses) and biodiversity permits within legislated timeframes.
 - We successfully held a well-attended International Tourist Guides Day Celebration in the province attended by tourist guides and tour operators.
 - We also managed to successfully conduct 77 Covid-19 Inspections instead of required 30 which represents an extra 47+ over-achievement.
 - Working with NDT we successfully recruited and employed 100 Tourism Safety Monitors who were deployed for 12 months at different tourism attractions. All this recruited 100 Tourism Safety Monitors are youths and this responds to government imperatives of prioritising youths in our developmental programmes.
 - We successfully recruited and placed 100 youth throughout the four district for the EPWP Tourism and Hospitality Programme
 - The Taung Hotel School infrastructure will impact skills and training of youth and hospitality industry in the long term
 - As part of empowering women we also successfully launched the Dr RSM Women in Tourism District Chapter, whose responsibility is to advance business interests and capacitate women within broader Tourism industry.
 - We further held a Provincial Women in Tourism Capacity Building Workshop aimed at capacitating and empowering women who own tourism products in matters relating to strategic planning, corporate governance, importance of digital media, tourism trends, etc.

- The feasibility study done on Mining, was shared at the stakeholder engagement and it will impact tourism product diversification and eventually job creation

Major projects undertaken or completed during the year

Business diagnostics and implementation of business turnaround solutions to assist business in distress to enhance their productivity. The Business Turnaround and Recovery programme's is implemented in partnership with Productivity-SA and focusses on supporting initiatives aimed at preventing job losses, implementing turn-around strategies and plans to restructure and improve the productivity and operational efficiencies. The outcome of these interventions is to prevent or minimize retrenchment/job losses and improve company competitiveness of staff on productivity improvement program. The outcome of these interventions is to prevent or minimize retrenchment/job losses and improve company competitiveness. 10 x Business were supported through

Business Incubation Support Programme

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Empowerment Fund

The programme support Northwest based existing enterprises with machinery and equipment to reduce their cost of doing business. The target is intend to improve business sustainability of project owners benefiting from this intervention. For the 2020/21 15 enterprises were funded from this programme.

Environmental Management Framework for the Bojanala Platinum District Municipality

The Bojanala Platinum District Municipality Environmental Management Framework (BPDM EMF) was gazetted for implementation on 16 June 2020. The EMF is a legislated tool in terms of the Environmental Management Framework Regulations, 2010, published under the National Environmental Management Act, 1998 (Act no. 107 of 1998) (NEMA).

The BPDM EMF is a spatial tool, revealing where specific land uses may best be practiced in consideration of the environmental sensitivity. The attributes of the environment are specified to inform environmental management in the Bojanala Platinum District, especially in terms of decision-making on applications for environmental authorisations and to inform spatial planning in the district.

North West Environment Outlook 2018

The North West Environment Outlook 2018 was published and gazetted on 23 March 2021. The Environment Outlook Report is a legislated tool in terms of the National Environmental Management Laws Second Amendment Act, 2013 (Act 30 of 2013).

The North West Environment Outlook Report presents information to the public and various government departments alike, about the condition and quality of the environment that we live in. As such, its main purpose is to inform individuals and institutions about what is being done to improve environmental quality and ecological functioning, and as a decision making resource for all spheres of government.

DEDECT successfully hosted its first webinar on 24 March 2021 to share the content of the North West Environment Outlook report. The webinar created awareness on critical issues and trends outlined in the 2018 North West Environment Outlook Report. It facilitated discussions among expert panel members and stakeholders around the responses and management actions to address the environmental issues in the North West Province, and, furthermore, promoted partnerships between public and private sectors in relation to environmental issues in the province.

North West Environmental Implementation Plan

Section 11(1) of chapter 3 of the National Environmental Management Act (NEMA), 1998 (Act No. 107 of 1998 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.

The aim of the EIP is to give effect to the principle of co-operative government in Chapter 3 of the Constitution and to secure the protection of the environment across the country.

The North West Province has concluded the implementation of the 3rd Edition of the North West Environmental Implementation Plan (2015–2020) through the approval and adoption of the 2019/20 NW EIP Annual Compliance Report in July 2020.

The 4th Edition of the North West Environmental Implementation Plan (2020 – 2025) was developed and subsequently gazetted on 23 March 2021. The implementation thereof will be monitored during the 2020 - 2025 reporting period and progress reported annually to the Minister of Forestry, Fisheries and the Environment, as required by Section 16(1)(b)(c) of NEMA.

OVERVIEW OF FINANCIAL RESULTS OF THE DEPARTMENT

	2020/21	2019/20
	R'000	R'000
Tax revenue	52 462	112 755
Sales of goods and services other than capital assets	3 385	6 198
Transactions in financial assets and liabilities	182	43
Total revenue collected	56 029	118 996

• Programme Expenditure

Programme	2020/21					2019/20		
	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	192 727	(15 309)	177 418	171 402	6 016	174 684	171 350	3 334
INTEGRATED ECONOMIC DEVELOPMENT SERVICE	76 864	(1 381)	75 483	74 330	1 153	54 928	52 304	2 624
TRADE AND SECTOR DEVELOPMENT	47 443	22 935	70 378	69 111	1 267	158 473	155 382	3 091
BUSINESS REGULATION AND GOVERNANCE	117 517	630	118 147	116 034	2 113	115 647	114 524	1 123
ECONOMIC PLANNING	16 628	(1 020)	15 608	12 549	3 059	18 804	15 211	3 593
ENVIRONMENTAL SERVICES	287 249	(3 803)	283 446	275 149	8 297	270 149	260 195	9 954
TOURISM	154 821	(2 052)	152 769	138 768	14 001	163 684	151 577	12 107
TOTALS	893 249	-	893 249	857 343	35 906	956 369	920 543	35 826

The following are reasons for under-spending:

- The major contributory factor to the under-spending of R6.016 million of which R4.894 is on compensation of employee's budget is as a result of vacant and funded positions resulting from resignations, retirements and death terminations.
- Integrated Economic Development Services under-spending by R1.153 million of which R0.308 million relates to compensation of employees on vacant positions as a result of retirements and resignations during the year, and R0.845 on goods and services earmarked for SMME training, travelling and catering and could not proceed with the plans due to covid-19 travel restrictions.
- Trade and sector Development under-spending by R1.267 million, the saving has been realised as the planned face to face meetings with external stakeholders, travel and subsistence and accommodation could not be undertaken due to covid-19 travel restrictions.
- Business Regulations and Governance under-spending by R2.113 million, of which R1.665 million was earmarked for consumer and liquor awareness campaigns under goods and services budget. The planned activities could not be celebrated as planned due to covid-19 protocols, and the remaining R0.448 million is as result of saving on compensation of employees due to retirements and resignations of employees during the year.
- Economic Planning is under-spending by R3.019 million of which R2.976 million is for goods and services mainly allocated for Travelling and subsistence, accommodation, catering out of which R0.575 was allocated for the development of the Provincial Economic Strategy and implementation plan, the process is due for completion and submission of the strategy is due in the first quarter of 2021/22. Travelling could not be undertaken due to covid-19 travel restrictions.
- Environmental Services under-spending by R8.297 million of which R3.million relates to Taung world Heritage project, the savings is as a result of the reviewed implementation plan. R3.672 million relates to travelling and subsistence, accommodation to attend to planned events and meetings which could not be undertaken due to covid-19 travel restrictions and the realized savings on quarantine facilities due to the reduction on the number of infections and the introduction of the movement to corona virus risk alert level 1.
- The programme is underspending by R14.001 million of which R12.391 million is a realised savings from the Taung hotel school due to the revised implementation plan. R0.985 is a saving from goods and services budget, which was allocated to travelling, catering and accommodation and could not be undertaken due to covid-19 travel restrictions.

Impact on programmes and service delivery

Non-completion of organizational structure as a result of new requirements is working to the adverse detriment of the service delivery. The department is, however, in the process of finalizing the Organizational Structure.

- Virements/Roll Overs

Programme	2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation
	R'000	R'000	R'000	R'000
ADMINISTRATION	192 727	-	(15 309)	177 418
INTEGRATED ECONOMIC DEVELOPMENT SERVICES	76 864	-	(1 381)	75 483
TRADE AND SECTOR DEVELOPMENT	47 443	-	22 935	70 378
BUSINESS REGULATION AND GOVERNANCE	117 517	-	630	118 147
ECONOMIC PLANNING	16 628	-	(1 020)	15 608
ENVIROMENTAL SERVICES	287 249	-	(3 803)	283 446
TOURISM	154 821	-	(2 052)	152 769
TOTAL	893 249	-	-	893 249

- During the financial year 2020/21 the department did not incur any unauthorised expenditure. Investigations for the fruitless and wasteful expenditure are ongoing as at reporting date.

Future Plans of the department

The table below depicts the Departmental planned activities which are aligned to the Provincial Concretes and Priorities:

Planned Activities
• A target of 1800 start-up enterprises to be established by 2025. Support interventions will also focus on enterprises owned by women (40%) youth (30%) and persons with disabilities (7%) as a minimum that operate in marginalised areas such as our townships and villages in our rural areas. Start-up interventions focusing on skills development, new product development support, improving access to markets for selected products through an online marketing platform and business registrations. • A target of 1800 existing enterprises supported by 2025 through business linkages, skills development, product improvement and mentorship, filing of annual returns and compliance interventions will also focus on enterprises owned by women (40%) youth (30%) and persons with disabilities (7%) as a minimum that operate in marginalised areas such as our townships and villages in our rural areas • To develop a cohort of 600 young business advisors who will be able to provide business advisory services needed by SMMEs and Co-operatives to turnaround and sustain their business ventures by 2025 • To implemented with in partnership with municipalities to repair potholes as the catalyst for job creations, while improving quality of roads • To increase the number of one stop business enterprises supported from 2 to 4 by 2025 to facilitate the provision of Business Development Support services in our townships and rural areas. • Implement 12 by 2025 development support programmes to capacitate LED practitioners on economic development interventions and initiatives. • Implementation 30 by 2025 business turnaround intervention aimed at preventing job losses, implementing turn-around strategies and plans to improve the productivity and operational efficiencies and to prevent or minimize retrenchment/job losses and improve company competitiveness of staff on productivity. • Increase the number of small business incubated to 90 by 2025. • To 150 qualifying SMMEs with machinery and equipment to reduce their cost of doing business by 2025. • In alignment with the District Development Model will implement a spatially referenced North West MME District Support Plan interventions • Youth Employment Creation (Business data capturing). • Implementation of the North West Business Licensing Act No. 3 Of 2019. • Implementation of the North West Liquor Licensing Act No. 6 Of 2016, as amended. • Alignment of the provincial Consumer Act to the national Norms and Standards. • The Department is planning to host Cultural Tourism Guiding Content Development seminars in the four districts. The outcome of this project will be booklets which inform the product knowledge that about tangible and intangible heritage in the North West, including but not limited to cultural histories and practices of various people as well as cultural attractions such as monuments and museums in the province.

Planned Activities

- The Department plans to implement Illegal guiding awareness inspections in compliance to Covid 19 regulations across the province to educate tourist guides, tour operators and tourists about regulations, the importance of registering as tourist guides and using services of qualified and registered tourist guides by tourists.
- The Department plan to beneficiate 60 Emerging Tourism establishments with grading intervention
- 4 Social Tourism initiatives will be conducted in the 4 district , targeting Women, youth, disabled and elderly groups The Department planned 100 Tourism Industry compliance to Covid 19 regulations
- The Department plans to complete the Taung Hotel School , Lecture Hall and Student Residence Project and outstanding Orkney Hotel School projects
-
- The Department will implement the EPWP Tourism and Hospitality Placement programme for 100 youths
- The Department plans to conduct the following research studies:
 - Tourism Business Performance Survey amidst Covid_19 in the North West Province.
 - Tourism Labour Impact Study
 - Heritage Tourism Impact Study
 - Tourism Sector Performance Report
- The Department plans to develop and implement the following Policies:
 - Tourism Grading Policy
 - Tourism SMME Support Policy
 - Tourism Investment Promotion Policy
- The Department plans to host 2 Tourism stakeholder engagement and co-host Tourism Month with all relevant stakeholders and implement the second phase of the Tourism Safety Monitors in collaboration with NDT

- **Public Private Partnerships**
 - o No Public Private Partnership when entered into during the year.
- **Discontinued activities / activities to be discontinued**
 - o None
- **New or proposed activities**
 - o Number of domestic trade markets established
 - o Number of comprehensive business development support solutions provided to start-up businesses
- **Supply chain management**
 - o There were no unsolicited bids proposals concluded during the year under review
- **Gifts and Donations received in kind from non - related parties**
 - o None

2. Services rendered by the department

2.1 List of services

The Department's primary objective is to lead on matters relating to the achievement of the economic goal as defined in the National Development Plan and also in the process of being customised for the province. This plan does not negate the province's resolve to reduce unemployment level by half and to spearhead participation of women, youth, and people with disabilities and SMME's in the mainstream economic activities of the province

The department remains committed to achieving the objectives of economic growth and job creation through the following objectives:

- Small Business Development,
- Provincial economic planning and development,
- Research to determine economic potential and policy development,
- Economic sector development
- Industrial development facilitation,
- Investment and Trade promotion,
- Regulatory functions (consumer protection and liquor policy administration, BBBEE policy compliance, gambling, tourism regulation amongst others),
- Liquor and Business regulation
- Effective and efficient administration of allocated resources to maximise returns
- Registration of Tourist Guides as per Regulatory Compliance
- Empowerment and up skilling of Tourist Guides
- Social Tourism Programme targeting Youth, Women and Elderly
- Grading Assistance programme
- Skills Development Programme for Industry
- Tourism Awareness Programmes
- Hotel Schools Infrastructure Development
- Entity Oversight

2.2 Tariff policy

Fees are charged for rendering liquor administration to the liquor industry for applications, transfers and renewal of licenses. Fees charged are prescribed by the Liquor Act (Act number 27 of 1989).

2.3 Free Services

The department does not render any chargeable services for free.

2.4 Inventories

The Department does not maintain any form of inventory

3. Capacity constraints

The Department has for the past years operated on an Interim Organisational structure, and the task team (OoP and DPSA) was mainly established to assist provincial departments to fast-track the issues of their organisational structures. The department managed to finalise the process and the package was handed over to the Director General for purposes of submitting to the Minister of

Public Service and Administration (MPSA). The department is at the final stage of Job Evaluation which will be submitted to MPSA thereafter the Department will only be waiting for the concurrence letter.

4. Utilisation of donor funds

Not applicable

5. Trading entities and public entities

- **North West Gambling Board**

The Board regulates the gambling industry in the Province and is established under the North West Gambling Act No 2 of 2001.

- **North West Development Corporation**

This Board is classified as a State-Owned entity in terms of section 8(2) of the Companies Act.

- **North West Parks Board**

This board is established under the North West Parks Board Act 3 of 2015 responsible for conservation management. This is a schedule 3C Public entity as scheduled in the PFMA

- **North West Tourism**

The board is established under the North West Board Act 2 of 2015 responsible for tourism destination marketing and Tourism skills development. This is a schedule 3C Public entity as scheduled in the PFMA

The entities are managed by their respective Boards and report directly to Executive Authority and to the following programmes administratively on a monthly basis.

Programme 3: Economic Planning and Sector Development

Programme 4: Business Regulation and Governance

Programme 5: Environmental Services and

Programme 7: Tourism Growth, development and Transformation

Organisations to who transfer payment were made:

	2020/21	2019/20
	R'000	R'000
North West Gambling Board	80 116	82 812
North West Parks Board	139 192	130 706
North West Tourism Board	94 152	99 643
North West Development Corporation	106 588	143 250
Households	31 538	-
Leave Gratuity	1 264	2 162
TOTALS	452 850	458 573

Leave Gratuity

	2020/21	2019/20
	R'000	R'000
ADMINISTRATION	476	1 552
INTEGRATED ECONOMIC DEVELOPMENT SERVICES	90	185
TRADE AND SECTOR DEVELOPMENT		-
BUSINESS REGULATIONS AND GOVERNANCE	627	-
ECONOMIC PLANNING		-
ENVIRONMENTAL SERVICES	71	348
TOURISM		77
TOTAL	1 264	2 162

6. Public private partnerships (PPP)

No public private partnerships exist in the department.

7. Corporate governance arrangements

7.1 Risk Management Approach

7.1. 1 Risk Assessment

Covid-19 risk assessment was conducted and monitoring of treatment plans done accordingly with an update of the emerging risks.

7.1.2 Risk Management Committee

The department has the Risk Management Committee with an independent chairperson and one external member, one out of the four planned meetings were held. In discharging its governance responsibilities relating to risk management, the risk management committee ensured that audit findings are cleared and risk treatment plans are implemented.

7.2 Fraud prevention

No incident of fraud or corruption was reported during the year. The department reviewed fraud prevention policy and strategy..

7.3 Effectiveness of internal control

The effectiveness of internal control is gauged by its ability to pick up all non-compliant transactions and to ensure that corrective actions are taken, to report on responses to agreed actions e.g. in the case of implementation of agreed actions to be taken by managers to correct exceptions raised by the Auditor General and Internal Audit as well as to continuously monitor relevance of financial policies and to instigate amendments.

The effectiveness thereof is also monitored by Risk Management Committee and Internal Audit and all concerns raised by the latter are immediately attended to.

7.4 Effectiveness of internal audit

Internal audit has been able to carry out all audits planned for the financial year. Internal Audit committee has also been able to convene all sittings and deliberations and advices given have added valuable impetus to the performance of the department.

7.5 Other governance structures

The Provincial Treasury has also been effective in executing its PFMA mandate of ensuring that financial and non-financial performance of the department is compliant with legislation and guidelines.

7.6 Implementation of code of conduct

Code of Conduct in the Public Service, is prescribed of which employees are encouraged to adhere to. Awareness on the Code of Conduct are made through workshops, thereby, continuously creating awareness on the content thereof. These workshops maximise compliance on the side of employees.

7.7 Safety, health and environmental issues

The HoD, CFO, Chief Director Corporate Services and SHERQ Officer attended SHERQ Management workshop facilitated by Office of the Premier with the aim to empower management on the importance of complying with the OHS Act. In addition, the aim of the workshop was to lobby for the management support in the implementation of SHERQ Policy in order to ensure a safe working environment for all the employees.

All the employees were capacitated on Compensation on Injury on Duty Act (COIDA). All OHS statutory appointments have been done. The OHS Committee is trained and functional.

The Department has numerous challenges that it faces that relates to implementation of OHS Act and these are:

- None of Departmental Buildings have Certificate of Compliance as prescribed by the OHS Act.
- Conducted five (5) building inspections and only one building was found to compliant.

7.8 Conflict of interest

Declaration of financial interests by SMS members, as well as, other employees holding influential positions (like those in the Supply Chain Management component), ensures that such employees do not use their positions to benefits them at the expense of the Government as the Employer.

7.9 Responsibilities of the Accounting Officer

The Accounting Officer responsibilities for this year under review was mainly focusing on the completion of reconfiguration process which integrated former department of Tourism, Chief directorate Environmental Services and former department of Entrepreneurship and Enterprise Development. This process is now completed to propel the department to carry its mandate effectively and efficiently. The other focus was on strengthening the oversight to entities to improve their performance and accountability the transferring authority.

8. Discontinued activities/activities to be discontinued

None

9. New/proposed activities

None

10. Asset management

Asset verification was conducted during the year and asset register updated with all acquisitions and disposals.

11. Information on predetermined objectives

Programme Managers report quarterly on predetermined objectives in the prescribed formats, giving reasons for deviations and giving action plans to correct under- or non-achievements as well as providing portfolio of evidence where necessary. The portfolio of evidence is then further validated by the M&E Unit as 2nd level of quality assurance.

Performance review sessions are held as Extended Departmental Management Committee meetings to assess extent of deviations and to agree on suitability of corrective plans.

12. Portfolio committee

The Portfolio Committee exercises oversight over the service delivery performance of departments and in this regard visited departmental funded projects in various areas of the province as part of their oversight functions.

SCOPA resolutions

There were no SCOPA resolutions for the 2019/20 financial year

13. Prior modifications to audit reports

No modifications to previous audit reports have been made.

14. Exemptions and deviations received from the National Treasury

The North West Gambling Board is exempted by Provincial Treasury from surrendering unspent monies transferred during the period under review.

15. Interim Financial Statements

Interim financial statements for the three quarters of 2020/2021 financial year were issued as prescribed.

16. Other

The Covid-19 pandemic caused a further massive and rapid shock on the economy, starting globally and transmitted rapidly to South Africa and the rest of the continent.

The negative impact was dual both on the demand and supply-side of the economy.

This has had serious impact which led to a projected recession with severe contraction of the economy in 2020, accompanied by big job losses, firm closures and high levels of social hardship.

The response to this situation calls for a coordinated collaboration now more than ever, between government, the private sector and other social partners to come up with short term interventions as well as medium to long term solutions to this problem.

In responding to this situation, the department commissioned CSIR to conduct Covid 19 on socio-economic impact to come up with economic recovery plan in all the sectors that have been affected which will provide tangible solutions or interventions. Further the department has conducted Premier dialogue with the industries in the province on the 31st November 2021, to develop a coordinated economic recovery plan of the province.

17. Approval

The Annual Financial Statements set out on pages 106 to 137 have been approved by the Accounting Officer.

A handwritten signature in black ink, appearing to be 'L.G. Tshikovhi', written over a horizontal line.

MR L.G. TSHIKOVHI
Head of Department

4. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

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

All information and amount 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 the 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 adjustments made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide a 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



MR L.G. TSHIKOVHI
ACCOUNTING OFFICER

DATE: 31 MAY 2021

5. STRATEGIC OVERVIEW

5.1 VISION

“A growing economy wherein enterprises thrive”

5.2 MISSION

To lead, coordinate, support, implement and champion inclusive economic growth for the people of the North West Province through:

- Economic Planning and Development
- Enterprise Development, and
- Effective Regulatory Services

5.3 VALUES

The following values, derived from the Constitution, underpin the activities of the Department of Economy and Enterprise Development

- Fairness, in that the Department will at all times act in a fair manner towards executing its responsibilities.
- Equity, as the Department is committed to treating all clients and employees equitably in all respects.
- Accessibility, in that the Department will remain accessible to its stakeholders and role players in the course of executing its responsibilities.
- Transparency, in that the Department undertakes to be transparent in the conduct of its core business.
- Accountability, in that the Department will at all times take full accountability for its business actions and decisions.
- Participation in that the Department will continue to participate fully in all areas of its responsibility to satisfy the needs of our clients and stakeholders,
- Good governance, to which the Department will always strive to adhere to at all times.

6 LEGISLATIVE AND OTHER MANDATES

- The Constitution of South Africa, 1996
- The RDP White Paper;
- The National GEAR Strategy;
- The Consumer Affairs Practices (Harmful Business Practices) Act 4 of 1996;
- Consumer Protection Act 68 of 2008
- National Credit Act 34 of 2005
- Liquor Act, 1989;
- The North West Gambling Act, 2001 (Act no.2 of 2001) (as amended)
- The Public Service Act, 1994;
- The Public Finance Management Act, 2000;
- The Public Service Regulations, 2016;
- The White Paper on transformation of the Public Service Delivery (Batho Pele) 1997;
- The Promotion of Access to Information Act 2 of 2000;
- The Cooperatives Act (2005)
- The National Spatial Development Perspectives (NSDP)
- National Small Business Act, 1996 (Act 102 of 1996, currently under review)
- North West SMME strategy
- North West Provincial Growth and Development Strategy (2004-2014),
- North West Spatial Development Initiatives Strategy,
- Broad Based Black Economic Empowerment Act,
- Rural Development Strategy including Integrated Sustainable Rural Development Strategy,
- Urban Renewal Strategy,
- Macro-Economic Reform Strategy,
- Integrated Manufacturing Strategy,
- Cooperatives Amendment Act, 2013 (Act No.6 of 2013)
- Co-Operatives Act, 2005 (Act, No 14 of 2005)
- The Regional Industrial Development Strategy (RIDS)
- National Industrial Policy Framework
- The National Credit Act, 2005 (Act No.34 of 2005)
- National Small Business Amended Act, 2004 (Act 29 of 2004)
- National Liquor Act, 2003 (Act No.59 of 2003)
- The North West Development Corporation Act, 1995 (Act No.6 of 1996) as amended
- Integrated Sustainable Rural Development Strategy
- National Development Plan
- Provincial Development Plan
- The New Growth Path

7. ORGANISATIONAL STRUCTURE

Executing Authority



Ms. Kenetswe Mosenogi
Member of Executive Council (MEC)



Mr. Lufuno Tshikovhi
Head Of Department



8. ENTITIES REPORTING TO THE MEC

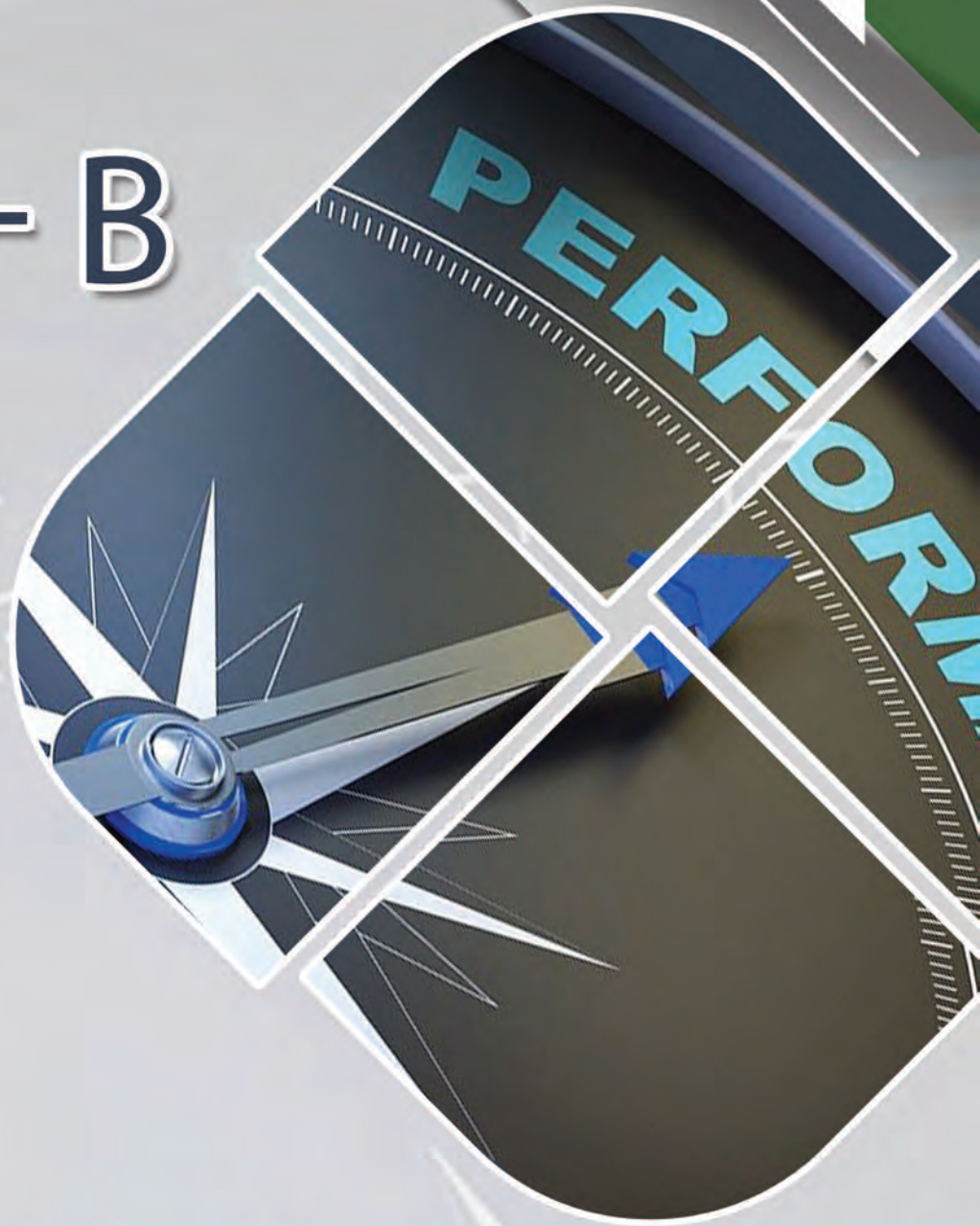
Name Of Entity	North West Tourism Board
Legislative Mandate	NWTB Act No 2 of 2015
Financial relationship	Schedule 3 C
Nature of Operations	Hospitality training and Tourism marketing

Name Of Entity	North West Gambling Board
Legislative Mandate	North West Gambling Act No.2 of 2001
Financial relationship	Schedule 3 C
Nature of Operations	It is to provide effective and efficient regulatory services that will manage and maintain a socially responsible gambling industry, free from illegal activity

Name Of Entity	North West Parks Board
Legislative Mandate	NWPB Act No.3 of 2015
Financial relationship	Schedule 3 C
Nature of Operations	To provide for the establishment, management and control of protected areas in the North West Province

Name Of Entity	North West Development Corporation
Legislative Mandate	NWDC Act No.6 of 1996
Financial relationship	Schedule 3 D
Nature of Operations	To plan, finance, co-ordinate, promote and carry out the economic development of the province and its people in the field industry, commerce, finance, mining and other business, resulting in wealth and job creation.

PART - B



**PERFORMANCE
INFORMATION**

2.1. PROGRAMME 1: ADMINISTRATION

Purpose:

The programme provides the political and administrative leadership to the Department in accordance with relevant legislations, regulations and policies and ensures appropriate support service to all other programmes.

Outcomes, outputs, output indicators, targets and actual achievement

None

Table 2.4.4.1

PROGRAMME 1: ADMINISTRATION									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
Effective and efficient support services to core programmes	Budget spent in line with Financial Prescripts	%MTEF Allocation spent in line with the PFMA	—	—	100%	96.38%	-3.62%	None	None
Effective and efficient support services to core programmes	Clean Audit Outcome	Audit outcome achieved	—	—	Clean Audit Opinion	Unqualified audit opinion	Unqualified audit opinion	None	None

Strategy to overcome areas of under performance

None

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

None

Linking performance with budgets

Programme 1: ADMINISTRATION									
Sub programme	2020/21						2019/20		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance
OFFICE OF THE MEC	10 530	(536)	(1 380)	8 614	8 404	210	13 584	13 208	376
OFFICE OF THE HOD	6 745	5	(555)	6 195	5 872	323	9 298	8 982	316
FINANCIAL MANAGEMENT	79 662	6 763	(8 425)	78 000	75 331	2 669	65 892	64 155	1 737
CORPORATE SERVICES	95 790	(6 232)	(4 949)	84 609	81 795	2 814	85 910	85 005	905
TOTALS	192 727	-	(15 309)	177 418	171 402	6 016	174 684	171 350	3 334

The major contributory factor to the under-spending of R6.016 million of which R4.894 is on compensation of employee's budget as a result of vacant and funded positions resulting from resignations, retirements and death terminations.

2.2. PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Purpose:

To advance economic growth create an enabling environment for the development and growth of sustainable SMMEs and Cooperatives to ensure contribution on economic growth, job creation and empowerment that prioritise historically disadvantaged groups and individuals in partnership with Stakeholders through:-

Enterprise Development,
Regional and Local Economic Development, and
Economic Empowerment

Outcomes, outputs, output indicators, targets and actual achievement

Business Turnaround Interventions

Business diagnostics and implementation of business turnaround solutions to assist business in distress to enhance their productivity. The Business Turnaround and Recovery programme's is implemented in partnership with Productivity-SA and focusses on supporting initiatives aimed at preventing job losses, implementing turn-around strategies and plans to restructure and improve the productivity and operational efficiencies. The outcome of these interventions is to prevent or minimize retrenchment/job losses and improve company competitiveness of staff on productivity improvement program. The outcome of these interventions is to prevent or minimize retrenchment/job losses and improve company competitiveness. 10 x Business were supported through

Business Incubation Support Programme

Implement incubation programme to enhance the survival rates of SMME's through the establishment of incubators in targeted sectors. The department partnered with SEDA to support Mahikeng Innovation Hub and Leema Township Incubation on a 50/50 funding basis. This has resulted in 30 start-ups been incubated through the Mahikeng Incubation Hub. The Department will continue to support incubators to enable them to provide incubation support services to start-up enterprises in the province.

Empowerment Fund

The programme support Northwest based existing enterprises with machinery and equipment to reduce their cost of doing business. The target is intend to improve business sustainability of project owners benefiting from this intervention. For the 2020/21 15 enterprises were funded from this programme.

Table 2.4.4.2

PROGRAMME: 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
The table reflects performance in the 1 st Quarter only and the Output Indicators or Target were discontinued in the re-tabled APP from 2 nd Quarter 2020/21									
An enabling environment for business enterprises to thrive	New Enterprises and Cooperatives registered	Number of new businesses registered	–	50	650	0	-650	The new business registration function was not classified as an essential service during lockdown levels 4 & 5, therefore movement in this regard was prohibited	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Qualifying enterprises incubated	-Number of enterprises successfully incubated	–	–	35	0	-35	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Provisioning of production machinery and equipment to small businesses	Number of Informal traders provided with training and equipment	–	–	320	0	-320	All direct contact training sessions were discontinued due to lockdown regulations and informal traders did not have the necessary resources to participate on virtual training activities. None essential equipment could not be sourced during lockdown The Target was discontinued in 2020/21	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Increase in number of business enterprises rescued	Number business enterprises supported through business rescue solutions	–	–	10	0	-10	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response

PROGRAMME: 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
	Increased participation of unemployed youth in business advisory programme	Number of business advisors trained	–	10	250	0	-250	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Comprehensive business development support solutions provided to existing business	Number of existing business supported through business development support services	–	60	650	0	-650	The target could not be achieved due to Covid 19 lockdown restrictions and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Increase in number of capacity building interventions to support municipalities	Number of municipalities with credible LED strategies	–	650	6	0	-6	The target could not be achieved because the Municipal LED Units focused mainly on the issuance of trade permits during lockdown level 4 & 5. The Target was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Increased number of municipalities participating in Ease of Doing Business Awareness Programmes	Number of municipalities rolling out Ease of Doing Business Awareness Programmes	–	–	4	0	-4	The target could not be achieved because the Municipal LED Units focused mainly on the issuance of trade permits during lockdown level 4 & 5 The Target was discontinued in 2020/21	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Increased number of targeted enterprises participating in market access opportunities	Number of targeted enterprises participating in market access opportunities	–	–	140	0	-140	The access to markets opportunities normally takes form participation in flea markets,	The re tabling of the 2020/21 APP in line with the Covid 19

PROGRAMME: 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
								exhibitions and trade fairs which are still suspended during lockdown The Target was discontinued	response
	Provisioning of production machinery and equipment to small businesses	Number of targeted groups provided with production equipment	–	–	50	0	-50	The function was suspended in the first quarter because application process involves presentation of the proposal by the applicant, conducting due diligence, and procurement of equipment which was not possible to do during lockdown The Target was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response

Table 2.4.4.2

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
The table reflects performance information for re-tabled 2020/21 APP								
Improved enabling environment for business enterprises to thrive	Increased number of informal trade markets established	Support provided to Municipalities to establish informal trade markets	New	New	1	1	0	No deviation
	Increased number domestic trade markets established	Support provided to Municipalities to establish domestic trade markets	New	New	1	0	-1	Funds were redirected to Covid 19 Support Programme
	Increased number of business enterprises provided with business turnaround solutions	Number business enterprises supported through business turnaround solutions	New	New	10	10	0	No deviation
	Increased participants in business advisory program	Number of participants in business advisory program	New	New	200	0	-200	Changes in the Board resulted in delay in implementing the project.
	Increased number of one stop business enterprises supported	Number of one-stop business enterprises centres supported	New	New	4	3	-1	Quarter 1 target was erroneously captured in the re tabled APP
	Increased number of capacity building interventions to support municipalities	Number of capacity building interventions to support municipalities	New	New	5	4	-1	Quarter 1 target was erroneously captured in the re tabled APP
	Increased number of enterprises successfully incubated	Number of enterprises successfully incubated	New	New	30	33	+3	Overachievement was due to implementation of recovery plans for previous quarters
	Increased comprehensive business development support solutions provided to start-up businesses	Number of comprehensive business development support solutions provided to start-up businesses	New	New	300	421	+121	The target was exceeded due to implementation of recovery plans for previous quarters

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES								
Out1come	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
	Increased comprehensive business development support solutions provided to existing businesses	Number of comprehensive business development support solutions provided to existing businesses	New	New	300	370	+70	The target was exceeded due to implementation of recovery plans for previous quarters
	Number of existing enterprises provided with machinery and equipment	Number of existing enterprises provided with machinery and equipment	New	New	14	15	+1	

Strategies to overcome areas of under performance

Support provided to Municipalities to establish domestic trade markets: The target could be achieved because the funds were re-directed to Covid Relief Programme. In the 2021 /2022. The stakeholder partnership agreement between the Dr. Ruth District Municipality was signed. The Municipal Council has released the land for the project. Public Works will be brought in to assist with the designs for the trade market. Upon approval of Designs tenders will be issued for the construction of the Trade Markets. The Application for Funding of the Mahikeng Trade Market will be submitted in the 2nd quarter of 2021/22 to release the funds for Project Implementation. An existing NWDC factory will be repurposed as a Trade Market. The Project Manager for the Project will be appointed in the 2nd Quarter of 2021/22.

Number of participants in business advisory programme: The changes in the Board resulted in the delay in the activating the programme. Calls for participation were issued in May 2021. The 1st leg of the recruitment of 100 candidacy programmes (Learners with degree's placement will be finalised during the 1st quarter of 2021/22 and the 2nd leg will be implemented in the 2nd quarter of 2021/22.

Number of one-stop business enterprises centres supported: The co-location strategy will be developed and align with the Township and Rural nodes to ensure that rural and township communities are provided with services. This intervention will be linked with with a programme for revitalising 10 bakeries in rural and township areas and bakeries will be linked with the National was targeted during the first quarter and it could not implemented due to strict lockdown down during the 1st quarter.

Number of capacity building interventions to support municipalities:The capacity building interventions for municipalities will be aligned with national red-tape reduction programme and strengthening of District Municipalities Economic Recovery Plans by aligning them to National and Provincial Economic Recovery Plans to unlock the competitive and comparative advantages of the Districts.

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

None

2.3. PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Purpose:

To unlock and stimulate economic growth and job creation that is inclusive in the North West province

Outcomes, outputs, output indicators, targets and actual achievement

The following significant achievements of targets for the outputs and output indicators were achieved for Programme 3;

- The unit has conducted a trade study to understand the patterns and dynamics of trade in the province. The findings of the study indicated that though the province had a positive trade balance to the value of 97 billion in 2019 there is still opportunity for further growth, however this has been hindered by the following:
 - o Most exporters in the province have their Head Quarters in other provinces resulting in exports transactions being reported in those provinces.
 - o Lack of access to good infrastructure such as water supply, electricity supply, road and ICT infrastructure.
 - o Low levels of partnership with big corporates indicate that small businesses cannot access opportunities such as mentorship, skills transfer and value chain integration.
 - o There is currently no comprehensive exporter database in the province.
 - o There is a high dependency on raw commodity exports (whose prices are volatile), this can negatively impact the province's growth prospects. Economic diversification must be prioritized.
- The unit facilitated the implementation of the Automotive Sector Skills Development and Training Programme. Within the North West Province there is a potential for growing the automotive industry in the province through growing the aftermarket repair and maintenance sector by increasing skilled labour. The programme in partnership with the Gauteng Automotive Industry Development Centre (AIDC) provides skills development and training in the automotive sector to unemployed youth that will have a measurable and positive socio-economic impact for the community. The Automotive Sector Skills Development and Training Programme is comprised out of three components and the following achievements were registered for the 2020/2021 financial year with the project focussing on Bojanala Platinum District and Dr Kenneth Kaunda District (the programme will continue in the 2021/2022 financial year focussing on the remaining two districts);

Unemployed youth trained in automotive sector skills

- o The AIDC Automotive Sector Skills Development and Training Programme focusses on providing skills development to unemployed youth in the following trade areas; Welding, Panel Beating, Spray Painting, Mechanics, Diesel Mechanics, Auto Electricians, Wheel Alignment and Tyre Replacement.
- o The planned target for this output indicator was to have one-hundred-and-twenty (120) students registered and on-boarded for training by end of March 2021.
- o The actual number of students registered and on-boarded for training is a fifty-nine (59).

ARPL Pre-Assessments conducted in automotive trades

- o The target was to provide twenty (20) candidates with Artisans ARPL Pre-Assessments. Artisans Recognition of Prior Learning combines applicable work experience with various forms of theoretical type qualifications (such as N-courses, NCV and Technical diplomas) in the recognition of prior learning for an artisan qualification.
- o Actual achievement is zero (0) due to learners not being able to submit their required documentation for assessment.

SMME's mentored and trained in the automotive sector

- o The planned target was to have 15 SMME's registered and on-boarded for training in the automotive sector based on a needs-assessment.
- o Actual target achievement is 4 SMME's registered and on-boarded for training.

Table 2.4.4.1

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
The table reflects performance in the 1 st Quarter only and the Output Indicators or Target were discontinued in the re-tabled APP from 2 nd Quarter 2020/21									
Improved competitiveness of key targeted sectors in the province	Industrial development strategy developed	Number of Industrial strategies developed	–	–	1	0	-1	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Investment strategy developed	Number of Investment strategies developed	–	–	1	0	-1	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Trade and Export Strategy developed	Number of Trade and Export strategies developed	–	–	1	0	-1	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response

Table 2.4.4.2

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
The table reflects performance information for re-tabled 2020/21 APP								
Improved competitiveness of key targeted sectors in the province	Trade study conducted	Number of trade studies conducted	–	–	1	1	0	No deviation
	Implementation on of the AIDC Automotive Sector Skills Development & Training Programme	Number of unemployed youth trained in automotive trades	–	–	120	59	-61	Not all short-listed candidates signed registers and on-boarding contracts.
		Number of ARPL assessments conducted in automotive trades	–	–	20	0	-20	Candidates were unable to submit required documentation.
		Number of SMME's mentored and trained in the automotive sector	–	–	15	4	-11	Most SMME's did not meet the qualifying criteria.
	Implementation on of the SEZ	Number of reports on the implementation of the SEZ Programme	–	–	2	2	0	No deviation

Strategy to overcome areas of under performance

- Increase awareness about the automotive sector skills development and training programme through hosting information sessions in order to generate a bigger interest amongst the unemployed youth to join the programme.
- The initial recruitment of SMME's to be mentored and trained in the automotive sector was only focussed on Madibeng Local Municipality due to the proximity of SMME's to the AIDC Learning Centre making interaction and travelling under Covid19 restrictions easier. In terms of going forward the area from which SMME's will be sourced will be broadened.
- Increase awareness about the ARPL Assessment Programme through hosting information sessions in order to generate a bigger interest amongst unemployed youth to join the programme.

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

None.

Linking performance with budgets

Programme 3: TRADE AND SECTOR DEVELOPMENT									
Sub programme	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
TRADE AND INVESTMENT PROMOTION	2 859	(500)	(565)	1 794	1 023	771	15 223	12 132	3 091
SECTOR DEVELOPMENT	44 584	500	23 500	68 584	68 088	496	143 250	143 250	-
TOTALS	47 443	-	22 935	70 378	69 111	1 267	158 473	155 382	3 091

The programme is under-spending by R1.267 million, the saving has been realised as the planned face to face meetings with external stakeholders, travel and subsistence and accommodation could not be undertaken due to covid-19 travel restrictions.

2.4. PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE

Purpose:

To create measures that are geared to promote and protect the rights and interests of consumers, effective and efficient regulation of liquor industry and to facilitate the creation of an equitable, socially responsible business environment that allows for predictability and an inclusive economy.

Outcomes, outputs, output indicators, targets and actual achievement

Programme's main objectives amongst others relate to compliance, the intensification of awareness programme and inspections contributed to our desired goal of ensuring that businesses complies with regulatory prescripts.

The programme was tasked with disseminating information about compliance with Disaster Management Act and Regulations to combat the spread of the disease in the Province. Intensification of awareness programme indeed contributed to minimal spread of the disease as businesses adhered to Regulations by sanitizing shoppers, ensuring that customers entering business premises wear masks and keeping minimum number of customers in their premises in line with restrictions imposed by the Regulations.

The programme also conducted regular inspections to enforce adherence to Regulations. Joint inspections were conducted in collaboration with other Regulators in particular Health Practitioners and SAPS. The programme therefore managed to ensure that the businesses did not inflate prices for basic foods. Non-compliant businesses were either closed, suspended, or issued with fines.

Furthermore the programme is currently prioritising the applicants according to the designated groups.

Table 2.4.4.1

PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
The table reflects performance in the 1 st Quarter only and the Output Indicators or Target were discontinued in the re-tabled APP from 2 nd Quarter 2020/21									
Enabling regulatory environment that supports economic growth	Efficient and effective regulatory environment	Level of compliance of businesses to consumer legislative prescripts	–	–	70%	40%	-30%	Underperformance due to Covid -19 lockdown regulations The Target was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Enhanced education awareness	Number of education awareness programmes conducted to communities	–	–	350	50	-300	Underperformance due to Covid -19 lockdown regulations The Target was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response

Table 2.4.4.2

PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
The table reflects performance information for re-tabled 2020/21 APP								
Enabling regulatory environment that supports economic growth	Enhanced compliance level on liquor licensing	Level of compliance of liquor outlets to liquor legislative prescripts	–	–	70%	83%	+13%	Demand for inspection as a result of Command Centre's instructions to ensure that businesses comply with Covid 19 Regulations
	Enhanced consumer compliance level	Level of compliance of businesses to consumer legislative prescripts through complaints resolved	–	–	70%	88%	+18%	Functionality of the Court lead to compliance with Office determination
		Level of compliance of businesses to consumer legislative prescripts through businesses inspected	–	–	60%	48%	-12%	Underperformance due to Covid -19 lockdown regulations
	Enhanced consumer education awareness	Number of consumers and businesses awareness of regulatory prescripts	–	–	360	380	+20	Intensification of awareness programmes to conscientise business compliance with Covid 19 regulations imperatives
	Enhanced compliance level on liquor licensing	Percentage of fully compliant liquor licence applications considered	–	–	60%	100%	+40%	The Board considered all applications received in order to improve service delivery.
	Enhanced level of awareness and social accountability	Number of empowering Education and Awareness programmes Facilitated	580	600	300	356	+56	Intensification of awareness programmes to conscientise business compliance with Covid 19 regulations imperatives
		Number of Social Responsibility Programmes Facilitated	4	4	4	4	0	No deviation
	Enhanced level of compliance of business licensing	Number of business licences issued	–	–	4	3	-1	Quarter 1 target was erroneously captured in the re tabled APP
		Number of awareness programmes on business licensing regulatory prescripts	–	–	96	96	0	No deviation
		Number of oversight reports on the NWGB	–	–	4	3	-1	Quarter 1 target was erroneously captured in the re tabled APP

Strategy to overcome areas of under performance

The Programme will be implementing North West Business Licensing Act which empowers the Department to impose penalties for non-compliance and the programme will further on quarterly basis monitor performance and put remedial action in place for achievements of all targeted indicators. Resources will be allocated appropriately and prioritised for our APP targets.

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

None

Linking performance with budgets

Programme 4: BUSINESS REGULATION AND GOVERNANCE									
				2020/21			2019/20		
Sub programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000
REGULATION SERVICES	8 852	-	-	8 852	7 814	1 038	2 370	2 281	89
CONSUMER PROTECTION	13 940	-	-	13 940	13 105	835	13 703	13 262	441
LIQUOR REGULATION	14 609	-	630	15 239	14 999	240	16 762	16 169	593
GAMBLING AND BETTING	80 116	-	-	80 116	80 116	-	82 812	82 812	-
TOTALS	117 517	-	630	118 147	116 034	2 113	115 647	114 524	1 123

The programme is under-spending by R2.113 million, of which R1.665 million was earmarked for consumer and liquor awareness campaigns under goods and services budget. The planned activities could not celebrated due to covid-19 protocols, and the remaining R0.448 million is as result of saving on compensation of employees due to retirements and resignations of employees during the year.

2.5. PROGRAMME 5: ECONOMIC PLANNING

Purpose:

To lead integrated provincial economic planning through evidence based research

Outcomes, outputs, output indicators, targets and actual achievement

1. ACHIEVEMENTS

1. PREMIER'S ENGAGEMENT WITH INDUSTRY LEADERS

The Department successfully hosted an event on the 30 November 2020 where the Premier and Provincial Executive engaged leaders of the Industry on how to recover the Provincial economy and mitigate the effect of Covid-19. This engagement attracted more than 200 business people from the following sectors; Tourism and creative industry, Real Estate & Township Development, Transport, Retail sector Mining & Processing, Manufacturing and SMME's Sector.

2. STRATEGY DEVELOPED

I. North West Recovery and Growth strategy

3. RESEARCH REPORTS PRODUCED

- VI. The impact of covid-19 pandemic on Small Medium and Micro Enterprises (SMMES) with specific reference to operations, planning and recovery during the crisis; and
- VII. Impact of the Covid-19 Virus on the Labour Market of the North West Province
- VIII. Intelligence reports on the economy;
- IX. Report on the economic opportunities identified in the :Packing Industry and Capital Equipment industry; and
- X. Report on commissioned economic studies : Bio Economy-Agriculture, Electronics sector :

Table 2.4.4.1

PROGRAMME 5: ECONOMIC PLANNING									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
The table reflects performance in the 1 st Quarter only and the Output Indicators or Target were discontinued in the re-tabled APP from 2 nd Quarter 2020/21									
Integrated and sustainable economic growth and development in the Province.	Economic Strategy developed	Number of economic strategies developed	–	–	1	0	-1	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Research Studies conducted	Number of Research studies conducted	6	6	6	0	-6	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response

Table 2.4.4.2

PROGRAMME 5: ECONOMIC PLANNING								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
The table reflects performance information for re-tabled 2020/21 APP								
Integrated and sustainable economic growth and development in the Province.	Research studies conducted.	Number of research studies conducted.	6	6	6	6	0	No deviation
	Economic Intelligence reports produced for dissemination.	Number of Economic Intelligence reports produced for dissemination	4	4	4	3	-1	Quarter 1 target was erroneously captured in the re tabled APP
	Economic strategy developed	Number of Economic Strategies developed	–	–	1	1	0	No deviation

Strategy to overcome areas of under performance

None

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

None

Linking performance with budgets

Programme 5: ECONOMIC PLANNING									
				2020/21			2019/20		
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
POLICY AND PLANNING	10 977	(50)	(520)	10 407	8 662	1 745	6 773	5 991	782
RESEARCH AND DEVELOPMENT	5 651	50	(500)	5 201	3 887	1 314	12 031	9 220	2 811
TOTALS	16 628	-	(1 020)	15 608	12 549	3 059	18 804	15 211	3 593

Economic Planning is under-spending by R3.059 million of which R2.976 million is for goods and services mainly allocated for Travelling and subsistence, accommodation, catering out of which R0.575 was allocated for the development of the Provincial Economic Strategy and implementation plan, the process is due for completion in the first quarter of 2021/22. Travelling could not be undertaken due to covid-19 travel restrictions.

2.6. PROGRAMME 6: ENVIRONMENTAL SERVICES

Purpose:

This programme is responsible for contributing to a safe and healthy living environment, within a regulatory framework for promoting sustainable use and the conservation of natural processes and biological diversity. The Programme consists of the following five sub-programmes:

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

Outcomes, outputs, output indicators, targets and actual achievement

In order to measure achievement on the departmental outcome of protecting and continually enhancing environmental assets and natural resources, seven (7) outcome indicators have been identified. These are as follows:

1. Contribution by the environment sector to job creation.
2. Implementation of National Environmental Education and Training Strategy and Action Plan.
3. Building a climate resilient province.
4. Percentage increase in conservation estate.
5. Environmental Management Instruments and planning tools developed.
6. Percentage compliance to environmental legislation.
7. Percentage of environmental authorizations / biodiversity permits issued within legislated timeframes.

Outcomes, outputs, output indicators, targets and actual achievement

Significant achievements for the Environmental Services Programme, aligned to the seven Outcome Indicators, are as follows:

7. Contribution by the environment sector to job creation
 - A total of 235 EPWP workers have been appointed during the 2020/21 financial year.
8. Implementation of National Environmental Education and Training Strategy and Action Plan
 - A total of 38 Environmental Empowerment Programmes were conducted during the year.
9. Building a climate resilient province
 - The provincial Ambient Air Quality Monitoring Programme continued to be implemented through the seven (7) air quality monitoring stations of the department.
10. Environmental Management Instruments and planning tools developed
 - The Bojanala Platinum District Municipality Environmental Management Framework (BPDM EMF) was gazetted for implementation on 16 June 2020. The BPDM EMF is a spatial tool, revealing where specific land uses may best be practiced in consideration of the environmental sensitivity. The attributes of the environment are specified to inform environmental management in the Bojanala Platinum District, especially in terms of decision-making on applications for environmental authorisations and to inform spatial planning in the district.
 - The North West Environment Outlook 2018 was published and gazetted on 23 March 2021. DEDECT then successfully hosted its first webinar on 24 March 2021 to share the content of the North West Environment Outlook report. The webinar created awareness on critical issues and trends outlined in the 2018 North West Environment Outlook Report.

- The North West Province has concluded the implementation of the 3rd Edition of the North West Environmental Implementation Plan (2015–2020) through the approval and adoption of the 2019/20 NW EIP Annual Compliance Report in July 2020.
- The 4th Edition of the North West Environmental Implementation Plan (2020 – 2025) was developed and subsequently gazetted on 23 March 2021.
- An Infrastructure Development Plan was developed and approved for the Taung Skull World Heritage Site.
- The NW Hunting Regulations 2021 were approved for implementation.
- Four (4) Environmental Information Management Systems were maintained, namely: the i) Geographic Information System (GIS); ii) the Compliance and Enforcement Tool; iii) the North West Integrated Permit Administration System (NW NIPAS) and iv) the Biodiversity Sector Plan web tool.

11. Percentage compliance to environmental legislation

- More inspections were conducted and enforcement actions undertaken resulting in more visibility of Environmental Management Inspectors, compliance monitoring and enforcement of environmental legislation.

12. Percentage of environmental authorizations / biodiversity permits issued within legislated timeframes

- The Programme was 100% effective in finalising Environmental Authorisations (EIA, Waste Management Licenses, Atmospheric Emission Licenses) and biodiversity permits within legislated timeframes.

Table 2.4.4.1

PROGRAMME 6: ENVIRONMENTAL SERVICES									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
The table reflects performance in the 1 st Quarter only and the Output Indicators or Target were discontinued in the re-tabled APP from 2 nd Quarter 2020/21									
Environmental assets and natural resources protected and continually enhanced.	Development and implementation of Environmental Management Instruments and planning tools	Number of legislated tools developed	3	3	7	0	-7	This was an annual indicator targeted for the 4th Quarter	Annual target was changed from 7 to 2 due to budget cuts and slow movement of tender processes
	Percentage of compliance to legal obligations in respect of licensed facilities and permitted activities inspected	Number of compliance inspections conducted	1489	1200	1090	149	-941	Due to COVID-19 Lockdown restrictions, less inspections were done than projected target for Q1.	Annual target was changed from 1090 to 1040 due to budget cuts and movement restrictions due to COVID-19 situation.
	Percentage of administrative enforcement notices complied with	Number of administrative enforcement notices issued for non-compliance with environmental management legislation	39	28	26	3	-23	Re-active, dependant on non-compliance encountered during the inspections	Annual target was changed from 26 to 20. COVID-19 situation is causing decline in economic activity, therefore a decline in illegal development was expected.
	Environmental authorizations/ permits finalized within legislated timeframes	Number of permits issued within legislated time-frames	4 154	4 000	4 000	1 585	-2415	Permits issued depend on the number of permit applications received.	Annual target was changed from 4000 to 2000. Less applications were anticipated to be received due to decline in the biodiversity economy following the COVID-19 restrictions.
	Contribution of biodiversity sector to economic growth and development	Number of Bio-diversity economy initiatives implemented	5	5	5	0	-5	This was an annual indicator targeted for the 4th Quarter	Annual target was changed from 5 to 1 due to budget cuts and impact of COVID-19

PROGRAMME 6: ENVIRONMENTAL SERVICES									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
									restrictions on the biodiversity economy sector.
	Contribution by the environment sector to job creation	Number of work opportunities created through environmental programmes	304	250	250	0	-250	This was an annual indicator targeted for the 4th Quarter	Annual target was changed from 250 to 270. Additional 20 job opportunities would have been created to support DWS, through the EPWP programme, with the Hartebeespoort Dam remediation programme.

Table 2.4.4.2

PROGRAMME 6: ENVIRONMENTAL SERVICES								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
The table reflects performance information for re-tabled 2020/21 APP								
Environmental assets and natural resources protected and continually enhanced.	Development and implementation of Environmental Management Instruments and planning tools	Number of legislated tools developed	3	3	2	2	0	No deviation
		Number of non-legislated environmental management tools developed	New	New	1	1	0	No deviation
		Number of functional environmental information management systems maintained	4	4	4	4	0	No deviation
	Implementation of climate change response plans to reduce vulnerability to risks associated with climate change	Number of climate change response interventions implemented	2	2	1	1	0	No deviation
	Percentage of compliance to legal obligations in respect of licensed facilities and permitted activities inspected	Number of compliance inspections conducted	1489	1200	1040 (EQM 200 + 840 BM)	1168	+128	The indicator is reactive, it is dependent on the number of non-compliances reported. More non compliances were detected during the year under review
	Percentage of administrative enforcement notices complied with	Number of administrative enforcement notices issued for non-compliance with environmental management legislation	39	28	20	40	+20	The indicator is reactive, it is dependent on external factors. More noncompliance's were detected and reported during the year under review.
	Completed criminal investigations handed to the NPA	Number of completed criminal investigations handed to the NPA for prosecution	82	50	50	62	+12	Cases handed over depend on the number of criminal investigations with prospect of prosecution.
	Environmental authorizations/permits finalized within legislated timeframes	Percentage of complete EIA applications finalised within legislated timeframes	100% (96)	100% (50)	100% (50)	100% (99)	0% +(49)	The indicator is reactive, it is dependent on external factors. The baseline performance is

PROGRAMME 6: ENVIRONMENTAL SERVICES								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
								more because more applications were received during the period under review. Efficiency was 100% in finalising applications that were received
		Percentage of Atmospheric Emission Licenses issued within legislated timeframes	100% (8)	100% (4)	100% (4)	100% (8)	0% +(4)	The indicator is reactive, it is dependent on external factors. The baseline performance is more because more applications were received during the period under review. Efficiency was 100% in issuing licenses for applications that were received.
		Percentage of waste license applications finalised within legislated timeframes	100% (8)	100% (4)	100% (4)	100% (1)	0% (-3)	The indicator is reactive, it is dependent on external factors. Less applications were received during the period under review. Efficiency was 100% in finalising applications that were received.
		Number of permits issued within legislated time-frames	4154	4000	2000	5775	3775	The indicator is reactive, it is dependent on the external factors. More applications were received than expected.
	Expansion of the conservation estate	Number of hectares in the conservation estate	422395	454000	454 000	422 605	-31 395	A total of 210 ha was added to the current baseline of 422 395 ha conservation estate in the North West. Additional targeted hectares could not be

PROGRAMME 6: ENVIRONMENTAL SERVICES								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
								achieved, as the process to finalize with the Baphiring Community took a different turn of events when it was discovered during the inspection in loco that the targeted farm was divided into informal sub-portions by the community, of which these portions are not registered as subdivisions. These sub-portions will therefore have to be surveyed and registered as subdivisions with the deeds office before the farm can be formally added to the conservation estate.
	Contribution of biodiversity sector to economic growth and development	Number of Bio-diversity economy initiatives implemented	5	5	1	1	0	No deviation
	Contribution by the environment sector to job creation	Number of work opportunities created through environmental programmes	304	250	270	235	-35	Non-implementation of some projects
	Implementation of National Environmental Education and Training Strategy and Action Plan	Number of environmental empowerment programmes implemented	NPI	NPI	16	39	+23	Additional requests were received from stakeholders

Strategy to overcome areas of under performance

Continued efforts will be made to persuade landowners through negotiations to add land to the conservation estate. Consideration will be given to include restitution land as part of the expansion strategy to enlarge the protected area estate.

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

It was announced by DPME that, for 2020/21, no sector will be standardized in terms of performance indicators. The Programme Environmental Services, therefore, reported on indicators that were relevant to the MTSF 2019-2024 for the Environmental Sector and that were standardised in previous years.

Linking performance with budgets

Programme 6: ENVIROMENTAL SERVICES									
Sub programme	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
ENVIRONMENTAL POLICY, PLANNING AND COORDINATION	12 727	(3 120)	-	9 607	9 151	456	23 476	23 132	344
COMPLIANCE AND ENFORCEMENT	10 093	1 100	-	11 193	8 918	2 275	8 208	7 866	342
ENVIRONMENTAL QUALITY MANAGEMENT	27 536	(2 626)	-	24 910	23 513	1 397	21 675	21 331	344
BIODIVERSITY MANAGEMENT	38 895	(1 164)	-	37 731	36 924	807	38 775	38 450	325
ENVIRONMENTAL EMPOWERMENT SERVICES	197 998	5 810	(3 803)	200 005	196 643	3 362	178 015	169 416	8 599
TOTALS TOTAL	287 249	-	(3 803)	283 446	275 149	8 297	270 149	260 195,00	9 954

Environmental Services under-spending by R8.297 million of which R3.million relates to Taung world Heritage project, the savings is as a result of the reviewed implementation plan. R3.672 million relates to travelling and subsistence, accommodation to attend to planned events and meetings which could not be undertaken due to covid-19 travel restrictions and the realized savings on quarantine facilities due to the reduction on the number of infections and the introduction of the movement to corona virus risk alert level 1.

2.7 PROGRAMME 7: TOURISM

Purpose:

To create an enabling legislative and regulatory, policy and strategy environment for tourism development and growth

Outcomes, outputs, output indicators, targets and actual achievement

- We successfully held a well-attended International Tourist Guides Day Celebration in the province attended by tourist guides and tour operators.
- We also managed to successfully conduct 77 Covid-19 Inspections instead of required 30 which represents an extra 47+ over-achievement.
- Working with NDT we successfully recruited and employed 100 Tourism Safety Monitors who were deployed for 12 months at different tourism attractions. All this recruited 100 Tourism Safety Monitors are youths and this responds to government imperatives of prioritising youths in our developmental programmes.
- We successfully recruited and placed 100 youth throughout the four district for the EPWP Tourism and Hospitality Programme
- The Taung Hotel School infrastructure will impact skills and training of youth and hospitality industry in the long term
- As part of empowering women we also successfully launched the Dr RSM Women in Tourism District Chapter, whose responsibility is to advance business interests and capacitate women within broader Tourism industry.
- We further held a Provincial Women In Tourism Capacity Building Workshop aimed at capacitating and empowering women who own tourism products in matters relating to strategic planning, corporate governance, importance of digital media, tourism trends, etc.
- The feasibility study done on Mining, was shared at the stakeholder engagement and it will impact tourism product diversification and eventually job creation

Table 2.4.4.1

PROGRAMME 7: TOURISM									
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Target
The table reflects performance in the 1 st Quarter only and the Output Indicators or Target were discontinued in the re-tabled APP from 2 nd Quarter 2020/21									
North West Province as the leading tourism destination in the country	Training programme aimed at the empowering the Youth	Number of youth trained in Tourist Guiding	–	20	40	0	-40	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Awareness of the Tourism value chain created.	Number of Tourist Guiding awareness initiatives undertaken	–	–	4	1	-3	Quarter 1 target was achieved, but the indicator was discontinued in the revised APP	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Promote the culture of Travel and Domestic Tourism	Number of initiatives undertaken to support Social Tourism	–	4	4	1	-3	Quarter 1 target was achieved, but the indicator was discontinued in the revised APP	The re tabling of the 2020/21 APP in line with the Covid 19 response
	Tourism facilities upgraded	Number of Tourism establishment supported for grading	–	60	70	0	-70	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
	The competitiveness and profile of the provincial tourism products enhanced	Number of flagship events/projects supported	1	1	1	0	-1	The indicator was not targeted for the 1 st Quarter and was discontinued	The re tabling of the 2020/21 APP in line with the Covid 19 response
		Number of initiatives undertaken to support Tourism Products	4	4	4	0	-3	Due to the Covid 19 pandemic no initiatives were undertaken	The re tabling of the 2020/21 APP in line with the Covid 19 response

Table 2.4.4.2

PROGRAMME 7 : TOURISM								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
The table reflects performance information for re-tabled 2020/21 APP								
North West Province as the leading tourism destination in the country	Capacity building programme	Number of Capacity Building initiatives undertaken to support emerging Tour operators	–	–	2	2	0	No deviation
	Capacity building and awareness of value chain	Number of illegal tourist guiding inspections conducted	–	–	4	4	0	No deviation
	Promote the culture of Travel and Domestic Tourism	Tourism resources material developed & distributed to enhance tourism awareness	–	–	2	2	0	No deviation
	Tourism facilities inspections	Number of tourism inspections conducted to ensure compliance with Covid-19 regulations	–	–	30	77	+47	For compliance to Covid 19 and readiness of the tourism industry, there was more demand for tourism facilities to comply to the regulation
	The competitiveness and profile of the provincial tourism products enhanced	Number of Infrastructure development reports produced	4	4	4	3	-1	The construction industry was closed hence only 3 reports could be produced as the first quarter of the year construction industry was closed due to level 5 restrictions
	The competitiveness and profile of the provincial tourism products enhanced	Number of initiatives undertaken to support Tourism Products.	4	4	2	1	-1	Only 1 target could be achieved due to construction industry closure as per the level restrictions
	Tourism facilities inspection	Number of Entity oversights report produced	4	4	4	3	-1	Tourism industry was closed on the first quarter of the financial year , NWTB was not functional and only the last 3 quarter tourism industry was opened as per the level restriction
To create an enabling legislative; regulatory;	Tourism public and private sector initiatives	Number of Monitoring tourism sector performance	–	–	3	3	0	No deviation

PROGRAMME 7 : TOURISM								
Outcome	Output	Output Indicator	Actual Achievement 2018/2019	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021 until date of re-tableting	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
policy and strategic environment for tourism development and growth	Tourism public and private sector initiatives	report and its impact across the Province	–	–	3	3	0	No deviation
		Number of tourism stakeholder engagements facilitated	–	–	2	3	+1	Over achievement was due to the fact that when the tourism industry opened, there was more demand for industry interaction
		Tourism Research studies conducted to support growth in North West tourism industry amidst Covid_19 pandemic	–	–	2	2	0	No deviation
		Number of Tourism policies developed	–	–	3	3	0	No deviation

Strategy to overcome areas of under performance

- Number of Infrastructure development reports produced:**
 Due to the closure of the construction industry, during the first quarter of the year the construction industry was closed due to Level 5 restrictions, as such only 3 reports could be produced. A strategy is in place will be implemented as soon as the restrictions are conducive to the construction industry.
- Number of initiatives undertaken to support Tourism Products.**
 The initial target was 4 and was revised to 2 due Covid 19 regulations; only 1 target could be achieved due to construction industry closure, A strategy is in place will be implemented as soon as the restrictions are conducive to the construction industry
- Number of Entity oversights report produced:**
 Due to Covid 19 Level 5 restrictions, the tourism industry was closed completely and this affected their performance in the first quarter of the financial year. The NWTB was not functional and only in the last 3 Quarters was the tourism industry opened as per the Covid restriction level. We will continue to implement the entity over sight as the level restrictions permits us.

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

None

Linking performance with budgets

Programme Expenditure

Programme 7: Tourism									
Sub-programmes	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
TOURIST GUIDING AND REGULATION SERVICES	7 198	-	(269)	6 929	6 735	194	2 061	1 500	561
TOURISM SECTOR AND TRANSFORMATION	3 613	100	(413)	3 300	2 660	640	10 802	10 440	362
TOURISM GROWTH AND DEVELOPMENT	144 010	(100)	(1 370)	142 540	129 373	13 167	150 821	139 637	11 184
TOTALS	154 821	-	(2 052)	152 769	138 768	14 001	163 684	151 577	12 107

The programme is underspending by R14.001 million of which R12.391 million is a realised savings from the Taung hotel school due to the revised implementation plan. R0.985 is a saving from goods and services budget, which was allocated to travelling, catering and accommodation and could not be undertaken due to covid-19 travel restrictions.

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
Provide Relief Support to qualifying SMME's & Informal Traders ranging from R1 000 to R100 000.00 per qualifying NW based informal trader and SMME's	Integrated Economic Development Services	Provide SMME Covid Relief Fund Support to qualifying northwest based SMME's and Informal Traders	SMME's Bojanala 1 Dr RSM 52 DR. K.K. 158 NMM 245	5000	40 000 000.00	R1 465m		Provide income relief to SMME's and informal traders Impacted by Covid 19
Provide Relief Support to qualifying SMME's & Informal Traders ranging from R1 000 to R100 000.00 per qualifying NW based informal trader and SMME's	Integrated Economic Development Services	Provide SMME Covid Relief Fund Support to qualifying northwest based SMME's and Informal Traders	Informal Traders Bojanala 169 Dr RSM 60 DR. K.K. 106 NMM 285	620		R16 000 00.00	1240 Job Opportunities	Provide income relief to SMME's and informal traders Impacted by Covid 19
Integrated Economic Development Service	Provide accredited training 200 to qualifying youth to qualify as Business Advisors	12 months	4 Districts	200		R 7 940 00.00	200 Job are envisaged to be created during placement and upon completion of the program	Provide business advisory skills to participants
Trade & Sector Development	Update the existing Provincial growth and Development Strategy and Develop its Implementation Plan upto 2040	12 Months	Provincial	N/A		R 600 000.00	N/A	Number of industrial strategies developed
Integrated Economic Development Services	Distressed businesses supported through business turnaround solutions	Quarterly	Province	10	SMMEs & Cooperatives	R 5 000 000	Job sustained and new jobs created will be reported after interventions	Number of businesses supported through business turnaround solutions
Integrated Economic Development Services	Informal Traders Market Infrastructure; P2	Mar-21	Mamusa Local Municipality		Informal businesses	R 4 000 000	Not applicable	Support provided to municipalities to establish informal trade markets
Integrated Economic Development Services	Domestic Trade Market; P2	Mar-20	Mahikeng Local Municipality		SMMEs & Cooperatives	R 3 000 000	Not applicable	Support provided to municipalities to establish domestic trade markets
Integrated Economic Development Services	Online Marketing Platform	21-Mar	Virtual		SMMEs & Cooperatives	R3 000 000	Improved access to Markets	Comprehensive Support Provided to Existing Enterprises

PART - C



GOVERNANCE

5.1 Introduction

The Department operated within the prescripts of PFMA Act 1 of 1999 and Treasury Regulations. Performance agreements for all Senior Management in line with the Annual Performance Plan were signed. All Supply Chain Management BID Committees were established and all Senior Managers declared their financial disclosure of interest.

5.2 Risk Management

The department has a risk management policy and strategy which outlines a structured and coherent approach to identifying, assessing and managing risks. Strategic, operational and fraud risk registers were reviewed and monitoring performed by the Audit Committee, Risk Management Committee and Departmental management Committee on quarterly basis. Performance Agreements for senior management constitute risk management as key performance areas. Awareness sessions were held for all staff members.

5.2.1. Risk Assessment

Covid Risk Assessment was conducted and monitoring of treatment plans done accordingly. Risk register was updated with the emerging risks on regular basis. Performance Agreements for senior management constitute risk management as key performance areas.

5.2.2 Risk Management Committee

Risk Management committee with an independent chairperson and one external member was appointed and four of the four planned meetings were successfully held. In discharging its oversight role, the risk management committee reviewed the risk management policy, strategy and its charter. Monitoring of the risk management plan was done and recommendations provided. Progress in relation to management of risks has transmitted into improvements in the department's performance.

5.3 Fraud and Corruption

No incident of fraud or corruption was reported during the year. The department reviewed fraud prevention policy and strategy

Fraud Prevention Plan

The department has a fraud prevention policy and strategy with an implementation plan.

Employees should report immediately all allegations and incident of fraud and corruption to their immediate supervisor, and in case where an employee has a reasonable belief that the immediate supervisor / manager are involved should report to the Head of Department or National Anti-Corruption Hotline. No incidents of fraud were reported during the year.

Fraud and Ethics Committee

The department has established an ethics committee chaired by the Chief Director Corporate Services, which provide oversight on ethics management in the department and report their work to the Risk Management Committee and Head of Department.

5.4 Minimising conflict of interest

Supply Chain Management practitioners signed declarations to ensure that no conflict arises between their personal business interest and the interests of the state and SMS members have also signed their mandatory declarations.

All other officials have also been requested to declare their business holdings, especially where these businesses have dealings with government.

5.5 Code of conduct

Code of Conduct in the Public Service, is prescribed of which employees are encouraged to adhere to. Awareness on the Code of Conduct are made through workshops, thereby, continuously creating awareness on the content thereof. These workshops maximise compliance on the side of employees.

5.6 Health safety and environmental issues

The HoD, CFO, Chief Director Corporate Services and SHERQ Officer attended SHERQ Management workshop facilitated by Office of the Premier with the aim to empower management on the importance of complying with the OHS Act. In addition, the aim of the workshop was to lobby for the management support in the implementation of SHERQ Policy in order to ensure a safe working environment for all the employees.

All the employees were capacitated on Compensation on Injury on Duty Act (COIDA). All OHS statutory appointments have been done. The OHS Committee is trained and functional.

The Department has numerous challenges that it faces that relates to implementation of OHS Act and these are:

- None of Departmental Buildings have Certificate of Compliance as prescribed by the OHS Act.
- Conducted five (5) building inspections and only one building was found to compliant.

5.7 Portfolio Committee

The Portfolio Committee exercises oversight over the service delivery performance of departments and in this regard visited departmental funded projects in various areas of the province as part of their oversight functions.

SCOPA resolutions

There were no SCOPA resolutions for the 2017/18 financial year

5.8 Prior modifications to audit reports

No modifications to previous audit reports have been made.

5.9 Internal control

The department developed compliance checklist to curb issue of non-compliance and SCM checklist was developed and implemented during the year under review. Standard Operating Procedures creditors' payment and certification of payrolls developed to curb issue of non-compliance to 30 days payment and monitoring of payrolls.

The department has established registry and human resource records to curb the non-compliance to records management.

5.10 Report of the Provincial Audit Committee

1. Legislative Requirements

The Audit Committee herewith presents its report for the financial year ended 31 March 2021, as required by treasury regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

2. Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and should meet at least four times per annum as the Central Audit Committee and four times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year four scheduled and one special meetings were held by the Central Audit Committee and four scheduled and three special meetings were held by the Cluster Audit Committee.

3. 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, 1999 and Treasury Regulation 3.1.

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.

4. Under Administration

This department is under s100(1)(a) of the Constitution which dictates that when a province cannot or does not fulfil an executive obligation in terms of the Constitution or legislation, the national executive may intervene by taking any appropriate steps to ensure fulfilment of that obligation, including issuing a directive to the provincial executive, describing the extent of the failure to fulfil its obligations and stating any steps required to meet its obligations.

5. The effectiveness of internal control

In line with the Public Finance Management Act, 1999, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their adequacy and efficiency, and by developing recommendations for enhancement or improvement. The accounting officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

From the various reports of internal audit and Auditor General South Africa, it was noted that matters were reported indicating areas of improvement in the system of internal controls in areas pertaining to performance information and compliance with laws and regulations. Through our analysis of audit reports and engagement with the Department

it is concluded that the system on internal control for the period under review was not entirely adequate and effective.

The Audit Committee remains concerned with the slow progress in the finalization of irregular expenditure. The status of the implementation of the guideline(s) as issued by National Treasury to resolve irregular expenditure is inadequate.

6. Risk Management

The Risk Management Committee has been appointed and is chaired by an independent chairperson and advises the accounting officer. Based on the quarterly reviews performed, the departmental fraud and risk management system is not entirely adequate and effective. The Audit Committee is concerned with inadequate risk management which will impact service delivery negatively if the situation is not addressed.

7. In-Year Management and Quarterly Reporting

The Provincial Treasury has confirmed that the department has reported to the Treasury as is required by the Public Finance Management Act, 1999. The quality of the in-year financial and performance reporting including interim financial statements are however a concern to the Audit Committee.

The audit committee has engaged with management to remedy shortcomings, especially relating to interim financial statements and reports on performance against predetermined objectives.

The audit committee has recommended that the department prepare interim financial statements that comply with the financial reporting framework (Modified Cash Standard (MCS). This will assist in performing reconciliations timeously and in eliminating year-end adjustments.

The department did not adequately report to the Audit Committee on full compliance to the Division of Revenue Act, 2021 and other transfer payments made to entities.

8. Evaluation of Financial Statements

The Audit Committee has reviewed the draft annual financial statements prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of Provincial Accountant General, Internal Audit and Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor General South Africa. The Audit Committee has also confirmed that the Annual Financial Statements submitted were free from material misstatements.

9. Evaluation of Performance information

The Audit Committee has reviewed the information on predetermined objectives to be included in the annual report by the department and has advised the accounting officer to ensure that all the review notes and comments of the Internal Audit and Audit Committee are fully addressed prior to submission of the annual report to the Auditor General South Africa. The Audit Committee also reviewed the material misstatements that were corrected during the audit.

10. Compliance with laws and regulations

The Audit Committee is concerned with the status of compliance with laws and regulations. If the department does not implement an adequate and effective compliance framework and system, noncompliance resulting in irregular expenditure will continue to occur.

11. Internal Audit

The accounting officer is obliged, in terms of the Public Finance Management Act, 1999, to ensure that the entity has a system of internal audit under the control and direction of the Audit Committee. The Audit Committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The Audit Committee also notes that the deficiencies in the risk management system mentioned above impact on the implementation of the risk-based audit approach.

The Audit Committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity and that as determined during the external quality assessment review, that a generally conformance rating can be applied to the internal audit work and the term “Conforms with the International Standards for the Professional Practice of Internal Auditing” may be used by the function.

12. Auditor General South Africa

The Audit Committee has met with the Auditor-General South Africa to discuss their audit report, to ensure that there are no unresolved issues. We have also reviewed the management responses to the audit issues raised in the AGSA management report and continuous oversight will be exercised to ensure that unresolved findings are adequately addressed.

We have reviewed the organization’s implementation plan for audit issues raised in the previous year and we are satisfied that the matters raised were substantially resolved.

The Audit 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 should be accepted and read together with the report of the Auditor-General.

13. Reconfiguration

The erstwhile Department of Economy and Enterprise Development has been reconfigured in the year ended 31 March 2020 by taking over the Department of Tourism and the function of Environmental Services and Conservation to form a new Department of Economic Development, Environment, Conservation and Tourism. This reconfiguration has not been finalized in the current financial year.

14. COVID 19

As a result of the President declaring a national state of disaster on the 26th March 2020, the country had been under various levels of lockdown and the need to fund unplanned COVID 19 expenditure resulted in budget cuts which have impacted service delivery.

15. General

The Audit Committee strongly recommends that the Department must ensure adequate and effective implementation and frequent monitoring of the audit action plans for both internal and external audits to obtain a clean audit opinion.

Signed on behalf of the Cluster Audit Committee by:

Chairperson of the
Cluster Audit Committee

Pumla Mzizi CA(SA)

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P. Mzizi CA (SA)

Date: 16 August 2021

5.11 Internal audit and audit committees

- Key activities and objectives of the internal audit

Key activities:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Key objectives:

Provide a value add risk based internal audit service to the department.

- Summary of audit work done**

For the financial year under review 13 assurance and advisory reports were issued to the Department. Work performed was based on a risk based internal audit plan and included audits of: risk management; supply chain management; financial statements; report on pre-determined objectives; IT governance; human resource management; the reconfiguration of the department and external audit action plans. The audit work performed indicated that various deficiencies in internal control, risk management and governance processes exist and that this will require improvement on by the Department through timely and adequate implementation of agreed upon audit action plans. The audit of the reconfiguration process could also not be performed during the financial year as the required audit files were not finalised yet at year-end.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	Role	Date appointed	Date resigned	No meetings attended
Central Audit Committee						
CA(SA)		External	Chairperson	1 August 2018		3
Ms P. Mzizi	CA(SA)	External	Member	1 August 2018		2
Mr M. Sass	CA(SA)	External	Member	1 August 2018	9 May 2020	1
Mr P. Tjie	B.Com, PMD	External	Member	1 August 2018		3
Ms. J. Masite*	B.Com, CIA	External	Member	1 August 2018		1
Mr A.F Sinthumule*	B.Com, MBA	External	Member	1 August 2018		1
Cluster Audit Committee						
Ms. P. Mzizi	CA(SA)	External	Chairperson	1 August 2018		4
Mr. F. Sinthumule	B.Com, MBA	External	Member	1 August 2018		4
Mr. M. Terheyden	CA(SA)	External	Member	1 August 2018		4
Ms. J. Brown	B.Com	External	Member	1 August 2018		3

*Co-opted for specific meetings.

PART - D



HUMAN RESOURCE MANAGEMENT & DEVELOPMENT

2.6 PART D: HUMAN RESOURCES MANAGEMENT

2.6.1 INTRODUCTION

The statistics and information published in the Human Resources Management and Development part of the annual report are required in terms of Chapter 3, Part 1 section 31 of the Public Service Regulations, 2016 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

- **Overview of the Human Resources matters at the Department**

The programme provides for the effective human resources management interventions through the alignment of Departmental Structure to business strategy. It renders an effective and efficient professional human resource and administrative support to the department. It coordinates the training and development of staff. It, further, ensures employee Health and Wellness and Safety as well as to ensure sound labour relations in the workplace.

2.6.2 Human resource oversight statistics

3.1 Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and 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, 2020/2021

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)
Programme 1 Administration	385 312.85	171 350.00	213 962.85	0	15.92	696.54
Programme 2 Integrated Economic Development	74 330.00	74 330.00	0	0	6.90	2563.10
Programme 3 Trade and Industry Development	69 111.00	69 111.00	0	0	6.42	539.93
Programme 4 Business Regulation	116 034.00	116 034.00	0	0	1.0.78	586.03
Programme 5 Planning & Monitoring	12 549.00	12 549.00	0	0	1.16	2091.50
Environment Services	271 549.00	271 549.00	0	0	25.23	756.40
Tourism	147 224.00	147 224.00	0	0	13.68	981.49
Grand Total	1 076 109.85	590 598.00	213962.85	0	80.09	8214.99

Please note that the amount of Personnel expenditure excludes training expenditure.

Table 3.1.2 Personnel costs by salary bands, 2020/2021				
Salary bands	Personnel Expenditure (excl Good & Services)	% of Total Personnel Cost	No. of Employees as at 31 March 2020	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	R6 062 399,52	2	33	R 183 709,00
Skilled (Levels 3-5)	R31 844 436,27	12	118	R 269 868,00
Highly skilled production (Levels 6-8)	R68 456 206,60	25	156	R 438 822,00
Highly skilled supervision (Levels 9-12)	R120 149 775,74	43	159	R 755 659,00
Senior and Top Management (Level 13-16)	R35 676 963,91	13	28	R 1 274 177,00
Contract (Levels 1-2)	R140 576,52	0	1	R 140 577,00
Contract (Levels 3-5)	R939 894,36	0	4	R 234 974,00
Contract (Levels 6-8)	R1 529 093,13	1	4	R 382 273,00
Contract (Levels 9-12)	R2 385 845,40	1	3	R 795 282,00
Contract (Levels 16) Verify information	R2 745 661,19	1	1	R 2 745 661,00
Periodical Remuneration	R0,00	0	0	R 0,00
Abnormal Appointment	R6 612 927,59	2	459	R 14 407,00
Grand Total	R 276 543 780,23	100	966	R 286 277,00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2020/2021								
Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount	Salaries as % of personnel cost	Amount	Overtime as % of personnel cost	Amount	HOA as % of personnel cost	Amount	Medical ass. As % of personnel cost
Administration	R 75 806 167,33	70	R 160 900,37	0	R 3 348 814,02	3	R 5 884 689,50	5
Inter Econ Dev	R 12 314 834,76	69	R 100 185,26	1	R 535 948,79	3	R 956 064,00	5
Trade & Industry Dev	R 16 997 572,68	73	0	0	R 522 041,67	2	R 649 520,75	3
Business Regulation	R 23 667 640,22	72	R 248 104,76	1	R 1 201 316,26	4	R 1 724 452,00	5
Planning & Monitoring	R 2 970 505,28	70	0	0	R 99 418,53	2	R 104 320,00	2
Environmental Services	R 62 002 802,02	69	0	0	R 2 405 015,86	3	R 4 614 545,79	5
Grand Total	R 193 759 522,29	70	R 509 190,39	0	R 8 112 555,13	3	R 13 933 592,04	5

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2020/2021

Salary bands	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	(Amount)	Salaries As % Of Personnel Costs	(Amount)	Overtime As % Of Personnel Costs	(Amount)	HOA As % Of Personnel Costs	(Amount)	Medical Aid as a % of Personnel Cost
Lower skilled (Levels 1-2)	R 3 594 537,00	59	0	0	R 567 642,93	9	R 1 120 836,75	19
Skilled (Levels 3-5)	R 21 163 428,71	67	R 32 298,38	0	R 1 999 352,61	6	R 3 694 458,25	12
Highly skilled production (Levels 6-8)	R 47 890 976,03	70	R 288 933,50	0	R 2 723 153,16	4	R 4 967 000,00	7
Highly skilled supervision (Levels 9-12)	R 85 902 316,87	72	R 170 536,07	0	R 2 207 522,43	2	R 3 901 361,04	3
Senior and Top Management (Level 13-16)	R 23 290 963,20	65	0	0	R 614 884,00	2	R 249 936,00	1
Contract (Levels 1-2)	R 102 534,00	73	0	0	0	0	0	0
Contract (Levels 3-5)	R 643 704,00	69	0	0	0	0	0	0
Contract (Levels 6-8)	R 1 276 716,00	84	R 17 422,44	1	0	0	0	0
Contract (Levels 9-12)	R 1 586 984,04	67	0	0	0	0	0	0
Contract (Levels 13-16)	R 1 759 543,45	64	0	0	0	0	0	0
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	R 6 547 818,99	99	0	0	0	0	0	0
Grand Total	R 193 759 522,29	70	R 509 190,39	0	R 8 112 555,13	3	R 13 933 592,04	5

3.2 Employment and vacancies

Table 3.2.1 Employment and Vacancies by Programme, 31 March 2021				
Programme	Number of posts on approved establishment	No. of posts filled	% Vacancy Rate	Number of employees additional to the establishment
PROG 1 ADMINISTRATION	236	211	11	0
PROG 2 INTERGRATED ECONOMIC DEVELOPMENT	35	29	17	0
PROG 3 TRADE AND INDUSTRY DEVELOPMENT	62	38	39	0
PROG 4 BUSINESS REGULATION	72	57	21	0
PROG 5 PLANNING AND MONITORING	7	6	14	0
PROG 6 ENVIRONMENTAL SERVICES	225	163	28	0
Grand Total	637	504	21	0

Table 3.2.2 Employment And Vacancies By Salary Bands, 31 March 2020				
Salary Band	Number of Posts on approved establishment	Number of Posts Filled	% Vacancy Rate	Number of employees Additional To The Establishment
Lower Skilled (Levels 1-2)	32	27	16	0
Skilled (Levels 3-5)	168	133	21	0
Highly Skilled Production (Levels 6-8)	215	170	21	0
Highly Skilled Supervision (Levels 9-12)	187	146	22	0
MEC & Senior Management (Levels 13-16)	35	28	20	0
Grand Total	637	504	21	0

Table 3.2.3 employment and vacancies by critical occupation, 31 March 2021				
Critical Occupations	Number of posts on approved establishment	Number of posts filled	% vacancy rate	Number of employees additional to the establishment
Administrative related	42	38	10	0
Advocates	1		100	0
Agricul animal oceanography forestry & other science	5	5	0	0
Agriculture related	21	13	38	0
Architects town and traffic planners	1	1	0	0
Auxiliary and related workers	33	22	33	0

Table 3.2.3 employment and vacancies by critical occupation, 31 March 2021

Critical Occupations	Number of posts on approved establishment	Number of posts filled	% vacancy rate	Number of employees additional to the establishment
Building and other property caretakers	1	1	0	0
Cashiers tellers and related clerks	1	1	0	0
Cleaners in offices workshops hospitals etc.	46	38	17	0
Client inform clerks (switchboard reception inform clerks)	1	1	0	0
Communication and information related	14	13	7	0
Farm hands and labourers	4	4	0	0
Finance and economics related	28	25	11	0
Financial and related professionals	7	5	29	0
Financial clerks and credit controllers	25	24	4	0
Food service aids and waiters	1	1	0	0
General legal administration & rel. Professionals	3	2	33	0
Geologist Geophysicists Hydrologists & related prof	53	40	25	0
Human resources & organisational development & related prof	11	8	27	0
Human resources clerks	22	21	5	0
Human resources related	18	16	11	0
Information technology related	5	4	20	0
Language practitioner interpreter & other communication off	1	1	0	0
Library mail and related clerks	5	5	0	0
Light vehicle drivers	2	1	50	0
Messengers porters and deliverers	7	5	29	0
Mining geology & geophysical & related technicians	1	1	0	0
Motor vehicle drivers	1	1	0	0
Natural science related	1	1	0	0
Nature conservation and oceanographical related technicians	45	36	20	0
Other administrative & related clerks and organisers	111	72	35	0
Other administrative policy and related officers	17	11	35	0
Other occupations	1	1	0	0
Regulatory inspectors	11	9	18	0
Safety health and quality inspectors	1	1	0	0
Secretaries & other keyboard operating clerks	31	26	16	0
Security officers	2	2	0	0
Senior managers	30	24	20	0
Trade/industry advisers & other related profession	27	24	11	0
Grand Total	637	504	21	0

3.3 Filling of SMS posts

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
Salary level 16	1	1	100	0	0
Salary level 15	1	1	100	0	0
Salary level 14	8	7	88	1	12,5
Salary level 13	23	19	83	4	17,4
Grand Total	33	28	84,8	5	15,2

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
Salary level 16	1	1	100	0	0
Salary level 15 (Head of Department)	1	1	100	0	0
Salary level 14	8	7	88	1	12,5
Salary level 13	23	21	91	2	8,7
Grand Total	33	30	90,9	3	9,1

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 20YY and 31 March 20ZZ

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

Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was in the process of being established as a new department after the Premier proclaimed reconfiguration of some provincial departments in May 2019. Establishment process is being finalised during the 2021/2022 financial year.

Reasons for vacancies not filled within twelve months

Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was in the process of being established as a new department after the Premier proclaimed reconfiguration of some provincial departments in May 2019. Establishment process is being finalised during the 2021/2022 financial year.

Note

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

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

Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was in the process of being established as a new department after the Premier proclaimed reconfiguration of some provincial departments in May 2019. Establishment process is being finalised during the 2021/2022 financial year.

Reasons for vacancies not filled within six months

Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was in the process of being established as a new department after the Premier proclaimed reconfiguration of some provincial departments in May 2019. Establishment process is being finalised during the 2021/2022 financial year.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act

3.4. Job Evaluation

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

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)	53	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	172	36	21%	13	8%	0	0%
Highly skilled production (Levels 6-8)	202	2	1%	1	1%	1	1%
Highly skilled supervision (Levels 9-12)	176	1	1%	0	0%	0	0%
Senior Management Service Band A	23	0	0%	0	0%	0	0%
Senior Management Service Band B	8	0	0%	0	0%	0	0%
Senior Management Service Band C	1	0	0%	0	0%	0	0%
Senior Management Service Band D	1	0	0%	0%	0%	0%	0%
Total	636	39	23%	14	9%	1	1%

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

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	13	0	0	0	13
Total	13	0	0	0	13

Employees with a disabilities	None
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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
Auxiliary Service Officer	17	4	5-7	They were appointed in higher positions prior to job Evaluation
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 1 April 2020 and 31 March 2021				17
Percentage of total employment				55%

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	17	0	0	0	17
Total	17	0	0	0	17
Total Number of Employees whose salaries exceeded the grade determined by job evaluation in 1 April 2020 and 31 March 2021					17

Employees with a disability	0	0	0	0	0
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3.5 Employment changes

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

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

Salary Band	Number of employees at beginning of period - 1 April 2020	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	33	12	0	0
Skilled (Levels 3-5)	126	32	9	7
Highly skilled production (Levels 6-8)	161	30	8	5
Highly skilled supervision (Levels 9-12)	158	44	2	1
Senior Management Service Band A (Level 13)	19	8	2	11
Senior Management Service Band B (Level 14)	8	3	0	0
Senior Management Service Band C (Level 15) – Contract	0	0	0	0
MEC & Senior Management Service Band D (Level 16)	1	0	0	0
Contracts	12	4	3	25
Periodical Remuneration	0	0	0	0
Abnormal Appointment	0	531	66	0
TOTAL	518	634	90	17

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

Critical Occupation	Number of employee at beginning period - 1 April 2019	Appointments and Transfers into the Department	Terminations and Transfers out of the Dept.	Turnover rate
ADMINISTRATIVE RELATED	43	6	2	5
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIENCE	5	0	0	0
AGRICULTURE RELATED	13	0	0	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS	1	0	0	0
AUXILIARY AND RELATED WORKERS	29	0	2	7
BUILDING AND OTHER PROPERTY CARETAKERS	1	0	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	41	35	3	7
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	1	0	0	0
COMMUNICATION AND INFORMATION RELATED	15	6	1	7
FARM HANDS AND LABOURERS	0	241	24	0
FINANCE AND ECONOMICS RELATED	3	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	24	6	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	13	8	00	0
FOOD SERVICES AIDS AND WAITERS	17	7	2	12
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	1	0	0	0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	2	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	42	0	0	0
HUMAN RESOURCES CLERKS	8	2	2	25
HUMAN RESOURCES RELATED	22	11	0	0
INFORMATION TECHNOLOGY RELATED	12	9	0	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	6	3	0	0
LIBRARY MAIL AND RELATED CLERKS	1	0	0	0
LIGHT VEHICLE DRIVERS	6	2	0	0
LOGISTICAL SUPPORT PERSONNEL	2	0	0	0
MATERIAL-RECORDING AND TRANSPORT CLERKS	2	2	0	0
MESSENGERS PORTERS AND DELIVERERS	6	6	2	33
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS	1	0	0	0
MOTOR VEHICLE DRIVERS	1	1	0	0
NATURE CONSERVATION AND OCANOGRAPHICAL REL. TECHNICIANS	34	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	63	47	5	8
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	12	0	2	17
OTHER INFORMATION TECHNOLOGY PERSONNEL.	1	0	0	0
OTHER OCCUPATIONS	1	258	42	4200
PROFESSIONAL NURSE	1	0	0	0
REGULATORY INSPECTORS	7	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	28	8	0	0
SECURITY OFFICERS	2	0	0	0
SENIOR MANAGERS	27	11	3	11
TRADE/INDUSTRY ADVISERS & OTHER RELATED PROFESSION	24	0	0	0
GRAND TOTAL	518	664	90	17

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
RETIREMENT - SECTION 16(1)(A) PUBLIC SERVICE ACT	6	7
DECEASED	8	9
RESIGNATION	20	23
DESERTION	1	1
CONTRACT EXPIRY	53	60
Transfer to other Public Service Departments	1	1
Other	1	1
Total	90	100
Total number of employees who left as a % of total employment		20.2%

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 progressions as a % of employees by occupation
ADMINISTRATIVE RELATED	43	0	0	0	0
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN	5	0	0	0	0
AGRICULTURE RELATED	13	0	0	0	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS	1	0	0	0	0
AUXILIARY AND RELATED WORKERS	29	0	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS	1	0	0	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	41	0	0	0	0
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	1	0	0	0	0
COMMUNICATION AND INFORMATION RELATED	15	0	0	0	0
CONSERVATION LABOURERS	0	0	0	0	0
FARM HANDS AND LABOURERS	3	0	0	0	0
FINANCE AND ECONOMICS RELATED	24	0	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	13	0	0	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	17	0	0	0	0
FOOD SERVICES AIDERS AND WAITERS	1	0	0	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	2	0	0	0	0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	42	0	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	8	0	0	0	0
HUMAN RESOURCES CLERKS	22	0	0	0	0
HUMAN RESOURCES RELATED	12	0	0	0	0
INFORMATION TECHNOLOGY RELATED	6	0	0	0	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	1	0	0	0	0
LIBRARY MAIL AND RELATED CLERKS	6	0	0	0	0
LIGHT VEHICLE DRIVERS	2	0	0	0	0
LOGISTICAL SUPPORT PERSONNEL	2	0	0	0	0
MESSENGERS PORTERS AND DELIVERERS	6	0	0	0	0
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS	1	0	0	0	0
MOTOR VEHICLE DRIVERS	1	0	0	0	0
NATURE CONSERVATION AND OCEANOGRAPHICAL REL. TECHNI	34	0	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	63	0	0	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	12	0	0	0	0

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 progressions as a % of employees by occupation
OTHER INFORMATION TECHNOLOGY PERSONNEL	1	0	0	0	0
OTHER OCCUPATIONS	1	0	0	0	0
PROFESSIONAL NURSE	1	0	0	0	0
REGULATORY INSPECTORS	7	0	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	28	0	0	0	0
SECURITY OFFICERS	2	0	0	0	0
SENIOR MANAGERS	27	0	0	0	0
TRADE/INDUSTRY ADVISERS & OTHER RELATED PROFESSION	24	0	0	0	0
TOTAL	518	0	0	0	0

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 progressions as a % of employees by salary bands
Lower skilled (Levels 1-2)	33		0		0
Skilled (Levels 3-5)	126		0		0
Highly skilled production (Levels 6-8)	161		0		0
Highly skilled supervision (Levels 9-12)	158		0		0
Senior management (Levels 13-16)	28		0		0
Contracts	12		0		0
Periodical Remuneration			0		0
Abnormal Appointment			0		0
TOTAL	518	0	0	0	0

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				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
CLERKS	41	0	0	0	93	1	0	0	135
ELEMENTARY OCCUPATIONS	13	0	0	0	35	0	0	0	48
LEGISLATORS, SENIOR OFFICIALS, MANAGERS	11	1	0	0	14	0	0	1	27
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	3	0	0	0	0	0	0	0	3
PROFESSIONALS	79	1	1	6	76	1		3	167
SERVICE AND SALES WORKERS	1	0	0	0	1	0	0	0	2
TECHNICIANS, ASSOCIATE PROFESSIONALS	74	0	0	2	44	0	1	4	125
TOTAL	222	2	1	8	263	2	1	8	507
Employees with disabilities	11				9				20

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 bands	Male				Female				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
EXCEPTION - POLITICAL OFFICE BEARERS	0	0	0	0	1	0	0	0	1
TOP MANAGEMENT	1	0	0	0	0	0	0	0	1
SENIOR MANAGEMENT	12	1	0	0	13	0	0	1	27
PROFESSIONALLY QUALIFIED AND EXPERIENCED SPECIALISTS AND MID-MANAGEMENT	53	1	1	7	40	0	1	3	106
SKILLED TECHNICAL AND ACADEMICALLY QUALIFIED WORKERS-JUNIOR MANAGEMENT-SUPERVISORS- FOREMEN- AND SUPERINTENDENTS	93	0	0	1	117	1	0	4	216
SEMI-SKILLED AND DISCRETIONARY DECISION MAKING	58	0	0	0	63	1	0	0	122
UNSKILLED AND DEFINED DECISION MAKING	5	0	0	0	29	0	0	0	34
NON-PERMANENT WORKER	170	1			288				459
Total	392	3	1	8	551	2	1	8	966
Employees with disabilities	11	0	0	0	9	0	0	0	20

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

Occupational Bands	Male				Female				Grand 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, Foremen And Superintendents	1	0	0	0	1	0	0	0	4
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	198	1	0	0	336	1	0	0	535
Employees With Disabilities	2	0	0	0	1	0	0	0	3

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

Occupational bands	Male				Female				Grand 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- Foremen- And Superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Occupational bands	Male				Female				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	1	0	0	0	1
Professionally Qualified And Experienced Specialists And Mid-Management	1	0	0	0	0	0	0	0	1
Skilled Technical And Academically Qualified Workers-Junior Management-Supervisors- Foremen- And Superintendents	5	0	0	0	5	5	0	0	11
Semi-Skilled And Discretionary Decision Making	6	0	0	0	1	0	0	0	7
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total Terminations	39	0	0	0	48	1	0	0	88
Employees with disabilities	1	0	0	0	0	0	0	0	1

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	
Final Written Warning	3	0	0	0	0	0	0	0	03
One Month Suspension Without Pay	0	0	0	0	1	0	0	0	01

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	1	0	0	0	0	0	0	0	1
Professionals	1	0	0	0	6	0	0	0	7
Technicians and associate professionals	0	0	0	0	3	0	0	0	3
Clerks	3	0	0	0	35	0	0	0	38
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	5	0	0	0	44	0	0	0	49
Employees with disabilities	0	0	0	0	1	0	0	0	1

3.7 Signing of Performance Agreements by SMS Members

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
Salary Level 16	1	1	1	4%
Salary Level 15	1	1	1	4%
Salary Level 14	8	7	6	24%
Salary Level 13	23	16	15	60%
Total	33	25	23	92%

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

Reasons
Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was in the process of being established as a new department after the Premier proclaimed reconfiguration of some provincial departments in May 2019. Extension was granted to all employees for submission of Performance agreements by DPSA and DEDECT's HoD.

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

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

Reasons
Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was in the process of being established as a new department after the Premier proclaimed reconfiguration of some provincial departments in May 2019. Extension was granted to all employees for submission of Performance agreements by DPSA and DEDECT's HoD.

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

RACE	GENDER	Beneficiary Profile			Cost	
		Number of Beneficiaries	Number of Employees	% of total within group	Cost	Average cost per employee
AFRICAN	FEMALE	17	263	7	R 407 921,31	R 23 995,40
	MALE	29	222	13	R 670 779,78	R 23 130,30
COLOURED	FEMALE	0	2	0	0	R 0,00
	MALE	0	2	0	0	R 0,00
INDIAN	FEMALE	0	1	0	0	R 0,00
	MALE	0	1	0	0	R 0,00
WHITE	FEMALE	4	8	50	R 128 497,14	R 32 124,30
	MALE	4	8	50	R 130 669,68	R 32 667,40
TOTAL		81	54	11	R 1 337 867,91	R24 775,30
EMPLOYEES WITH DISABILITY		1	0	0	R 0,00	R 0,00

Table 3.8.2 Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2020 to 31 March 2021

SALARY BANDS	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	Average cost per employee	
Lower skilled (Levels 1-2)	1	33	3	R 9 086,85	R 9 086,90	0
Skilled (Levels 3-5)	7	118	6	R 96 312,24	R 13 758,90	0
Highly skilled production (Levels 6-8)	20	156	13	R 394 594,62	R 19 729,70	0
Highly skilled supervision (Levels 9-12)	26	159	16	R 837 874,20	R 32 225,90	0
Contract (Levels 1-12)	0	12	0	0	R 0,00	0
Total	54	478	11	R 1 337 867,91	R 24 775,30	0

Table 3.8.3 Performance Rewards by critical occupations, 1 April 2020 to 31 March 2021

Critical Occupation	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of Employees	% of total within occupation	Total Cost	Average Cost per employee
ADMINISTRATIVE RELATED		43	0		R 0,00
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN	1	5	20	R 27 173,52	R 27 173,50
AGRICULTURE RELATED	9	14	64	R 281 006,34	R 31 222,90
ARCHITECTS TOWN AND TRAFFIC PLANNERS		1	0		R 0,00
AUXILIARY AND RELATED WORKERS	9	26	35	R 133 515,57	R 14 835,10
BUILDING AND OTHER PROPERTY CARETAKERS		1	0		R 0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	1	39	3	R 9 086,85	R 9 086,90
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)		1	0		R 0,00
COMMUNICATION AND INFORMATION RELATED		14	0		R 0,00
FARM HANDS AND LABOURERS		3	0		R 0,00
FINANCE AND ECONOMICS RELATED		24	0		R 0,00
FINANCIAL AND RELATED PROFESSIONALS		13	0		R 0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS		15	0		R 0,00
FOOD SERVICES AIDS AND WAITERS		1	0		R 0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS		2	0		R 0,00
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	13	42	31	R 347 145,33	R 26 703,50
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF		6	0		R 0,00
HUMAN RESOURCES CLERKS		22	0		R 0,00
HUMAN RESOURCES RELATED		14	0		R 0,00
INFORMATION TECHNOLOGY RELATED		6	0		R 0,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN		1	0		R 0,00
LIBRARY MAIL AND RELATED CLERKS		6	0		R 0,00
LIGHT VEHICLE DRIVERS		2	0		R 0,00
LOGISTICAL SUPPORT PERSONNEL		2	0		R 0,00
MESSENGERS PORTERS AND DELIVERERS		4	0		R 0,00
MINING GEOLOGY & GEOPHYSICAL & RELATED TECHNICIANS		1	0		R 0,00
MOTOR VEHICLE DRIVERS		1	0		R 0,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL. TECHNI	14	34	41	R 418 947,69	R 29 924,80
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	3	63	5	R 49 777,80	R 16 592,60
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1	11	9	R 22 939,98	R 22 940,00
OTHER INFORMATION TECHNOLOGY PERSONNEL.		1	0		R 0,00
OTHER OCCUPATIONS		1	0		R 0,00
PROFESSIONAL NURSE		1	0		R 0,00
REGULATORY INSPECTORS	1	7	14	R 18 014,85	R 18 014,90
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	2	28	7	R 30 259,98	R 15 130,00
SECURITY OFFICERS		2	0		R 0,00
SENIOR MANAGERS		26	0		R 0,00
TRADE/INDUSTRY ADVISERS & OTHER RELATED PROFESSION		24	0		R 0,00
TOTAL	54	507	11	R 1 337 867,91	R 24 775,30

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

SALARY BANDS	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	Average cost per employee	
Senior Management Service Band A (Level 13)	0	19	0	R 0,00	R 0,00	0
Senior Management Service Band B (Level 14)	0	8	0	R 0,00	R 0,00	0
Senior Management Service Band C (Level 15)	0		0	R 0,00	R 0,00	0
MEC & Senior Management Service Band D (Level 16)	0	1	0	R 0,00	R 0,00	0
Contract (Levels 13-16)	0	1	0	R 0,00	R 0,00	0
Total	0	29	0	R 0,00	R 0,00	0

3.9 Foreign workers

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

Table 3.9.1 – Foreign workers, 1 April 2020 to 31 March 2021, by salary band

Table 6.10.1 – Foreign workers, 1 April 2020 to 31 March 2021, by salary band						
Salary bands	1 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0
Grand Total	0	0	0	0	0	0

Table 3.9.2 – Foreign workers by major occupation, 1 April 2020 to 31 March 2021, by major occupation

Table 6.10.2 – Foreign workers, 1 April 2020 to 31 March 2021, by major occupation						
Major Occupation	1 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% of Change
Grand Total	0	0	0	0	0	0

3.10 Leave utilisation

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

Table 3.10.1. Sick leave, 1 January 2020 to 31 December 2020

Salary Bands	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 skilled (Levels 1-2)	103	94	17	10	6	R 58 579,54
Skilled (Levels 3-5)	262	82	51	29	5	R 250 057,20
Highly skilled production (Levels 6-8)	243	82	48	28	5	R 364 553,42
Highly skilled supervision (Levels 9-12)	231	85	44	25	5	R 615 714,72
Top and Senior management (Levels 13-16)	74	81	14	8	5	R 323 157,72
Grand Total	913	84	174	100	5	R 1 612 062,60

Table 3.10.2 – Disability leave (temporary and permanent), 1 January 2020 to 31 December 2020

Salary Bands	Total Days	% days with medical certification	Number of employees using disability leave	% of total employees using sick leave	Average days per employee	Estimate Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	
Skilled (Levels 3-5)	35	100	1	20	35	R 33 535,32
Highly skilled production (Levels 6-8)	36	100	3	60	12	R 61 383,81
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	
Senior management (Levels 13-16)	59	100	1	20	59	R 257 770,41
Grand Total	130	100	5	100	26	R 352 689,54

The table below summarises the utilization of annual leave. The wage agreement concluded with the 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, 1 January 2020 to 31 December 2020

Salary Bands	Total Days	No of employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	457	31	15
Skilled (Levels 3-5)	1751	117	15
Highly skilled production (Levels 6-8)	2167	146	15
Highly skilled supervision (Levels 9-12)	2282	149	15
Senior management (Levels 13-16)	456	27	17
Grand Total	7113	470	15

Table 3.10.4 – Capped leave, 1 January 2020 to 31 December 2020

Salary Bands	Total days of capped leave taken	No. of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 March 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	14
Highly skilled production (Levels 6-8)	3	1	3	17
Highly skilled supervision (Levels 9-12)	0	0	0	14
Senior management (Levels 13-16)	0	0	0	11
Grand Total	3	1	3	14

Table 3.10.5 – Leave pay-outs for the period, 1 April 2020 to 31 March 2021

Reason	Total Amount	Number of employees	Average per employee
Leave payout for 2019/20 due to non-utilisation of leave for the previous cycle (LEAVE DISCOUNTING - UNUSED LEAVE CREDITS)	R 0,00	0	R 0,00
Capped leave payouts on termination of service for 2019/20 (LEAVE GRATUITY)	R 0,00	0	R 0,00
Current leave payouts on termination of service for 2019/20 (LEAVE DISCOUNTING \ GRATUITY (UNUSED LEAVE CR)	R 942 129,74	12	R 78 511,00
Grand Total	R 942 129,74	12	R 78 511,00

3.11 HIV and 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
Gender based; Men and women	Gender specific awareness dialogues conducted during: health awareness sessions/ dialogues on 16 days of Activism on no violence against Women and Children
Youth	Four (4) Health awareness sessions and screening on HIV and AIDS, STI and TB as well as screening and management of non-chronic conditions were conducted, however, GEMS has delayed to send the Health Risk Assessment Report. Information Education and Communication material on HIV/AIDS as well as female and male condoms were distributed to public areas where officials can collect in a confidential manner.

TABLE 3.11.2 – Details of Health Promotion and HIV and 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 3 section 55 of Chapter 4 of the Public Service Regulations, 2016? If so, provide her/his name and position.	X		Mr. M Senqhi
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and wellbeing 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		4 Officials R 713 000,00
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		Services are proactive; Prevention programs and reactive: Provision of treatment care and support *HIV & AID and TB management to all those who have disclosed. *Safety Health Environment Risk and Quality management, * Wellness management, * Health and Productivity management Services are proactive; Prevention programs and reactive: Provision of treatment care and support
4. Has the department established (a) committee(s) as contemplated in Part 3 section 55 of Chapter 4 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		The committee is the representative of all the programmes in the Department Mr. M Senqhi: Corporate Services Mr K.Digoamaje, HRM Ms P. Magor: Rustenburg: Regional Office Ms. I Koyo: HRM Ms. I. Mogodi; Corporate Services Ms. L., Motase; HRM :EHW Ms B, Thebe, MISS Ms. R Madilola: Corporate Services Ms. V.Menong: Finance Ms. S Motlhoki: Labour Union Ms N.Seephe,HRM,EHW Mr. C. Mohelekete: Labour Union Mr. T. Matlhoko: Communication and IT Mr W.Tong, Klerksdorp Regional office Mr S.Leseka- Environment-Head Office Mr M.Mosheshe- Tourism, Head office Ms L.Mosiane- Tourism, Klerksdorp ,Regional office Ms M.Dikobe ,Consumer,Bits, Regional Office Ms E.Weideman- Environment, Vryburg Regional Office Mr K.Lethoba –Tourism, Vryburg, Regional office Ms P.Thole , Consumer, Vryburg Regional office Mr G. Madienyane, Environment, Ngaka Modiri , Regional office

Question	Yes	No	Details, if yes
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		The reviewed policy is approved on 17 February 2020
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		Confidentiality maintained during HCT and Voluntary disclosure Prompt referral of cases for proper diagnosis and management
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		Four (4) HIV Counselling and Testing (HIV) campaigns conducted. GEMS HIV/AIDS reports for 3 rd and 4 th quarter were delayed to be sent. Officials who tested for 1 st and 2 nd quarter were as follows - Six (6) males and nine (9) females. - Thirty four (34) officials tested for TB. The TB report for the above mentioned quarters was also delayed.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Systems Monitoring Tool which is submitted to DPSA annually

3.12 Labour relations

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

Subject matter	Date
Total number of Collective agreements	None

TABLE 3.12.2 – Misconduct and disciplinary hearings finalised, 1 April 2020 to 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	3	0,62%
Final written warning	1	0,20%
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	4	0.82%

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
Insubordination	01	0,20%
Theft	03	0,62
Total	04	0,82%

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

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers	F	5		Programme and Project Management		5
	M	4				4
	F	5		Change management		5
	M	4				4
	F	2		People management and empowerment		2
	M	5				5
	F	3		Financial Management		3
	M	2				2
	F	0		Introduction to ecology		0
	M	7				7
	F	1		Monitoring and evaluation		1
	M	0				0
	F	1		Emerging management development programme		1
	M	0				0
	F	1		Fleet and transport management		1
	M	1				1
	F	1		Presentation skills		1
	M	0				0
	F	2		Asset management		2
	M	2				2
Professionals	F	3		Sustainable climate change		3
	M	6				6
	F	2		SHE Management		2
	M	0				0
	F	3		Risk Management		3
	M	0				0
	F	0		Conduct effective survey		0
	M	1				1
	F	0		Sign language		0
	M	1				1
	F	0		Financial Management		0
	M	1				1
	F	2		PAJA		2

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

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers	F	5		Programme and Project Management		5
	M	4				4
	F	5		Change management		5
	M	4				4
	F	2		People management and empowerment		2
	M	5				5
	F	3		Financial Management		3
	M	2				2
	F	0		Introduction to ecology		0
	M	7				7
	F	1		Monitoring and evaluation		1
	M	0				0
	F	1		Emerging management development programme		1
	M	0				0
	F	1		Fleet and transport management		1
	M	1				1
	F	1		Presentation skills		1
	M	0				0
	F	2		Asset management		2
	M	2				2
Professionals	F	3		Sustainable climate change		3
	M	6				6
	F	2		SHE Management		2
	M	0				0
	F	3		Risk Management		3
	M	0				0
	F	0		Conduct effective survey		0
	M	1				1
	F	0		Sign language		0
	M	1				1
	F	0		Financial Management		0
	M	1				1
	F	2		PAJA		2

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	M	0				0
	F	3		Risk Management		3
	M	0				0
	F	0		Conduct effective survey		0
	M	1				1
	F	0		Sign language		0
	M	1				1
	F	0		Financial Management		0
	M	1				1
	F	2		PAJA		2
	M	4				4
	F	5		Legal opinion writing		5
	M	1				1
	F	10		Tourism management		10
	M	3				3
	F	3		AMDP		3
	M	1				1
	F	1		Project Khaedo		1
	M	1				1
	F	0		ERSI and SPSS		0
	M	1				1
	F	2		Government protocol		2
	M	2				2
	F	2		Creative writing for media and cooperate publication		2
	M	2				2
	F	0		Paralegal studies		0
	M	1				1
	F	0		Presentation skills		1
	M	1				1
	F	4		Introduction to ecology		4
	M	3				3
	F	2		Biosphere and physical resource		2
	M	3				3
	F	5		Environmental Management		5
	M	5				5
	F	6		Biodiversity management		6
	M	8				8
	F	4		Asset management		4

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	M	0				0
	F	0		Minutes writing and report writing		0
	M	18				18
Clerks	F	7		Project Management		7
	M	4				4
	F	2		Monitoring and evaluation		2
	M	0				0
	F	0		Public administration		0
	M	1				1
	F	0		Office Management		0
	M	2				2
	F	1		Basic Research		1
	M	0				0
	F	1		Planning and development		1
	M	0				0
	F	5		Presentation skills		5
	M	0				0
	F	15		Compulsory Induction		15
	M	12				12
	F	6		BB2		6
	M	0				0
	F	3		Sign language		3
	M	1				1
	F	12		Financial Management		12
	M	5				5
	F	7		Risk Management		7
	M	2				2
	F	0		Supply chain		0
	M	8				8
	F	1		Fleet and transport management		1
	M	2				2
	F	6		Record management		6
	M	5				5
	F	0		Advance Microsoft and power point		0
	M	1				1
	F	5		Business management		5
	M	0				0
	F	1		Legal opinion training		1
	M	1				1

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	M	4				4
	F	4		Presentation Skills		4
	M	2				2
Skilled agriculture and fishery workers	F	0				0
	M	0				0
Craft and related trades workers	F	0				0
	M	0				0
Plant and machine operators and assemblers	F	0				0
	M	0				0
Elementary Occupations	F	3		Basic computer training		3
	M	0				0
	F	0		Occupational health and safety		0
	M	2				2
	F	5		Computer literacy		5
	M	2				2
	F	1		Drivers' license		1
	M	0				0
Sub Total	F	186				186
	M	150				150
Total	336					336

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 needs provided within the reporting period			
			Learnerships	Skills Programmes other short courses	Other forms of training	Total
Legislators, Senior Managers	F	0		Etella Training for HoD		0
	M	1				1
Professionals	F	1		Ethics Officer certificate		1
	M	0				0
	F	1		Annual Leadership Development for Women		1
	M	0				0
	M	1		"		1
Technicians and associate professionals	F	3		Presentation and public speaking		3
	M	0		"		0
	M	0		"		0
	F	21		Minutes taking and report writing		21
	F	2		Government Budgeting and SCOA		2
Service and sales workers	F	0				0
	M	0				0
Skilled agriculture and fishery worker	F	0				0
	M	0				0
Craft and related trades workers	F	0				0
	M	0				0
Plant and machine operators and assemblers	F	0				0
	M	0				0
Elementary Occupations	F	0				0
	M	0				0
Sub-Total	F	44				
	M	5				
Total		49				

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	2	0.4%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	0	0%
Total	2	0.4%

3.15 Utilisation of consultant

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
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

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
None			

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
0	0	0	0

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

PART - E



FINANCIAL INFORMATION

Report of the auditor-general to the North West Provincial Legislature on vote no.6: The Department of Economic Development, Environment, Conservation and Tourism

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the North West Department of Economic Development, Environment, Conservation and Tourism set out on pages 106 to 137, which comprise the appropriation statement, statement of financial position as at 31 March 2021, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the North West Department of Economic Development, Environment, Conservation and Tourism as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) the Division of Revenue Act 4 of 2020 (Dora).

Basis for opinion

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

Emphasis of matter

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

Irregular and fruitless and wasteful expenditure

7. As disclosed in note 23 to the financial statements, irregular expenditure of R12 519 000 was incurred in the current year and irregular expenditure of R85 747 000 from prior years was still not investigated.
8. As disclosed in note 24 to the financial statements, fruitless and wasteful expenditure of R65 000 was incurred in the current year and fruitless and wasteful expenditure of R2 261 000 from prior years was still under investigation.

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 138 to 141 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 prescribed by National Treasury and the requirements of the PFMA and the Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or there is 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 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 the 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.

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 findings but not to gather evidence to express assurance.
16. My procedures address the the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. 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 also did 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 programme presented in the annual performance report of the department for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 6 – environmental services	48 – 55

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.
19. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programme:
- Programme 6 – environmental services

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 31 to 60 for information on the achievement of planned targets for the year and management's explanations provided for the under and overachievement of targets.

Adjustment of material misstatements

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

Report on audit of compliance with legislation

Introduction and scope

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

Expenditure Management

25. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R12 519 000, as disclosed in note 23 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with SCM regulations.
26. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3

Consequence management

27. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

Strategic Planning and Performance

28. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

Other information

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

31. 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.
32. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, 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

33. 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 thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

The department did not have adequate systems in place to monitor compliance with laws and regulations, as a result the controls in place to prevent and monitor compliance with laws and regulations were not adequate.

The department did not have adequate measures to monitor progress on payment of invoices resulting in some invoices paid after 30 days.

The department does not have adequate controls in place to ensure timely review of irregular expenditure incurred. This resulted in a lack of consequence management as prior year irregular expenditure was not investigated

The performance management system in place was not adequately implemented to ensure timely review of reported performance information

AUDITOR GENERAL
Potchefstroom

31 August 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the department’s internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.

Conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the North West Department of Economic Development, Environment, Conservation and Tourism’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause a department to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

ACCOUNTING POLICIES
for the year ended 31 March 2021

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue

ACCOUNTING POLICIES
for the year ended 31 March 2021

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.

ACCOUNTING POLICIES
for the year ended 31 March 2021

8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
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. 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.
9	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
10	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and Advances are expensed when material and when there is sufficient budget available and it relates to items where the invoice charges are in advance.

ACCOUNTING POLICIES
for the year ended 31 March 2021

11	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.
12	Payables Payables recognised in the statement of financial position are recognised at cost.
13	Capital Assets
13.1	Immovable capital asset Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
13.2	Movable capital asset 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.
13.3	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.

ACCOUNTING POLICIES
for the year ended 31 March 2021

	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.
13.4	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.
14	Provisions and Contingents
14.1	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.
14.2	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.
14.3	Commitments Capital commitments are recorded at cost in the notes to the financial statements.
15	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

ACCOUNTING POLICIES
for the year ended 31 March 2021

	recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
16	Irregular expenditure Irregular expenditure is recorded in the notes to the financial statements when confirmed. 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 removed 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.
17	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.
18	Principal-Agent arrangements The department is party to a principal-agent arrangement for Taung Hotel School Project, National Tourism Career Exhibition and SMME relief fund disbursement. In terms of the arrangement the department is the principal and is responsible for upgrading and maintenance of infrastructure, Career Exhibition Expo and SMME Covid Relief Fund. 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.
19	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 Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
20	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 their full compensation is recorded in the notes to the financial statements.

ACCOUNTING POLICIES
for the year ended 31 March 2021

21	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.
22	Employee benefits The value of each major class of employee benefit obligations (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.
23	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.

Department of Economic Development, Environment, Conservation and Tourism
VOTE 6

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
Voted funds and Direct charges									
Programme									
1. ADMINISTRATION	192 727	-	(15 309)	177 418	171 402	6 016	96,6%	174 684	171 350
2. INTEGRATED ECONOMIC DEVELOPMENT SERVICES	76 864	-	(1 381)	75 483	74 330	1 153	98,5%	54 928	52 304
3. TRADE AND SECTOR DEVELOPMENT	47 443	-	22 935	70 378	69 111	1 267	98,2%	158 473	155 382
4. BUSINESS REGULATION AND GOVERNANCE	117 517	-	630	118 147	116 034	2 113	98,2%	115 647	114 524
5. ECONOMIC PLANNING	16 628	-	(1 020)	15 608	12 549	3 059	80,4%	18 804	15 211
6. ENVIRONMENTAL SERVICES	287 249	-	(3 803)	283 446	275 149	8 297	97,1%	270 149	260 195
7. TOURISM	154 821	-	(2 052)	152 769	147 224	5 545	96,4%	163 684	151 577
Programme sub total	893 249	-	-	893 249	865 799	27 450	96,9%	956 369	920 543
Statutory Appropriation	-	-	-	-	-	-	-	-	-
TOTAL	893 249	-	-	893 249	865 799	27 450	96,9%	956 369	920 543
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				-				-	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per Statement of Financial Performance (Total)				893 249				956 369	
Add:									
Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure					865 799				920 543

Appropriation per economic classification									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	508 169	(15 695)	(95 839)	396 635	377 976	18 659	95,3%	437 844	421 869
Compensation of employees	278 491	-	-	278 491	270 437	8 054	97,1%	284 183	283 717
Salaries and wages	242 667	(3 977)	(120)	238 570	232 718	5 852	97,5%	245 670	245 421
Social contributions	35 824	3 977	120	39 921	37 719	2 202	94,5%	38 513	38 296
Goods and services	229 665	(15 701)	(95 839)	118 125	107 521	10 604	91,0%	153 649	138 148
Administrative fees	1 024	444	(550)	918	695	223	75,7%	1 606	1 377
Advertising	2 197	(813)	-	1 384	608	776	43,9%	1 589	774
Minor assets	1 328	(362)	-	966	963	3	99,7%	1 000	490
Audit costs: External	11 185	6 200	-	17 385	6 922	10 463	39,8%	7 480	7 334
Bursaries: Employees	350	(350)	-	-	-	-	-	30	26
Catering: Departmental activities	2 966	(71)	(488)	2 407	1 407	1 000	58,5%	3 428	2 586
Communication (G&S)	7 009	2 058	-	9 067	7 409	1 658	81,7%	5 159	4 880
Computer services	1 725	1 225	(65)	2 885	2 832	53	98,2%	1 794	1 740
Consultants: Business and advisory services	6 012	(593)	-	5 419	4 102	1 317	75,7%	15 629	14 351
Infrastructure and planning services	3 454	(3 093)	-	361	297	64	82,3%	661	628
Legal services	1 055	-	(1 000)	55	49	6	89,1%	712	617
Contractors	717	(3)	(500)	214	107	107	50,0%	3 045	378
Agency and support / outsourced services	62 893	(2 791)	(40 000)	20 102	26 752	(6 650)	133,1%	43 698	40 367
Fleet services (including government motor transport)	5 051	2	(2 442)	2 611	2 610	1	100,0%	3 455	3 417
Inventory: Clothing material and accessories	116	30	-	146	-	146	-	-	-
Inventory: Farming supplies	20	-	-	20	-	20	-	29	29
Inventory: Fuel, oil and gas	40	(40)	-	-	-	-	-	-	-
Inventory: Materials and supplies	470	(170)	(300)	-	-	-	-	19	-
Inventory: Other supplies	50	-	-	50	2 589	(2 539)	5178,0%	50	50
Consumable supplies	3 103	(357)	(143)	2 603	2 034	569	78,1%	1 990	1 349
Consumable: Stationery, printing and office supplies	4 688	51	(1 134)	3 605	2 381	1 224	66,0%	4 329	3 535
Operating leases	21 003	-	(4 400)	16 603	17 481	(878)	105,3%	20 777	19 784
Property payments	21 082	(3 059)	(3 769)	14 254	13 934	320	97,8%	6 382	5 912
Transport provided: Departmental activity	1 647	(465)	(551)	631	219	412	34,7%	758	-
Travel and subsistence	20 843	(4 199)	(3 900)	12 744	11 445	1 299	89,8%	24 253	24 368
Training and development	4 926	(3 974)	(150)	802	475	327	59,2%	1 507	1 398
Operating payments	6 456	(4 932)	(30)	1 494	1 441	53	96,5%	1 942	1 230
Venues and facilities	36 498	(43)	(35 107)	1 348	755	593	56,0%	2 286	1 489
Rental and hiring	1 757	(396)	(1 310)	51	14	37	27,5%	43	39
Interest and rent on land	13	6	-	19	18	1	94,7%	12	4
Interest (Incl. interest on unitary payments (PPP))	13	6	-	19	18	1	94,7%	12	4
Transfers and subsidies	342 473	14 720	95 668	452 861	452 849	12	100,0%	458 675	458 573
Departmental agencies and accounts	301 464	12 000	-	313 464	313 460	4	100,0%	313 161	313 161
Departmental agencies	301 464	12 000	-	313 464	313 460	4	100,0%	313 161	313 161
Public corporations and private enterprises	40 588	2 500	63 500	106 588	106 588	-	100,0%	143 250	143 250
Public corporations	40 588	2 500	63 500	106 588	106 588	-	100,0%	143 250	143 250
Other transfers to public corporations	40 588	2 500	63 500	106 588	106 588	-	100,0%	143 250	143 250
Households	421	220	32 168	32 809	32 801	8	100,0%	2 264	2 162
Social benefits	421	220	32 168	32 809	32 801	8	100,0%	2 264	2 162
Payments for capital assets	42 607	550	-	43 157	34 409	8 748	79,7%	59 850	40 101
Buildings and other fixed structures	38 437	-	-	38 437	31 502	6 935	82,0%	57 526	37 938
Buildings	35 437	-	-	35 437	31 502	3 935	88,9%	39 745	28 424
Other fixed structures	3 000	-	-	3 000	-	3 000	-	17 781	9 514
Machinery and equipment	4 170	550	-	4 720	2 907	1 813	61,6%	2 324	2 163
Transport equipment	750	-	-	750	740	10	98,7%	-	-
Other machinery and equipment	3 420	550	-	3 970	2 167	1 803	54,6%	2 324	2 163
Payment for financial assets	-	425	171	596	565	31	94,8%	-	-
TOTAL	893 249	-	-	893 249	865 799	27 450	96,9%	956 369	920 543

Department of Economic Development, Environment, Conservation and Tourism

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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
Sub programme									
1. OFFICE OF THE MEC	10 530	(536)	(1 380)	8 614	8 404	210	97,6%	13 584	13 208
2. OFFICE OF THE HOD	6 745	5	(555)	6 195	5 872	323	94,8%	9 298	8 982
3. FINANCIAL MANAGEMENT	79 662	6 763	(8 425)	78 000	75 331	2 669	96,6%	65 892	64 155
4. CORPORATE SERVICES	95 790	(6 232)	(4 949)	84 609	81 795	2 814	96,7%	85 910	85 005
	192 727	-	(15 309)	177 418	171 402	6 016	96,6%	174 684	171 350
Economic classification									
Current payments	188 474	(991)	(15 480)	172 003	167 835	4 168	97,6%	172 084	168 751
Compensation of employees	112 110	-	(280)	111 830	106 991	4 839	95,7%	118 535	118 468
Salaries and wages	97 979	(1 955)	(280)	95 744	91 652	4 092	95,7%	102 494	102 472
Social contributions	14 131	1 955	-	16 086	15 339	747	95,4%	16 041	15 996
Goods and services	76 351	(997)	(15 200)	60 154	60 826	(672)	101,1%	53 537	50 279
Administrative fees	537	(164)	(150)	223	190	33	85,2%	910	844
Advertising	364	-	-	364	358	6	98,4%	485	419
Minor assets	1 124	(362)	-	762	761	1	99,9%	619	424
Audit costs: External	11 185	6 200	-	17 385	6 922	10 463	39,8%	7 480	7 334
Bursaries: Employees	350	(350)	-	-	-	-	-	30	26
Catering: Departmental activities	298	(167)	(96)	35	28	7	80,0%	1 021	755
Communication (G&S)	3 584	(154)	-	3 430	3 412	18	99,5%	3 543	3 445
Computer services	666	1 324	-	1 990	1 989	1	99,9%	1 599	1 592
Consultants: Business and advisory services	254	-	-	254	241	13	94,9%	15	10
Legal services	1 055	-	(1 000)	55	49	6	89,1%	672	593
Contractors	115	(23)	-	92	77	15	83,7%	485	207
Agency and support / outsourced services	261	(100)	-	161	10 621	(10 460)	6596,9%	268	160
Fleet services (including government motor transport)	5 051	2	(2 442)	2 611	2 610	1	100,0%	2 555	2 518
Consumable supplies	1 802	(182)	(143)	1 477	1 449	28	98,1%	1 029	820
Consumable: Stationery, printing and office supplies	1 549	(128)	(575)	846	822	24	97,2%	1 944	1 707
Operating leases	21 003	-	(4 400)	16 603	17 481	(878)	105,3%	19 015	18 172
Property payments	18 890	(3 505)	(3 669)	11 716	11 708	8	99,9%	3 822	3 719
Transport provided: Departmental activity	-	-	-	-	-	-	-	100	-
Travel and subsistence	3 452	(563)	(1 220)	1 669	1 658	11	99,3%	5 639	5 639
Training and development	2 925	(2 700)	-	225	214	11	95,1%	1 005	913
Operating payments	178	(52)	-	126	117	9	92,9%	600	441
Venues and facilities	528	(73)	(325)	130	119	11	91,5%	701	541
Rental and hiring	1 180	-	(1 180)	-	-	-	-	-	-
Interest and rent on land	13	6	-	19	18	1	94,7%	12	4
Interest (Incl. interest on unitary payments (PPP))	13	6	-	19	18	1	94,7%	12	4
Transfers and subsidies	124	358	-	482	476	6	98,8%	1 554	1 553
Departmental agencies and accounts	4	-	-	4	-	4	-	-	-
Departmental agencies	4	-	-	4	-	4	-	-	-
Households	120	358	-	478	476	2	99,6%	1 554	1 553
Social benefits	120	358	-	478	476	2	99,6%	1 554	1 553
Payments for capital assets	4 129	208	-	4 337	2 526	1 811	58,2%	1 046	1 046
Machinery and equipment	4 129	208	-	4 337	2 526	1 811	58,2%	1 046	1 046
Transport equipment	750	-	-	750	740	10	98,7%	-	-
Other machinery and equipment	3 379	208	-	3 587	1 786	1 801	49,8%	1 046	1 046
Payment for financial assets	-	425	171	596	565	31	94,8%	-	-
	192 727	-	(15 309)	177 418	171 402	6 016	96,6%	174 684	171 350

Programme 2: INTEGRATED ECONOMIC DEVELOPMENT 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
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. ENTERPRISE DEVELOPMENT	67 777	-	(1 381)	66 396	65 801	595	99,1%	45 080	42 924
2. REGIONAL AND LOCAL ECONOMIC DEVELOPMENT	4 339	-	-	4 339	3 959	380	91,2%	3 610	3 412
3. ECONOMIC EMPOWERMENT	4 748	-	-	4 748	4 570	178	96,3%	6 238	5 968
	76 864	-	(1 381)	75 483	74 330	1 153	98,5%	54 928	52 304
Economic classification									
Current payments	76 773	-	(41 381)	35 392	34 240	1 152	96,7%	54 742	52 119
Compensation of employees	17 931	-	-	17 931	17 623	308	98,3%	18 726	18 651
Salaries and wages	15 558	(258)	-	15 300	15 006	294	98,1%	16 120	16 049
Social contributions	2 373	258	-	2 631	2 617	14	99,5%	2 606	2 602
Goods and services	58 842	-	(41 381)	17 461	16 617	844	95,2%	36 016	33 468
Administrative fees	62	-	-	62	56	6	90,3%	52	52
Advertising	398	(230)	-	168	79	89	47,0%	377	82
Catering: Departmental activities	706	50	(392)	364	225	139	61,8%	628	325
Communication (G&S)	101	80	-	181	177	4	97,8%	217	160
Agency and support / outsourced services	54 440	-	(40 000)	14 440	11 526	2 914	79,8%	31 053	29 535
Inventory: Other supplies	-	-	-	-	2 589	(2 589)	-	-	-
Consumable supplies	100	(25)	-	75	75	-	100,0%	300	210
Consumable: Stationery, printing and office supplies	382	-	(359)	23	7	16	30,4%	397	313
Property payments	-	-	-	-	-	-	-	86	86
Transport provided: Departmental activity	520	(20)	(500)	-	-	-	-	-	-
Travel and subsistence	1 760	170	-	1 930	1 710	220	88,6%	2 297	2 297
Operating payments	100	50	(30)	120	75	45	62,5%	220	103
Venues and facilities	273	(75)	(100)	98	98	-	100,0%	359	279
Rental and hiring	-	-	-	-	-	-	-	30	26
Transfers and subsidies	91	-	40 000	40 091	40 090	1	100,0%	186	185
Public corporations and private enterprises	-	-	40 000	40 000	40 000	-	100,0%	-	-
Public corporations	-	-	40 000	40 000	40 000	-	100,0%	-	-
Other transfers to public corporations	-	-	40 000	40 000	40 000	-	100,0%	-	-
Households	91	-	-	91	90	1	98,9%	186	185
Social benefits	91	-	-	91	90	1	98,9%	186	185
	76 864	-	(1 381)	75 483	74 330	1 153	98,5%	54 928	52 304

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 3: TRADE AND SECTOR 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. TRADE AND INVESTMENT PROMOTION	2 859	(500)	(565)	1 794	1 023	771	57,0%	15 223	12 132
2. SECTOR DEVELOPMENT	44 584	500	23 500	68 584	68 088	496	99,3%	143 250	143 250
	47 443	-	22 935	70 378	69 111	1 267	98,2%	158 473	155 382
Economic classification									
Current payments	6 855	(2 500)	(565)	3 790	2 523	1 267	66,8%	15 223	12 132
Compensation of employees	1 068	-	-	1 068	935	133	87,5%	920	918
Salaries and wages	956	(15)	-	941	811	130	86,2%	810	809
Social contributions	112	15	-	127	124	3	97,6%	110	109
Goods and services	5 787	(2 500)	(565)	2 722	1 588	1 134	58,3%	14 303	11 214
Administrative fees	-	-	-	-	-	-	-	50	2
Advertising	196	-	-	196	59	137	30,1%	31	-
Catering: Departmental activities	-	-	-	-	-	-	-	100	29
Communication (G&S)	20	-	-	20	9	11	45,0%	15	10
Computer services	271	(206)	(65)	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	479	-
Agency and support / outsourced services	3 996	(2 000)	-	1 996	1 500	496	75,2%	12 318	10 637
Property payments	264	(264)	-	-	-	-	-	250	20
Transport provided: Departmental activity	191	(30)	-	161	-	161	-	103	-
Travel and subsistence	849	-	(500)	349	20	329	5,7%	558	394
Venues and facilities	-	-	-	-	-	-	-	399	122
Transfers and subsidies	40 588	2 500	23 500	66 588	66 588	-	100,0%	143 250	143 250
Public corporations and private enterprises	40 588	2 500	23 500	66 588	66 588	-	100,0%	143 250	143 250
Public corporations	40 588	2 500	23 500	66 588	66 588	-	100,0%	143 250	143 250
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	40 588	2 500	23 500	66 588	66 588	-	100,0%	143 250	143 250
	47 443	-	22 935	70 378	69 111	1 267	98,2%	158 473	155 382

Programme 4: 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
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. REGULATION SERVICES	8 852	-	-	8 852	7 814	1 038	88,3%	2 370	2 281
2. CONSUMER PROTECTION	13 940	-	-	13 940	13 105	835	94,0%	13 703	13 262
3. LIQUOR REGULATION	14 609	-	630	15 239	14 999	240	98,4%	16 762	16 169
4. GAMBLING AND BETTING	80 116	-	-	80 116	80 116	-	100,0%	82 812	82 812
	117 517	-	630	118 147	116 034	2 113	98,2%	115 647	114 524
Economic classification									
Current payments	37 401	-	-	37 401	35 291	2 110	94,4%	32 829	31 713
Compensation of employees	29 905	-	-	29 905	29 460	445	98,5%	25 959	25 944
Salaries and wages	26 769	(800)	-	25 969	25 566	403	98,4%	22 120	22 120
Social contributions	3 136	800	-	3 936	3 894	42	98,9%	3 839	3 824
Goods and services	7 496	-	-	7 496	5 831	1 665	77,8%	6 870	5 769
Administrative fees	100	17	-	117	72	45	61,5%	106	42
Advertising	293	(238)	-	55	-	55	-	435	30
Catering: Departmental activities	333	(24)	-	309	252	57	81,6%	646	528
Communication (G&S)	2 429	228	-	2 657	2 148	509	80,8%	487	560
Computer services	-	180	-	180	170	10	94,4%	-	-
Contractors	16	-	-	16	10	6	62,5%	15	-
Agency and support / outsourced services	26	-	-	26	7	19	26,9%	25	2
Consumable supplies	248	72	-	320	173	147	54,1%	321	174
Consumable: Stationery, printing and office supplies	1 004	(66)	-	938	580	358	61,8%	901	676
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	200	-	-	200	-	200	-	21	20
Transport provided: Departmental activity	-	-	-	-	13	(13)	-	100	-
Travel and subsistence	2 360	(19)	-	2 341	2 051	290	87,6%	3 054	3 429
Training and development	179	-	-	179	-	179	-	-	-
Operating payments	56	-	-	56	299	(243)	533,9%	350	103
Venues and facilities	252	(150)	-	102	56	46	54,9%	409	205
Transfers and subsidies	80 116	-	630	80 746	80 743	3	100,0%	82 818	82 811
Departmental agencies and accounts	80 116	-	-	80 116	80 116	-	100,0%	82 812	82 812
Departmental agencies	80 116	-	-	80 116	80 116	-	100,0%	82 812	82 812
Households	-	-	630	630	627	3	99,5%	6	(1)
Social benefits	-	-	630	630	627	3	99,5%	6	(1)
	117 517	-	630	118 147	116 034	2 113	98,2%	115 647	114 524

Department of Economic Development, Environment, Conservation and Tourism

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 5: ECONOMIC PLANNING

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. POLICY AND PLANNING	10 977	(50)	(520)	10 407	8 662	1 745	83,2%	6 773	5 991
2. RESEARCH AND DEVELOPMENT	5 651	50	(500)	5 201	3 887	1 314	74,7%	12 031	9 220
	16 628	-	(1 020)	15 608	12 549	3 059	80,4%	18 804	15 211
Economic classification									
Current payments	16 628	-	(1 020)	15 608	12 549	3 059	80,4%	18 804	15 211
Compensation of employees	8 100	-	280	8 380	8 297	83	99,0%	13 274	13 123
Salaries and wages	7 280	-	160	7 440	7 396	44	99,4%	11 816	11 732
Social contributions	820	-	120	940	901	39	95,9%	1 458	1 391
Goods and services	8 528	(1 300)	-	7 228	4 252	2 976	58,8%	5 530	2 088
Administrative fees	34	-	-	34	-	34	-	66	37
Advertising	500	-	-	500	12	488	2,4%	40	34
Minor assets	-	-	-	-	-	-	-	11	-
Catering: Departmental activities	684	100	-	784	325	459	41,5%	223	155
Communication (G&S)	391	250	-	641	613	28	95,6%	231	238
Computer services	114	-	-	114	-	114	-	45	-
Consultants: Business and advisory services	725	(150)	-	575	64	511	11,1%	1 481	302
Contractors	32	-	-	32	-	32	-	1 663	-
Agency and support / outsourced services	3 900	(700)	-	3 200	2 822	378	88,2%	-	-
Consumable supplies	133	150	-	283	11	272	3,9%	96	17
Consumable: Stationery, printing and office supplies	29	300	(200)	129	-	129	-	302	112
Property payments	103	-	(100)	3	-	3	-	98	-
Travel and subsistence	1 590	50	(1 000)	640	359	281	56,1%	988	988
Operating payments	78	-	-	78	32	46	41,0%	134	87
Venues and facilities	215	-	-	215	14	201	6,5%	152	118
	16 628	-	(1 020)	15 608	12 549	3 059	80,4%	18 804	15 211

Programme 6: ENVIRONMENTAL 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
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. ENVIRONMENTAL POLICY, PLANNING AND COORDINATION	12 727	(3 120)	-	9 607	9 151	456	95,3%	23 476	23 132
2. COMPLIANCE AND ENFORCEMENT	10 093	1 100	-	11 193	8 918	2 275	79,7%	8 208	7 866
3. ENVIRONMENTAL QUALITY MANAGEMENT	27 536	(2 626)	-	24 910	23 513	1 397	94,4%	21 675	21 331
4. BIODIVERSITY MANAGEMENT	38 895	(1 164)	-	37 731	36 924	807	97,9%	38 775	38 450
5. ENVIRONMENTAL EMPOWERMENT SERVICES	197 998	5 810	(3 803)	200 005	196 643	3 362	98,3%	178 015	169 416
	287 249	-	(3 803)	283 446	275 149	8 297	97,1%	270 149	260 195
Economic classification									
Current payments	156 806	(12 204)	(35 341)	109 261	103 968	5 293	95,2%	120 222	118 567
Compensation of employees	91 143	-	-	91 143	89 522	1 621	98,2%	92 099	92 007
Salaries and wages	78 019	(860)	-	77 159	76 800	359	99,5%	79 400	79 391
Social contributions	13 124	860	-	13 984	12 722	1 262	91,0%	12 699	12 616
Goods and services	65 663	(12 204)	(35 341)	18 118	14 446	3 672	79,7%	28 123	26 560
Administrative fees	125	(25)	-	100	21	79	21,0%	238	225
Advertising	446	(345)	-	101	100	1	99,0%	151	144
Minor assets	204	-	-	204	202	2	99,0%	357	66
Catering: Departmental activities	447	-	-	447	250	197	55,9%	437	432
Communication (G&S)	376	1 650	-	2 026	927	1 099	45,8%	585	399
Computer services	674	(73)	-	601	673	(72)	112,0%	-	-
Consultants: Business and advisory services	4 660	(564)	-	4 096	3 507	589	85,6%	8 212	8 127
Infrastructure and planning services	3 454	(3 093)	-	361	297	64	82,3%	661	628
Legal services	-	-	-	-	-	-	-	40	24
Contractors	31	-	-	31	-	31	-	383	153
Agency and support / outsourced services	-	9	-	9	8	1	88,9%	34	33
Fleet services (including government motor transport)	-	-	-	-	-	-	-	900	899
Inventory: Clothing material and accessories	116	30	-	146	-	146	-	-	-
Inventory: Farming supplies	20	-	-	20	-	20	-	29	29
Inventory: Fuel, oil and gas	40	(40)	-	-	-	-	-	-	-
Inventory: Materials and supplies	470	(170)	(300)	-	-	-	-	19	-
Inventory: Other supplies	50	-	-	50	-	50	-	50	50
Consumable supplies	614	(392)	-	222	293	(71)	132,0%	198	100
Consumable: Stationery, printing and office supplies	1 093	(75)	-	1 018	335	683	32,9%	516	474
Operating leases	-	-	-	-	-	-	-	1 762	1 612
Property payments	1 625	710	-	2 335	2 226	109	95,3%	2 045	2 036
Transport provided: Departmental activity	318	(266)	-	52	52	-	100,0%	116	-
Travel and subsistence	8 903	(3 596)	(229)	5 078	4 861	217	95,7%	10 555	10 477
Training and development	433	(383)	-	50	-	50	-	111	105
Operating payments	5 894	(5 330)	-	564	418	146	74,1%	548	406
Venues and facilities	35 130	145	(34 682)	593	262	331	44,2%	163	128
Rental and hiring	540	(396)	(130)	14	14	-	100,0%	13	13
Transfers and subsidies	127 402	11 862	-	139 264	139 262	2	100,0%	131 146	131 054
Departmental agencies and accounts	127 192	12 000	-	139 192	139 192	-	100,0%	130 706	130 706
Departmental agencies	127 192	12 000	-	139 192	139 192	-	100,0%	130 706	130 706
Households	210	(138)	31 538	31 610	31 608	2	100,0%	440	348
Social benefits	210	(138)	31 538	31 610	31 608	2	100,0%	440	348
Payments for capital assets	3 041	342	-	3 383	381	3 002	11,3%	18 781	10 574
Buildings and other fixed structures	3 000	-	-	3 000	-	3 000	-	17 781	9 574
Buildings	-	-	-	-	-	-	-	-	60
Other fixed structures	3 000	-	-	3 000	-	3 000	-	17 781	9 514
Machinery and equipment	41	342	-	383	381	2	99,5%	1 000	1 000
Other machinery and equipment	41	342	-	383	381	2	99,5%	1 000	1 000
	287 249	-	(3 803)	283 446	275 149	8 297	97,1%	270 149	260 195

Department of Economic Development, Environment, Conservation and Tourism

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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 7: 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									
1. TOURIST GUIDING AND REGULATION SERVICES	7 198	-	(269)	6 929	6 735	194	97,2%	2 061	1 500
2. TOURISM SECTOR AND TRANSFORMATION	3 613	100	(413)	3 300	2 660	640	80,6%	10 802	10 440
3. TOURISM GROWTH AND DEVELOPMENT	144 010	(100)	(1 370)	142 540	137 829	4 711	96,7%	150 821	139 637
	154 821	-	(2 052)	152 769	147 224	5 545	96,4%	163 684	151 577
Economic classification									
Current payments	25 232	-	(2 052)	23 180	21 570	1 610	93,1%	23 940	23 376
Compensation of employees	18 234	-	-	18 234	17 609	625	96,6%	14 670	14 606
Salaries and wages	16 106	(89)	-	16 017	15 487	530	96,7%	12 910	12 848
Social contributions	2 128	89	-	2 217	2 122	95	95,7%	1 760	1 758
Goods and services	6 998	-	(2 052)	4 946	3 961	985	80,1%	9 270	8 770
Administrative fees	166	616	(400)	382	356	26	93,2%	184	175
Advertising	-	-	-	-	-	-	-	70	65
Minor assets	-	-	-	-	-	-	-	13	-
Catering: Departmental activities	498	(30)	-	468	327	141	69,9%	371	362
Communication (G&S)	108	4	-	112	123	(11)	109,8%	81	68
Computer services	-	-	-	-	-	-	-	150	148
Consultants: Business and advisory services	373	121	-	494	290	204	58,7%	5 921	5 912
Contractors	523	20	(500)	43	20	23	46,5%	20	18
Agency and support / outsourced services	270	-	-	270	268	2	99,3%	-	-
Consumable supplies	206	20	-	226	33	193	14,6%	46	28
Consumable: Stationery, printing and office supplies	631	20	-	651	637	14	97,8%	269	253
Property payments	-	-	-	-	-	-	-	60	31
Transport provided: Departmental activity	618	(149)	(51)	418	154	264	36,8%	339	-
Travel and subsistence	1 929	(241)	(951)	737	786	(49)	106,6%	1 162	1 144
Training and development	1 389	(891)	(150)	348	261	87	75,0%	391	380
Operating payments	150	400	-	550	500	50	90,9%	90	90
Venues and facilities	100	110	-	210	206	4	98,1%	103	96
Rental and hiring	37	-	-	37	-	37	-	-	-
Transfers and subsidies	94 152	-	-	94 152	94 152	-	100,0%	99 721	99 720
Departmental agencies and accounts	94 152	-	-	94 152	94 152	-	100,0%	99 643	99 643
Departmental agencies	94 152	-	-	94 152	94 152	-	100,0%	99 643	99 643
Households	-	-	-	-	-	-	-	78	77
Social benefits	-	-	-	-	-	-	-	78	77
Payments for capital assets	35 437	-	-	35 437	31 502	3 935	88,9%	40 023	28 481
Buildings and other fixed structures	35 437	-	-	35 437	31 502	3 935	88,9%	39 745	28 364
Buildings	35 437	-	-	35 437	31 502	3 935	88,9%	39 745	28 364
Machinery and equipment	-	-	-	-	-	-	-	278	117
Other machinery and equipment	-	-	-	-	-	-	-	278	117
	154 821	-	(2 052)	152 769	147 224	5 545	96,4%	163 684	151 577

Department of Economic Development, Environment, Conservation and Tourism
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Notes to the Appropriation Statement

1 Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 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 to Payments for financial assets to the Annual Financial Statements.

4 Explanations of material variances from Amounts Voted (after virement):

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
4,1 Per programme:				
ADMINISTRATION	177 418	171 402	6 016	3,39%
The major contributory factor to the under-spending is due to the allocation on compensation of employees which came about due to the resignations, retirements and death terminations.				
INTEGRATED ECONOMIC DEVELOPMENT SERVICES	75 483	74 330	1 153	1,53%
Underspending is due to the vacant and funded positions that could not be filled before the end of the year.				
TRADE AND SECTOR DEVELOPMENT	70 378	69 111	1 267	1,80%
The underspending is due to planned face to face meetings with external stakeholders, travel and subsistence and accomodation could not be undertaken due to covid-19 travel restrictions.				
BUSINESS REGULATION AND GOVERNANCE	118 147	116 034	2 113	1,79%
Due to the planned events (consumer and liquor awareness campaigns) that could not take place to Covid-19 restrictions.				
ECONOMIC PLANNING	15 608	12 549	3 059	19,60%
The underspending is as a result of allocation for travelling, accommodation, catering which could not be undertaking as planned due to Covid-19 travelling restrictions.				
ENVIRONMENTAL SERVICES	283 446	275 149	8 297	2,93%
Due to the reduced number of intake at quarantine sites as a result of the move to a lower Covid-19 risk alert level 1 resulted in a saving.				
TOURISM	152 769	147 224	5 545	3,63%
The savings is a result of the review of the Taung Hotel School project rollout plan.				

(In the case of surpluses on programmes, a detailed explanation must be given as to whether it is as a result of a saving or underspending.)

Department of Economic Development, Environment, Conservation and Tourism
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Notes to the Appropriation Statement

4,2 Per economic classification:

Current expenditure

Compensation of employees
Goods and services
Interest and rent on land

Transfers and subsidies

Provinces and municipalities
Departmental agencies and accounts
Higher education institutions
Public corporations and private enterprises
Foreign governments and international organisations
Non-profit institutions
Households

Payments for capital assets

Buildings and other fixed structures
Machinery and equipment

Payments for financial assets

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%

278 491	270 437	8 054	2,89%
118 125	107 521	10 604	8,98%
19	18	1	5,26%
-	-	-	-
313 464	313 460	4	0,00%
-	-	-	-
106 588	106 588	-	0,00%
-	-	-	-
-	-	-	-
32 809	32 801	8	0,02%
38 437	31 502	6 935	18,04%
4 720	2 907	1 813	38,41%
596	565	31	5,02%

Explanation of variance

4,3 Per conditional grant

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
R'000	R'000	R'000	%

EPWP INTEGRATED GRANT FOR PROVINCES	2 000	1 998	2	0,10%
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Department of Economic Development, Environment, Conservation and Tourism

VOTE 6

Statement of Financial Performance

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	<u>1</u>	893 249	956 369
Departmental revenue	<u>2</u>	-	-
TOTAL REVENUE		893 249	956 369
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	270 436	283 717
Goods and services	<u>4</u>	107 521	138 148
Interest and rent on land	<u>5</u>	18	4
Total current expenditure		377 975	421 869
Transfers and subsidies			
Transfers and subsidies	<u>7</u>	452 850	458 573
Total transfers and subsidies		452 850	458 573
Expenditure for capital assets			
Tangible assets	<u>8</u>	34 409	40 101
Total expenditure for capital assets		34 409	40 101
Payments for financial assets	<u>6</u>	565	-
TOTAL EXPENDITURE		865 799	920 543
SURPLUS/(DEFICIT) FOR THE YEAR		27 450	35 826
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		27 450	35 826
Annual appropriation		27 448	35 826
Conditional grants		2	-
Departmental revenue and NRF Receipts	<u>13</u>	-	-
Aid assistance		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		27 450	35 826

Department of Economic Development, Environment, Conservation and Tourism
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Statement of Financial Position

	<i>Note</i>	2020/21 R'000	2019/20 R'000
ASSETS			
Current Assets		34 450	40 208
Cash an cash equivalents	<u>9</u>	17 638	26 697
Prepayments and advances	<u>10</u>	4 861	4 776
Receivables	<u>11</u>	11 951	8 735
TOTAL ASSETS		34 450	40 208
LIABILITIES			
Current Liabilities		34 446	40 202
Voted funds to be surrendered to the Revenue Fund	<u>12</u>	27 450	11 176
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>13</u>	5 850	117
Payables	<u>14</u>	1 146	28 909
TOTAL LIABILITIES		34 446	40 202
NET ASSETS		4	6
Represented by:			
Recoverable revenue		4	6
TOTAL		4	6

Statement of Changes in Net Assets

NET ASSETS

Recoverable revenue

Opening balance

Transfers

Irrecoverable amounts written off

Debts revised

Debts recovered (included in departmental receipts)

Debts raised

Closing balance

TOTAL

<i>Note</i>	2020/21 R'000	2019/20 R'000
	6	9
	(2)	(3)
6,1	-	-
	-	-
	(2)	(3)
	-	-
	<u>4</u>	<u>6</u>
	<u>4</u>	<u>6</u>

Cash Flow Statement

	Note	2020/21 R'000	2019/20 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		949 278	1 050 715
Annual appropriated funds received	1,1	893 249	931 719
Departmental revenue received	2	56 029	118 996
Net (increase)/ decrease in working capital		(31 064)	(1 084)
Surrendered to Revenue Fund		(61 472)	(128 640)
Current payments		(377 957)	(405 371)
Interest paid	5	(18)	(4)
Payments for financial assets		(565)	0
Transfers and subsidies paid		(452 850)	(458 573)
Net cash flow available from operating activities	15	25 352	57 043
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(34 409)	(40 101)
Net cash flows from investing activities		(34 409)	(40 101)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(2)	(3)
Increase/ (decrease) in non-current payables		0	0
Net cash flows from financing activities		(2)	(3)
Net increase/ (decrease) in cash and cash equivalents		(9 059)	16 939
Cash and cash equivalents at beginning of period		26 697	9 758
Unrealised gains and losses within cash and cash equivalents			0
Cash and cash equivalents at end of period	16	17 638	26 697

Department of Economic Development, Environment, Conservation and Tourism
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Notes to the Annual Financial Statements

1

1,1 Annual Appropriation	2020/21			2019/20		
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation Received R'000	Funds not requested/ not received R'000
Programmes						
1. ADMINISTRATION	192 727	192 727	-	174 684	150 034	24 650
2. INTEGRATED ECONOMIC DEVELOPMENT SERVICES	76 864	76 864	-	54 928	54 928	-
3. TRADE AND SECTOR DEVELOPMENT	47 443	47 443	-	158 473	158 473	-
4. BUSINESS REGULATION AND GOVERNANCE	117 517	117 517	-	115 647	115 647	-
5. ECONOMIC PLANNING	16 628	16 628	-	18 804	18 804	-
6. ENVIRONMENTAL SERVICES	287 249	287 249	-	270 149	270 149	-
7. TOURISM	154 821	154 821	-	163 684	163 684	-
Total	893 249	893 249	-	956 369	931 719	24 650

Provide an explanation for funds not requested/not received

All appropriated funds requested received in full at 31 March 2021

1,2 Conditional grants**	Note	2020/21 R'000	2019/20 R'000
Total grants received	47	2 000	-
Provincial grants included in Total Grants received		-	-

(** It should be noted that the Conditional grants are included in the amounts per the Final Appropriation in Note 1.1)

2 Departmental Revenue	Note	2020/21 R'000	2019/20 R'000
Tax revenue		52 462	112 755
Sales of goods and services other than capital assets	2,1	3 385	6 198
Transactions in financial assets and liabilities	2,2	182	43
Total revenue collected		56 029	118 996
Less: Own revenue included in appropriation	19	56 029	118 996
Departmental revenue collected		-	-

2,1 Sales of goods and services other than capital assets	Note	2020/21 R'000	2019/20 R'000
Sales of goods and services produced by the department	2	3 385	6 198
Sales by market establishment		-	-
Administrative fees		-	-
Other sales		3 385	6 198
Sales of scrap, waste and other used current goods		-	-
Total		3 385	6 198

2,2 Transactions in financial assets and liabilities	Note	2020/21 R'000	2019/20 R'000
Other Receipts including Recoverable Revenue	2	182	43
Total		182	43

3 Compensation of Employees	Note	2020/21 R'000	2019/20 R'000
3,1 Salaries and wages			
Basic salary		183 858	197 255
Performance award		1 338	1 529
Service Based		220	214
Compensative/circumstantial		7 963	4 583
Periodic payments		3	185
Other non-pensionable allowances		39 336	41 655
Total		232 718	245 421

3,2 Social Contributions	Note	2020/21 R'000	2019/20 R'000
Employer contributions			
Pension		23 460	25 011
Medical		13 897	13 143
UIF		59	24
Bargaining council		54	55
Official unions and associations		-	-
Insurance		248	63
Total		37 718	38 296
Total compensation of employees		270 436	283 717
Average number of employees		700	540

Department of Economic Development, Environment, Conservation and Tourism

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Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000
4 Goods and services			
Administrative fees		43	1 377
Advertising		1 261	774
Minor assets	4,1	963	490
Bursaries (employees)		-	26
Catering		1 407	2 586
Communication		7 407	4 880
Computer services	4,2	2 832	1 740
Consultants: Business and advisory services		4 107	14 351
Infrastructure and planning services		297	628
Legal services		49	617
Contractors		108	378
Agency and support / outsourced services		26 752	40 367
Audit cost – external	4,3	6 922	7 334
Fleet services		2 610	3 417
Inventory	4,4	2 589	79
Consumables	4,5	4 433	4 884
Operating leases		17 462	19 784
Property payments	4,6	13 934	5 912
Rental and hiring		14	39
Travel and subsistence	4,7	11 660	24 368
Venues and facilities		755	1 489
Training and development		475	1 398
Other operating expenditure	4,8	1 441	1 230
Total		107 521	138 148
	Note	2020/21 R'000	2019/20 R'000
4,1 Minor assets	4		
Tangible assets		963	490
Machinery and equipment		963	490
Total		963	490
	Note	2020/21 R'000	2019/20 R'000
4,2 Computer services	4		
SITA computer services		240	297
External computer service providers		2 592	1 443
Total		2 832	1 740
	Note	2020/21 R'000	2019/20 R'000
4,3 Audit cost – external	4		
Regularity audits		6 922	7 334
Total		6 922	7 334
	Note	2020/21 R'000	2019/20 R'000
4,4 Inventory	4		
Farming supplies		-	29
Materials and supplies		-	50
Other supplies	4,4.1	2 589	-
Total		2 589	79
4.4.1 Other Supplies			
Assets for distribution		2 589	-
Machinery and equipment		2 589	-
Other		-	-
Total		2 589	-
	Note	2020/21 R'000	2019/20 R'000
4,5 Consumables	4		
Consumable supplies		2 005	1 342
Uniform and clothing		97	487
Household supplies		1 789	843
Communication accessories		7	-
IT consumables		112	12
Stationery, printing and office supplies		2 428	3 542
Total		4 433	4 884
	Note	2020/21 R'000	2019/20 R'000
4,6 Property payments	4		
Municipal services		918	867
Property maintenance and repairs		11 182	5 045
Other		1 834	-
Total		13 934	5 912

Department of Economic Development, Environment, Conservation and Tourism
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Notes to the Annual Financial Statements

4,7 Travel and subsistence Local Foreign Total	Note 4	2020/21 R'000 11 660 - 11 660	2019/20 R'000 24 368 - 24 368																		
4,8 Other operating expenditure Other Total	Note 4	2020/21 R'000 1 441 1 441	2019/20 R'000 1 230 1 230																		
Interest and Rent on Land Interest paid Rent on land Total	Note	2020/21 R'000 18 - 18	2019/20 R'000 4 - 4																		
Payments for financial assets Debts written off Total	Note	2020/21 R'000 565 565	2019/20 R'000 - -																		
6,1 Debts written off Nature of debts written off (Group major categories, but list material items: (debt written off relating to irregular expenditure, debt written off relating to recoverable revenue Other debt written off Debts written off Total Total debt written off	Note 6	2020/21 R'000 565 565 565 565	2019/20 R'000 - - - -																		
Transfers and Subsidies Departmental agencies and accounts Public corporations and private enterprises Households Total	Note	ANNEXURE 1B ANNEXURE 1D ANNEXURE 1G 313 460 106 588 32 802 452 850	313 161 143 250 2 162 458 573																		
Expenditure for capital assets Tangible assets Buildings and other fixed structures Heritage assets Machinery and equipment	Note	2020/21 R'000 34 409 31 502 - 2 907 34 409	2019/20 R'000 40 101 37 938 - 2 163 40 101																		
Total		34 409	40 101																		
8,1 Analysis of funds utilised to acquire capital assets - 2020/21		<table> <tr> <th>Voted Funds</th><th>Aid assistance</th><th>TOTAL</th></tr> <tr> <th>R'000</th><th>R'000</th><th>R'000</th></tr> <tr> <td>34 409</td><td>-</td><td>34 409</td></tr> <tr> <td>31 502</td><td>-</td><td>31 502</td></tr> <tr> <td>2 907</td><td>-</td><td>2 907</td></tr> <tr> <td>34 409</td><td>-</td><td>34 409</td></tr> </table>	Voted Funds	Aid assistance	TOTAL	R'000	R'000	R'000	34 409	-	34 409	31 502	-	31 502	2 907	-	2 907	34 409	-	34 409	
Voted Funds	Aid assistance	TOTAL																			
R'000	R'000	R'000																			
34 409	-	34 409																			
31 502	-	31 502																			
2 907	-	2 907																			
34 409	-	34 409																			
Tangible assets Buildings and other fixed structures Heritage assets Machinery and equipment Total																					
8,2 Analysis of funds utilised to acquire capital assets - 2019/20		<table> <tr> <th>Voted Funds</th><th>Aid assistance</th><th>TOTAL</th></tr> <tr> <th>R'000</th><th>R'000</th><th>R'000</th></tr> <tr> <td>40 101</td><td>-</td><td>40 101</td></tr> <tr> <td>37 938</td><td>-</td><td>37 938</td></tr> <tr> <td>2 163</td><td>-</td><td>2 163</td></tr> <tr> <td>40 101</td><td>-</td><td>40 101</td></tr> </table>	Voted Funds	Aid assistance	TOTAL	R'000	R'000	R'000	40 101	-	40 101	37 938	-	37 938	2 163	-	2 163	40 101	-	40 101	
Voted Funds	Aid assistance	TOTAL																			
R'000	R'000	R'000																			
40 101	-	40 101																			
37 938	-	37 938																			
2 163	-	2 163																			
40 101	-	40 101																			
Tangible assets Buildings and other fixed structures Heritage assets Machinery and equipment Total																					
8,3 Finance lease expenditure included in Expenditure for capital assets		<table> <tr> <th>2020/21</th><th>2019/20</th></tr> <tr> <th>R'000</th><th>R'000</th></tr> <tr> <td>708</td><td>970</td></tr> <tr> <td>708</td><td>970</td></tr> </table>	2020/21	2019/20	R'000	R'000	708	970	708	970											
2020/21	2019/20																				
R'000	R'000																				
708	970																				
708	970																				
Tangible assets Machinery and equipment Biological assets Total																					

Department of Economic Development, Environment, Conservation and Tourism
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Notes to the Annual Financial Statements

	Note	2020/21 R'000	2019/20 R'000				
9 Cash and Cash Equivalents							
Consolidated Paymaster General Account		17 638	26 697				
Total		17 638	26 697				
	Note	2020/21 R'000	2019/20 R'000				
10 Prepayments and Advances							
Advances paid (Not expensed)	10,1	4 861	4 776				
Total		4 861	4 776				
10,1 Advances paid (Not expensed)							
	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2021	
	10	R'000	R'000	R'000	R'000	R'000	
Other institutions		4 776	(4 776)	0	4 861	4 861	
Total		4 776	(4 776)	0	4 861	4 861	
	Note	Balance as at 1 April 2019	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2020	
	10	R'000	R'000	R'000	R'000	R'000	
Advances paid (Not expensed)		0	(4 095)	0	8 871	4 776	
Other institutions		0	(4 095)	0	8 871	4 776	
Total		0	(4 095)	0	8 871	4 776	
10,2 Prepayments (Expensed)							
		Balance as at 1 April 2020	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2021	
		R'000	R'000	R'000	R'000	R'000	
Listed by economic classification							
Goods and services					835	835	
Total		-	-	-	835	835	
10,3 Advances paid (Expensed)							
		Balance as at 1 April 2020	Less: Received in the current year	Add/Less: Other	Add: Current Year advances	Amount as at 31 March 2021	
		R'000	R'000	R'000	R'000	R'000	
National departments						-	
Provincial departments					740	740	
Public entities		3 337	(1 478)	-	22 537	24 396	
Other institutions					8 456	8 456	
Total		3 337	(1 478)	-	31 733	33 592	
		Balance as at 1 April 2019	Less: Received in the current year	Add/Less: Other	Add: Current Year advances	Amount as at 31 March 2020	
		R'000	R'000	R'000	R'000	R'000	
Advances paid (Expensed)							
National departments		-	-	-	-	-	
Provincial departments		-	-	-	-	-	
Public entities		4 955	(1 618)	-	-	3 337	
Other institutions		-	-	-	-	-	
Total		4 955	(1 618)	0	0	3 337	
	Note	2020/21 Current R'000	2020/21 Non-current R'000	2020/21 Total R'000	2019/20 Current R'000	2019/20 Non-current R'000	2019/20 Total R'000
11 Receivables							
Claims recoverable	11,1	11 870	-	11 870	8 610	-	8 610
Staff debt	11,2	80	-	80	125	-	125
Other receivables	11,3	1	-	1	-	-	-
Total		11 951	-	11 951	8 735	-	8 735

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	Note	2020/21 R'000	2019/20 R'000
11,1 Claims recoverable	11		
National departments		21	-
Provincial departments		8 165	670
Public entities		3 674	7 940
Higher education institutions		10	-
Total		11 870	8 610
	Note	2020/21 R'000	2019/20 R'000
11,2 Staff debt	11		
(Group major categories, but list material items)			
Tax Debt		9	115
Debt Account		71	10
Total		80	125
	Note	2020/21 R'000	2019/20 R'000
11,3 Other receivables	11		
(Group major categories, but list material items)			
ACB Recalls		1	-
Total		1	-
	Note	2020/21 R'000	2019/20 R'000
Voted Funds to be Surrendered to the Revenue Fund			
Opening balance		11 176	9 761
Prior period error	12,1		
As restated		11 176	9 761
Transfer from statement of financial performance (as restated)		27 450	35 826
Add: Unauthorised expenditure for current year	11		
Voted funds not requested/not received	1,1	-	-24 650
Transferred to retained revenue to defray excess expenditure (Parliament/Legislatures ONLY)			
Paid during the year		(11 176)	(9 761)
Closing balance		27 450	11 176
	Note	2020/21 R'000	2019/20 R'000
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		117	-
Prior period error	13,1		
As restated		117	-
Transfer from Statement of Financial Performance (as restated)		-	-
Own revenue included in appropriation		56 029	118 996
Transfer from aid assistance	4		
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)			
Paid during the year		(50 296)	(118 879)
Closing balance		5 850	117
	Note	2020/21 R'000	2019/20 R'000
Payables - current			
Clearing accounts	14,1	80	-
Other payables	14,2	1 066	28 909
Total		1 146	28 909
	Note	2020/21 R'000	2019/20 R'000
1,41 Clearing accounts	14		
(Identify major categories, but list material amounts)			
Clearing Accounts		80	-
Total		80	-
	Note	2020/21 R'000	2019/20 R'000
14,2 Other payables	14		
(Identify major categories, but list material amounts)			
Claims payable		1 066	28 909
Total		1 066	28 909

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			2020/21 R'000	2019/20 R'000
15	Net cash flow available from operating activities	Note		
	Net surplus/(deficit) as per Statement of Financial Performance		27 450	35 826
	Add back non cash/cash movements not deemed operating activities		(2 098)	21 217
	(Increase)/decrease in receivables		(3 216)	53 753
	(Increase)/decrease in prepayments and advances		(85)	(4 776)
	Increase/(decrease) in payables – current		(27 763)	(33 567)
	Expenditure on capital assets		34 409	40 101
	Surrenders to Revenue Fund		(61 472)	(128 640)
	Voted funds not requested/not received		-	(24 650)
	Own revenue included in appropriation		56 029	118 996
	Other non-cash items		-	-
	Net cash flow generated by operating activities		25 352	57 043
16	Reconciliation of cash and cash equivalents for cash flow purposes	Note		
	Consolidated Paymaster General account		17 638	26 697
	Total		17 638	26 697
17	Contingent liabilities and contingent assets	Note		
25,1	Contingent liabilities			
	Liable to	Nature		
	Claims against the department	Annex 3B	3 558	1 636
	Intergovernmental payables (unconfirmed balances)	Annex 5	6 103	1 808
	Total		9 661	3 444
Claims against the Department with the balance of R3 558 000 has been disclosed using estimated settlement amount as there is uncertainty with the outcome of the litigation and the timing of any outflow from the Department The possibility of any reimbursement relating to the litigations is very remote as at reporting period. 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.				
18	Capital commitments	Note		
	<i>Specify class of asset</i>			
	Non-Residential Buildings (Hotel Schools)		21 540	39 698
	Total		21 540	39 698
19	Accruals and payables not recognised			
19,1	Accruals			
	Listed by economic classification			
	Goods and services	30 days	30+ days	Total
	Other	957	246	1 203
	Total	957	246	1 203
	Listed by programme level	Note		
	Administration		440	1 028
	Integrated Economic Development Services		-	837
	Trade and Sector Development		-	3
	Business Regulation and Governance		18	113
	Economic Planning		-	47
	Environmental Services		561	345
	Tourism		184	268
	Total		1 203	2 641
19,2	Payables not recognised			
	Listed by economic classification			
	Goods and services	30 days	30+ days	Total
	Other	2 192	4 913	7 105
	Total	2 192	4 913	7 105

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Listed by programme level	Note	2020/21 R'000	2019/20 R'000
Administration		5 829	625
Integrated Economic Development Services		50	300
Trade and Sector Development		-	-
Business Regulation and Governance		260	47
Economic Planning		-	30
Environmental Services		966	441
Tourism		-	12
Total		7 105	1 455

Include discussion where deemed relevant

Included in the above totals are the following:

	Note	2020/21 R'000	2019/20 R'000
Confirmed balances with departments	Annex 5	1 383	183
Confirmed balances with other government entities	Annex 5	-	59
Total		1 383	242

Include discussion where deemed relevant

	Note	2020/21 R'000	2019/20 R'000
20 Employee benefits			
Leave entitlement		20 757	16 668
Service bonus		7 248	8 083
Performance awards		1 379	2 129
Capped leave		9 294	10 855
Other		5 328	2 417
Total		44 006	40 152

At this stage the department is not able to reliably measure the long term portion of the long service awards amounting to R305 000

The amount of R305 000 and R5 023 000 disclosed as other is for long service awards and personnel related accruals respectively.

21 Lease commitments

21,1 Operating leases

2020/21	Specialised military assets 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			17 935	623	18 558
Later than 1 year and not later than 5 years			-	18	18
Later than five years			-	-	-
Total lease commitments		-	17 935	641	18 576

2019/20	Specialised military assets 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	-	-	18 329	860	19 189
Later than 1 year and not later than 5 years	-	-	698	722	1 420
Later than five years	-	-	-	-	-
Total lease commitments	-	-	19 027	1 582	20 609

21,2 Finance leases **

2020/21	Specialised military assets 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				224	224
Later than 1 year and not later than 5 years				10	10
Later than five years				-	-
Total lease commitments	-	-	-	234	234

2019/20	Specialised military assets 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	-	-	-	770	770
Later than 1 year and not later than 5 years	-	-	-	140	140
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	910	910

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

	Note	2020/21 R'000	2019/20 R'000
22 Accrued departmental revenue			
Tax revenue		8 189	4 073
Fines, penalties and forfeits		2 338	2 338
Interest, dividends and rent on land		81	224
Total		10 608	6 635

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			2020/21 R'000	2019/20 R'000
22,1 Analysis of accrued departmental revenue	Note			
Opening balance			6 635	8 908
Less: Amounts received			4 297	8 908
Add: Amounts recognised			8 270	6 635
Other (Specify)			-	-
Closing balance			10 608	6 635
23 Irregular expenditure	Note			
23,1 Reconciliation of irregular expenditure				
Opening balance			85 747	4 334
Prior period error			-	-
As restated			85 747	4 334
Add: Irregular expenditure - relating to current year	23,2		12 519	81 413
Closing balance			98 266	85 747
Analysis of closing balance				
Current year			12 519	81 413
Prior years			85 747	4 334
Total			98 266	85 747
23,2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)			2020/21 R'000	
Incident		Disciplinary steps taken/criminal proceedings		
expired contracts		under investigations	10 940	
procurement without written/ minimum quotations		under investigations	398	
Local content not tested		under investigations	116	
Price charged more than the recommended (COVID guideline)		under investigations	126	
Service rendered without an order		None	6	
Procurement from service provider not SITA		None	933	
Total			12 519	
24 Fruitless and wasteful expenditure			2020/21 R'000	2019/20 R'000
23,1 Reconciliation of fruitless and wasteful expenditure				
Opening balance			25	-
Prior period error			-	-
As restated			25	-
Fruitless and wasteful expenditure – relating to prior year	23,2		2 236	17
Fruitless and wasteful expenditure – relating to current year	23,2		65	8
Closing balance			2 326	25
23,2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)			2020/21 R'000	
Incident		Disciplinary steps taken/criminal proceedings		
interest charged on overdue account		under investigations	21	
overpayment to supplier		under investigations	7	
Erratum		under investigations	9	
Penalties		under investigations	31	
Overpayment of Construction Expenditure		under investigations	2 233	
Total			2 301	
25 Related party transactions	Note		2020/21 R'000	2019/20 R'000
List related party relationships and the nature thereof				
Key Management personnel are related parties to the Department of Economic Development, Environment, Conservation and Tourism and close family of key management personnel are related parties to the department. The following Public Entities are related parties as they are under common control of the MEC for the department as listed below, and that all transactions were in the normal cause of business and at arm's length. North West Gambling Board, North West Parks Board, North West Tourism Board and North West Development Corporation and its subsidiaries (Golden Leopard Resorts SOC Ltd, Kgama Wildlife SOC Ltd & Signal Development all 100% owned by NWDC). All the departments of the North West Provincial Government are related parties of the Department as they are under the common control of the same executive.				
26 Key management personnel		No. of Individuals	2020/21 R'000	2019/20 R'000
Political office bearers (provide detail below)		1	1 990	2 771
Officials:				-
Accounting Officer		1	1 699	1 806
Chief Directors		7	9 358	11 556
Family members of key management personnel		1	408	-
Total			13 455	16 133

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27 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
HERITAGE ASSETS	97	-	-	-	97
Heritage assets	97	-	-	-	97
MACHINERY AND EQUIPMENT	27 793	-	1 459	-	29 252
Transport assets	1 066	-	-	-	1 066
Computer equipment	12 862	-	997	-	13 859
Furniture and office equipment	8 093	-	121	-	8 214
Other machinery and equipment	5 772	-	341	-	6 113
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	27 890	-	1 459	-	29 349

Movable Tangible Capital Assets under investigation

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Heritage assets		
Machinery and equipment	549	7 226
Specialised military assets		
Biological assets		

Assets under investigation is due to major assets not found on the floor during the verification exercise. The categories of assets not found is made up of those reported as losses, not found on the floor and those appearing on the asset register with unknown locations. The investigation is currently still in progress.

Additions

27,1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	2 167	-	(708)	-	1 459
Transport assets	-	-	-	-	0
Computer equipment	997	-	-	-	997
Furniture and office equipment	121	-	-	-	121
Other machinery and equipment	1 049	-	(708)	-	341
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	2 167	-	(708)	-	1 459

Included in as amount of R1 049 000 for Other Machinery and Equipment additions is an amount of R708 000 relating to Finance Lease Expenditure. There is an amount of R740 000 paid to the Department of Community Safety & Transport Management for the purchase of the MEC's vehicle which was not delivered as at 31 March 2021 and is recorded as an advance payment expensed.

27,2 Movement for 2019/20

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	97	-	97
Heritage assets	-	-	97	-	97
MACHINERY AND EQUIPMENT	12 279	(268)	15 920	138	27 793
Transport assets	-	-	1 066	-	1 066
Computer equipment	6 878	(88)	6 210	138	12 862
Furniture and office equipment	5 401	(474)	3 166	-	8 093
Other machinery and equipment	-	294	5 478	-	5 772
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	12 279	(268)	16 017	138	27 890

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39.3.1 Prior period error	<i>Note</i>	2019/20 R'000
Nature of prior period error		(268)
Relating to 2020/21 (affecting the opening balance)		(88)
Computer Equipment		(474)
Furniture & Office Equipment		294
Machinery & Equipment		-
Relating to 2019/20		-
Total		-268

Prior year is due to the correction of classification between different categories of assets in line with the asset register and SCOA. There is also a correction from prior year from major to minor assets for an amount of R268 000.

27,3

Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	16 114	-	16 114
Value adjustments						-
Additions				963		963
Disposals						-
TOTAL MINOR ASSETS	-	-	-	17 077	-	17 077

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				-		-
Number of minor assets at cost				8 172		8 172
TOTAL NUMBER OF MINOR ASSETS	-	-	-	8 172	-	8 172

Minor Capital Assets under investigation

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Machinery and equipment	3 189	6 433

Assets under investigation is due to minor assets not found on the floor during the verification exercise. The categories of assets not found is made up of those reported as loss, not found on the floor and those appearing on the asset register with unknown locations.

The investigation is currently still in progress.

Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	7 381	-	7 381
Prior period error	-	-	-	268	-	268
Additions	-	-	-	8 466	-	8 466
Disposals	-	-	-	1	-	1
TOTAL MINOR ASSETS	-	-	-	16 114	-	16 114

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	7 907	-	7 907
TOTAL NUMBER OF MINOR ASSETS	-	-	-	7 907	-	7 907

27.3.1 Prior period error	<i>Note</i>	2019/20 R'000
Nature of prior period error		268
Relating to 2020/21 (affecting the opening balance)		268
Relating to 2019/20		-
Total		268

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28 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	3 138	-	-	-	3 138
TOTAL INTANGIBLE CAPITAL ASSETS	3 138	-	-	-	3 138

Intangible Capital Assets under investigation

Included in the above total of the intangible capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Software	-	-
Mastheads and publishing titles	-	-
Patents, licences, copyright, brand names, trademarks	-	-
Recipes, formulae, prototypes, designs, models	-	-
Services and operating rights	-	-

Movement for 2019/20

28,1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	3 138	-	-	-	3 138
TOTAL INTANGIBLE CAPITAL ASSETS	3 138	-	-	-	3 138

29 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	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	24 611	-	2 758	-	27 369
Dwellings	-	-	-	-	-
Non-residential buildings	24 611	-	2 758	-	27 369
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	24 611	-	2 758	-	27 369

Immovable Tangible Capital Assets under investigation

Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Buildings and other fixed structures	-	-
Heritage assets	-	-
Land and subsoil assets	-	-

Additions

29,1 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
BUILDINGS AND OTHER FIXED STRUCTURES	23 046	1 832	(22 120)	-	2 758
Dwellings	-	-	-	-	-
Non-residential buildings	23 046	1 832	(22 120)	-	2 758
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
ASSETS	23 046	1 832	(22 120)	-	2 758

Project of Hostel Renovation at Orkney Hotel School was completed during the period under review. Included in an amount of R23 046 000 cash addition is an amount of R926 000 for the project incurred during the year with prior year WIP amounting to R1 832 000 included as Non-Cash to make the Ready-for-Use amounting to R2 758 000. The amount of R30 576 000 as per the trial balance relates to advance payment expensed amounting to R8 456 000 which was paid to IDT.

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29,2 **Movement for 2019/20**
MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES		2 433	22 178	-	24 611
Dwellings	-	-	-	-	-
Non-residential buildings	-	2 433	22 178	-	24 611
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	-	2 433	22 178	-	24 611

29.2.1 Prior period error

Nature of prior period error
Relating to 2020/21 (affecting the opening balance)
Non-residential buildings - additions

Note

2019/20
R'000

2 433

2 433

Relating to 2019/20

-

Total

2 433

The correction with the amount of R2 433 000 is to rectify the opening balance to agree to the reported 2019/20 amount.

29,3 **Capital Work-in-progress**
CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Note Annexure 7	Opening Balance 1 April 2020 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing Balance 31 March 2021 R'000
Buildings and other fixed structures		126 042	23 046	2 758	146 330
TOTAL		126 042	23 046	2 758	146 330

Capital Work in Progress amounting to R154 786 000 relates to the Taung Hotel School, Orkney Hotel School and Taung Skull expenditure paid during 2019/2020.

Age analysis on ongoing projects	Number of projects Planned, construction not started	Number of projects Planned, construction started	2020/21 Total R'000
0 to 1 year			
1 to 3 year(s)		1	22 369
3 to 5 years		3	123 960
Longer than 5 years			
Total	-	4	146 329

Include discussion on projects longer than 5 years in capital work in progress

Included in age analysis of 3 to 5 years is an amount of R9 549 relating to the expenditure paid during 2019/2020 of which the budget was in DEDECT but relating to projects started at former READ department with WIP as at 31 March 2019 not yet transferred to DEDECT as at 31 March 2021.

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note Annexure 7	Opening Balance 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
Heritage assets		-	-	-	-	-
Buildings and other fixed structures		-	-	150 653	24 611	126 042
TOTAL		-	-	150 653	24 611	126 042

Include discussion here where deemed relevant

Age analysis on ongoing projects	Number of projects Planned, construction not started	Number of projects Planned, construction started	2019/20 Total R'000
0 to 1 year	1	1	1 832
1 to 3 year(s)	-	-	-
3 to 5 years	-	2	114 701
Longer than 5 years	-	-	-
Total	1	3	116 533

Include discussion on projects longer than 5 years in capital work in progress

Transfer of Taung Skull is not yet finalised and Section 42 certificate is not signed by the Accounting Officer of DARD and DEDECT as at 31 March 2020. The difference between WIP and Age Analysis amounting to R9 549 is due to the expenditure paid during 2019/2020 of which the budget is in DEDECT but relating to projects started at former READ department with WIP as at 31 March 2019 not yet transferred to DEDECT at year end.

Department of Economic Development, Environment, Conservation and Tourism
VOTE 6

Notes to the Annual Financial Statements

30 Principal-agent arrangements

30,1 Department acting as the principal

Payment to IDT for Taung Hotel Schools Infrastructure Projects.

Total

2020/21

R'000

1 550

1 550

2019/20

R'000

1 635

1 635

IDT is implementing hotel school project at Taung for construction of main entrance gate, student residence, demonstration kitchen and lecture halls and Bulk Earthworks. Work done to date amounts to R146 330 000 and is disclosed in Note 41.4 as work-in-progress. There are no other assets and liabilities of the Department held by IDT. Expectations is that the current projects will be completed during 2021/22 financial year.

North West Tourism Board is the Fund Manager for National Tourism Expo hosted by the Department in partnership with National Department of Tourism and Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority for the period of 3 years which started in 2018/2019 and NWTB did not receive any fee for its service for the year 2020/2021 as there was no EXPO held due to Covid-19 restrictions.

Should the contract be prematurely terminated, the Department shall immediately assume the IDT's rights and obligations in the programme, be liable for payment of the program creditors' invoices for services rendered up to the date of termination, immediately take over the implementation of the project, and be liable for IDT's management fees up to the date of termination.

All amounts owing by either party in the NTCE project will become immediately due and payable to the other should either party terminate the agreement.

31 Prior period errors

31,1 Correction of prior period errors

Revenue: (e.g. Annual appropriation, Departmental revenue, Aid assistance, etc.)

Tax Revenue

Sale of Goods & Services other than Capital Assets

Net effect

Note

Amount bef error

correction

R'000

2019/20

Prior period error

R'000

Restated

amount

R'000

2

109 800

2 955

112 755

2

9 153

(2 955)

6 198

118 953

-

118 953

The correction of prior error of R2 955 000 relating to liquor license revenue which was classified as Sale of Goods & Services other than Capital Assets instead of Tax Revenue in line with Standard Chart of Accounts.

Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)

Agency & Support / Outsourced Services

Inventory

Net effect

4

40 367

(7 023)

33 344

4

79

7 023

7 102

40 446

-

40 446

Included in Agency & Support / Outsourced Services was an amount of R7 023 000 relating to machinery and equipment that was purchased for distribution to SMMEs and the correction was done to align with the reporting for Inventory for distribution in line with the SCOA classification.

Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)

Computer Equipment

Furniture & Office Equipment

Machinery & Equipment

Machinery & Equipment - minor assets

Capital Work-in-progress

Ready for Use

Net effect

27.2

12 950

(88)

12 862

27.2

8 567

(474)

8 093

27.2

5 478

294

5 772

27.3

7 381

268

7 649

29.3

150 693

(40)

150 653

29.2

22 178

2 433

24 611

207 247

2 393

209 640

1) This is the correction of error around the classification in the annual financial statements and it was required to agree with the SCOA classification and Asset Register categories. There is also a correction from prior year from major to minor assets for an amount of R268 000.

2) An overstated amount of R39 594.93 relating to the additions to the 2019/2020 WIP has been corrected as a prior year error as the amount is a non-infrastructure expenditure.

3) Ready for Use assets amounting to R24 611 000 was reported in the prior year however the prior year TB in the current year only reflected R22 178 000 and the difference of R2 433 000 had to be adjusted in line with the audited amount which came forth due to the adjustment to the Annual Financial Statements.

32 INVENTORIES (Effective from date determined in a Treasury instruction)

32,1 Inventories for the year ended 31 March 2021

Assets for Distribution - Machinery and Equipment

Insert major category

Insert major category

Insert major category

Total

Note
[Annexure 6](#)

R'000

R'000

R'000

R'000

R'000

Opening balance

Add/(Less): Adjustments to prior year balances

Add: Additions/Purchases - Cash

Add: Additions - Non-cash

(Less): Disposals

(Less): Issues

year, received prior year)

Add/(Less): Adjustments

Closing balance

-

-

2 589

-

-

(2 589)

-

-

-

-

-

2 589

-

-

(2 589)

-

-

-

Inventories: Other Supplies Assets for Distribution - Machinery and Equipment relates to the purchases and distribution to the SMMEs.

Department of Economic Development, Environment, Conservation and Tourism
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Notes to the Annual Financial Statements

33 TRANSFER OF FUNCTIONS AND MERGERS

33.1 Transfer of functions

Provide a brief description of the functions transferred or acquired and the reason for undertaking the transaction or event.

Transfer of functions was due to the determination in respect of the establishment of new departments, the abolition of certain departments in terms of section 3A (a) (i) of the Public Service Act, 1994 (Proclamation 103 of 1994), Assignment of powers and functions in terms of section 137 (b), read with section 140 (1) (b) of the Constitution of the Republic of South Africa, 1996 in a Proclamation sign by the Premier Professor TJ Mokgoro on the 27th June 2019 effective 01 April 2019.

Indicate whether there was an agreement drawn up, and provide a description of the roles, responsibilities and accountability arrangements

There was an agreement drawn up between DEDECT and Rural, Environment and Agricultural Development in terms of roles, responsibilities and accountability for the year ending 31 March 2020 however the transfer of function could not be completed.

Transfer of Taung Skull infrastructure project including other infrastructure is not yet finalised and Section 42 certificate is not signed by the Accounting Officer of DARD and DEDECT as at 31 March 2021. This is due to the deficiencies found in the information submitted. It is anticipated that the transfer will be finalised during 2021/2022 financial year.

34 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	Division of Revenue Act/Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Expanded Public Works Programme					-			-			
Integrated Grant for Provinces (EPWP)	2 000				2 000	2 000	1 998	2	100%	-	-
					-			-			
	2 000	-	-	-	2 000	2 000	1 998	2		-	-

Departments are reminded of the DORA 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 a province.

	Note	2020/21 R'000	2019/20 R'000
35 COVID 19 Response Expenditure	ANNEXURE 11		
Compensation of employees		515	-
Goods and services		33 955	-
Transfers and subsidies		40 000	-
Expenditure for capital assets		-	-
Other		-	-
Total		74 470	-

Included in Goods and Services are payments relating to Covid Quarantine facilities amounting to R31 537 000.00 and Transfers & Subsidies relates to SMME Relief Fund amounting to R40 000 000 which is transferred to NWDC as a Principal-Agent arrangement.

Department of Economic Development, Environment, Conservation and Tourism
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Annexures to the Annual Financial Statements

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/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
NW Gambling Board	80 116	-	-	80 116	80 116	100%	82 812
NW Parks Board	127 192	-	12 000	139 192	139 192	100%	130 706
NW Tourism Board	94 152	-	-	94 152	94 152	100%	99 643
				-			
Total	301 460	-	12 000	313 460	313 460		313 161

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									
Transfers	40 588	-	26 000	66 588	106 588	160,1%	-	29 191	143 250
NW Development Corporation	40 588	-	26 000	66 588	106 588	160,1%		29 191	143 250
				-					
TOTAL	40 588	-	26 000	66 588	106 588	160,1%	-	29 191	143 250

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave Gratuity	421	-	843	1 264	1 264	100%	2 162
Quarantine Facilities			31 538	31 538	31 538	100%	-
Total	421	-	32 381	32 802	32 802		2 162

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

NATURE OF LIABILITY	Opening balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Petros Gabaitsewe Molatleghi vs NWPLB	200		200		-
DEED/Mabule Benny	150		150		-
Nehawu obo Segomotso Lechuti/ FEED	60		60		-
DEDECT/Malan & Adoons	226				226
Delictual	750				750
Delictual	50				50
Marang Inc Pty (Ltd) vs MEC Tourism Board	50				50
Netilife Promotion CC	150				150
Elizabeth Hendrina Lombaard		49	49		-
Molopo Animal Clinic Inc // MEC Dedect		4			4
Malome Business Enterprise CC //MEC Dedect & IDT		1 414			1 414
Valotorgue 114 CC // MEC Dedect		417			417
Solidarity o.b.o Gaborone LTA		497			497
TOTAL	1 636	2 381	459	-	3 558

Department of Economic Development, Environment, Conservation and Tourism
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Annexures to the Annual Financial Statements

ANNEXURE 4
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance		Total		Cash in transit at year end	
	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
DEPARTMENTS								
DARD			10		10	-		
DEPARTMENT OF HEALTH			3 969		3 969	-		
DEPT OF EDUCATION	21				21	-		
DEPT OF HUMAN SETTLEMENT			3 982		3 982	-		
NW PROVINCIAL TREASURY			89		89	-		
OFFICE OF THE PREMIER	115				115	-		
	136	-	8 050	-	8 186	-		
OTHER GOVERNMENT ENTITIES								
SOUTH AFRICAN REVENUE SERVICES			19		19	-		
NW PARKS BOARD	104				104	-		
NW UNIVERSITY (MAFIKENG CAMPUS)	10				10	-		
NWDC			2 306		2 306	-		
NWTB			1 244		1 244	-		
	114	-	3 569	-	3 683	-		
Total	250	-	11 619	-	11 869	-		

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance		Total		Cash in transit at year end	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Community Safety and Transport	231	172	5 530	1 808	5 761	1 980		
Public Service and Administration	17				17	-		
Public Works & Roads	10				10	-		
Home Affairs - Government Printing	58	11			58	11		
Agriculture and Rural Development	152				152	-		
National Department of Education	915				915	-		
Human Settlement			573		573	-		
Total Departments	1 383	183	6 103	1 808	7 486	1 991		
OTHER GOVERNMENT ENTITY								
Current								
North West Tourism Board		59	705		705	59		
Total Other Government Entities	-	59	705	-	705	59		
TOTAL INTERGOVERNMENTAL PAYABLES	1 383	242	6 808	1 808	8 191	2 050		

ANNEXURE 6
INVENTORIES

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2021

	Assets for Distribution - Machinery and Equipment	None	None	None	TOTAL
Note	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances					-
Add: Additions/Purchases - Cash	2 589				2 589
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues	(2 589)				(2 589)
Add/(Less): Received current, not paid (Paid current year, received prior year)					-
Add/(Less): Adjustments					-
Closing balance	-	-	-	-	-

Department of Economic Development, Environment, Conservation and Tourism
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Annexures to the Annual Financial Statements

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	126 042	23 046	2 758	146 330
Dwellings				-
Non-residential buildings	116 493	23 046	2 758	136 781
Other fixed structures	9 549	-		9 549
TOTAL	<u>126 042</u>	<u>23 046</u>	<u>2 758</u>	<u>146 330</u>

Included in the infrastructure expenditure amounting to R31 502 000 is an amount of R8 457 000 paid as an advance expensed to IDT but not included as part of the Current Year Capital WIP of R23 046 000.

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

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	(40)	150 693	(24 611)	126 042
Dwellings					-
Non-residential buildings		(40)	141 144	(24 611)	116 493
Other fixed structures			9 549		9 549
TOTAL	<u>-</u>	<u>(40)</u>	<u>150 693</u>	<u>(24 611)</u>	<u>126 042</u>

The prior year error is in relation to an amount of R39 594,93 which is the correction of prior year expenditure.

ANNEXURE 8A

INTER-ENTITY ADVANCES PAID (note 10)

ENTITY	Confirmed balance		Unconfirmed balance		Total	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER INSTITUTIONS						
Funds paid to Independent Development Corporation (IDT) for infrastructure project at the Taung Hotel					-	-
School	4 861	4 776			4 861	4 776
					-	-
TOTAL	<u>4 861</u>	<u>4 776</u>	<u>-</u>	<u>-</u>	<u>4 861</u>	<u>4 776</u>

Department of Economic Development, Environment, Conservation and Tourism
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Annexures to the Annual Financial Statements

ANNEXURE 11
COVID 19 RESPONSE EXPENDITURE
Per quarter and in total

Expenditure per economic classification	APRIL 2020	MAY 2020	JUN 2020	Subtotal Q1	JUL 2020	AUG 2020	SEPT 2020	Subtotal Q2	OCT 2020	NOV 2020	DEC 2020	Subtotal Q3	JAN 2021	FEB 2021	MAR 2021	Subtotal Q4	2020/21 TOTAL	2019/20 TOTAL
	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	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	-	-	-	-	-	-	-	-	206	206	103	103	103	309	515	-
Goods services	-	-	1 873	1 873	10 802	6 934	5 457	23 193	477	5 056	3 783	9 316	2 979	133	(3 539)	(427)	33 955	-
<i>Please list all the applicable SCOA level 4 items:</i>																		
Cons Supp: Medical Supplies	-	-	-	-	-	-	296	296	-	-	-	-	-	-	-	-	296	-
Cons Hous Sup: Dis Paper/Plast	-	-	-	-	-	-	37	37	-	-	-	-	-	-	-	-	37	-
Cons Hous Sup: Toiletries	-	-	-	-	-	-	263	263	-	-	-	-	-	-	-	-	263	-
Cons: Communication Accessories	-	-	-	-	-	-	1	1	-	-	-	-	-	-	-	-	1	-
P/P: Pest Cntrl/Fumigation Ser	-	-	-	-	-	-	995	995	165	170	0	335	-	5	-	5	1 335	-
P/P: Cleaning Services	-	-	-	-	-	-	-	-	-	-	113	113	-	-	-	-	113	-
Cons Supp: Uni/Prot CLTH&CLOTHES	-	-	-	-	-	-	-	-	-	-	-	-	-	128	245	373	373	-
Covid Quarantine	-	-	1 873	1 873	10 802	6 934	3 865	21 601	312	4 886	3 670	8 868	2 979	-	(3 784)	(805)	31 537	-
Transfers and subsidies	-	-	-	-	-	40 000	-	40 000	-	-	-	-	-	-	-	-	40 000	-
<i>Please list all the applicable SCOA level 4 items:</i>																		
SMME Relief Fund	-	-	-	-	-	40 000	-	40 000	-	-	-	-	-	-	-	-	40 000	-
TOTAL COVID 19 RESPONSE EXPENDITURE	-	-	1 873	1 873	10 802	46 934	5 457	63 193	477	5 056	3 989	9 522	3 082	236	(3 436)	(118)	74 470	-



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Department:

Economic Development, Environment, Conservation and Tourism

North West Provincial Government

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