



Gauteng Provincial Treasury

ANNUAL REPORT 2021 | 22



GAUTENG PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA



GGT2030
GROWING GAUTENG TOGETHER



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Department General Information

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List of Abbreviations/ Acronyms

AFS	Annual Financial Statements
AIDC	Automotive Industrial Development Centre
AG	Auditor General
AO	Accounting Officer
APP	Annual Performance Plan
AGSA	Auditor General of South Africa
CFO	Chief Financial Officer
COJ	City of Johannesburg
COT	City of Tshwane
DPSA	Department of Public Service & Administration
EPRE	Estimates of Provincial Revenue & Expenditure
ERM	Enterprise Risk Management
EXCO	Executive Council
FY	Financial Year
GIFA	Gauteng Infrastructure Financing Agency
GPT	Gauteng Provincial Treasury
GPG	Gauteng Provincial Government
GRAP	Generally Recognised Accounting Practice
HOD	Head of Department
HR	Human Resources
ICT	Information and Communications Technology
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IFS	Interim Financial Statement
IGR	Intergovernmental Relations
IYM	In-Year Monitoring
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MPAT	Management Performance Assessment Tool
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTBPS	Medium Term Budget Policy Statement
MTSF	Medium Term Strategic Framework
NPI	Non-Profit Institution
NT	National Treasury
OoP	Office of the Premier
ORTIA	OR Tambo International Airport
PBC	Premier's Budget Committee
PFMA	Public Finance Management Act
PPP	Public-Private Partnership
PSR	Public Service Regulations
QPR	Quarterly Performance Report
REMC	Risk and Ethics Management Committee
SCOA	Standard Chart of Accounts
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SERO	Socio Economic Review and Outlook
SHE	Safety Health and Environment
SMME	Small Medium and Micro Enterprises
SP	Strategic Plan
TER	Township Economy Revitalisation
TMR	Transformation Modernisation and Reindustrialisation
TR	Treasury Regulations

Foreword by the MEC



Ms Nomantu Nkomo-Ralehoko

MEC of Finance and e-Government

The 2021/22 Annual Report provides information on the work that Gauteng Provincial Treasury has done to implement its mandate of providing leadership on financial matters to all provincial departments, public entities as well as local government.

During the year under review, the department continued to operate within a constrained fiscal environment because of the COVID-19 outbreak which worsened the economic performance of our country and led to further decline in government revenues.

Despite of this, we reprioritised the budget to ensure funding for our broader response to COVID-19 to save lives and livelihoods, while at the same resourcing our key provincial programmes aligned to the Growing Gauteng Together, Vision 2030 plan.

In a tight fiscal space, we intensified efforts to explore new streams to increase the revenue base and this led to the launch of the GPG Revenue Enhancement Strategy. At the same time, we accelerated our work to secure alternative sources of funding for strategic catalytic game changer projects.

As an activist custodian of provincial resources, we listened and heard the concerns of our people regarding the “closed” nature of our procurement processes. That is why we continued with the implementation of the innovative Open Tender process to restore public confidence, promote transparency and accountability in supply chain processes. We recognised that urgent steps were needed to restore public confidence in government’s procurement system.

Through this initiative, provincial government continued to allow bidders and other interested stakeholders to attend, and witness bid adjudication meetings of projects. This had an added benefit of enabling them to understand and appreciate how government makes decisions on procurement matters in accordance with regulations.

In line with the stated objective to grow the economy, create jobs and fight poverty by supporting township enterprises, we criss-crossed the province to provide small businesses with Central Supplier Database, e-Invoicing and P-Card services. As part of these community outreach, we conducted how to tender workshops, which provided suppliers with, amongst other things, information on how to access government opportunities and markets to grow their businesses.

As Gauteng Provincial Treasury, we strongly believe that a clean and accountable government is important to achieve the socio-economic development goals of our province. That is why we continued to intensify efforts to ensure effective and efficient management of public funds. The results of these efforts are demonstrated in the financial outcomes of the province.

As part of our efforts to assist municipalities with strengthening financial management capacity, the department held 52 IGR engagements with relevant stakeholders. We also conducted quarterly assessment in all eight delegated municipalities to improve compliance with the Municipal Finance Management Act.

Thank you HOD Ncumisa Mnyani and the entire staff of Gauteng Provincial Treasury for your hard work and dedication to improve public financial management in our province.

Kind regards

A handwritten signature in black ink, appearing to read 'N. Ralehoko', written over a horizontal line.

Ms Nomantu Nkomo-Ralehoko
MEC: Finance and E-Government

Report of the Accounting Officer



Ms Ncumisa Mnyani

Head of Department: Gauteng Provincial Treasury

The 2021/22 was characterised by the continuation of the Covid-19 pandemic which resulted in the State of Disaster being declared by the President on the 26th March 2020 continuing. There were various levels of lockdown declared throughout the financial year, with the Department adapting to the prevailing conditions. Staff were forced to work from home and as the lockdown levels were relaxed, we managed to bring back the numbers of staff in line with the requirements of the prevailing lockdown level.

The communication of the National Treasury Advisory Note: Preferential Procurement Regulations, 2017, Minister of Finance vs Afribusiness NPC [2022] negatively affected progress with regards to some planned procurement.

Overview of the Operations of the Department

The Gauteng Provincial Government has adapted the national 2019 – 2024 Medium Term Strategic Framework into its own provincial priorities under the theme “Growing Gauteng Together”. The department supports all the priorities of the Growing Gauteng Together plan by ensuring that all priorities as per the plan are adequately resourced. The department has identified the two GGT priorities aligned to its mandate as:

- Building a capable, ethical and developmental state
- Economy, jobs and infrastructure

The department formulated its own four key priority outcomes, as indicated below:

- Enhanced sound finances in the province
- Increased compliance with legislated prescripts
- Sustainable local government finances
- Reduced youth unemployment

Performance against these priorities is outlined below:

Enhanced sound finances in the province

The objective of this key focus area is multipronged and focuses on three main elements: improving fiscal management and increased compliance that promotes clean governance and accountability; integrating and synergising budget and planning processes; and improving revenue collection. In this regard the Department tabled the main budget and 2 adjustment budgets, all in line with prescribed timeframes.

The department aims to ensure effective functioning of the Provincial Revenue Fund and credible cash flow projections that result in optimal performance of the Provincial Investment Portfolio and a sustainable liquidity position in the province, in that regard cash disbursements to departments were equivalent to appropriate funds. The optimisation and diversification of own revenue collection is critical in augmenting the equitable shares and conditional grant funding allocations that the Province receives. It was on this basis, that the Department developed the Enhanced Revenue Strategy to identify new revenue stream and leverage on technology to increase revenue collection, the implementation of the strategy was launched at the end of the 2021/22 financial year. Up to the end of the period under review, 95.5% of the approved appropriation has been collected. One of the major cost drivers for the public service

is the wage bill. To ensure that employee costs do not encroach on service delivery, it is important that the costs are tightly managed and for the 2021/22 financial year the wage bill was maintained at 56%, this is 4% below the high limit of 60%.

Increased compliance with legislated prescripts

This key focus area is critical as it aims to promote and enforce transparency and effective Supply Chain Management (SCM) in the province and enhance and protect organisational value. This was achieved by providing independent, objective assurance and consulting services that add value to the operations of GPG through systematic evaluation of governance risk management and controls that will engender a culture of good governance in the province. The department has promoted accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions, while incorporating automated solutions in Gauteng government institutions. As part of improving audit outcomes, GPT strengthened internal controls throughout the province and provided assurance through implementation of internal audits. All planned internal audits were conducted with 92% of audit reports issued by end of the financial year. The department also tracked internal audit recommendations in departments and entities and followed up AG findings, with Annual Internal Control Assessments also conducted.

The Department has produced reports on 30% spend on township suppliers including those participating in high value contracts and reports on sub-contracted suppliers have also been produced. The Department continued to monitor the payment of suppliers by provincial departments to ensure compliance with the 30 days supplier payment policy, and for GPT all payments to invoices were made within 30 days. In supporting payment of suppliers on time, for the financial year to date, the department ensured that 86% of supplier invoices are submitted electronically against the target of 80%. In line with the requirements for in year monitoring (IYM) of financial performance, the Department submitted monthly and quarterly IYM Reports to National Treasury as per the set deadlines. To increase compliance with legislated prescripts the department completed SCM compliance assessment for all 14 departments and for 8 entities and further conducted monitoring and tracking of action plans for the departments and entities. The department has also conducted the socio-economic review and outlook for the Province and produced the SERO report which was tabled at Legislature together with the tabling of the main budget. The MTBPS was also tabled in line with the prescribed timeframes.

Sustainable local government finances

The objective of this outcome is to build capacity and capability to strengthen financial management practices in municipalities. In support of municipalities, the department held 52 IGR engagements with relevant stakeholders as virtual platforms make it possible to have more engagements. As part of improving MFMA compliance by Gauteng delegated municipalities, quarterly assessments were conducted on all 8 delegated municipalities to determine MFMA compliance by the delegated municipalities. Further assessments were carried out on the municipalities' draft, adopted and adjusted budgets to assess their financial health and budget transfers from the provincial government to the municipalities were gazetted.

Nine (9) training initiatives for delegated municipalities in Gauteng were also conducted, this was especially important due to the local government elections that were held during the 2021/22 financial year and this resulted in new councillors being elected in various municipalities. This necessitated induction training for the new councillors and other relevant training such as on financial management to be provided.

Reduced youth unemployment

The focus of youth development programmes is to expose students to real-time hands-on work experience to be better prepared for the labour market. As part of its contribution to Tshepo 1 million initiative to reduce youth unemployment, the department has ensured that 75 youth are placed on development programmes. This includes internships, learnerships and provision of external bursaries by the department to deserving students.

Overview of the Financial Results of the Department

Departmental Receipts

Departmental Receipts	2021/2022			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	1 306	532	774	1 238	557	681
Interest, dividends and rent on land	583 009	634 031	(51 022)	550 000	751 706	(201 706)
Sale of capital assets		14	(14)		133	(133)
Financial transactions in assets and liabilities	588	998	(247)	557	225	332
Total	584 903	635 575	(50 509)	551 795	752 621	(200 826)

The main source of revenue for the department is interest on positive bank balances. The department does not have any specific tariffs, only parking charges to employees, which is in the range of R80 and R100. The department does not render any free services that would have yielded significant revenue had a tariff been charged.

The department over collected during the year due to the Gauteng Provincial Government's lower spending which yielded higher than anticipated positive balances in the provincial reserves. The department is not expecting this trend to continue due to many external factors that point to slow growth in the near future. The department sold laptops that were disposed through sale of capital assets. The under collection on Sale of goods and services other than capital assets is mainly due to lower collection of commission on insurance and garnishee orders. There was also a reduction on revenue from sale of tender documents because service providers are opting to print their own tender documents.

Programme Expenditure

Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	137 635	125 106	12 529	146 031	132 517	13 514
Sustainable Fiscal Resource Management	154 730	147 431	7 299	152 821	146 639	6 182
Financial Governance	121 918	109 762	12 156	125 476	109 580	15 896
Provincial Supply Chain Management	103 526	90 029	13 497	108 391	100 868	7 523
Municipal Financial Governance	44 340	38 580	5 760	45 106	39 448	5 658
Gauteng Audit Services	113 396	101 051	12 345	99 633	87 149	12 484
Total	675 545	611 959	63 586	677 458	616 201	61 257

The department expenditure was recorded at R611.9 million which is 91% of its budget. The underspending was mainly due to vacant posts on the new approved structure not yet filled, projects such as automation of data collection for market prices, supplier development that are still on procurement stage, automation of financial statements project that is still to be finalised and outsourced specialised audits that are still to realise expenditure. See the explanation below:

ADMIN - The actual expenditure for the year 2021/22 is at 91%. The underspending is due to vacant posts on the new approved structure not yet filled, delays in the delivery of procured computer equipment and other high spec laptops that were sourced, including bids that were non- responsive.

SFRM - The actual expenditure for the year 2021/22 is at 95%. Underspending is due to vacant posts on the new approved structure not yet filled and budgeted invoices that were received after the payment cut-off date (18th of March 2022) and other transactions that did not materialise due to communication of National Treasury Advisory Note: Preferential Procurement Regulations, 2017 - Minister of Finance vs Afribusiness NPC [2022] .

FG – The actual expenditure for the year 2021/22 is at 90%. The reported current year underspending is due to vacant posts on the new approved structure not yet filled and automation of financial statements project that is still to be finalised.

PSCM - The actual expenditure for the year 2021/22 is at 87%. The underspending is due to vacant posts on the new approved structure not yet filled, furthermore the programme received additional funding during adjustment budget for the braille project, automation of data collection for market prices and supplier development projects that are still at procurement stage.

MFG - The actual expenditure for the year 2021/22 is at 87%. The current year underspending is due to vacant posts on the new approved structure not yet filled and due to the slow-moving expenditure on other goods and services related to items such as travel, training, venues and catering.

GAS - The actual expenditure for the year 2021/22 is at 89%. The underspending is due to vacant posts on the new approved structure not yet filled, furthermore the programme received additional funding during adjustment budget, part of the funding was committed and whilst some of the outsourced specialised audit realised expenditure, some are still to be completed.

Virements /Roll Over

The department shifted budget within programmes to align resources to programme expenditure at year-end. This was done in accordance to section 43 of the Public Finance Management Act (PFMA).

Strategic focus over the short to medium term period

The Department will continue to pursue achievement of its priority outcomes as outlined in the Strategic Plan and its Annual Performance Plans.

The provision of effective administrative management and ethical leadership enables the department to deliver on its mandate. A clean audit outcome for the department is an indication of implementation of effective governance measures and internal controls.

The department will ensure the effective and efficient management of provincial fiscal resources and obtain value for money through redirecting existing limited fiscal resources towards service delivery and tabling spatially referenced gender responsive budgets. Provincial expenditure will be monitored and reported on to ensure that funds are spent on deliverables that fulfil the vision of the Gauteng Provincial Government (GGT2030). Provincial departments and entities will be supported to promote improved legislative compliance in line with financial and supply chain regulations. Independent, objective assurance and consulting services will be provided to departments and entities to improve internal controls, reduce risk and enable effective financial management and contribute to improved audit outcomes.

The GPT intends to promote and enforce transparency and effective Supply Chain Management in the Gauteng Province. This will be through oversight on the implementation of the open tender process by provincial departments and entities, producing monitoring reports on township spend and subcontracted contracts in support of the TER strategy. Training workshops will also be provided to Gauteng township-based suppliers in support of supplier development and raising awareness of township suppliers on government procurement opportunities.

The Department will be proactive in providing oversight and support to the eight delegated municipalities in Gauteng on the implementation of the MFMA. There will be training initiatives on financial management and supply chain management to support skills development.

Public Private Partnerships (PPPs)

The Department does not have any registered PPPs, as it only plays a regulatory and oversight role in this area for the Provincial government and municipalities. Through its government entity, namely GIFA, the Department plays a critical role in preparing infrastructure projects for potential funding.

Discontinued Key Activities / Activities to be Discontinued

There are no discontinued activities or activities that are planned for discontinuance.

New or Proposed Key Activities (Future plans of the department)

There are no new or proposed activities in the department.

Supply Chain Management

There are no unsolicited bid proposals concluded for the year under review.

Procurement of goods and services is centralised in the procurement unit within the office of the Chief Financial Officer. This enables the unit to ensure that procurement is done in accordance with the legislative framework. The procurement unit also regularly meets with end users to advice on procurement matters to ensure that SCM processes and procedures which are in place are adhered to and to prevent irregular expenditure.

Procurement in the department has purely been driven by our approved demand plan which is prepared, implemented and monitored in-line with the PFMA.

Gifts and Donations Received in Kind from Non-Related Parties

For the 2021/22 financial year, there were no declarations made in the Departmental register for gifts / sponsorships / donations received.

Exemptions and Deviations Received from National Treasury

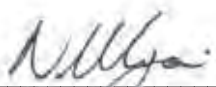
There were no exemptions that were received by the department from the National Treasury.

Events after the Reporting Date

On the 4th of April 2022, cabinet made a decision to end the National State of Disaster with effect from midnight, with the exception of a few transitional regulations remaining in place. This means all regulations and directions made in terms of the Disaster Management Act following the declaration of the National State of Disaster in response to COVID-19 are repealed with the exception of a few transitional measures. Covid protocols such as wearing of masks and social distancing are still to be maintained in indoor spaces. The Department is ensuring compliance with all applicable protocols as employees are supposed to return to the office.

Acknowledgement/s or Appreciation

I would like to thank the MEC for her support and leadership of the Department and I appreciate the hard work of all staff in ensuring that GPT remains true to its values of being performance driven, ethical and accountable.



Ms Ncumisa Mnyani
Accounting Officer
Gauteng Provincial Treasury

Statement of Responsibility and Confirmation of Accuracy for the Annual Report

To the Best of My Knowledge and Belief, I Confirm the Following:

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully


Ms Ncumisa Mnyani
Head of Department

Strategic Overview

Vision

Pioneers in fiscal prudence and good governance.

Mission

A Treasury that drives world class financial support through tight fiscal controls, upheld by a culture of good corporate governance for our stakeholders.

Impact Statement

Optimally resourced provincial priorities and enhanced fiscal control which promote good governance in the delivery of services to Gauteng citizens.

Outcomes

- Enhanced sound finances in the province
- Increased compliance with legislative prescripts
- Sustainable local government finances
- Reduced youth unemployment
- Alternative sources of funding

Values

Performance Driven - We are dedicated and committed to constantly deliver outstanding results and strive to always exceed expectations

Ethical – We do the right thing, in an honest, fair and responsible manner and execute our work with integrity

Accountable – We hold ourselves responsible for and answerable for our actions and work

Innovative – We seek out the world class practices and procedures to execute our mandate and strive to be trendsetters and pioneers in financial management

Respect – We are a unified and compassionate team that respects and cares about the wellbeing of our employees and stakeholders

Legislative and Other Mandates

Legislative Mandates

Gauteng Provincial Treasury Derives its Mandate From the Following Legislation:

The Constitution of the Republic of South Africa (Act 108 of 1996)

The Mandate and environment within which National, Provincial and Local Government Financial Departments and Treasuries operate, is specifically described in Chapter 13: General Financial Matters.

Division of Revenue Act

To provide for the equitable division of revenue raised nationally, inclusive of conditional grants, amongst the three spheres of government and matters incidental thereto.

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)

The Basic Conditions of Employment Act, 1997 gives effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment.

The Public Service Act, 1994 (Act No. 103 of 1994)

To provide for the organization and administration of the Treasury and for human resource management, this includes the regulation of conditions of employment, terms of office, discipline, retirement and discharge of staff members of the Treasury.

Labour Relations Act, 1995 (Act 66 of 1995)

To regulate and guide the Treasury in recognizing and fulfilling its role in effecting labour harmony and the democratization of the workplace.

Employment Equity Act, 1998 (Act 55 of 1998)

To regulate the processes and procedures of the Treasury in achieving a diverse and competent workforce broadly representative of the demographics of Gauteng and eliminating unfair discrimination in employment towards implementing employment equity.

Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996)

To provide norms and conditions which the Treasury must adhere to in negotiating loans for the Provincial Government.

Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)

To define the role of the Minister of Finance and Economic Development and that of the Treasury as representatives of the Provincial Government, in promoting co-operation between other spheres of government on fiscal, budgetary and financial matters; to provide insight into the prescribed processes for the determination of the equitable share and allocation of revenue raised nationally and for matters in connection therewith.

Municipal Finance Management Act (2004)

To support and monitor financial management in municipalities.

Municipality Systems Act (2000) and Development Facilitation Act (1995)

To support and monitor municipal IDP processes.

Preferential Procurement Policy Framework Act (2000)

To provide a framework for the implementation of the preferential procurement policy.

Promotion of Access to Information Act (PAIA), 2000 (Act 2 of 2000)

To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.

The Promotion of Administrative Justice Act (PAJA), 2000 (Act No.3 of 2000)

The PAJA is the law passed to "give effect" to the right to just administrative action in the Bill of Rights. This says everyone has the right to fair, lawful and reasonable administrative action; and reasons for administrative action that affects them negatively.

Public Finance Management Act, 1999 (Act 1 of 1999)

To regulate financial management in the Treasury to ensure that all revenue, expenditure, assets and liabilities of the Treasury are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in the Treasury and to provide for matters connected therewith. To fulfill all Treasury responsibilities with respect to other Departments and public entities.

Preferential Procurement Policy Framework Act, 2000 and Regulations

The Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution. The Act and regulatory framework is applicable to all organs of state, and the state must advance previously disadvantaged persons.

The Gauteng Finance Management Supplementary Act, 2018

The Open Tender Process (OTP) was introduced to promote accountability, transparency, integrity and public scrutiny regarding all decisions made on tenders. The Gauteng Provincial Government must demonstrate in practice that it is committed to eradicate corruption from the procurement processes. A critical element of the OTP implemented in Gauteng is to conduct tender adjudication processes in public. It is for this reason that the regulatory framework pertaining to the OTP was promulgated. As custodians of this function and regulatory framework, the department must make regulations, instructions and ensure compliance with this framework.

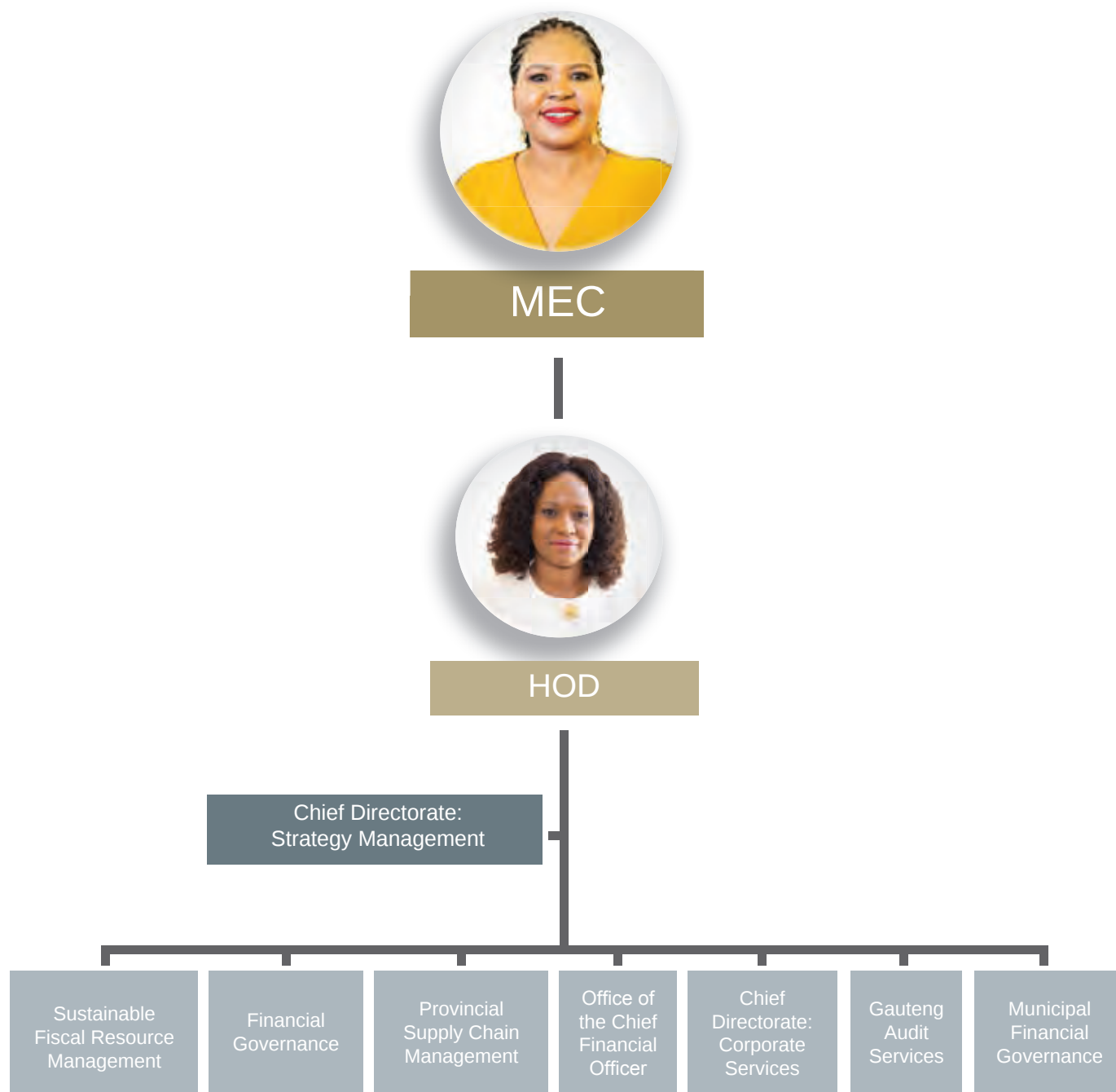
Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)

The act governs the management of health and safety in all organisations.

The Disaster Management Act, 2002 (Act No. 57 of 2002)

This act provides for an integrated and coordinated disaster management approach in South Africa that focuses on preventing and reducing the risk of disasters, mitigating their severity, emergency preparedness, rapid and effective response to disasters and post-disaster recovery.

Organisational Structure



Entity Reporting to the MEC

The Gauteng Infrastructure Financing Agency (GIFA) is mandated to develop infrastructure project concepts and ideas to bankable proposals. GIFA also provides innovative infrastructure financing solutions and facilitates funding sources through partnerships of private investors, development finance institutions and government. This mandate supports one of the objectives of the Gauteng Provincial Treasury, which is to ensure balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province. GPT has transferred R64 million to GIFA in the 2021/22 financial year.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Gauteng Infrastructure Financing Agency (GIFA)	The GIFA is established as a government component in terms of section 7(5)(d) of the Public Service Act, 1994 following the President's Proclamation No. 69 of 2014 (Government Gazette No. 38088), within the portfolio of the MEC responsible for Finance in the Province with a mandate to: - support provincial departments and municipalities with planning, management and other technical expertise to roll out infrastructure more efficiently and effectively; - address challenges around infrastructure delivery capacity and skills where it lacks in government; - facilitate and coordinate alternative funding means for key strategic economic infrastructure projects. - develop strategic social infrastructure projects for funding through the fiscus.	GPT provides GIFA with transfer payments for their budget	Develop and implement bankable infrastructure projects prepared for alternative financing mechanisms and financed through capital investment raised from alternative sources of funding



1. Auditor General's Report: Predetermined Objectives

Refer to page 76 of the Report of the auditor general, published as Part E: Financial Information.

2. Overview of Departmental Performance

2.1 Service Delivery Environment

The environmental scan makes it abundantly clear that government, and especially Gauteng Provincial Treasury department, are grappling with and are required to navigate through extremely complex challenges on a grand scale. This has been exacerbated by the COVID-19 pandemic. South Africa, and Gauteng by implication, is a society that is in distress, hard pressed financially and facing a myriad of social ills, such as unemployment, crime, poverty and inequality. Another concern is in the Legislative space with regards to litigation against the state and its erosion of an already strained fiscus. Other concerns in this area are policy instability and protracted legislative processes.

The technological landscape is abuzz with the 4th Industrial Revolution and while Treasury is optimistic about the innovation and possibility of serving Gauteng better as a result. There are also questions about the impact on job losses, the costs of ICT upgrades and overall readiness to implement the strategies of government. A review of the environment landscape brought up global warming and climate change as key concerns. With Gauteng being the historical seat of mining activity in the country, there are concerns around acid mine drainage, pollution and the water and sanitation issues in the Vaal as well as the necessary interventions to resolve these challenges. Although the challenges seem bleak and gloomy, there are opportunities identified. There are opportunities of collaborating with the private sector in terms of alternative funding models, in order to start leveraging more public private partnerships.

The GPT would need to restore confidence by addressing and reducing the noise around corruption and irregular expenditure. The open tender system is one of the key initiatives that the Gauteng government has implemented to increase public confidence and promote transparency in government's procurement processes. Other significant opportunities that the GPT can tap into are in the ICT space, embracing technology and driving innovation.

The risk of decreased provincial revenue as a result of lower economic growth as well as the adverse impact of fraud, corruption and irregular expenditure on institutional credibility, investor confidence and service delivery would potentially trigger an expenditure reprioritization as revenue generation is expected to remain sluggish. This raises the possibility of further cuts in provincial transfers. However, the presidential stimulus plan continues to be implemented, with signs of progress.

2.2 Service Delivery Improvement Plan

Not Applicable – the submission of SDIP's for the financial year 2021-22 was suspended via Circular 1 of 2021 by the DPSA. Paragraph 3(d) of DPSA circular 1 of 2021 states that: "There is a gap year 2021/2022, in which consultation will be taking place across the Public Service to finalise the new SDIP Directive and related toolkit". As per the directive, departments were exempted from reporting on the SDIP for the period under review while new SDIP guidelines and plans were developed.

2.3 Organisational Environment

The GPT structure was concurred by the Minister of the Department of Public Service and Administration and approved by the MEC of Finance. To date, consultation with stakeholders was finalised whilst continuous change management interventions and communications are taking place. The department operates on an approved organizational structure with a total staff establishment of 972 positions and 733 filled posts as of the end of the 2021/22 financial year. Sixty percent (60%) of the total staff establishment is positions occupied by women and people with disabilities constitute 2% of total staff establishment. Owing to the implementation of the organisational structure, the vacancy rate is above the statutory 10%. During the 2022/23 financial year, priority will be given to the filling of the vacant posts, with vacancies advertised and in progress for recruitment.

The department conducted a mid-term review report to take stock of progress made thus far in realising the department's outcomes and the GGT 2030 priorities, and to identify what still needs to be done for the remainder of the 6th administration. Some of the key departmental successes and challenges for the period under review are as follows:

- The Open Tender System was implemented in all fourteen GPG departments and six provincial entities. This implementation led to the adoption of the Gauteng Finance Management Supplementary Act Amendment Act, 2019.
- Total revenue collected in GPG in both financial years under review exceeded the adjusted appropriation.
- 100% (2146/2146) of invoices were paid within 30 days for both financial years and an average of 89% of suppliers adopted electronic submission of invoices since April 2020 to date.
- Up to the midterm, GPT's supplier development training was attended by a total of 3 198 township suppliers and 2881 suppliers received training on how to tender and how to access government business opportunities. The development programme initiatives were broadened to include nine targeted workshops for suppliers in the information technology and construction sectors.
- Although 93% of the departments achieved unqualified audit outcomes, there was 1 department with a disclaimer audit outcome. A plan was developed to address the challenges that caused the department to achieve a disclaimer audit outcome and the intervention will lead to improved audit outcomes in the ensuing year.
- On the local government front, the performance of the Gauteng delegated municipalities has regressed during the 2019/20 financial year, with only 75% of the delegated municipalities receiving an unqualified audit opinion with material findings. GPT will continue to work collaboratively with departments, entities and local municipalities to ensure maintenance of and improved audit outcome in GPG.

In its contribution towards youth employment and skills development (and in support of the Tshepo 1 million initiative), the department has adopted a multipronged approach to youth development (internship/learnership) spanning several key programmes, namely, Supply Chain Management, Internal Audit, Corporate Services (HRD component), Financial Governance and Municipal Financial Governance. The focus of youth development programmes is to expose the graduates to real-time, hands-on work experience to be better prepared for the labour market and to acquire professional accounting and audit related qualifications.

The Department, through Gauteng Infrastructure Financing Agency (GIFA), continues to source infrastructure projects from provincial departments and municipalities and prepare them to a bankable state through feasibility studies. The bankable projects are released to the market through various ways such as Expression of Interest (EOI) and Request for Proposals (RFPs). The GIFA also continues to explore various alternative and innovative funding solutions such as PPPs, leveraged funding, leverage existing assets, equity investment, project bonds, etc.

The success of the implementation of the annual performance plan will require collaborative efforts amongst stakeholders at all three government spheres and partnerships with private sector, civil society and non-government organisations. Obtaining buy-in from officials and labour is also a key step towards realising the impact and outcomes espoused in the plan.

Through the provision of progressive support services, the department will provide effective and ethical leadership, management and administrative support, to enable delivery of its mandate. The GPT strives to be an organisation that promotes a positive working environment and a unified and collaborative approach in the fulfilment of its mandate.

2.4 Key Policy Developments and Legislative changes

Having declared a National State of Disaster on 15 March 2020, due to COVID-19, of importance are the following:

Disaster Management Act, 2002 (Act No. 57 of 2002), as amended

The amended Act makes provision for provincial matters, during the National State of Disaster, in that provinces must:

- report on the implementation of policy and legislation relating to disaster risk reduction and management in provinces
- conduct a disaster risk assessment for its provincial area
- identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats
- prepare a disaster management plan for the province
- provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches; and
- develop early warning mechanisms and procedures for risks identified in its functional area

Regulations Issued in Terms of Section 27(2) of The Disaster Management Act, 2002

(ACT NO. 57 OF 2002)

Regulations made under Alert Level 5, 4 and 3

- Only critical services within the department were required to be available during level 5 lockdown
- During level 4, essential services were required. A phased in approach of employees were permitted
- Level 3 allowed more employees to be phased in. employers have a responsibility to ensure general measures are put in place to contain the spread of COVID-19
- Further, the Regulations make provision for the release of resources which includes personnel and funding

COVID-19 Occupational Health and Safety Measures in Workplaces COVID-19 (C19 OHS), 2020

The directive seeks to ensure that the measures taken by employers under the Occupational Health and Safety ACT are consistent with the overall national strategies and policies to minimize the spread of COVID-19. Employers must ensure a risk assessment is done, ensure measures are put in place to contain the virus, including social distancing, awareness sessions, health and safety measures, screening, provision of sanitizers and disinfectants for employees.

Directive for Public Audit Act (PAA), 25 of 2004, 15 May 2020

The Directive details the audit functions in terms of the PAA, audit standards, scope and nature of audits.

GUIDELINES/INSTRUCTIONS APPLICABLE TO THE DEPARTMENT

National Treasury Instruction 5 of 2020/2021, as amended

The instruction pertains to emergency procurement in response to the National State of Disaster. It prescribes emergency procurement procedures during this period, with specific reference to Personal Protective Equipment items, and sets the maximum pricing for same.

The Protection of Personal Information Act 4 Of 2013, (POPIA) - Commencement of Most Provisions

Sections 2 to 38; sections 55 to 109; section 111; and section 114 (1), (2) and (3) shall commence on 1 July 2020. Entities which process personal information must ensure that it is done in a lawful way. The Act is fundamental in safeguarding persons' personal information and thus protecting them against data breaches and theft of personal information.

3. Achievement of Institutional Impacts and Outcomes

The Gauteng Provincial Government formulated a provincial plan under the theme 'Growing Gauteng Together' which is anchored on seven pillars:

- Building a capable, ethical and developmental state
- Economy, jobs and infrastructure
- Education, skills revolution and health
- Integrated human settlements and land release
- Safety, social cohesion and food security
- Integrated human settlements and land release
- Sustainable development for future generations
- A better Africa and World

The Gauteng Provincial Treasury has formulated four key priority outcomes that support and are aligned to the Provincial Plan.

The four key priority outcomes are as follows:

- Enhanced sound finances in the province
- Increased compliance with legislated prescripts
- Sustainable local government finances
- Reduced youth unemployment

The Performance against these four priorities is detailed below.

Enhanced Sound Finances in the Province

The objective of this key focus area is multipronged and focuses on three main elements: improving fiscal management and increased compliance that promotes clean governance and accountability; integrating and synergising budget and planning processes; and improving revenue collection. The adjustment budget and the Medium-Term Budget Policy Statement were tabled in line with prescribed timeframes and 2 appropriation gazettes on allocations to schools and hospitals were tabled.

The department aims to ensure effective functioning of the Provincial Revenue Fund and credible cash flow projections that result in optimal performance of the Provincial Investment Portfolio and a sustainable liquidity position in the province, in that regard cash disbursements to departments were equivalent to appropriate funds. Liquidity of the province impacts service delivery as funding relates to key priorities of government and also impacts good governance of financial management. The optimisation and diversification of own revenue collection is critical in augmenting the equitable shares and conditional grant funding allocations that the Province receives. It was on this basis, that the Department developed the Enhanced Revenue Strategy to identify new revenue stream and leverage on technology to increase revenue collection, the implementation of the strategy was launched at the end of the 2021/22 financial year. Up to the end of the period under review, 95.5% of the approved appropriation has been collected. One of the major cost drivers for the public service is the wage bill. To ensure that employee costs do not encroach on service delivery, it is important that the costs are tightly managed and for the 2021/22 financial year the wage bill was maintained at 56%, this is 4% below the high limit of 60%. The outcome of the wage bill being maintained at below 60% is that it makes the rest of the budget available for service delivery concerns.

Increased Compliance with Legislated Prescripts

This key focus area is critical as it aims to promote and enforce transparency and effective Supply Chain Management (SCM) in the province and enhance and protect organisational value. This was achieved by providing independent, objective assurance and consulting services that add value to the operations of GPG through systematic evaluation of governance risk management and controls that will engender a culture of good governance in the province. The department has promoted accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions, while incorporating automated solutions in Gauteng government institutions. As part of improving audit outcomes, GPT strengthened internal controls throughout the province and provided assurance through implementation of internal audits. All planned internal audits were conducted with 92% of audit reports issued by end of the financial year. The department also tracked internal audit recommendations in departments and entities and followed up AG findings, with Annual Internal Control Assessments also conducted.

The Department has produced reports on 30% spend on township suppliers including those participating in high value contracts and reports on sub-contracted suppliers have also been produced.

The Department continued to monitor the payment of suppliers by provincial departments to ensure compliance with the 30 days supplier payment policy, and for GPT all payments to invoices were made within 30 days. In supporting payment of suppliers on time, for the financial year to date, the department ensured that 86% of supplier invoices are submitted electronically against the target of 80%. In line with the requirements for in year monitoring (IYM) of financial performance, the Department submitted monthly and quarterly IYM Reports to National Treasury as per the set deadlines. To increase compliance with legislated prescripts the department completed SCM compliance assessment for all 14 departments and for 8 entities and further conducted monitoring and tracking of action plans for the departments and entities. The department has also conducted the socio-economic review and outlook for the Province and produced the SERO report which was tabled at Legislature together with the tabling of the main budget. The MTBPS was also tabled in line with the prescribed timeframes. Oversight work on financial statements and accounting practices impacted the management of finances in GPG, internal financial control and capturing and presentation of financial information resulting in improved audit outcomes.

Sustainable Local Government Finances

The objective of this outcome is to build capacity and capability to strengthen financial management practices in municipalities. In support of municipalities, the department held 52 IGR engagements with relevant stakeholders as virtual platforms make it possible to have more engagements. As part of improving MFMA compliance by Gauteng delegated municipalities, quarterly assessments were conducted on all 8 delegated municipalities to determine MFMA compliance by the delegated municipalities. Further assessments were carried out on the municipalities' draft, adopted and adjusted budgets to assess their financial health and budget transfers from the provincial government to the municipalities were gazetted. Nine (9) training initiatives for delegated municipalities in Gauteng were also conducted, this was especially important due to the local government elections that were held during the 2021/22 financial year and this resulted in new councillors being elected in various municipalities. This necessitated induction training for the new councillors and other relevant training such as on financial management.

Reduced Youth Unemployment

The focus of youth development programmes is to expose students to real-time hands-on work experience to be better prepared for the labour market. As part of its contribution to Tshepo 1 million initiative to reduce youth unemployment, the department has ensured that 75 youth are placed on development programmes. This includes internships, learnerships and provision of external bursaries by the department to deserving students. This outcome impacted youth unemployment through improving the career prospects of youth by providing them with the necessary experience as they start their careers.

4. Institutional Programme Performance Information

PROGRAMME 1: ADMINISTRATION

Purpose

To provide effective and ethical leadership, management and administrative support to enable the department to deliver on its mandate.

The Administration programme is divided into various sub-programmes that enables it to achieve its outcomes. The sub-programmes are as follows:

Office of the Member of Executive Council

- Purpose: To provide proactive political, strategic and administrative support to the MEC.

Directorate: Internal Risk and Integrity Management

- Purpose: To manage and facilitate the provision of organisational risk and integrity management.

Directorate: Executive Support

- Purpose: To manage and facilitate the provision of executive support and stakeholder management services.

Chief Directorate: Financial Management Services

- Purpose: To ensure sound financial management in the GPT.

Chief Directorate: Corporate Management

- Purpose: To ensure compliance to good governance principles by providing corporate services to the department.

Chief Directorate: Strategy Management and Transformation Program

- Purpose: To manage and coordinate the implementation of strategic management services.

Outcomes

- Increased compliance with legislated transcripts
- Reduced youth unemployment

Key Achievements

In compliance with the requirement to pay suppliers within 30 days, the department ensured that all payments to invoices were made within 30 days. The department managed to continue its achievement of unqualified audit outcomes in the 2021 audit by the auditor general.

The department focused on youth development programmes to expose graduates to real-time hands-on work experience to be better prepared for the labour market. As part of its contribution to Tshepo 1 million initiative to reduce youth unemployment, the department has ensured that 75 youth are placed on development programmes. This includes internships, learnerships and provision of external bursaries by the department to deserving students. In promoting government transformation programmes, 3 awareness workshops on Gender-Based Violence and LGBTQ were held in the 2021/22 financial year.

Indicators and Targets Revised

There was no revision to indicators and targets for Programme 1.

Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Increased compliance with legislated transcripts	Annual financial statements free from material misstatements; no material findings on performance information or noncompliance with legislation (predetermined objectives)	AG audit outcome	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion	Unqualified audit opinion	0	None
	All invoices paid within 30 days	% of supplier payments paid within 30 days after receipt of correct invoice	100% (1397/1397)	100% (749/749)	100%	100% (672/672) of supplier payments were paid within 30 days of receipt of correct invoices	0	None
	An approved Annual Performance Plan submitted to GPL as per the prescribed timelines	Number of APP submitted to GPL on due date	2020/21 APP submitted to GPL in line with prescribed timelines	2	1	1	0	None
	Approved 2022/23 Key Departmental Risk Register	Number of approved departmental risk register	N/A	N/A	1	1	0	None
	Three (3) workshops conducted	Number of workshops and/or training conducted to promote awareness on Gender Based Violence, Femicide and LGBTQ	N/A	N/A	3	3	0	None
	50% or more women in SMS	% of women appointed at SMS level	N/A	N/A	50% and above	48% (28/58)	2%	2 SMS female members resigned in Q4
Reduced youth unemployment	80 youth in development programmes	% of youth in development programmes against the staff establishment	150 youth developed	11.1% (84/749)	10%	10.2% (75/733)	0.2%	The budget allowed for extra intake of youth for development

Strategy to Overcome Areas of Under Performance

The 2 Vacant SMS posts to be advertised during Q1 of 2022/23 FY.

Linking Performance with Budgets

Programme 1: ADMINISTRATION									
	2021/22							2020/21	
	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	11 297	(306)	-	10 991	10 531	460	95.8	11 350	9 975
2. Office of the HOD	12 045	6	-	12 051	11 538	513	95.7	22 329	19 354
3. Corporate Management	78 763	1 312	(814)	79 261	76 127	3 134	96.0	80 524	71 441
4. Financial Management Services (CFO)	36 344	(1 012)	-	35 332	26 910	8 422	76.2	31 828	31 747
Total for sub programmes	138 449	-	(814)	137 635	125 106	12 529	90.9	146 031	132 517

The actual expenditure for the financial year 2021/22 is at 91%. The underspending is due to vacant posts on the new approved structure not yet filled, delays in the delivery of procured computer equipment and other high spec laptops that were sourced, including bids that were non- responsive.

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

Purpose

To enforce the effective and efficient administration of fiscal resources at provincial institutions.

The Sustainable Fiscal Resource Management programme is divided into various sub-programmes that enable it to achieve its outcomes. The sub-programmes are as follows:

Chief Directorate: Economic and Fiscal Policy Oversight

- Purpose: To provide socio-economic research and analysis as well as ensure effective oversight over revenue.

Chief Directorate: Budget Management

- Purpose: To develop and manage the implementation of policy frameworks.

Chief Directorate: Infrastructure Management

- Purpose: To enhance and monitor infrastructure performance of provincial departments, entities and municipalities.

Chief Directorate: Financial Assets and Liabilities Management

- Purpose: To promote and enforce transparency and effective management of provincial financial assets portfolio.

Chief Directorate: Public Finance

- Purpose: To monitor and report on financial and non-financial performance in provincial institutions.

Outcomes

- Enhanced sound finances in the province
- Increased compliance with legislated prescripts

Key Achievements

To ensure sound and effective financial management, the department tabled the MTEF budget and 2 adjustment budgets, the second adjustment was due to the reduction of conditional grants for the Province. The wage bill was maintained at 56% against the target of 60%. Cash disbursements to departments were equivalent to appropriation. As part of the process for conducting the socio-economic review and outlook for the Province, the SERO was tabled in line with prescribed timelines. Similarly, the Medium-Term Budget Policy Statement (MTBPS) was tabled in line with prescribed timelines.

The Department launched the implementation of the enhanced revenue strategy which aims to enhance, diversify and expand provincial revenue streams. This is to assist GPG to alleviate some of its financial constraints and provide resources where they are critically needed.

Indicators and Targets Revised

There was no revision to indicators and targets for Programme 2.

Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020 R'000	Audited Actual Achievement 2020/2021 R'000	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022 R'000	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Enhanced sound finances in the province	GPG wage bill contained at not more than 60% of GPG allocated budget	% of GPG wage bill against allocated budget	55% (R73,013,560 / R132,452,119)	53% (R76,487,284 / R143,749,056)	60% or less	56% (R83 747 703 / R149 487 028)	4%	Over achievement due to regular monitoring of CoE expenditure
	5% increase in the budget allocated for non-personnel non-capital expenditure	% increase in the budget allocated for non-personnel non-capital expenditure	N/A	-2.3% (R1,336,645/ R58,036,654)	7% increase	1.3% (R765 584 / R59 010 312)	5.7%	Under-achievement is attributed to the fiscal consolidation embarked on in 2021/22 financial year which was carried through the 2022/23 and 2023/24 financial years, with 2022/23 having the deepest cuts
	Main and adjustment MTEF budgets tabled	Number of credible MTEF budgets tabled in line with prescribed timeframes	1 MTEF budget that resources the TMR programme tabled	1 MTEF budget tabled	1 spatially referenced MTEF budget tabled	1 spatially referenced MTEF budget tabled	0	None
			2 adjustment budgets that resources the TMR programme tabled	3 adjustment budgets tabled	1 spatially referenced adjustment budget tabled	2 spatially referenced adjustment budgets tabled	1	The GPG tabled the second adjustment budget after the national government had reduced the conditional grant allocations for the Province
	Assessment reports of the Submitted planning Documents completed within 10 working days	% of assessment reports of the submitted planning documents completed within 10 working days	N/A	15 assessments conducted on submitted planning documents, 1 completed within 10 days – 7%	100%	41.2% (7/17)	59%	59% (10/17) of reports were assessed after 10 working days due to delays caused by client departments in resubmitting after providing additional information
	Cash disbursed in line with the appropriation (cash disbursement reports)	Cash disbursements to departments in line with appropriation	Cash disbursement to departments (R132,546,569) did not exceed appropriated funds (R132,942,505)	Cash disbursed to departments (R143,739,962) equivalent to appropriation funds (R143,749,057)	Cash disbursed to departments equivalent to appropriation funds	Cash disbursed to departments (R149,482,799) equivalent to appropriation funds (R149,487,028)	0	None

Final APP Indicators and Targets cont.

Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020 R'000	Audited Actual Performance 2020/2021 R'000	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022 R'000	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Enhanced sound finances in the province	AG Audit outcome for the Provincial Revenue Fund Management Report	AG Audit outcome for the Provincial Revenue Fund	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	0	None
	Provincial own revenue collection increase in line with inflation	% increase in provincial own revenue collection	7.2% (R7,153,550/ R6,670,454)	10% (R6,553,147 / R5,949,006)	6.0%	-4.5% (R313 327/ R6 975 646)	10.5%	Under collection by departments
Increased compliance with legislated prescripts	SERO tabled in line with prescribed timeframes	Number of SERO tabled	SERO tabled	1 SERO tabled in line with prescribed timeframes	1	1	0	None
	MTBPS tabled in line with prescribed timeframes	Number of MTBPS tabled	1 MTBPS tabled	1 MTBPS tabled in line with prescribed timeframes	1	1	0	None
	Provincial Gazettes on allocations to schools and hospitals	Number of Provincial Gazettes on allocations to schools and hospitals	N/A	N/A	2 Gazettes	2 Gazettes	0	None
	IYM reports for departments and entities	Number of legislated provincial reports produced according to the NT' timeframes (i.e. Departments' and entities IYM reports)	N/A	N/A	12 IYM submissions for departments	12 IYM submissions for departments	0	None
					4 IYM submissions for entities	4 IYM submissions for entities	0	None

Strategy to Overcome Areas of Under Performance

To ensure that there is an increase in budget allocated to non-personnel and non-capital expenditure resources will be reprioritised towards non-personnel and non-capital expenditure. The assessment of submitted planning documents has now been aligned with statutory requirements, which requires that assessments be submitted to NT within a month of receipt from departments. Revenue enhancement strategy has been developed and launched and will be implemented from new FY.

Linking Performance with Budgets

Programme 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT									
	2021/22							2020/21	
	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. Programme Support/ Office of the DDG	68 316	-	-	68 316	67 093	1 223	98.2	64 894	64 715
2. Budget Management	26 168	(136)	-	26 032	24 054	1 978	92.4	28 045	25 791
3. Economic and Fiscal Policy Oversight	14 119	-	18	14 137	12 721	1 416	90.0	13 321	12 550
4. Infrastructure Management	14 541	136	-	14 677	14 108	569	96.1	14 035	13 540
5. Financial Asset and Liabilities Management	14 376	-	-	14 376	13 389	987	93.1	13 773	13 028
6. Public Finance	17 192	-	-	17 192	16 066	1 126	93.5	18 753	17 015
Total for sub programmes	154 712	-	18	154 730	147 431	7 299	95.3	152 821	146 639

The actual expenditure for the financial year 2021/22 is at 95%. Underspending is due to vacant posts on the new approved structure not yet filled and budgeted invoices that were received after the payment cut-off date (18th of March 2022) and other transactions that did not materialise due to communication of National Treasury Advisory Note: Preferential Procurement Regulations, 2017 - Minister of Finance vs Afribusiness NPC [2022] .

PROGRAMME 3: FINANCIAL GOVERNANCE

Purpose

To promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards as contained in the PFMA.

The Financial Governance Programme is divided into various sub-programmes that enables it to achieve its set outcomes. The sub-programmes are as follows:

Directorate: Compliance

- Purpose: To provide advisory services, monitor and enforce compliance with the PFMA.

Directorate: Financial Information Management Systems

- Purpose: To provide oversight and managements of transversal financial systems

Directorate: Financial Automation Management Services

- Purpose: To ensure compliance in the implementation of new provincial automation processes.

Chief Directorate: Transversal Risk Management and Internal Audit Committees

- Purpose: To manage and provide oversight on provincial audit and risk management services.

Chief Directorate: Provincial Accounting Services

- Purpose: To enforce the effective implementation accounting practices and prepare accurate consolidated financial statements.

Outcome

- Increased compliance with legislated prescripts

Key Achievements

GPT coordinated the successful submission of annual financial statements by departments and entities in line with legislated requirements. The Department continued to monitor the payment of suppliers by provincial departments to promote compliance with the 30 days supplier payment policy. In supporting payment of suppliers on time, the Department ensured that 86% of supplier invoices were submitted electronically against the target of 80%.

Indicators and Targets Revised

There was no revision to indicators and targets for Programme 3.

Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Increased compliance with legislated prescripts	AFS submitted by all departments	% of Annual Financial Statements submitted by departments	N/A	100% (14/14)	100%	100% (14/14)	0	None
	AFS submitted by entities	% of Annual Financial Statements submitted by entities	N/A	100% (7/7)	100%	100% (7/7)	0	None
	Consolidated Annual Financial Statements tabled within prescribed timelines	Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	N/A	19/20 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	20/21 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	20/21 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	0	None
	Quarterly departmental 30-days payment compliance reports	Number of departmental 30-day suppliers' payment compliance reports produced	4	4	4	4	0	None
	Reports on the supplier invoices submitted electronically	% of supplier invoices submitted electronically	N/A	83% (237 097 / 286 229)	80%	94% (254 209 / 270 687)	14%	Covid-19 enforced electronic submission preference

Strategy to Overcome Areas of Under Performance

None

Linking Performance with Budgets

Programme 3: FINANCIAL GOVERNANCE									
	2021/22							2020/21	
	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. Programme Support/ Office of the DDG	4 137	-	229	4 366	3 374	992	77.3	3 956	3 713
2. Provincial Accounting Services	58 510	680	280	59 470	55 193	4 277	92.8	60 235	53 474
3. Transversal Internal Audit and Risk Management	17 400	970	43	18 413	17 795	618	96.6	19 688	17 870
4. Norms and Standards	3 289	-	30	3 319	3 003	316	90.5	5 286	3 555
5. Financial Information Management Systems	37 971	(1 650)	29	36 350	30 397	5 953	83.6	36 311	30 968
Total for sub programmes	121 307	-	611	121 918	109 762	12 156	90.0	125 476	109 580

The actual expenditure for the financial year 2021/22 is at 90%. The reported current year underspending is due to vacant posts on the new approved structure not yet filled and automation of financial statements project that is still to be finalised.

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

Purpose

To promote and enforce transparency and effective Supply Chain Management.

The Provincial Supply Chain Management Programme is divided into various sub-programmes that enables it to achieve its outcomes. The sub-programmes are as follows:

Chief Directorate: Supply Chain Management Policy, Norms and Standards, Governance, Compliance and Monitoring & Evaluation

- Purpose: To establish uniform SCM policy, norms & standards, governance mechanisms and enforce compliance.

Chief Directorate: Supply Chain Management Client Support

- Purpose: To provide SCM client support within the GPG.

Chief Directorate: Contract Management and Strategic Procurement

- Purpose: To establish SCM transversal contract management mechanisms and strategic procurement.

Outcome

- Increased compliance with legislated prescripts

Key Achievements

To promote and enforce transparency and effective supply chain management processes in the Province, the department conducted SCM compliance assessments on all 14 departments and continued its oversight by tracking implementation of identified action plans. As part of the oversight function of the GPT, payment of township suppliers and sub-contracting were monitored, and the required reports were produced on a quarterly basis. To improve performance and open opportunities for township suppliers, the department continued its supplier development drive by conducting more training workshops than planned, with 5 workshops conducted against a target of 4.

Indicators and Targets Revised

There was no revision to indicators and targets for Programme 4.

Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/2022	*Actual Achievement 2021/22	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Increased compliance with legislated prescripts	SCM risk compliance assessment per institution	Number of SCM compliance assessment completed for Departments	N/A	14	14	14	0	None
		Number of SCM compliance assessments completed for Public Entities	N/A	N/A	8	8	0	None
	100% of action plans tracked (tracking list)	% of SCM compliance action plans tracked within 14 departments	N/A	86% (12/14)	100%	100% (14/14)	0	None
		% of SCM compliance action plans tracked within 8 entities	N/A	N/A	100%	100 (8/8)	0	None
	Spending reports on township supplier	Number of reports produced on 30% spend on township suppliers including those participating in the high value contracts	4	4	4	4	0	None
	Reports on subcontracted contracts captured on the SRM/SAP system	Number of reports produced on subcontracted contracts captured on the SRM/SAP system by GPG department	N/A	N/A	4	4	0	None
	Training provided to Gauteng township-based suppliers	Number of training workshops provided to Gauteng township-based suppliers	N/A	N/A	4	5	1	Increased demand for workshops

Strategy to Overcome Areas of Under Performance

None

Linking Performance with Budgets

Programme 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT									
	2021/22							2020/21	
	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. Programme Support/ Office of the DDG	23 655	(11)	-	23 644	16 569	7 075	70.1	28 759	26 605
2. SCM Policy, Norms and Standards	12 542	59	-	12 601	11 977	624	95.0	16 871	15 700
3. SCM Client Support	36 748	(82)	-	36 666	34 794	1 872	94.9	31 375	27 600
4. Strategic Procurement	18 664	34	47	18 745	18 654	91	99.5	18 301	18 299
5. Transversal Contract Management	11 870	-	-	11 870	8 035	3 835	67.7	13 085	12 664
Total for sub programmes	103 479	-	47	103 526	90 029	13 497	87.0	108 391	100 868

The actual expenditure for the financial year 2021/22 is at 87%. The underspending is due to vacant posts on the new approved structure not yet filled, furthermore the programme received additional funding during adjustment budget for the braille project, automation of data collection for market prices and supplier development projects that are still at procurement stage.

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

Purpose

To oversee, assist and support all delegated municipalities with the implementation of the Municipal Finance Management Act.

The Municipal Financial Governance programme is divided into various sub-programmes that enables it to achieve its outcomes. The sub-programmes are as follows:

Directorate: Municipal Fiscal Planning and Policy

- Purpose: To promote, assist and support all delegated municipalities with better fiscal and long-term financial planning and policy development across all spheres of government and ensure the development of policies.

Chief Directorate: Local Government Financial Services

- Purpose: To oversee, assist, support all delegated municipalities in the development and the implementation of municipal budgets.

Chief Directorate: Municipal Accounting, Reporting and Asset Management

- Purpose: To oversee, assist, support all delegated municipalities on municipal accounting, auditing, internal audit and asset management.

Chief Directorate: Municipal Compliance and Financial Management Support

- Purpose: To oversee, assist, support all delegated municipalities with the implementation of the Municipal Finance Management Act and the institution in interventions.

Outcome

- Sustainable local government finance

Key Achievements

The Department held intergovernmental relations (IGR) engagements with relevant stakeholders on a continuous basis, resulting in 52 engagements in the 2021/22 financial year, this was mainly aided by use of online platforms which enable quick turnarounds for engagements.

Quarterly MFMA compliance assessments were conducted on all 8 delegated municipalities to assess their MFMA compliance. Further assessments were carried out on the municipalities' draft, adopted and adjusted budgets to assess their financial health and all budget transfers from the provincial government to local government were gazetted as required by law. The department

conducted 9 training initiatives with municipalities, thus exceeding the target mainly due to the high demand for training after the local government elections.

Indicators and Targets Revised

There was no revision to indicators and targets for Programme 5.

Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/2022	*Actual Achievement 2021/22	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Sustainable local government finances	Annual IGR engagements	Number of IGR engagements with relevant stakeholders	N/A	31	20	52	32	Usage of virtual platforms (MS Teams) has enabled more engagements
	Annual trainings conducted	Number of training initiatives for delegated municipalities in Gauteng	N/A	N/A	5	9	4	Increased demand for training initiatives
	MFMA Compliance assessments	Number of assessments conducted on MFMA compliance by delegated municipalities in Gauteng	32	32	32	32	0	None
	Budget assessments	Number of municipal budgets assessments conducted	16	24	24	24	0	None
	Published provincial grants	Number of publications on provincial grants allocated to Gauteng Municipalities	N/A	3	3	3	0	None

Strategy to Overcome Areas of Under Performance

None

Linking Performance with Budgets

Programme 5: MUNICIPAL FINANCIAL GOVERNANCE									
	2021/22							2020/21	
	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. Programme Support/ Office of the DDG	18 815	(23)	(76)	18 716	16 939	1 777	90.5	45 106	39 448
2. Local Government Financial Services	14 987	11	-	14 998	12 880	2 118	85.9	-	-
3. Municipal Accounting and Asset Management	1 898	(34)	-	1 864	-	1 864	-	-	-
4. Municipal Compliance and Financial Management Support	8 716	46	-	8 762	8 761	1	100.00	-	-
Total for sub programmes	44 416	-	(76)	44 340	38 580	5 760	87.0	45 106	39 448

The actual expenditure for the financial year 2021/22 is at 87%. The current year underspending is due to vacant posts on the new approved structure not yet filled and due to the slow-moving expenditure on other goods and services related to items such as travel, training, venues and catering.

PROGRAMME 6: GAUTENG AUDIT SERVICES

Purpose

To render audit services in the GPG departments.

The Gauteng Audit Services Programme is divided into various sub-programmes that enable it to achieve its outcomes. The sub-programmes are as follows:

Directorate: Internal Audit Quality and Assurance

- Purpose: To conduct quality assurance reviews to ensure audit compliance with the international standards for the professional practice of internal auditing of the Institute of Internal Auditors.

Chief Directorate: Risk and Compliance Audit Services Clusters^{1,2,3}

- Purpose: To manage and ensure performance of risk and compliance audit for the GPG.

Chief Directorate: Risk and Compliance Audit Services Clusters^{4,5,6}

- Purpose: To manage and ensure performance of risk and compliance audit for the GPG.

Chief Directorate: Performance and Computer Audit Services

- Purpose: To manage and conduct performance and computer audits for GPG.

Outcome

- Increased compliance with legislated prescripts

Key Achievements

In working to improve audit outcomes, the GPT worked to strengthen internal controls in departments and entities by continuing to provide assurance through conducting internal audits, with 92% of audit reports issued to clients against the planned target of 85%. Follow-up audits on AG recommendations, recommendations from internal audits and internal control assessments were also conducted.

Indicators and Targets Revised

There was no revision to indicators and targets for Programme 6.

Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/2022	*Actual Achievement 2021/22	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Increased compliance with legislated prescripts	Approved audit reports issued	% of audit reports issued to departments and entities	N/A	93% (192/206)	85%	92.2% (235/255)	7.2%	Effective management of audit projects
	Audit Committee approved audit plans	Number of Audit Committee approved audit plans issued to departments and entities	N/A	19	19	19	0	None
	Recommendations tracked as implemented at departments and entities	% of internal audit recommendations tracked at departments and entities	100% (1341/1341)	100% (1135/1135)	100%	100% (810/810)	0	None
	AG follow-up reports issued	Number of AG follow-up reports produced	N/A	19	19	15	4	There were delayed responses on follow-ups
	Annual Internal Control Assessments	Number of annual internal control assessments conducted	N/A	19	19	19	0	None

Strategy to Overcome Areas of Under Performance

Outstanding AG follow-up reports will be finalised in Q1 of 2022/23 FY.

Linking Performance with Budgets

Programme 6: GAUTENG AUDIT SERVICES									
	2021/22							2020/21	
	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. Programme Support/ Office of the DDG	18 342	(130)	-	18 212	12 728	5 484	69.9	10 470	6 635
2. Risk and Compliance Audit Services (Cluster 1, 2, 3)	34 529	-	11	34 540	29 399	5 141	85.1	28 928	25 786
3. Risk and Compliance Audit Services (Cluster 4, 5, 6)	32 386	(5)	175	32 556	31 978	578	98.2	33 437	30 660
4. Performance and Computer Audit Services	27 925	135	28	28 088	26 946	1 142	95.9	26 798	24 068
Total for sub programmes	113 182	-	214	113 396	101 051	12 345	89.1	99 633	87 149

The actual expenditure for the financial year 2021/22 is at 89%. The underspending is due to vacant posts on the new approved structure not yet filled, furthermore the programme received additional funding during adjustment budget, part of the funding was committed and whilst some of the outsourced specialised audit realised expenditure, some are still to be completed.

5. Reporting on the Institutional Response to 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	Budget Spent per Intervention R	Contribution to the Outputs in the APP (Where Applicable)	Immediate Outcomes
Administration	•Consumable Supplies •Property Payments	City of Johannesburg	733	N/A	195 000	147 494	Enabled building and offices to be compliant with Covid-19 protocols	Building and offices compliant with Covid-19 protocols

The Department complied with the requirements of the Occupational Health and Safety Act and directives of the Department of Public Service and Administration on the management of COVID-19 and implementation of strategies to minimise and/or prevent workplace infection. As of 31 March 2022, the department had a total of 148 reported cases where employees tested positive to COVID-19. Based on the statistics, the department had a recovery rate of 99% (146/148). Employees were provided with the required psycho-social support and follow ups were made to track their progress whilst recovering. The Department continues to monitor implementation and undertake risk assessment of current controls.

6. Transfer Payments

Transfer Payments to Public Entity

Name of Public Entity	Key Outputs of the Public Entity	Amount transferred to the Public Entity R000	Amount Spent by the Public Entity R000	Achievements of the Public Entity
Gauteng Infrastructure Financing Agency	Develop and implement bankable infrastructure projects prepared for alternative financing mechanisms and financed through capital investment raised from alternative sources of funding	64 044	57 545	Two (2) new projects were sourced in 2021/22, namely; • OR Tambo International Airport (ORTIA) Special Economic Zone Precinct and ORTIA Springs Precinct, and • City of Tshwane (CoT) Automotive Industrial Development Centre (AIDC) Inland Port. Two (2) feasibility studies was completed in 2021/22, namely; • Krugersdorp Game Reserve, • City of Johannesburg (CoJ) Waste to Energy (AWTT) – Revised Feasibility Study Two (2) projects were analysed for bankability namely, • Krugersdorp Game Reserve, and • CoJ AWTT - Revised Feasibility Study







PART C: GOVERNANCE

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1. Introduction

Chapter 13, Section 215(1) of the Constitution states that, “National, Provincial, and Municipal budgets and budgetary processes must promote transparency, accountability, and the effective financial management of the economy, debt and the public sector”. These principles are embedded in the responsibilities of both, the Internal Audit and Risk Management functions, to evaluate controls, risk management and governance processes.

The Audit Committee and the Risk and Ethics Management Committee are also established to provide assurance on compliance and governance issues as oversight structures. The Department has a functional governance system, with the highest decision-making authority being the Executive Management Team (EMT) that oversees the effective and efficient management of the Department. The EMT meets on a monthly basis and its members include the Member of the Executive Council (MEC), Head of Department (HOD), Deputy Directors General, all Chief Directors, the Head of Communication, Chief Risk Officer and Director in the Office of the HOD.

2. Risk Management

Departmental Risk Management Processes are guided by its Risk Management Policies and Risk Management Framework; these are reviewed on a regular basis to ensure alignment to legislation. In line with the Treasury Regulation 3 18; the Department identifies emerging risks on a regular basis; these are assessed and managed on an ongoing basis.

The Accounting Officer has appointed a Risk and Ethics Management Committee (the Committee) to assist her in discharging responsibilities pertaining to risk management and ethics management. The Committee is chaired by an independent Chairperson; and its members are Senior Officials employed by the Department; formally appointed by the AO. The Committee met four times during the financial year under review and provided oversight to the risk and ethics management processes. On a quarterly basis, the Chair of the REMC reports formally to the AO and the Audit Committee, escalating matters needing intervention where applicable.

3. Fraud and Corruption

There is continuous communication of messages regarding what fraud and corruption are and the procedures to be followed when reporting fraud and corruption. The GPT has a whistleblowing policy in place.

4. Minimising Conflict of Interest

Chapter 3 of the Public Service Regulations requires that all Senior Management Service (SMS) members must declare their financial interests and submit these by the end of April of each year and that the Executive Authority should submit these to the Public Service Commission by the end of May. The GPT was in full compliance with both legislated deadlines for the year under review.

The Accounting Officer has in line with the directive on PSR 2016 submitted a report to the DPSA on the outcome on financial disclosures by all categories timeously.

5. Code of Conduct

The revision of Public Service Regulations in 2016 has resulted in changes to the Public-Sector Code of Conduct. The Department enrolled officials with the National School of Governance for an Ethics Online Course dealing with the Code of Conduct through their eLearning programme.

6. Health, Safety and Environmental Issues

During the financial year, the Department was affected by the declared state of disaster due to the outbreak of the Coronavirus, which necessitated the invoking of Business Continuity processes in order to deliver identified critical and essential services needed by the GPG Departments. The Department aligned its OHS practices and implemented the prescribed Regulations and guidelines.

7. Portfolio Committees

The Department engaged with the Finance Portfolio Committee on the following matters:

- 2021/22 Provincial Adjustment Bill
- Division of Revenue Amendment Bill 2021
- 2021/22 Quarterly Reports
- 2020/21 Annual Report
- 2021/22 Quarterly State of Finances Reports
- 2022/23 Departmental Vote 14 Budget
- 2022/23 Provincial Appropriation Bill

Any issues raised by the Committee were addressed through Legislature processes.

8. Prior Modifications to Audit Reports

The Department obtained a clean audit outcome, there were no prior modifications to audit reports.

9. Internal Control Unit

The implementation of effective internal control helps in the achievement of the objectives of the Department. Effective controls also ensure sustainable and improved performance, in that potential risks are identified and mitigated to reduce the impact thereof on the performance of the organisation.

On a quarterly basis, the Department conducts self- assessment of key controls wherein control deficiencies are identified and mitigating actions put in place to strengthen the control. Internal Audit also conducts independent reviews, following up on significant audit findings raised by both internal and external audit thereby providing assurance to the Accounting Officer and oversight that controls are being implemented, monitoring of implementation of audit recommendations is continuous.

10. Internal Audit and Audit Committee

Objective of Internal Audit

Gauteng Audit Services (GAS) provides internal audit services to all GPG Departments. The objective of GAS is to promote sound corporate governance in the province through ensuring an effective internal control environment.

Key Activities of Internal Audit

Risk based Internal Audit Plans were developed by GAS and approved by the respective Cluster Audit Committees which exercise oversight over the activities of GAS.

GAS performs independent evaluations of internal control systems; governance and risk management processes and makes recommendations on their continuous improvement, in order to provide reasonable assurance that the GPG Departmental objectives will be achieved.

Audit Committee

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

Name	Qualifications	Internal or External member	Position, if internal, position in the Department	Date Appointed	Date Resigned	No. of meetings attended
Sydwel Mofokeng	- Dip. Public Sector Finance - Certificate in Project Management - Certificate in Housing Program Management Development - Management Development Program	External	Acting Chairperson	01 September 2016	Current	05
Makhadzi Miyen	- Masters in Business Administration (MBA) - Btech Internal Auditing - National Diploma Internal Auditing	External	Member	01 September 2018	Resigned with effect from August 2021	01
Luyanda Mansfield Mangquku	- Higher Diploma in Accounting - Chartered Accountant - Master's in Business Leadership - Advanced Company Law I and II - Bachelor's in Accounting Science and Commerce (Honours)	External	Member	11 August 2020	Current	05
Mmathebe Annah Faith Moja	- Masters in Business Leadership - Advanced Treasury Management B. Com	External	Stand-in Member from Cluster 04	11 August 2020	Current	04

11. Report of the Audit Committee

Gauteng Provincial Treasury

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee and attendance

The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per the provisions of the Public Finance Management Act, 1999 (Act Number 1 of 1999) (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter).

Five meetings were held during the current year i.e., three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's (AGSA) Audit and Management Reports.

Non-Executive members

Name of member	Number of meetings attended
Mr. Sidwell Mofokeng (Stand-in Chairperson)*	05
Ms. Makhadzi Miyen	01 (Resigned with effect from August 2021)
Mr. Luyanda Mangquku	05
Ms. Thebi Moja (Stand-in)*	04

*stand-in member from another cluster

Executive members

In terms of the GPG Audit Committee Charter, officials listed hereunder are obliged to attend meetings of the Audit Committee:

Compulsory attendees	Number of meetings attended
Ms. Ncumisa Mnyani (Accounting Officer)	05
Mr. Phakamisile Sikitshana (Chief Financial Officer)	05
Ms. Keolebogile Nkadimeng (Chief Risk Officer)	05
Mr. Kweyama Velile (Chief Audit Executive)	05

The Audit Committee noted that the Accounting Officer attended all scheduled Audit Committee meetings. The Audit Committee is therefore satisfied that the Department adhered to the provisions of the GPG Audit Committee Charter.

The members of the Audit Committee met with the Senior Management of the Department, Internal Audit and the AGSA, individually and collectively to address risks and challenges facing the Department. No in-committee meetings were held to address control weaknesses and deviations within the Department.

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control and Information and Communication Technology (ICT) Governance

Based on the results of the audits performed and the follow up reviews conducted, the overall opinion on the internal control design was Adequate but Ineffective to ensure that the Department objectives will be achieved.

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

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

- Provincial Accounting Services –Accounting services support to GPG Departments
- GPG Consolidated Annual Financial Statements
- Internal Supply Chain Management (Contract Management)
- Human Resources Management– Recruitment (Including Covid Risks)
- Follow-up Auditor General's Report
- Follow-up on Public Finance
- Municipal Support – Compliance Management
- Review of Draft Annual Performance Report
- Performance of the Department against Predetermined Objectives
- Draft Annual Performance Plan Review
- Follow up audit on the Effectiveness of the Municipal Hands-on Support Program.
- Patch management review
- Data analysis - ETHICS / HR / FIN (2021-22, Q2)
- User account management review (e-Invoicing)
- SAP ESS & PERSAL Leave Reconciliation
- 2022-23 IT risk assessment
- Data analysis - ETHICS / HR / FIN (2021-22, Q4)

The Audit Committee recommend that Management should pay special attention to the following areas to ensure that the overall control environment is improved:

- Human Resource Management
- Patch management review
- Performance of the Department against Predetermined Objectives

Internal Audit

Internal Audit was effective during the financial year. The Audit Committee is satisfied that the Internal Audit Plan represents a clear alignment with the key risks, has adequate information systems coverage, and a good balance across the different categories of audits, i.e., risk based, standard/transversal, performance, and computer audits. From a resource point of view, Internal Audit needs to be equipped to provide assurance on a greater number of risks.

The Audit Committee has noted considerable improvement in the communication between the Executive Management, the AGSA and the Internal Audit Function, which has strengthened the Corporate Governance initiatives within the Department. Combined assurance has taken off the ground, however, management need to ensure that it is implemented, monitored, and reported regularly.

The coordination of efforts between internal audit and AGSA have been enhanced further during the year in the provision of assurance services. The Audit Committee believes this is an important step towards a fully effective combined assurance.

Internal Audit was assessed to be Generally Conformant with the International Standards for Professional Practice of Internal Auditing.

The Audit Committee will continue to monitor the resources and capabilities of the Internal Audit function as this has an impact on the audit of performance information.

Risk Management

Progress on the departmental risk management was reported to the Audit Committee on a quarterly basis. The Audit Committee is satisfied that the actual management of risk is receiving attention. Management should take full responsibility for the entire Enterprise Risk Management process and continue to support the Chief Risk Officer to enhance the performance of the Department even further.

Forensic Investigations

One new forensic case was reported by the department to Provincial Forensic unit for investigations during the financial year under

review. The case was at analysis stage at the time of reporting, the Audit Committee will monitor it in year financial year. The Audit Committee commends management for implementing 100% of Disciplinary actions.

The quality of quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of the financial and non-financial quarterly reports prepared and submitted by the Accounting Officer of the Department during the year under review and confirms that the reports were in compliance with the statutory reporting framework.

Evaluation of the Annual Financial Statements

The Audit Committee undertook the following activities related to Annual Financial Statements:

- Reviewed and discussed the audited annual financial statements to be included in the Annual Report with the AGSA and the Accounting Officer
- Reviewed the Audit Report of the AGSA
- Reviewed the AGSA's Management Report and Management's response thereto
- Reviewed the Departments compliance with legal and regulatory provisions
- Reviewed significant adjustment resulting from the audit.

The Audit committee monitored the key commitment of assurance providers throughout the four reporting quarters with the annual statement as at reporting period be reported in the table below.

The Audit Committee concurs with and accepts the AGSA's conclusions on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the Report of the AGSA.

One-on-One meetings with the Accounting Officer

The Audit Committee has periodically met with the Accounting Officer for the Department to address unresolved issues.

One-on-One meetings with the Executive Authority

The Audit Committee has periodically met with the Executive Authority for the Department to apprise the MEC on the performance of the Department.

Auditor-General of South Africa

The Audit Committee has periodically met with the AGSA to ensure that there are no unresolved issues.



Mr. Sidwell Mofokeng
Chairperson of the Audit Committee (stand-in)
Date: 31 July 2022

12. BBBEE Compliance Performance Information

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:

Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	GPT did not issue licences concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	All GPT procurement is done in line PPPFA and its regulations and these are embedded in the SCM policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	GPT did not sell and was not involved in the sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	No	GPT has not entered into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not Applicable







PART D: HUMAN RESOURCES

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1. Introduction

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

2. Overview of Human Resources

The Status of Human Resources in the Department

As at 31 March 2022, the total number of posts was 972 of which 733 were filled and 239 vacant. The overall vacancy rate for the Department was 24.59%. The increase in the vacancy rate was affected by the implementation of the concurred organisational structure in the second quarter of the financial year. Filling of posts started in October 2021, at the end of the financial year most of the posts were at different stages of the recruitment process. Implementation plans have been developed to track and monitor the filling of vacancies.

The number of employees with disability was 15. This represents 2.05% of the GPT staff complement. The Department planned to train 597 employees for the financial year. As a result of restrictions imposed on face-to-face training during the lockdown levels a total of 266 employees were trained. The department is exploring alternative delivery modes that would minimise the spread of COVID-19 amongst staff members.

Workforce Planning and Key Strategies to Attract and Recruit a Skilled and Capable Workforce

The department submitted the HR Plan approved in 2020/21 for 2021/22 financial year as it was still valid. All vacant positions in the Department were advertised to encourage open competition. Headhunting was utilised in instances where suitable candidates could not be attracted through the normal recruitment process.

The Department provided training opportunities to staff members to obtain new qualifications and improve their skills and knowledge. An internship programme was established to provide young graduates with opportunities to gain knowledge and experience in the workplace, in order to be able to compete for jobs in the labour market.

Employee Performance Management

A total of 716 out of 722 employee performance agreements were captured, translating to 99.01% concluded performance agreements in line with prescripts. Final performance assessments for the 2020/21 cycle were finalised and rewards related to this process were paid to 314 eligible employees.

3. Human Resource Oversight Statistics

3.1. Personnel Related Expenditure

3.1.1 Personnel Expenditure by Programme for the period 1 April 2021 and 31 March 2022

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	125 106	96 117	746	0	76.83	337
Sustainable Fiscal Resource Management	147 431	70 309	0	0	47.89	808
Financial Governance	109 762	101 345	0	0	92.33	566
Provincial Supply Chain Management	90 029	76 431	137	0	84.90	579
Municipal Financial Governance	38 580	37 294	298	0	96.67	731
Gauteng Audit Services	101 051	91 902	304	0	90.95	766
Total	611 959	473 398	1 485	0	77.36	554

3.1.2 Personnel Costs by Salary Band for the period 1 April 2021 and 31 March 2022

Salary Band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Contract (levels 13-16)	35 221	7	35	1 006
Contract (levels 3-5)	670	0	3	223
Contract (levels 6-8)	751	0	2	375
Contract (levels 9-12)	8 078	2	11	734
Contract other	1 898	0	66	29
Lower skilled (Levels 1-2)	7021,00	1	40	176
Skilled (levels 3-5)	5 405	1	23	235
Highly skilled production (levels 6-8)	107 481	23	271	397
Highly skilled supervision (levels 9-12)	261 032	55	365	715
Senior and Top management (levels 13-16)	44 643	9	37	1 207
Legislators	1 199	0	1	1 199
Periodical Remuneration	0	0	0	0
Total	473 398	100	854	554

3.1.3 Salaries, Overtime, Home Owners' Allowance and Medical Aid by Programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Home Owners' Allowance		Medical Aid	
	Amount (R'000)	Salaries as % of Personnel Costs	Amount (R'000)	Overtime as % of Personnel Costs	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Aid as % of Personnel Costs
Administration	65 701	20	170	44	2 390	22	4 591	25
Sustainable Fiscal Resource Management	48 152	15	96	25	1 185	11	1 590	9
Financial Governance	70 947	22	0	0	2 453	23	4 496	25
Provincial Supply Chain Management	53 484	16	119	31	2 264	21	3 800	21
Municipal Financial Governance	26 628	8	0	0	790	7	754	4
Gauteng Audit Services	64 669	20	0	0	1 584	15	2 839	16
Total	329 580	100	385	100	10 667	100	18 070	100

3.1.4 Salaries, Overtime, Home Owners' Allowance and Medical Aid by Salary Band for the period 1 April 2021 and 31 March 2022

Salary bands	Salaries		Overtime		Home Owners' Allowance		Medical Aid	
	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Aid as % of Personnel Costs
Lower Skilled (levels 1-2)	3 797	1	67	17	377	4	1 385	8
Skilled (levels 3-5)	3 442	1	42	11	314	3	545	3
Highly skilled production (levels 6-8)	74 535	23	136	35	4 050	38	7 738	43
Highly skilled supervision (levels 9-12)	186 489	57	139	36	4 810	45	7 910	44
Senior management (level 13-16)	27 578	8	0	0	381	4	360	2
Contract (levels 3-5)	441	0	0	0	0	0	0	0
Contract (levels 6-8)	521	0	0	0	4	0	0	0
Contract (levels 9-12)	5 349	2	0	0	0	0	0	0
Contract (levels 13-16)	24 344	7	0	0	731	7	120	1
Contract other	1 898	1	0	0	0	0	0	0
Periodical Remunerations	0	0	0	0	0	0	0	0
Legislators	1 187	0	0	0	0	0	12	0
Total	329 580	100	385	100	10 667	100	18 070	100

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

3.2.1 Employment and Vacancies by Programme as on 31 March 2022

Programme	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate (%)	Number of employees additional to the Establishment
Administration, Permanent	236	201	14,83	0
Financial Governance, Permanent	202	168	16,83	0
Gauteng Audit Services. Permanent	187	110	41,18	0
Municipal Financial Governance, Permanent	89	46	48,31	0
Provincial Supply Chain Management, Permanent	159	123	22,64	0
Sustainable Fiscal Resource Management, Permanent	99	85	14,14	0
Total	972	733	24,59	0

3.2.2 Employment and Vacancies by Salary Band as on 31 March 2022

Salary Band	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate % (Including frozen posts)	Number of employees additional to the Establishment
Lower Skilled (Levels 1-2)	41	38	7,32	0
Skilled (Levels 3-5)	31	27	12,90	0
Highly skilled production (Levels 6-8)	337	249	26,11	0
Highly skilled supervision (Levels 9-12)	457	345	24,51	0
Senior management (Levels 13-16)	68	36	35,56	0
Other, Permanent	1	1	0	0
Contract (Levels 3-5)	3	3	0	0
Contract (Levels 6-8)	2	2	0	0
Contract (Levels 9-12), Permanent	10	10	0	0
Contract (Levels 13-16), Permanent	22	22	0	0
Total	972	733	24,59	0

3.2.3 Employment and Vacancies by Critical Occupations as on 31 March 2022

Critical Occupations	Number of Posts on approved Establishment	Number of Posts Filled	Vacancy Rate %	Number of employees additional to the Establishment
Administrative related, Permanent	188	106	43,62	0
Archivists, curators and related professionals, Permanent	4	4	0	0
Cleaners in offices, workshops, hospitals etc.	46	43	6,52	0
Client information clerks (switchboard, reception, information clerks), Permanent	2	2	0	0
Communication and information related, Permanent	8	5	37,50	0
Computer system designers and analysts, Permanent	9	8	11,11	0
Economists, Permanent	6	6	0	0
Finance and economics related, Permanent	191	156	18,32	0
Financial and related professionals, Permanent	94	68	27,66	0
Financial clerks and credit controllers, Permanent	75	63	16	0
Food services aids and waiters, Permanent	6	6	0	0
Head of Department/Chief Executive Officer, Permanent	1	1	0	0
Human Resources & organisational development & related professionals, Permanent	39	35	10,26	0
Human Resources clerks, Permanent	36	33	8,33	0
Human Resources related, Permanent	14	11	21,43	0
Language practitioners, interpreters & other communicators, Permanent	1	1	0	0
Legal related, Permanent	2	1	50	0
Library mail and related clerks, Permanent	6	6	0	0
Logistical support personnel, Permanent	28	23	17,86	0
Material-recording and transport clerks	9	8	11,11	0
Mathematicians and related professionals, Permanent	3	3	0,00	0
Messengers, porters and deliverers, Permanent	6	6	0,00	0
Other administrative & related clerks and organisers, Permanent	21	15	28,57	0
Other occupations, Permanent	1	1	0	0
Risk management and security services, Permanent	39	25	35,90	0
Secretaries & other keyboard operating clerks, Permanent	48	40	16,67	0
Senior managers, Permanent	89	57	35,56	0
Total	972	733	24,59	0

3.3 Filling of SMS Posts

3.3.1 SMS Post Information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	5	4	80	1	20
Salary Level 14	18	13	72,22	5	27,78
Salary Level 13	66	40	60,61	26	39,39
Total	90	58	64,44	32	35,56

*Number of filled positions excludes SMS out of adjustment.

3.3.2 SMS Post Information as at 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	5	5	100	1	0
Salary Level 14	18	14	77,78	5	22,22
Salary Level 13	66	40	60,67	26	33,33
Total	90	60	71,11	26	28,89

3.3.3 Advertising and Filling of SMS Posts for the period 1 April 2021 to 31 March 2022

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	1	1	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	1	1	0
Salary Level 13	0	0	0
Total	2	2	0

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 2021 to 31 March 2022

Reasons for vacancies not advertised within six months

N/A

Reasons for vacancies not filled within twelve months

Failure to identify suitable candidates

Implementation of new structure

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 2021 to 31 March 2022

Reasons for vacancies not advertised within six months

N/A

Reasons for vacancies not filled within six months

No disciplinary action was taken as reasons for not filling the positions within the stipulated timeframes was beyond the control of the department.

3.4 Job Evaluation

The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

3.4.1 Job Evaluation by Salary band for the period 1 April 2021 to 31 March 2022

Salary Band	Number of Posts on approved establishment	Number of jobs evaluated	% of Posts evaluated per salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts downgraded
Lower Skilled (Levels 1-2)	41	48	117,07	0	0	0	0
Skilled (Levels 3-5)	29	25	86,21	0	0	0	0
Highly skilled production (Levels 6-8)	345	335	97,10	0	0	0	0
Highly skilled supervision (Levels 9-12)	466	429	92,06	0	0	0	0
Senior Management Service Band A	66	52	79	0	0	0	0
Senior Management Service Band B	18	16	89	0	0	0	0
Senior Management Service Band C	5	4	80	0	0	0	0
Senior Management Service Band D	2	1	50	0	0	0	0
Total	972	910	93,62	0	0	0	0

3.4.2 Profile of Employees Whose Positions Were Upgraded Due to Their Posts Being Upgraded for the period 1 April 2021 to 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	2	0	0	0	2
Total	3	0	0	0	3

3.4.3 Employees with Salary Levels Higher than those Determined by Job Evaluation by Occupation for the period 1 April 2021 to 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Lower Skilled (Level 2)	7	2	4	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Skilled (Level 3)	1	3	4	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Skilled (Level 4)	2	4	6	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled production (Level 7)	17	7	8	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled production (Level 8)	1	8	10	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled production (Level 8)	1	8	7	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled supervision (Level 9)	71	9	10	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled supervision (Level 9)	1	9	11	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6. & Resolution 3 of 2009

3.4.3 Employees with Salary Levels Higher than those Determined by Job Evaluation by Occupation for the period 1 April 2021 to 31 March 2022 cont.

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Highly skilled supervision (Level 9)	1	9	14	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled supervision (Level 11)	28	11	12	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Senior Management (Level 13)	1	13	14	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Senior Management (Level 13)	1	14	15	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Total	132	97		
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed	18,01%			

3.4.4 Profile of Employees Who Have Salary Levels Higher than those Determined by Job Evaluation for the period 1 April 2021 to 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	60	4	4	4	72
Male	46	2	5	6	59
Total	106	6	9	10	131
Employees with a disability	0	0	1	0	1

3.5 Employment Changes

3.5.1 Annual Turnover Rates by Salary Band for the period 1 April 2021 to 31 March 2022

Salary Band	Number of employees at Beginning of Period (1 April 2021)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate %
Lower skilled (Levels 1-2)	33	7	2	6,06
Skilled (Levels 3-5)	19	4	0	0
Highly skilled production (Levels 6-8)	248	26	16	6,45
Highly skilled supervision (Levels 9-12)	351	11	23	6,55
Senior Management Band A	24	2	2	8,33
Senior Management Band B	6	0	1	16,67
Senior Management Band C	3	0	1	33,33
Senior Management Band D	1	0	0	0
Other, permanent	1	0	0	0
Contract (Levels 3-5)	3	0	0	0
Contract (Levels 6-8)	2	1	0	0
Contract (Levels 9-12), Permanent	11	0	0	0
Contract Senior Management Band A	21	1	7	33,33
Contract Senior Management Band B	9	0	3	33,33
Contract Senior Management Band C	1	0	0	0
Contract Senior Management Band C	0	1	0	0
Senior Managers (Out of Adjustment)	3	0	0	0
Total	736	52	55	7,47

3.5.2 Annual Turnover Rates by Critical Occupation for the period 1 April 2021 to 31 March 2022

Critical Occupation	Number of employees at beginning of period (1 April 2021)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate %
Administrative related, Permanent	105	7	7	6,67
Archivists, curators and related professionals, Permanent	4	0	0	0
Cleaners in offices, workshops, hospitals etc, Permanent	37	8	2	5,41
Client information clerks (switchboard, reception, information clerks), Permanent	2	0	0	0
Communication and information related, Permanent	3	2	0	0
Computer system designers and analysts., Permanent	7	1	1	14,29
Economists, permanent	7	0	0	0
Finance and economics related, Permanent	156	4	10	6,41
Financial and related professionals, Permanent	62	1	1	1,61
Financial clerks and credit controllers, Permanent	62	5	3	4,84
Food services aids and waiters, Permanent	6	0	0	0
Head of Department/ Chief Executive Officer, Permanent	0	1	0	0
Human Resources & organisational development & related professional, Permanent	41	5	5	12,20
Human Resources clerks, Permanent	32	5	5	15,63
Human resources related, Permanent	11	1	0	0
Language practitioners, interpreters & other communicators, Permanent	1	0	0	0
Legal related, Permanent	1	0	0	0
Library mail and related clerks, Permanent	4	2	0	0
Logistical support personnel, Permanent	27	0	3	11,11
Material-recording and transport clerks, Permanent	7	1	0	0
Mathematicians and related professionals, Permanent	3	0	0	0
Messengers, porters and deliverers, Permanent	5	1	0	0
Other administrative & related clerks and organisers, Permanent	14	2	1	7,14
Other administrative policy & related officers, Permanent	1	0	0	0
Other information technology personnel, Permanent	2	0	0	0
Other occupations, Permanent	1	0	0	0
Risk management and security services, Permanent	28	2	3	10,71
Secretaries & other keyboard operating clerks, Permanent	39	1	0	0
Senior managers, Permanent	65	3	14	21,54
SMS Out of adjustment	3	0	0	0
Total	736	52	55	7,47

3.5.3 Reasons Why Staff Left the Department for the period 1 April 2021 to 31 March 2022

Termination Type	Number	% of Total Resignations
Death	1	1,82
Resignation	39	70,91
Expiry of contract	4	7,27
Retirement	1	1,82
Transfer to other Public Service Departments	5	9,09
Other	5	9,09
Total	55	100
Total number of employees who left as a % of total employment	7,47%	

3.5.4 Promotions by Critical Occupation for the period 1 April 2021 to 31 March 2022

Occupation	Number of Employees at beginning of period 1 April 2021	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by occupation	Progressions to another Notch within Salary Level	Notch progressions as a % of Employees by occupation
Administrative related , Permanent	105	3	2.86	105	100
Archivists, curators and related professionals, Permanent	4	0	0	4	100
Cleaners in offices, workshops, hospitals etc.	37	0	0	45	121.62
Client information clerks (switchboard, reception, information clerks) , Permanent	2	0	0	2	100
Communication and information related, Permanent	3	0	0	4	133.33
Computer system designers and analysts, Permanent	7	0	0	6	85.71
Economists, Permanent	7	0	0	7	100
Finance and economics related, Permanent	156	4	2.56	159	101.92
Financial and related professionals, Permanent	62	2	3.23	61	98.39
Financial clerks and credit controllers, Permanent	62	0	0	62	100
Food services aids and waiters, Permanent	6	0	0	6	100
Head of department/chief executive officer, Permanent	0	0	0	1	0
Human resources & organisational development & related professionals, Permanent	41	1	2.44	38	92.68
Human resources clerks, Permanent	32	0	0	33	103.13
Human resources related, Permanent	11	0	0	14	127.27
Language practitioners, interpreters & other communicators, Permanent	1	0	0	1	100
Legal related, Permanent	1	0	0	1	100
Library mail and related clerks, Permanent	4	0	0	4	100
Logistical support personnel, Permanent	27	0	0	25	92.59
Material-recording and transport clerks, Permanent	7	0	0	7	100
Mathematicians and related professionals, Permanent	3	0	0	3	100
Messengers, porters and deliverers, Permanent	5	0	0	6	102
Other administrative & related clerks and organisers, Permanent	14	0	0	15	107.14
Other administrative policy & related officers, Permanent	1	0	0	1	100
Other information technology personnel, Permanent	2	0	0	2	100
Other occupations, Permanent	1	0	0	0	0
Risk management and security services, Permanent	28	0	0	25	89.29
Secretaries & other keyboard operating clerks, Permanent	39	0	0	40	102.56
Senior managers, Permanent	65	0	0	58	89.23
SMS out of adjustment, Permanent	3	0	0	1	33.33
Total	736	10	1.36	736	100

3.5.5 Promotion by Salary Band for the period 1 April 2021 to 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another Salary Level	Salary bands Promotions as a % of Employees by salary level	Progressions to another Notch within Salary Level	Notch progressions as a % of Employees by salary band
Lower skilled (Levels 1-2)	33	0	0	40	1,21
Skilled (Levels 3-5)	19	0	0	22	1,16
Highly skilled production (Levels 6-8)	248	0	0	251	1,01
Highly skilled supervision (Levels 9-12)	351	10	2,85	350	1
Senior management (Levels 13-16)	33	0	0	35	1,06
Other, Permanent	1	0	0	0	0
Contract (Levels 3-5)	3	0	0	3	1
Contract (Levels 6-8)	2	0	0	2	1
Contract (Levels 9-12), Permanent	11	0	0	10	0,91
Contract (Levels 13-16), Permanent	32	0	0	22	0,69
SMS (Out of Adjustment)	3	0	0	1	0,33
Total	736	10	1,36	736	9,37

3.6 Employment Equity

3.6.1 Total Number of Employees (Including Employees with Disabilities) Per Occupational Categories for the period 1 April 2021 to 31 March 2022

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	26	4	1	0	27	2	1	1	62
Professionals	101	5	1	6	115	4	3	6	241
Technicians and associate professionals	105	7	6	4	205	16	7	6	356
Clerks	3	1		1	11	0	0	0	16
Service and sales workers	2	0	0	0	2	0	0	0	4
Labourers and related workers	19	0	0	0	34	0	0	0	53
Senior Managers out of adjustment	1	0	0	0	0	0	0	0	1
Total	257	17	8	11	394	22	11	13	733
Employees with disabilities	4	2	0	0	7	1	0	1	15

3.6.2 Total Number of Employees (Including Employees with Disabilities) Per Occupational Bands for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	14	1	1	1	17	1	1	0	36
Professionally qualified and experienced specialists and mid-management	167	7	4	7	137	9	3	10	344
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	156	13	6	5	65	4	4	1	254
Semi-skilled and discretionary decision making	15	0	0	0	8	0	0	0	23
Contract semi-skilled and discretionary decision making, Permanent	2	0	0	0	1	0	0	0	3
Unskilled (Levels 1-2)	24	0	0	0	14	0	0	0	38
Contract top management, Permanent	1	0	0	0	2	1	0	0	4
Contract (Senior Management), Permanent	8	1	0	0	5	2	0	0	16
Contract Professionally qualified and experienced specialists and mid-management, Permanent	3	0	0	0	7	0	0	0	10
Contract (Skilled Technical)	2	0	0	0	0	0	0	0	2
Other	1	0	0	0	0	0	0	0	1
Senior Managers out of adjustment	0	0	0	0	1	0	0	0	1
Total	394	22	11	13	257	17	8	11	733

3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Managers	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	2	0	0	0	9	0	0	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	13	0	0	0	13	0	0	0	26
Semi-skilled and discretionary decision making	0	0	0	0	4	0	0	0	4
Unskilled and defined decision making	2	0	0	0	5	0	0	0	7
Contract Top Management, Permanent	0	0	0	0	0	0	0	0	0
Contract (Senior Management) permanent	0	0	0	0	2	0	0	0	2
Contract Professionally qualified and experienced specialists and mid-management, Permanent	0	0	0	0	0	0	0	0	0
Contract (Skilled Technical)	0	0	0	0	0	0	0	0	0
Contract (Semi-Skilled)	0	0	0	0	0	0	0	0	0
Total	19	0	0	0	33	0	0	0	52

3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	5	0	0	0	5	0	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Total	5	0	0	0	5	0	0	0	10
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	3	1	1	1	6	0	1	0	13
Professionally qualified and experienced specialists and mid-management	9	1	0	0	12	0	0	1	23
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	0	0	1	12	2	0	1	16
Unskilled, Permanent	0	0	0	0	2	0	0	0	2
Total	12	2	1	2	33	2	1	2	55
Employees with Disabilities	0	0	0	0	1	1	0	0	2

3.6.6 Disciplinary Action for the Period 01 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Total	2	0	0	0	0	1	0	0	3

3.6.7 Skills Development for the Period 01 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	9	0	0	3	9	0	0	0	19
Professionals	46	6	1	1	83	3	1	2	145
Technicians and associate professionals	14	0	0	0	24	1	1	0	40
Clerks	3	0	0	0	3	0		0	6
Elementary occupations	5	0	0	0	6	0	1	0	12
Total	77	6	1	4	125	4	3	2	222
Employees with disabilities	0	0	0	0	3	0	0	0	3

3.7 Signing of Performance Agreements by SMS Members

3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2021

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	0	0
Salary Level 15	5	5	5	100
Salary Level 14	18	18	18	100
Salary Level 13	66	45	45	100
Total	90	68	68	100

** for purposes of performance agreements all SMS members are included irrespective of their placement post.*

3.7.2 Reasons for Not Having Concluded Performance Agreements for All SMS Members as on 31 May 2021

Reasons
N/A

3.7.3 Disciplinary Steps Taken Against SMS Members for not Having Concluded Performance Agreements as on 31 May 2021

Reasons
N/A

3.8 Performance Rewards

3.8.1 Performance Rewards by Race, Gender and Disability for the Period 01 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	121	253	47.83	909.34	7 515
Female	153	387	39.53	1019.87	6 666
Asian					
Male	0	8	0	0	0
Female	5	11	45.45	45.51	9 102
Coloured					
Male	7	15	46.67	75.82	10 831
Female	10	21	47.62	56.21	5 621
White					
Male	3	11	27.27	32.86	10 953
Female	1	12	8.33	6.64	6 640
Employees with Disabilities	5	15	33.33	17.97	3 594
Total	305	733	41.61	2 164.22	7 096

3.8.2 Performance Rewards by Salary Band for Personnel Below Senior Management Service for the Period 01 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower skilled (level 1-2)	18	38	47.37	18.83	1046.11	0.27
Skilled (level 3-5)	10	27	37.04	14.17	1417.00	0.26
Highly skilled production (level 6-8)	82	249	32.93	381.41	4 651.34	0.35
Highly skilled supervision (level 9-12)	144	345	41.74	1 380.12	9 611.94	0.53
Contract (Level 3-5)	3	3	100	2.42	806.67	0.36
Contract (Level 6-8)	2	2	100	2.86	1 430.00	0.38
Contract (Level 9-12)	9	10	90	36.60	4 066.67	0.45
Other	0	1	0	0	0	0
Total	268	736	39.70	1 840.41	6867.20	0.47

3.8.3 Performance Rewards by Critical Occupation for the Period 01 April 2021 to 31 March 2022

Critical Classification	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee (R)
Administrative related	52	106	49.06	475.55	9 145
Archivists, curators and related professionals	0	4	0	0	0
Cleaners in offices, workshops, hospitals etc.	21	43	48.84	23.09	1 100
Client information clerks (switchboard, reception, information clerks)	0	2	0	0	0
Communication and information related	0	5	0	0	0
Computer system designers and analysts	8	8	100	61.21	7 651
Economists	3	6	50	24.64	8 213
Finance and economics related	64	156	41.03	600.98	9 390
Financial and related professionals	26	68	38.24	190.72	7 335
Financial clerks and credit controllers	14	63	22.22	99.24	7 089
Food services aids and waiters	3	6	50	2.90	967
Head of Department/ Chief Executive Officer	0	1	0	0	0
Human resources & organisation development & related professionals	14	35	40	89.28	6 377
Human resources clerks	15	33	45.45	53.95	3 597
Human resources related	3	11	27.27	32.33	10 777
Language practitioners, interpreters and other communicators	0	1	0	0	0
Legal related	1	1	100	5.43	5 430
Library mail and related clerks	3	6	50	8.88	2 960
Logistical support personnel	5	23	21.74	25.62	5 124
Material-recording and transport clerks	4	8	50	30.05	7 513
Mathematicians and related professionals	0	3	0	0	0
Messengers porters and deliverers	2	6	33.33	3.61	1 805
Other administrators & related clerks and organisers	5	15	33.33	9.79	1 958
Other occupations	0	1	0	0	0
Risk management and security services	12	25	48	39.41	3 284
Secretaries & other keyboard operating clerks	13	40	32.50	63.73	4 902
Senior managers	37	57	64.91	323.81	8 752
Total	305	733	41.61	2164.22	7 096

3.8.4 Performance Related Rewards (Cash Bonus), by Salary Band for Senior Management Service for the Period 01 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee (R'000)	
Band A	25	39	64.10	200.68	8 027.20	0.41
Band B	11	14	78.57	115.25	10 477.27	0.56
Band C	1	4	25	7.88	7 880.00	0.31
Band D	0	1	0	0	0	0
Total	37	58	63.79	323.81	8 751.62	0.41

3.9 Foreign Workers

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

3.9.1 Foreign Workers by Salary Band for the period 1 April 2021 to 31 March 2022

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior Management (Levels 13-16)	1	100	1	100	0	0
Total	1	100	1	100	0	100

3.9.2 Foreign Workers by Major Occupation for the period 1 April 2021 to 31 March 2022

Major occupation	01 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	100	1	100	0	0
Total	1	100	1	100	0	0

3.10. Leave Utilisation

3.10.1 Sick Leave for the Period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 13-16)	94	92,60	13	3.20	7	420
Contract (Levels 3-5)	8	100	2	0.50	4	6
Contract (Levels 9-12)	13	100	2	0.50	7	37
Contract other	33	69,70	10	2.40	3	10
Highly skilled production (levels 6-8)	897	81,90	137	33.30	7	1 392
Highly skilled supervision (levels 9 -12)	1 187	77,90	182	44,20	7	3 239
Lower skilled (levels 1-2)	214	94,90	33	8,00	6	115
Senior management (levels 13-16)	92	93,50	18	4,40	5	486
Skilled (levels 3-5)	86	77,90	15	3,60	6	77
Total	2 624	81,80	412	100	6	5 783

3.10.2 Disability Leave (Temporary and Permanent) for the Period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 13-16)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	267	100	8	47,10	33	422
Highly skilled supervision (Levels 9-12)	152	100	7	41,20	22	463
Senior management (Levels 13-16)	67	100	2	11,80	34	286
Total	486	100	17	100	29	1 170

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

3.10.3 Annual Leave for the Period 1 January 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	681	36	19
Contract (Levels 3-5)	24	3	8
Contract (Levels 6-8)	16	3	5
Contract (Levels 9-12)	140	10	14
Contract other	390	52	8
Highly skilled production (Levels 6-8)	5 640	265	21
Highly skilled supervision (Levels 9-12)	8 209,25	361	23
Lower skilled (Levels 1-2)	630	40	16
Senior management (Levels 13-16)	926	40	23
Skilled (Levels 3-5)	447	21	21
Total	17 103,25	831	21

3.10.4 Capped Leave for the Period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2021
Contract (Level 13-16)	0	0	0	102
Contract (Level 3-5)	0	0	0	0
Contract (Level 6-8)	0	0	0	0
Contract (Level 9-12)	0	0	0	0
Contract other	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	33
Highly skilled supervision (Levels 9-12)	0	0	0	32
Lower skilled (levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	18
Skilled (levels 3-5)	0	0	0	0
Total	0	0	0	32

***The average capped leave per employee is calculated by dividing the number of employees with capped per salary band by the number of capped leave available in that salary band at the end of the financial year. The calculation is only shown in full in the original oversight report and not required for purposes of this table.

3.10.5 Leave Payouts for the Period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2021/22 due to non-utilisation of leave for the previous cycle	125	3	41 667
Total	125	3	41 667

3.11 HIV/AIDS & Health Promotion Programmes**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
Employees who change sexual partners	Promoting good relationship among couples
Employees between the ages of 25-40 are considered to be at high risk for HIV contraction.	Promotion of safe sex through various platforms, such as the department intranet and desk drops.
Employees with more than one sexual partner	Promote the use of condoms and lubricants as a prevention measure. Promote on-going HIV testing. On-going educational materials through the intranet.
Employees who practice unsafe sex	Pre-Exposure Prophylaxis (Prep) and condom use are encouraged to employees through various educational sessions.
Employees in abusive relationships cannot negotiate the use of condoms with their partners	Raising awareness about gender-based violence at various platforms. Provide counselling and support through the outsourced service provider. Promoting the use of Prep to prevent new infections.
Employees diagnosed with STIs and recurrent urinary tract infections	Promotion of good sexual health through articles published on the intranet and desk drops.

3.11.2 Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Chapter 4, Part 3, Regulation 55 of the Public Service Regulations, 2016? If so, provide her/his name and position.	Yes		Mr. Matsobane Lebese Acting Director: Human Resources Development
2. Does the department have a designated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Number of employees: 3 and 2 vacant Overall budget for unit: R290 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.	Yes		The EHWP offers therapeutic and psychosocial support to employees and their immediate family members through the GPG outsourced service provider (Zinakekele).
4. Has the department established (a) committee(s) as contemplated in Chapter 4, Part 3, Regulation 55 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.	Yes		Mr. Matsobane Lebese Ms. Ledile Dlangalala Mr. Thabo Moloi Ms. Miranda Henry Ms. Onica Mazibuko Ms. Lerato Bilankulu Ms. Lungile Cindi Mr. Pitso Zwane Mr. Mazwamahle Gwebu Ms. Andiswa Thantamiso Mr. Thabang Letsholo Ms. Margaret Nhlapo Ms. Njabulo Ntuli Ms. Mmasape Phasha Ms. Refiloe Halata
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		SHERQ Management policy H & P Management Policy Wellness Management Policy HIV, AIDS, TB & STI Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The Departmental HIV/AIDS policy adheres to anti-discriminatory values and does not coerce employees to disclose their diagnosis. Secondly, the Employee Health & Wellness unit adheres to strict confidentiality code to ensure employees are protected
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Government Employees Medical Scheme conduct Voluntary Counselling and Testing (VCT) during Health Screening Campaigns in the department. However, no VCT was conducted during the year under review due to COVID-19 outbreak in the country.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The measures are based on medical reports received from Careways & GEMS after conducting health & wellness screenings. Reporting quarterly on the programs implemented, indicating the achievements, gaps, and proposed solutions to identified gaps.

3.12 Labour Relations

3.12.1 Collective Agreements for the Period 01 April 2021 to 31 March 2022

Total number of Collective agreements	None
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3.12.2 Misconduct and Disciplinary Hearings Finalised for the Period 01 April 2021 to 31 March 2022

Outcome of Disciplinary Hearings	Number	% of Total
Written warning	14	64
Final written warning	5	23
Suspension without pay	1	4.5
Dismissal	1	4.5
Not guilty	1	4.5
Total	22	100

**The table accounts for all misconduct finalised (either through a hearing or progressive steps)

3.12.3 Types of Misconduct Addressed at Disciplinary Hearings for the Period 01 April 2021 to 31 March 2022

Type of Misconduct	Number	% of Total
Negligence	1	50
Abscondment	1	50
Total	2	100

** The table only accounts for misconduct subjected to a disciplinary hearing. It does not include progressive discipline.

3.12.4 Grievances Logged for the Period 1 April 2021 and 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	22	88
Number of grievances not resolved	3	12
Total number of grievances lodged	25	100

*Grievances captured reflect the number of individuals involved as per Resolution B 1 (C), Public Service Commission guidelines on new grievance rules.

3.12.5 Disputes Logged with Councils for the Period 1 April 2021 and 31 March 2022

Disputes	Number	% of Total
Number of disputes upheld	2	29
Number of disputes dismissed	2	29
Number of disputes pending outcome	3	42
Number of disputes settled	0	0
Total number of disputes lodged	7	100

3.12.6 Strike Actions for the Period 1 April 2021 and 31 March 2022

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

3.12.7 Precautionary Suspensions for the Period 1 April 2021 to 31 March 2022

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension (R'000)	R0

3.13 Skills Development

3.13.1 Training Needs Identified for the Period 01 April 2021 to 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	35	0	31	0	31
	Male	34	0	30	0	30
Professionals	Female	67	0	36	0	36
	Male	78	0	37	0	37
Technicians and associate professionals	Female	124	0	57	0	57
	Male	93	0	48	0	48
Clerks	Female	185	4	100	0	100
	Male	63	0	32	0	32
Elementary occupations	Female	34	0	22	0	22
	Male	23	0	17	0	17
Sub Total	Female	445	4	246	0	246
	Male	291	0	164	0	164
Total		736	4	410	0	410

3.13.2 Training Provided for the Period 01 April 2021 to 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	35	0	9	0	9
	Male	34	0	10	0	10
Professionals	Female	67	0	36	0	36
	Male	78	0	24	0	24
Technicians and associate professionals	Female	124	0	53	0	53
	Male	93	0	32	0	32
Clerks	Female	185	2	26	0	26
	Male	63	2	14	0	14
Elementary occupations	Female	34	0	10	0	10
	Male	23	0	8	0	8
Sub Total	Female	445	2	134	0	134
	Male	291	2	88	0	88
Total		736	4	222	0	222

****Covid-19 restrictions on face to face activities negatively affected the delivery of training during the financial year under review.**

3.14 Injury on Duty

3.14.1 Injury on Duty for the Period 2021/2022

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	1	100

3.15 Utilisation of Consultants

3.15.1 Report on Consultant Appointments Using Appropriated Funds for the Period 2021/22

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Probity Audit (58 probity audits)	17	5040	R 21 095 626,97
Internal Audit (20 internal audit assignments)	48	2322	R 8 283 471,18
IDMS- Engineer (Civil/structural or mechanical) (1 project)	1	360	R 7 963 058,16
IDMS-Organisational Development (1 project)	1	360	R 8 089 573,60
IDMS-Quantity surveyor (1 project)	1	360	R 8 485 793,79
Automation of Financial Statements (1 project)	7	240	R3 165 928,00

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
Probity Audit	17	5040	R 21 095 626,97
Internal Audit	103	2322	R 8 283 471,18
IDMS- Engineer (Civil/structural or mechanical)	1	360	R 7 963 058,16
IDMS-Organisational Development	1	360	R 8 089 573,60
IDMS-Quantity surveyor	1	360	R 8 485 793,79
Automation of Financial Statements (1 project)	7	240	R3 165 928,00

3.15.2 Analysis of Consultant Appointments Using Appropriated Funds, in Terms of Historically Disadvantaged Individuals (HDIs) for the Period 2020/21

Project title	% ownership by HDI groups	% management by HDI groups	Number of consultants from HDI groups that work on the project
Probity Audit	78	16	14
Internal Audit	95	24	36
IDMS - Engineer (Civil/Structural or mechanical)	100	100	1
IDMS - Organisational Development	100	100	1
IDMS - Quantity Surveyer	0	0	0

3.15.3 Report on consultant appointments using Donor funds

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
N/A	N/A	N/A	N/A

3.15.4 Analysis of Consultant Appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

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

3.16 Severance Packages

3.16.1 Granting of Employee Initiated Severance Packages

No severance packages were initiated.





PART E: FINANCIAL INFORMATION

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Report of the auditor-general to Gauteng Provincial Legislature on Vote No.14: Gauteng Provincial Treasury

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Provincial Treasury set out on pages 80 to 114, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Provincial Treasury as at 31 March 2022, 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).

Basis for opinion

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

Responsibilities of the accounting officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

10. 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 the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
11. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. 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 department's annual performance report for the year ended 31 March 2022:

Programme	Page in the annual performance report
PROGRAMME 2 – SUSTAINABLE FISCAL RESOURCE MANAGEMENT	27 - 30

13. 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.
14. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
 - PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

Other matters

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

Achievement of planned targets

16. Refer to the annual performance report on pages 20 to 38 for information on the achievement of planned targets for the year and management's explanations provided for the under/over-achievement of targets.

Adjustment of material misstatements

17. I identified a material misstatement in the annual performance report submitted for auditing. This material misstatement was in the reported performance information of programme 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT. As management subsequently corrected the misstatement, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

18. 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.
19. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

20. 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 the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.
21. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
22. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
23. The other information I obtained prior to the date of the auditor's report is a draft of the 2021-22 annual report and the final 2021-22 annual report is expected to be made available to me after 31 July 2022.
24. If, based on the work I have performed on the other information that I have obtained prior the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
25. When I do receive and read the final 2021-22 annual report, and 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 correct this will not be necessary.

Internal control deficiencies

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

Auditor-General

Johannesburg
31 July 2022



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 the selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNUAL FINANCIAL STATEMENTS

For The Year Ended 31 March 2022

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Appropriation Statement

For The Year Ended 31 March 2022

Appropriation per programme									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	138 449	-	(814)	137 635	125 106	12 529	90.9	146 031	132 517
2. Sustainable Fiscal Resource Management (SFRM)	154 712	-	18	154 730	147 431	7 299	95.3	152 821	146 639
3. Financial Governance (FG)	121 307	-	611	121 918	109 762	12 156	90.0	125 476	109 580
4. Provincial Supply Chain Management (PSCM)	103 479	-	47	103 526	90 029	13 497	87.0	108 391	100 868
5. Municipal Financial Governance (MFG)	44 416	-	(76)	44 340	38 580	5 760	87.0	45 106	39 448
6. Gauteng Audit Services (GAS)	113 182	-	214	113 396	101 051	12 345	89.1	99 633	87 149
Subtotal	675 545	-	-	675 545	611 959	63 586	90.6	677 458	616 201
Statutory Appropriation		-	-						
TOTAL	675 545	-	-	675 545	611 959	63 586	90.6	677 458	616 201

Reconciliation with Statement of Financial Performance	2021/22				2020/21	
	Final Appropriation	Actual Expenditure			Final Appropriation	Actual Expenditure
Total (brought forward)	675 545				677 458	
Reconciliation to the statement of Financial Performance						
ADD						
Departmental receipts	635 575				752 621	
Actual amounts per statement of financial performance (total revenue)	1 311 120				1 430 079	
Actual amounts per statement of financial performance (total expenditure)		611 959				616 201

Appropriation Statement

For The Year Ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	601 800	(38)	-	601 762	545 237	56 525	90.6	606 445	546 465
Compensation of employees	513 718	-	-	513 718	473 398	40 320	92.2	526 990	469 914
Salaries and wages	438 785	3 426	-	442 211	414 181	28 030	93.7	456 242	410 849
Social contributions	74 933	(3 426)	-	71 507	59 217	12 290	82.8	70 748	59 065
Goods and services	88 082	(38)	-	88 044	71 839	16 205	81.6	79 455	76 551
Administrative fees	1 030	(108)	-	922	896	26	97.2	750	730
Advertising	6 032	(468)	-	5 564	4 910	654	88.2	7 434	7 411
Minor assets	334	(307)	-	27	26	1	96.3	136	135
Audit costs: External	4 467	(432)	-	4 035	3 807	228	94.3	3 171	3 167
Bursaries: Employees	3 890	55	-	3 945	3 945	-	100.0	3 282	3 281
Catering: Departmental activities	880	32	-	912	398	514	43.6	284	199
Communication	3 150	(304)	-	2 846	2 845	1	100.0	3 418	3 293
Computer services	10 660	1 019	-	11 679	10 987	692	94.1	9 448	9 445
Consultants: Business and advisory services	35 581	(428)	-	35 153	28 409	6 744	80.8	35 793	34 480
Laboratory services	-	-	-	-	-	-	-	64	63
Legal services	709	412	-	1 121	1 121	-	100.0	805	805
Contractors	658	(324)	-	334	326	8	97.6	371	371
Agency and support/ outsourced services	102	49	-	151	149	2	98.7	122	122
Fleet services	735	64	-	799	798	1	99.9	524	524
Consumable supplies	358	(28)	-	330	299	31	90.6	1 246	1 245
Consumable: Stationery, printing and office supplies	1 818	(367)	-	1 451	678	773	46.7	1 161	1 159
Operating leases	4 471	(514)	-	3 957	3 957	-	100.0	5 136	5 135
Property payments	2 498	972	-	3 470	3 468	2	99.9	2 691	2 690
Travel and subsistence	2 243	(273)	-	1 970	550	1 420	27.9	548	326
Training and development	5 233	616	-	5 849	1 485	4 364	25.4	1 218	327
Operating payments	2 171	202	-	2 373	2 227	146	93.8	1 699	1 601
Venues and facilities	1 062	94	-	1 156	558	598	48.3	154	42
Transfers and subsidies	66 269	-	-	66 269	66 146	123	99.8	63 506	62 230
Departmental agencies and accounts	64 044	-	-	64 044	64 044	-	100.0	61 406	61 406
Departmental agencies and accounts	64 044	-	-	64 044	64 044	-	100.0	61 406	61 406
Households	2 225	-	-	2 225	2 102	123	94.5	2 100	824
Social benefits	725	292	814	1 831	1 749	82	95.5	1 146	824
Other transfers to households	1 500	(292)	(814)	394	353	41	89.6	954	-
Payments for capital assets	7 476	-	-	7 476	538	6 938	7.2	7 507	7 506
Machinery and equipment	7 476	-	-	7 476	538	6 938	7.2	7 507	7 506
Transport equipment	-	-	-	-	-	-	-	736	736
Other machinery and equipment	7 476	-	-	7 476	538	6 938	7.2	6 771	6 770
Payments for financial assets	-	38	-	38	38	-	100	-	-
Total	675 545	-	-	675 545	611 959	63 586	90.6	677 458	616 201

Appropriation Statement

For The Year Ended 31 March 2022

Programme 1: ADMINISTRATION									
	2021/22							2020/21	
	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	11 297	(306)	-	10 991	10 531	460	95.8	11 350	9 975
2. Office of the HOD	12 045	6	-	12 051	11 538	513	95.7	22 329	19 354
3. Corporate Management	78 763	1 312	(814)	79 261	76 127	3 134	96.0	80 524	71 441
4. Financial Management (CFO)	36 344	(1 012)	-	35 332	26 910	8 422	76.2	31 828	31 747
Total for sub programmes	138 449	-	(814)	137 635	125 106	12 529	90.9	146 031	132 517
Economic classification									
Current payments	129 398	(38)	-	129 360	123 885	5 475	95.8	137 343	124 793
Compensation of employees	100 768	-	-	100 768	96 117	4 651	95.4	111 425	99 089
Salaries and wages	87 539	159	-	87 698	84 092	3 606	95.9	97 585	86 755
Social contributions	13 229	(159)	-	13 070	12 025	1 045	92.0	13 840	12 334
Goods and services	28 630	(38)	-	28 592	27 768	824	97.1	25 918	25 704
Administrative fees	133	(108)	-	25	22	3	88.0	35	33
Advertising	646	(121)	-	525	525	-	100.0	250	227
Minor assets	334	(307)	-	27	26	1	96.3	136	135
Audit costs: External	2 844	(202)	-	2 642	2 642	-	100.0	2 333	2 332
Bursaries: Employees	3 890	55	-	3 945	3 945	-	100.0	3 282	3 281
Catering: Departmental activities	291	58	-	349	323	26	92.6	122	121
Communication	3 150	(304)	-	2 846	2 845	1	100.0	3 418	3 293
Computer services	4 891	452	-	5 343	5 296	47	99.1	4 232	4 232
Consultants: Business and advisory services	374	(151)	-	223	212	11	95.1	61	60
Laboratory services	-	-	-	-	-	-	-	64	63
Legal services	709	412	-	1 121	1 121	-	100.0	805	805
Contractors	647	(324)	-	323	316	7	97.8	371	371
Fleet services	735	64	-	799	798	1	99.9	524	524
Consumable supplies	356	(35)	-	321	290	31	90.3	1 246	1 245
Consumable: Stationery, printing and office supplies	755	(367)	-	388	291	97	75.0	419	418
Operating leases	4 471	(514)	-	3 957	3 957	-	100.0	5 136	5 135
Property payments	2 498	972	-	3 470	3 468	2	99.9	2 691	2 690
Travel and subsistence	669	(283)	-	386	135	251	35.0	51	39
Training and development	192	555	-	747	746	1	99.9	89	89
Operating payments	666	16	-	682	669	13	98.1	570	569
Venues and facilities	379	94	-	473	141	332	29.8	83	42
Transfers and subsidies	1 575	-	(814)	761	645	116	84.8	1 181	218
Households	1 575	-	(814)	761	645	116	84.8	1 181	218
Social benefits	75	292	-	367	292	75	79.6	227	218
Other transfers to households	1 500	(292)	(814)	394	353	41	89.6	954	-
Payments for capital assets	7 476	-	-	7 476	538	6 938	7.2	7 507	7 506
Machinery and equipment	7 476	-	-	7 476	538	6 938	7.2	7 507	7 506
Transport equipment	-	-	-	-	-	-	-	736	736
Other machinery and equipment	7 476	-	-	7 476	538	6 938	7.2	6 771	6 770
Payments for financial assets	-	38	-	38	38	-	100.0	-	-
Total	138 449	-	(814)	137 635	125 106	12 529	90.9	146 031	132 517

Appropriation Statement

For The Year Ended 31 March 2021

Programme 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT									
	2021/22							2020/21	
	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. SFRM Programme Support/	68 316	-	-	68 316	67 093	1 223	98.2	64 894	64 715
2. Budget Management	26 168	(136)	-	26 032	24 054	1 978	92.4	28 045	25 791
3. Economic and Fiscal Policy Oversight	14 119	-	18	14 137	12 721	1 416	90.0	13 321	12 550
4. Infrastructure Management	14 541	136	-	14 677	14 108	569	96.1	14 035	13 540
5. Financial Asset and Liabilities Management	14 376	-	-	14 376	13 389	987	93.1	13 773	13 028
6. Public Finance	17 192	-	-	17 192	16 066	1 126	93.5	18 753	17 015
Total for sub programmes	154 712	-	18	154 730	147 431	7 299	95.3	152 821	146 639
Economic classification									
Current payments	90 668	-	-	90 668	83 370	7 298	92.0	91 315	85 233
Compensation of employees	75 873	-	-	75 873	70 309	5 564	92.7	74 528	68 454
Salaries and wages	64 743	-	-	64 743	62 571	2 172	96.6	64 564	60 678
Social contributions	11 130	-	-	11 130	7 738	3 392	69.5	9 964	7 776
Goods and services	14 795	-	-	14 795	13 061	1 734	88.3	16 787	16 779
Administrative fees	647	-	-	647	636	11	98.3	204	204
Advertising	5 035	(347)	-	4 688	4 353	335	92.9	7 115	7 115
Minor Assets	-	-	-	-	-	-	-	-	-
Audit costs: External	867	-	-	867	640	227	73.8	711	709
Catering: Departmental activities	183	-	-	183	3	180	1.6	11	9
Computer services	69	(13)	-	56	31	25	55.4	102	101
Consultants: Business and advisory services	5 866	114	-	5 980	5 980	-	100.0	7 611	7 610
Agency and support/ Outsourced services	102	49	-	151	149	2	98.7	122	122
Consumable: Stationery, printing and office supplies	575	-	-	575	121	454	21.0	254	254
Travel and subsistence	228	(3)	-	225	5	220	2.2	13	11
Training and development	38	-	-	38	-	38	-	-	-
Operating payments	999	200	-	1 199	1 143	56	95.3	644	644
Venues and facilities	186	-	-	186	-	186	-	-	-
Transfers and subsidies	64 044	-	18	64 062	64 061	1	100.0	61 506	61 406
Departmental agencies and accounts	64 044	-	-	64 044	64 044	-	100.0	61 406	61 406
Departmental agencies	64 044	-	-	64 044	64 044	-	100.0	61 406	61 406
Households	-	-	18	18	17	1	94.4	100	-
Social benefits	-	-	18	18	17	1	94.4	100	-
Total	154 712	-	18	154 730	147 431	7 299	95.3	152 821	146 639

Appropriation Statement

For The Year Ended 31 March 2022

Programme 3: FINANCIAL GOVERNANCE									
	2021/22							2020/21	
	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. FG Programme Support	4 137	-	229	4 366	3 374	992	77.3	3 956	3 713
2. Provincial Accounting Services	58 510	680	280	59 470	55 193	4 277	92.8	60 235	53 474
4. Transversal Internal Audit and Risk Management	17 400	970	43	18 413	17 795	618	96.6	19 688	17 870
5. Norms and Standards	3 289	-	30	3 319	3 003	316	90.5	5 286	3 555
6. Financial Information Management Systems	37 971	(1 650)	29	36 350	30 397	5 953	83.6	36 311	30 968
Total for sub programmes	121 307	-	611	121 918	109 762	12 156	90.0	125 476	109 580
Economic classification									
Current payments	121 257	-	-	121 257	109 105	12 152	90.0	124 957	109 063
Compensation of employees	111 926	-	-	111 926	101 345	10 581	90.5	117 441	102 483
Salaries and wages	95 510	-	-	95 510	87 772	7 738	91.9	100 746	88 600
Social contributions	16 416	-	-	16 416	13 573	2 843	82.7	16 695	13 883
Goods and services	9 331	-	-	9 331	7 760	1 571	83.2	7 516	6 580
Administrative fees	5	-	-	5	-	5	-	14	1
Audit costs: External	756	(230)	-	526	525	1	99.8	127	126
Catering: Departmental activities	34	(3)	-	31	3	28	9.7	37	4
Computer services	4 301	580	-	4 881	4 528	353	92.8	3 819	3 818
Consultants: Business and advisory services	3 664	(121)	-	3 543	2 682	861	75.7	3 166	2 553
Contractors	11	-	-	11	10	1	90.9	-	-
Consumable Supplies	2	5	-	7	7	-	100.0	-	-
Travel and subsistence	248	(74)	-	174	5	169	2.9	162	9
Training and development	186	(79)	-	107	-	107	-	69	69
Operating payments	78	(78)	-	-	-	-	-	96	-
Venues and facilities	46	-	-	46	-	46	-	26	-
Transfers and subsidies	50	-	611	661	657	4	99.4	519	517
Households	50	-	611	661	657	4	99.4	519	517
Social Benefits	50	-	611	661	657	4	99.4	519	517
Total	121 307	-	611	121 918	109 762	12 156	90.0	125 476	109 580

Appropriation Statement

For The Year Ended 31 March 2022

Programme 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT									
	2021/22							2020/21	
	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. PSCM Programme Support	23 655	(11)	-	23 644	16 569	7 075	70.1	28 759	26 605
2. SCM Policy, Norms and Standards	12 542	59	-	12 601	11 977	624	95.0	16 871	15 700
3. SCM Client Support	36 748	(82)	-	36 666	34 794	1 872	94.9	31 375	27 600
4. Strategic Procurement	18 664	34	47	18 745	18 654	91	99.5	18 301	18 299
5. Transversal Contract Management	11 870	-	-	11 870	8 035	3 835	67.7	13 085	12 664
Total for sub programmes	103 479	-	47	103 526	90 029	13 497	87.0	108 391	100 868
Economic classification									
Current payments	103 279	-	-	103 279	89 783	13 496	86.9	108 291	100 867
Compensation of employees	84 592	-	-	84 592	76 431	8 161	90.4	86 305	78 882
Salaries and wages	71 360	407	-	71 767	65 762	6 005	91.6	73 100	67 775
Social contributions	13 232	(407)	-	12 825	10 669	2 156	83.2	13 205	11 107
Goods and services	18 687	-	-	18 687	13 352	5 335	71.5	21 986	21 985
Advertising	351	-	-	351	32	319	9.1	69	69
Catering: Departmental activities	131	-	-	131	51	80	38.9	60	60
Consultants: Business and advisory services	13 680	-	-	13 680	12 815	865	93.7	21 694	21 693
Consumable supplies	-	2	-	2	2	-	100.0	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	15	15
Travel and subsistence	139	(2)	-	137	41	96	29.9	3	3
Training and development	4 105	-	-	4 105	137	3 968	3.3	145	145
Venues and facilities	281	-	-	281	274	7	97.5	-	-
Transfers and subsidies	200	-	47	247	246	1	99.6	100	1
Households	200	-	47	247	246	1	99.6	100	1
Social benefits	200	-	47	247	246	1	99.6	100	1
Total	103 479	-	47	103 526	90 029	13 497	87.0	108 391	100 868

Appropriation Statement

For The Year Ended 31 March 2022

Programme 5: MUNICIPAL FINANCIAL GOVERNANCE									
	2021/22							2020/21	
	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. MFG Programme Support	18 815	(23)	(76)	18 716	16 939	1 777	90.5	45 106	39 448
2. Local Government Financial Services	14 987	11	-	14 998	12 880	2 118	85.9	-	-
3. Municipal Accounting and Asset Management	1 898	(34)	-	1 864	-	1 864	-	-	-
4. Municipal Compliance and Financial Management Support	8 716	46	-	8 762	8 761	1	100.0	-	-
Total for sub programmes	44 416	-	(76)	44 340	38 580	5 760	87.0	45 106	39 448
Economic classification									
Current payments	44 116	-	-	44 116	38 356	5 760	86.9	45 006	39 429
Compensation of employees	41 498	-	-	41 498	37 294	4 204	89.9	44 418	38 878
Salaries and wages	35 426	(35)	-	35 391	33 198	2 193	93.8	38 806	34 916
Social contributions	6 072	35	-	6 107	4 096	2 011	67.1	5 612	3 962
Goods and services	2 618	-	-	2 618	1 062	1 556	40.6	588	551
Administrative fees	245	-	-	245	238	7	97.1	5	-
Catering: Departmental activities	211	(23)	-	188	9	179	4.8	4	4
Computer services	267	-	-	267	-	267	-	-	-
Consumable: Stationery, printing and office supplies	488	-	-	488	266	222	54.5	473	472
Travel and subsistence	634	23	-	657	108	549	16.4	91	75
Training and development	547	-	-	547	298	249	54.5	-	-
Operating payments	56	-	-	56	-	56	-	-	-
Venues and facilities	170	-	-	170	143	27	84.1	15	-
Transfers and subsidies	300	-	(76)	224	224	-	100.0	100	19
Households	300	-	(76)	224	224	-	100.0	100	19
Social Benefits	300	-	(76)	224	224	-	100.0	100	19
-	-	-	-	-	-	-	-	-	-
Total	44 416	-	(76)	44 340	38 580	5 760	87.0	45 106	39 448

Appropriation Statement

For The Year Ended 31 March 2022

Programme 6: GAUTENG AUDIT SERVICES									
	2021/22							2020/21	
	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. GAS Programme Support	18 342	(130)	-	18 212	12 728	5 484	69.9	10 470	6 635
2. Risk and Compliance Audit Services (Cluster 1, 2, 3)	34 529	-	11	34 540	29 399	5 141	85.1	28 928	25 786
3. Risk and Compliance Audit Services (Cluster 4, 5, 6)	32 386	(5)	175	32 556	31 978	578	98.2	33 437	30 660
4. Performance and Computer Audit Services	27 925	135	28	28 088	26 946	1 142	95.9	26 798	24 068
Total for sub programmes	113 182	-	214	113 396	101 051	12 345	89.1	99 633	87 149
Economic classification									
Current payments	113 082	-	-	113 082	100 738	12 344	89.1	99 533	87 080
Compensation of employees	99 061	-	-	99 061	91 902	7 159	92.8	92 873	82 128
Salaries and wages	84 207	2 895	-	87 102	80 786	6 316	92.7	81 441	72 125
Social contributions	14 854	(2 895)	-	11 959	11 116	843	93.0	11 432	10 003
Goods and services	14 021	-	-	14 021	8 836	5 185	63.0	6 660	4 952
Administrative fees	-	-	-	-	-	-	-	492	492
Catering: Departmental activities	30	-	-	30	9	21	30.0	50	1
Computer services	1 132	-	-	1 132	1 132	-	100.0	1 295	1 294
Consultants: Business and advisory services	11 997	(270)	-	11 727	6 720	5 007	57.3	3 261	2 564
Travel and subsistence	325	66	-	391	256	135	65.5	228	189
Training and development	165	140	-	305	304	1	99.7	915	24
Operating payments	372	64	-	436	415	21	95.2	389	388
Venues and facilities	-	-	-	-	-	-	-	30	-
Transfers and subsidies	100	-	214	314	313	1	99.7	100	69
Household	100	-	214	314	313	1	99.7	100	69
Social benefits	100	-	214	314	313	1	99.7	100	69
Total	113 182	-	214	113 396	101 051	12 345	89.1	99 633	87 149

Notes to the Appropriation Statement

For the Year ended 31 March 2022

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	137 635	125 106	12 529	9
Sustainable Fiscal Resource Management	154 730	147 431	7 299	5
Financial Governance	121 918	109 762	12 156	10
Provincial Supply Chain Management	103 526	90 029	13 497	13
Municipal Financial Governance	44 340	38 580	5 760	13
Gauteng Audit Services	113 396	101 051	12 345	11
TOTAL	675 545	611 959	63 586	9

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	513 718	473 398	40 320	8
Goods and services	88 044	71 839	16 205	18
Transfers and subsidies				
Provinces and municipalities				
Departmental agencies and accounts	64 044	64 044	-	0
Households	2 225	2 102	123	6
Payments for capital assets				
Machinery and equipment	7 476	538	6 938	93
Payments for financial assets	-	-	-	-
TOTAL	675 545	611 959	63 586	9

The department underspent by 9% mostly due to funded vacant post on the new approved structure, which affected all the business units in the department. Underspensing on the goods and services was mostly due to transactions that received funding during adjustments but were not fully delivered by year end such as automation of the collection of market price data project, supplier development activities planned for Gauteng corridors, automation of financial statements project that is still to be finalized and outsourcing of internal audit work that have not realised expenditure. Another significant factor in the low spending on goods and services was the procurement activity advisory that was received from National Treasury, which effectively stopped all procurement activity from 16 February 2022.

The Administration programme underspending was further due to capital spending that was not realised because of delays in the delivery of procured computer equipment due to supply chain bottlenecks that were being experienced by original equipment suppliers. This delayed delivery accounts for all the underspending that was experienced for capital equipment.

Statement of Financial Performance

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	675 545	677 458
Departmental revenue	2	635 575	752 621
TOTAL REVENUE		1 311 120	1 430 079
EXPENDITURE			
Current expenditure			
Compensation of employees	3	473 398	469 914
Goods and services	4	71 840	76 551
Total current expenditure		545 238	546 465
Transfers and subsidies			
Transfers and subsidies	5	66 146	62 230
Total transfers and subsidies		66 146	62 230
Expenditure for capital assets			
Tangible assets	7	538	7 506
Intangible assets	7	-	-
Total expenditure for capital assets		538	7 506
Payments for financial assets	6	38	-
TOTAL EXPENDITURE		611 960	616 201
SURPLUS/(DEFICIT) FOR THE YEAR		699 160	813 878
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		63 585	61 257
Annual appropriation		63 585	61 257
Departmental revenue and PRF Receipts	2	635 575	752 621
SURPLUS/(DEFICIT) FOR THE YEAR		699 160	813 878

Statement of Financial Position

As At 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		69 911	62 609
Cash and cash equivalents	8	66 685	59 466
Receivables	9	3 226	3 143
		-	-
Non-current assets		-	-
Receivables		-	-
		-	-
TOTAL ASSETS		69 911	62 609
LIABILITIES			
Current liabilities		69 271	62 081
Voted funds to be surrendered to the Revenue Fund	10	63 585	61 257
Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund	11	1 914	51
Payables	12	3 772	773
		-	-
Non-current liabilities		-	-
Payables		-	-
		-	-
TOTAL LIABILITIES		69 271	62 081
		-	-
NET ASSETS		640	528
		-	-
Represented by:			
Recoverable revenue		640	528
		-	-
TOTAL		640	528
		-	-

Statement of Changes in Net Assets

For the year ended 31 march 2022

	Note	2021/22 R'000	2020/21 R'000
NET ASSETS			
Recoverable revenue			
Opening balance		528	532
Transfers:		112	(4)
Irrecoverable amounts written off	8.3	-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		(186)	(4)
Debts raised		298	-
TOTAL		640	528

Cash Flow Statement

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 311 106	1 429 946
Annual appropriated funds received	1.1	675 545	677 458
Departmental revenue received	2	1 530	782
Interest received	2.2	634 031	751 706
Net (increase)/decrease in working capital		2 916	1 373
Surrendered to Revenue Fund		(694 969)	(830 334)
Current payments		(545 238)	(546 465)
Payments for financial assets		(38)	-
Transfers and subsidies paid		(66 146)	(62 230)
Net cash flow available from operating activities	13	7 631	(7 710)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(538)	(7 506)
Proceeds from sale of capital assets	2.3	14	133
Net cash flows from investing activities		(524)	(7 373)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		112	(4)
Net cash flows from financing activities		112	(4)
Net increase/(decrease) in cash and cash equivalents		7 219	(15 087)
Cash and cash equivalents at beginning of period		59 466	74 553
Cash and cash equivalents at end of period	14	66 685	59 466

Accounting Policies

For The Year Ended 31 March 2022

Summary of significant accounting policies

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

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

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

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

Accounting Policies

For The Year Ended 31 March 2022

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

Accounting Policies

For The Year Ended 31 March 2022

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

Accounting Policies

For The Year Ended 31 March 2022

14.3	Intangible assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
15.	Provisions and Contingents
15.1	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.
15.2	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.
15.3	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
16	Unauthorised expenditure Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • Transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
17	Fruitless and wasteful expenditure Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
18	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.

Accounting Policies

For The Year Ended 31 March 2022

19	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.
20	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
21	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
22	Related party transactions Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
23	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

1. Annual Appropriation

1.1 Annual Appropriation

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

	2021/22		2020/21	
	Final Appropriation	Actual Funds Received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000
Administration	138 449	138 449	146 031	146 031
Sustainable Fiscal Resource Management	154 712	154 712	152 821	152 821
Financial Governance	121 307	121 307	125 476	125 476
Provincial Supply Chain Management	103 479	103 479	108 391	108 391
Municipal Financial Governance	44 416	44 416	45 106	45 106
Gauteng Audit Services	113 182	113 182	99 633	99 633
Total	675 545	675 545	677 458	677 458

	Note	2021/22 R'000	2020/21 R'000
2. Departmental revenue			
Sales of goods and services other than capital assets	2.1	532	557
Interest, dividends and rent on land	2.2	634 031	751 706
Sales of capital assets	2.3	14	133
Transactions in financial assets and liabilities	2.4	998	225
Total revenue collected		635 575	752 621
Departmental revenue collected		635 575	752 621
2.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the department		532	557
Other sales**		532	557
Total		532	557
**Other sales include parking bays, sale of tender documents and commission on insurance and garnishee orders			
2.2 Interest, dividends and rent on land			
Interest earned on cash balances		634 031	751 706
Total		634 031	751 706
2.3 Sale of capital assets			
Tangible assets		14	133
Machinery and equipment	24	14	133
Total		14	133

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
2.4 Transactions in financial assets and liabilities			
Forex Gain		-	11
Other Receipts including Recoverable Revenue**		998	214
Total		998	225
**Recovery of previous years' expenditure.			
3. Compensation of employees			
3.1 Salaries and Wages			
Basic salary		329 580	334 284
Performance award		2 188	3 293
Service Based		22 676	23 140
Compensative/circumstantial		1 988	885
Periodic payments		-	2 681
Other non-pensionable allowances		57 749	46 566
Total		414 181	410 849
3.2 Social contributions			
Employer contributions			
Pension		41 067	41 859
Medical		18 070	17 128
Bargaining council		80	78
Total		59 217	59 065
Total compensation of employees		473 398	469 914
Average number of employees		795	752

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
4. Goods and services			
Administrative fees		896	730
Advertising		4 910	7 410
Minor assets	4.1	26	135
Bursaries (employees)		3 945	3 281
Catering		398	199
Communication		2 845	3 293
Computer services	4.2	10 987	9 445
Consultants: Business and advisory services	4.3	28 128	34 377
Laboratory services		-	63
Legal services		1 121	805
Contractors		607	472
Agency and support / outsourced services		149	122
Audit cost – external	4.4	3 807	3 167
Fleet services		798	524
Consumables	4.5	977	2 407
Operating leases		3 957	5 136
Property payments	4.6	3 468	2 689
Travel and subsistence	4.7	550	326
Venues and facilities		558	42
Training and development		1 485	327
Other operating expenditure	4.8	2 228	1 601
Total		71 840	76 551
* Advertising mainly constitutes costs for use of radio, print, television and other media services to engage and communicate with Gauteng Citizens during the formulation of the provincial budget			
4.1 Minor assets			
Tangible assets		26	135
Machinery and equipment		26	135
Total		26	135
4.2 Computer services			
SITA computer services		4 844	4 126
External computer service providers		6 143	5 319
Total		10 987	9 445

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
4.3 Consultants and Business Advisory			
Consultants		25 745	31 829
Probity Auditors		12 814	21 693
Internal Auditors		6 720	2 564
Research and advisory		6 211	7 572
Other (audit committees & Risk)	4.3.1	2 383	2 548
Total		28 128	34 377
4.3.1 Remuneration of members of a commission/Committee (Included in Consultants: Business and advisory services)			
Name of Commission/ Committec	No. of members		
Audit Committee	15	2 383	2 548
Total		2 383	2 548
4.4 Audit cost – External			
Regularity audits		3 807	3 167
Total		3 807	3 167
4.5 Consumables			
Consumable supplies		299	920
Uniform and clothing		30	131
Household supplies		185	751
Building material and supplies		-	13
Communication accessories		38	2
IT consumables		2	19
Other consumables		44	4
Stationery, printing and office supplies		678	1 487
Total		977	2 407
4.6 Property payments			
Municipal services		3 468	2 186
Other		-	503
Total		3 468	2 689
4.7 Travel and subsistence			
Local		550	323
Foreign		-	3
Total		550	326

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
4.8 Other operating expenditure			
Printing and publications		1 246	814
Subscriptions to professional bodies		593	707
Resettlement costs		210	5
Other		179	75
Total		2 228	1 601
5. Transfers and subsidies			
Provinces and municipalities			
Departmental agencies and accounts	Annex 1B	64 044	61 406
Households	Annex 1G	2 102	824
Total		66 146	62 230
6. Payments for financial assets			
Debt written off		38	-
Total		38	-
7. Expenditure for capital assets			
Tangible assets		538	7 506
Machinery and equipment	23	538	7 506
Total		538	7 506
7.1 Analysis of funds utilised to acquire capital assets 2021/22			
	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	538	-	538
Machinery and equipment	538	-	538
Total **	538	-	538

** Only voted funds were used to acquire capital assets. No aid assistance funding was used to acquire capital assets.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
7.2 Analysis of funds utilised to acquire capital assets 2020/21			
	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	7 506	-	7 506
Machinery and equipment	7 506	-	7 506
Total **	7 506	-	7 506
** Only voted funds were used to acquire capital assets. No aid assistance funding was used to acquire capital assets.			
8. Cash and cash equivalents			
Consolidated Paymaster General Account		66 692	59 692
Cash receipts		-	6
Disbursements		(27)	(246)
Cash on hand		20	14
Total		66 685	59 466

9. Receivables

	Note	2021/22			2020/21		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	9.1	2 426	-	2 426	2 513	-	2 513
Staff debt	9.2	758	-	758	628	-	628
Other receivables	9.3	42	-	42	2	-	2
Total		3 226	-	3 226	3 143	-	3 143

*Not included in receivables is an amount of R20 000 for ex – employees whose cell phone sponsorship was paid after termination of employment due to service provider experiencing system problems.

9.1 Claims recoverable

National departments	198	68
Provincial departments	2 228	2 445
Total	2 426	2 513
9.2 Staff debt		
Debt Account	758	628
Total	758	628

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
9.3 Other receivables			
Salary Tax Debt: CA		-	2
Sal: Deductions Disallowance Acc		2	-
Sal: Reversal Control Acc		40	-
Total		42	2
10. Voted funds to be surrendered to the Revenue Fund			
Opening balance		61 257	52 459
As restated		61 257	52 459
Transfer from statement of financial performance		63 585	61 257
Paid during the year		(61 257)	(52 459)
Closing balance		63 585	61 257
11. Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund			
Opening balance		51	25 305
As restated		51	25 305
Transfer from Statement of Financial Performance		635 575	752 621
Paid during the year		(633 712)	(777 875)
Closing balance		1 914	51
12. Payables – current			
Amounts owing to other entities		-	63
Clearing accounts	12.1	130	-
Other payables	12.2	3 642	710
Total		3 772	773
12.1 Clearing accounts			
SAL: GEHS	12	130	-
Total		130	-
12.2 Other payables			
Description			
Sal: Income Tax: CL		222	623
Salary: Finance Other Institutions: CL		28	1
Salary: ACB Recalls: CL		603	6
Salary: Pension Fund: CL		-	49
Salary: Reversal Control: CL		-	29
Salary: Garnishee Order Control: CL		-	2
Salary: Tax debt		2	-
Salary: Fin Institution Study Loans		16	-
Salary: Insurance Deduction		62	-
Salary: Medical Aid		2 709	-
Total		3 642	710

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
13. Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		699 160	813 878
Add back non- cash/cash movements not deemed operating activities		(691 529)	(821 588)
(Increase)/decrease in receivables		(83)	619
(Increase)/decrease in prepayments and advances		-	3
(Increase)/decrease in payables - current		2 999	751
Proceeds from sale of capital assets		(14)	(133)
Expenditure on capital assets		538	7 506
Surrenders to Revenue Fund		(694 969)	(830 334)
Net cash flow generated by operating activities		7 631	(7 710)
14. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		66 692	59 692
Cash receipts		-	6
Disbursements		(27)	(246)
Cash on hand		20	14
Total		66 685	59 466
15. Contingent liabilities			
15.1 Contingent liabilities			
Liable to			
Claims against the department	Annex 3B	33 153	33 076
Total		33 153	33 076
16. Capital Commitments			
Machinery and equipment		5 515	-
Total		5 515	-

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000

17. Accruals and payables not recognised

17.1 Accruals

Listed by economic classification

	30 Days	30+ Days	Total	Total
	R'000	R'000	R'000	R'000
Goods and services	3 496	-	3 496	6 753
Total	3 496	-	3 496	6 753

Listed by programme level

Administration	2 894	2 198
Sustainable Fiscal Resource Management	501	1 432
Financial Governance	76	140
Provincial Supply Chain Management	25	2 589
Municipal Financial Governance	-	-
Gauteng Audit Services	-	394
Total	3 496	6 753

17.2 Payables not recognised

Listed by economic classification

	30 Days	30+ Days	Total	Total
	R'000	R'000	R'000	R'000
Goods and services	2 958	-	2 958	517
Transfers and subsidies	-	-	-	6
Total	2 958	-	2 958	523

Listed by programme level

Administration	1 227	230
Sustainable Fiscal Resource Management	618	45
Financial Governance	553	5
Provincial Supply Chain Management	258	241
Municipal Financial Governance	-	2
Gauteng Audit Services	302	-
Total	2 958	523

Included in the above totals are the following:

Confirmed balances with other departments	Annex 5**	373	1 047
Confirmed balances with other government entities	Annex 5	296	251
Total		669	1 298

**Confirmed balances with departments relating to salary costs of R174 000 are included under the employee benefits note 18 below, as "Other"

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
18. Employee benefits			
Leave entitlement*		26 218	28 765
Service bonus		11 903	12 169
Performance awards		9	2 635
Capped leave commitments		5 686	5 960
Other**		588	586
Total		44 404	50 115

** 'Other' includes Long service awards of R221 000.00, Leave gratuity of R191 000.00 and salary related interdepartmental payables of R174 000

* At the end of the reporting period there were negative leave balances of R140 000.00

19. Lease commitments

19.1 Operating leases

2021/22

Not later than 1 year
Later than 1 year and not later than 5 years
Later than 5 years
Total lease commitments

Machinery and equipment	Total
R'000	R'000
-	-
13	13
-	-
13	13

2020/21

Not later than 1 year
Later than 1 year and not later than 5 years
Later than 5 years
Total lease commitments

Machinery and equipment	Total
R'000	R'000
3 394	3 394
13	13
-	-
3 407	3 407

20. Accrued departmental revenue

Interest revenue*
Total

65 888	55 148
65 888	55 148

* Estimate for March 2022 interest earnings

20.1 Analysis of accrued departmental revenue

Opening balance
Less: amounts received
Add: amounts recognised
Closing balance

55 148	83 043
(55 148)	(83 043)
65 888	55 148
65 888	55 148

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

	2021/22	2020/21
	R'000	R'000

21. Related party transactions

List of Related Parties

1. Department of E-Government

Gauteng Provincial Treasury (GPT) and Department of E-Government (e-Gov) are controlled by the same Member of Executive council. e-Gov provides accommodation to the GPT free of charge.

2. Gauteng Infrastructure Financing Agency (GIFA)

GIFA was established as a government component in terms of section 7 (5) (d) of the Public Service Act, 1994 following the President's proclamation no 69 of 2014 (Government Gazette No 38088), within the portfolio of the MEC responsible for finance in the Province with effect from 17 October 2014. GIFA receives an annual transfer payment from Gauteng Provincial Treasury (GPT), the controlling department of GIFA. This transfer payment is used to cover the operating costs and project preparation facility of the GIFA for the year.

22. Key management personnel

	No. of Individuals		
Political office bearers (MEC)	1	2 000	1 978
Level 15 to 16	6	10 249	10 393
Level 14	21	24 166	23 883
Total		36 415	36 254

23. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	49 250	-	582	245	49 587
Transport assets	1 330	-	-	-	1 330
Computer equipment	29 932	-	44	245	29 731
Furniture and office equipment	14 201	-	538	-	14 739
Other machinery and equipment	3 787	-	-	-	3 787
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	49 250	-	582	245	49 587

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of movable tangible capital assets		
Machinery and equipment	6	139

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

23.1 Movement for 2020/21

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	47 610	-	7 506	5 866	49 250
Transport assets	870	-	746	286	1 330
Computer equipment	28 551	-	6 131	4 750	29 932
Furniture and office equipment	14 760	-	39	598	14 201
Other machinery and equipment	3 429	-	590	232	3 787
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	47 610	-	7 506	5 866	49 250

23.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	2	-	6 576	-	6 578
Additions	-	-	27	-	27
Disposals	-	-	2	-	2
TOTAL MINOR ASSETS	2	-	6 601	-	6 603

Number of minor assets

TOTAL NUMBER OF MINOR ASSETS

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Number of minor assets	2	-	3 527	-	3 529
TOTAL NUMBER OF MINOR ASSETS	2	-	3 527	-	3 529

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	2	-	7 043	-	7 045
Additions	-	-	-	135	-	135
Disposals	-	-	-	602	-	602
TOTAL MINOR ASSETS	-	2	-	6 576	-	6 578

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022



	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	2	-	3 525	-	3 527
TOTAL NUMBER OF MINOR ASSETS	-	2	-	3 525	-	3 527

a. Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Assets written off	-	-	-	135	-	135
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	135	-	135

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Assets written off	-	-	-	573	-	573
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	573	-	573

24. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	308	-	-	308
TOTAL INTANGIBLE CAPITAL ASSETS	308	-	-	308

24.1 Movement for 2020/21

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	369	-	-	61	308
TOTAL INTANGIBLE CAPITAL ASSETS	369	-	-	61	308

Notes to the Annual Financial Statements

For The Year Ended 31 March 2022

Note	2021/22	2020/21
	R'000	R'000

25. Prior period errors

23.1 Consultants and Business Advisory

	Balance as stated before correction of error 2020/21 R'000	Prior period error 2020/21 R'000	Restated amount 2020/21 R'000
Minor Assets: Machinery and equipment	2 614	(66)	2 548
Net effect	2 614	(66)	2 548

An amount of R33 000 relating to Business Advisory services was incorrectly accounted for in a sub-note to the Annual Financial Statements 2020/21, resulting in a difference of R66 000. The error only affected the sub-note for the item in the comparative year.

25. Broad based black economic empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

27. Covid 19 response expenditure

	<i>Annex 11</i>	
Goods and services	147	472
Total	147	472

Unaudited Annexures to the Annual Financial Statements

For The Year Ended 31 March 2022

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION FOR 2021/22				TRANSFER - 2021/22		2020/21	
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	
Gauteng Infrastructure Financing Agency	64 044	-	-	64 044	64 044	100	61 406	61 406
Total	64 044	-	-	64 044	64 044	100	61 406	61 406

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION FOR 2021/22				EXPENDITURE 2021/22		2020/21	
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Social Benefits*	725	-	1 106	1 831	1 749	95,5	1 146	824
Other transfers to households**	1 500	-	(1 106)	394	353	89,6	954	-
Total	2 225	-	-	2 225	2 102	94,5	2 100	824

* Included in Social benefits is Injury on duty of R23 000, Leave gratuity of R1 726

** Other transfers to households consists of bursaries to non-employees

Unaudited Annexures to the Annual Financial Statements

For The Year Ended 31 March 2022

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Closing Balance 31 March 2022	Closing Balance 31 March 2021
Nature of Liability	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Labour court claim for the upgrade of particular salary levels, previously dismissed by the Bargaining Council	32 000	-	-	32 000	32 000
Supplier's claim of damages for loss of profits for a terminated contract	1 076	-	-	1 076	1 076
Court claim for damages on alleged motor vehicle accident	-	77	-	77	-
TOTAL	33 076	77	-	33 153	33 076

ANNEXURE 4

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Gauteng Department of E-Government	1 682	1 682	-	-	1 682	1 682
Gauteng Office of the Premier	-	355	-	124	-	479
Gauteng Department of Health	-	30	-	-	-	30
Gauteng Department of Economic Development	-	162	-	-	-	162
National Department of Water Sanitisation	-	-	-	68	-	68
Office of the Chief Justice	58	58	-	-	58	58
North West Provincial Treasury	37	-	-	-	37	-
Gauteng Department of Roads and Transport	30	-	-	-	30	-
Gauteng department of Sports, Arts & Culture and Recreation	-	-	517	-	517	-
Gauteng Department of Infrastructure Development	-	33	-	-	-	33
National department of Environment, Forestry and Fisheries	-	-	102	-	102	-
TOTAL	1 807	2 320	619	192	2 426	2 512

Unaudited Annexures to the Annual Financial Statements

For The Year Ended 31 March 2022

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of E-Government	373	54	-	579	373	633
Department of Justice	57	-	-	86	57	86
National Department of Labour	-	32	-	-	-	32
Gauteng Department of Community Safety	-	270	-	-	-	270
Gauteng Office of the Premier	26	86	-	-	26	86
Government Pensions Administration Agency	-	-	23	-	23	-
National Department of Health	-	-	21	-	21	-
National department of Environmental Affairs	47	-	-	-	47	-
Subtotal	503	442	44	665	547	1 107
Other Government Entity						
Gauteng G-Fleet	296	251	-	-	296	251
Subtotal	296	251	-	-	296	251
TOTAL INTERGOVERNMENT PAYABLES	799	693	44	665	843	1 358

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE PER QUARTER AND IN TOTAL

Expenditure per economic classification	2021/22					2020/21 TOTAL
	Q1	Q2	Q3	Q4	TOTAL	
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and Services	19	74	7	46	147	472
<i>List all applicable SCOA level 4 items</i>						
Consumable supplies	-	3	-	32	35	269
Operating payments	-	-	-	-	-	4
Property payments	19	72	7	14	112	199
TOTAL COVID 19 RESPONSE EXPENDITURE	19	75	7	46	147	472

Notes

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PR269/2022
ISBN: 978-0-621-50632-7



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