



co-operative governance
& traditional affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT

2022/23



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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
AOP	Annual Operational Plan
EPWP	Expanded Public Works Programme
FBSA	Fire Brigade Services Act
HOD	Head: Co-operative Governance and traditional Affairs
MP	Mpumalanga
MPL	Member of Provincial Legislature
IMSP	Integrated Municipal Support Plan
EDP	Executive Development Programme
RSDF	Regional Spatial Development Framework
DCOG	Department of Co-operative Governance
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)
TR	Treasury Regulations
MPRA	Municipal Property Rates Act
SDF	Spatial Development Framework
SPLUMA	Spatial Planning Land Use Management Act, 2013 (Act No.16 of 2013)
MIG	Municipal Infrastructure Grant
CDW	Community Development Workers
PPMU	Provincial Programme Management Unit
WTW	Water Treatment Works
WWTW	Waste Water Treatment Works
MTEF	Medium Term Expenditure Framework
PSDF	Provincial Spatial Development Framework
SMME	Small Medium and Micro Enterprises
MEC	Member of the Executive Council for the Department of Co-operative Governance and Traditional Affairs
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan
TLGFA	Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2013)
NDP	National Development Plan
DHS	Department of Human Settlement
LED	Local Economic Development
CWP	Community Works Programme
OVS	Operation Vuka Sisebente
MDB	Mpumalanga Demarcation Board
IDP	Integrated Municipal Development Plan
PMS	Performance Management System
LUMS	Land Use Management Scheme
LUS	Land Use Scheme
TSC	Thusong Service Centre
PT	Provincial Treasury
B2B	Back to Basics
DORA	Division of Revenue Act, 2011 (Act No. 6 of 2011)
HTL	Hose of Traditional Leaders
PHSHDA	Priority Human Settlements and Housing Development Areas
DDM	District Development Model
IASP	Integrated Audit Improvement Support Plan

3. EXECUTIVE AUTHORITY STATEMENT



HON. MJ MSIBI (MPL)
MEC: CO-OPERATIVE GOVERNANCE
AND TRADITIONAL AFFAIRS

As Franz Fanon once said “each generation out of relative opacity should discover its generational mission to fulfil or betray it.” Our generational mission is to contribute meaningfully in the building of the desired developmental local government which will be people centred and service delivery driven. Local government is the sphere of government most close to the people. Thus, any maladministration, misappropriation of funds and the general absence of financial prudence has a negative impact on our general mission and it is tantamount to betrayal of the said generational mission.

As the Department work towards building the desired developmental local government, the Department continue to put in place policies and strategies that are strong enough to dismantle the challenges of apartheid spatial legacy. The Department remain committed to supporting municipalities by mobilizing all role players to rally around implementing the District Development Model (DDM). The DDM is an operational model for improving cooperative governance aimed at building a capable, ethical developmental state through a “One Plan and One Budget” approach for district municipalities that are aligned with the IDPs.

The failure to spend the MIG has a negative impact on the delivery of services in our communities. As of the end of June 2022, municipalities had recorded 97% of MIG spending which has resulted into an increase in access to water, sanitation and electricity. The department is also monitoring the spending and getting into what was overlooked which is the procurement of the yellow fleet in municipalities.

Therefore, the Department’s strategic focus is to ensure coordination among the three spheres of government to enable services to be channelled towards the people in accordance with our objective of eradicating poverty, unemployment and inequality. In the year under review, a number of initiatives were implemented that enhanced the provision of services to our people through the DDM approach, ensuring equity and quality of services to all our communities.

The Department recognize that significant strides were recorded despite the difficult economic conditions confronting our country. Efforts to reach citizens in all corners of our Province, particularly those in most need, are beginning to bear fruits. Through government’s social security services, the indigent is moving out of the poverty line and their living conditions improve with the provision of free clean water, electricity, waste water treatment and waste removal.

Due to the severity of the recent disasters that impacted our municipalities, the department was able to provide humanitarian relief materials such as food parcels, blankets, tarpaulins, and mattresses using our own resources; however, the Department is still waiting for the National Disaster Management to provide a budget for post-disaster recovery for infrastructure rehabilitation.

Amilcar Cabral says “always bear in mind that the people are not fighting for ideas, for the things in anyone’s head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward, to guarantee the

future of their children” from Cabral we learn about the paramount importance of the delivery of services. In our context, the availability of clean and drinkable water to every household per our constitutional mandate is, at this stage the highest level of service delivery.

To this end, additional efforts to increase access to water have been made in the 2022/23 financial year, with over R2 billion set aside for the provision of water and sanitation services through various municipal grant allocations. The Department remain resolute that advancing this constitutional imperative will be fruitful. However, a serious impediment to the delivery of basic services is illegal land invasion.

To strengthen municipalities’ institutional capabilities, as of the end of March 2023, 93 of the 124 senior management positions in municipalities had been filled, with 31 still in the process of being filled. The Department is concerned that 64 of the 93 positions are filled by men, while 29 are filled by women. The recruitment process will be closely monitored to ensure that employment equity is realized. The Department is committed to gender equality and women emancipation as enshrined in our bill of rights. A national democratic South Africa is non-racial and non-sexists, to that end our commitment to women emancipation and gender equality remains unchanged.

While steadily making progress to improve municipalities’ audit outcomes, there is still much more work to be done. In keeping with the principles of good governance, an Integrated Audit Improvement Support Plan (IASP) to assist municipalities in improving their audit outcomes has been developed.

The Department is currently developing a Municipal Monitoring and support IT system to strengthen monitoring and improve municipal performance in the province. It will also provide access to the information needed to identify the areas where each municipality requires assistance.

The Department is continuously supporting the Community Works Programme (CWP) initiative with the aim of reducing poverty and providing a safety net to the most vulnerable communities. Through this initiative twenty-eight thousand, five hundred and forty-six (28 546) work opportunities across 17 local municipalities were maintained. An additional two thousand eight hundred and forty-nine (2 849) job opportunities have also been created through the Municipal Infrastructure Grants (MIG) programme across municipalities.

The Department is still committed to continuing with the implementation of the EPWP Youth on Waste initiative, which has created 140 employment opportunities in the 2022/2023 financial year. To curb youth unemployment, an additional 50 job opportunities will be created in the 2023/24 financial year.

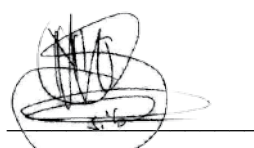
In forging ahead with the strengthening of the work of Traditional Leaders in our communities, the Department

has already commenced with the construction of Traditional Council offices as part of the enhancement of tools of trade, in addition to the vehicles, grants and office equipment provided to Traditional Leaders. While the development and protection of our culture are of paramount importance in our traditional communities, we sometimes have to struggle with an ominous occurrence of death of initiates during Ingoma. In order to curb the death of initiates and better regulate the initiation schools, the Premier has established the Provincial Initiation Coordination Committee (PICC). The Committee serves as an oversight and monitoring body for all relevant structures that practice the custom of initiation.

The Premier has since delegated the Department to deal with other TKLA matters, excluding the recognition of Traditional Leaders, in order to expedite the legislative processes. An Investigative Committee for Traditional Leaders disputes and claims to deal with succession-related matters, as well as an Ad Hoc Committee for Traditional Boundaries Disputes Management to deal with geographical boundaries. The reconstitution of Traditional Council is still a matter of concern in the country, with disagreements centred on the proposed reconstitution formula. We are confident that an amicable solution will be reached between the Minister and the Houses of Traditional Leaders.

Working with our social partners, we will make better use of the intergovernmental mechanisms to support, develop and capacitate local government to execute their responsibilities and functions. Despite the challenges and setbacks, we have a reason to be optimistic about the year ahead and the future, in the knowledge that the fulfillment of the promise of a better life for all South Africans is in our hands.

I would like to express my gratitude to the Department for its unwavering and consistent support of municipalities in establishing a developmental local government that is accountable, ethical and capable of providing quality services to the communities. Again, an appreciation goes to our oversight bodies for assisting the department in fulfilling its mission of ensuring that municipalities and traditional institutions in the Province carry out their basic responsibilities and functions by promoting good governance, sound financial management and administrative capability



Mr M.J. MSIBI (MPL)

MEC for the Department of Co-operative Governance and Traditional Affairs

Date:31/08/2023

4. REPORT OF THE ACCOUNTING OFFICER



MR S. NGUBANE
HEAD: CO-OPERATIVE GOVERNANCE
AND TRADITIONAL AFFAIRS

Overview of the operations of the Department

During the year under review, the Department continued to discharge its mandate of supporting Local Municipalities and Traditional Councils to improve the delivery of services within their communities through the Integrated Municipal Support Plan. Amongst others, the Department achieved the following:

- Monitored 3 District municipalities on the implementation of the economic recovery plan.
- All seventeen (17) Local Municipalities were supported to respond to community concerns on issues of service delivery.
- Supported all 20 Municipalities with the review of the 2022/23 IDPs.
- Implemented the Expanded Public Works Program (EPWP) Youth Waste Management Project and in the process created 140 full time equivalent jobs.
- In sustaining social cohesion in Traditional Communities, the Department resolved seventeen (17) Traditional Land cases within two (2) months of receipt, mobilized sixty (60) Traditional Councils to participate in Land Use Planning, also supported twenty-seven (27) Traditional Leaders to participate in Municipal Council sittings and six (6) Traditional Leadership claim processed and four (4) Traditional Leadership Succession Disputes processed and resolved.
- Lastly, the Department has achieved 96% of planned targets in the year under review. The unachieved targets are from programme 1 (achieved 12 out of 17 planned skills programme) and programme 4 (The projects of the reconstitution of Traditional Councils, construction and renovation of Traditional Council Offices was not achieved in the period under review)

Challenges

The Department was faced with challenges during the financial year under review and amongst others:

- Poor water supply to households by municipalities due to aging Water Treatment Plants in the Province.
- Damaged roads, bridges and infrastructure due to Disasters which occurred during the period under review
- Load shedding has caused some of the small businesses to close operation leading to job losses and diminishing economy country wide.
- Late adoption on IDPs by some municipalities and some Service delivery Improvement Plans not aligned to the IDPs.
- Failure by some municipal councillors to hold community meetings which led to protest marches.
- Inconsistent attendance of Traditional Leaders in Municipal Council sittings
- Failure to reconstitute Traditional Councils due to disagreement of formula by Senior Traditional Leaders which resulted in the delay of the re-election of Traditional Councils country wide

- Failure to adhere to payment plans of ESKOM Debt by municipalities continues to be a challenge.
- Regress of audit outcomes by some municipalities (Gert Sibande District, Steve Tshwete and Chief Albert Luthuli).

The Department has developed remedial actions which aim to address identified challenges and these have been incorporated into the 2023/24 Annual Performance Plan. The Department will be working in collaboration with Provincial Treasury to assist municipalities in improving audit outcomes.

Overview of the financial results of the Department

Departmental receipts

Table 1. Departmental Receipts

Departmental receipts	2022/2023			2021/2022		
	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	257	392	(135)	258	396	(138)
Interest, dividends and rent on land	471	1 974	(1 503)	482	1 388	(906)
Sale of capital assets	40	53	(13)	56	560	(504)
Financial transactions in assets and liabilities	11	9	2	11	46	(35)
Total	779	2 428	(1 649)	807	2 390	(1 583)

The Department has no revenue generating activities except for bank interest, commission on deductions, debt recovery and disposal of assets through government auctions.

Programme Expenditure

Table 1.1: Programme Expenditure

Programme Name	2022/2023			2021/2022		
	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	151 939	151 939	-	140 614	140 572	42
Local Governance	250 205	250 089	116	209 688	209 686	2
Development and Planning	115 660	115 655	5	326 840	303 037	23 803
Traditional Institutional Management	155 762	155 564	198	108 098	107 277	821
The House of Traditional Leaders	20 911	20 910	1	16 001	16 001	-
Total	694 477	694 157	320	801 241	776 573	24 668

The Department's main appropriation for 2022/23 was **R 690.284 million** and was adjusted to **R 694.477 million**, through the final adjustment process in February 2023.

The Department spent **R 694.157 million** or 100.0 per cent of the final adjusted budget as at 31 March 2023, compared to **R 801.241 million** or 96.9 per cent in 2021/22. The underspending amounts to **R 0.320 million** compared with **R 24.668 million** in 2021/22. As reported in note 16 of the Annual financial statements, the Department has recorded accruals and payables not recognised to the value of **R 14.491 million** for 2022/23 Financial Year.

Programme 01

Main appropriation was **R 150.845 million** and the final adjusted budget was **R 151.939 million**. The programme spent **R 151.939 million** or 100 per cent compared with **R 140.572 million** or 100 per cent in 2021/22 financial year.

Programme 02

Main appropriation was **R 280.166 million** and the final adjusted budget is **R 250.205 million**. The programme spent **R 250.089 million** or 100 per cent compared with **R 209.686 million** or 100 per cent in 2021/22 financial year.

Programme 03

Main appropriation was **R 54.152 million** and final adjusted budget is **R 115.660 million**. The programme spent **R 115.655 million** or 100 per cent compared with **R 303.037 million** or 92.7 per cent in 2021/22 financial year.

Programme 04

Main appropriation was **R 185.710 million** and final adjusted budget is **R 155.762 million**. The programme spent **R 155.564 million** or 100 per cent compared with **R 107.277 million** or 99.2 per cent in 2021/22 financial year.

Programme 05

Main appropriation was **R 19.411 million** and final adjusted budget is **R 20.911 million**. The programme spent **R 20.910 million** or 100 per cent compared with **R 16.001 million** or 100 per cent in 2021/22 financial year.

Virement / rollovers

During the 2022/23 financial year, two (2) Budget Adjustments were implemented as follows:

First Budget Adjustments

The department received additional funding amounting to **R 64.193 million** from the provincial revenue fund for Equitable Share and Other as follows.

The above additional amount has been broken down as reflected on the table below:

Table 1.2: Additional Funding

DESCRIPTION	AMOUNT R'000	PROGRAMME
Declared Unspent - Renovation of Traditional Houses (rescheduled)	(15.000)	Traditional Institutional Management
Rollovers – Incomplete Infrastructure Projects from 2021/22 financial year	23.193	Development and Planning
Disaster Relief Material	40.000	Development and Planning
Cultural Ceremonies (Ummemo)	6.000	Traditional Institutional Management
Fire Brigade Services Vehicles	10.000	Development and Planning
TOTAL	64.193	

Second Budget Adjustments

The department surrender additional funding (Declared Unspent Fund) amounting to R 60.000 million to the provincial revenue fund as follows:

The above reduction amount has been broken down as reflected on the table below:

Table 1.2: Reduction Budget through re-scheduling to the 2023/24 financial year

DESCRIPTION	AMOUNT R'000	PROGRAMME
Declared Unspent-Fire Brigade Services Vehicles (rescheduled)	(10.000)	Development and Planning
Declared Unspent -Reconstitution of Traditional Councils (rescheduled)	(20.000)	Traditional Institutional Management
Declared Unspent - Renovation and Construction of Traditional Council Offices (rescheduled)	(30.000)	Traditional Institutional Management
TOTAL	(60.000)	

Virements

Post Adjustment Virement

Programme 1: Administration

The programme is receiving **R 2.964 million** additional funding through virement as follows;

Goods and Services

The programme is receiving **R 2.909 million** from Compensation of Employees and **R 0.055 million** from Goods and Services under Programme 2: Local Governance from to defray expenditure incurred on goods and services from previous financial year and the increase in the contractual obligation that were unavoidable.

Programme 2: Local Governance

The programme is receiving **R 0.521 million** additional funding through virement as follows;

(a) Programme 2: Local Governance (Capital Payments)

The programme is receiving **R 0.395 million** from goods and services under Programme 2: Local Governance to defray expenditure incurred on payment for Development of Municipal Systems as the budget was shifted during the Adjustment Budget as per SCOA requirements.

(b) Programme 2: Local Governance (Capital Payments)

The programme is receiving **R 0.126 million** from same classification under Programme 1: Administration in order to defray expenditure incurred on payment for Development of Municipal Systems as the budget was shifted during the Adjustment Budget as per SCOA requirements.

Programme 3: Development and Planning

The programme is receiving **R 7.647 million** additional funding through virement as follows;

(a) Programme 3: Development and Planning (Current Payments)

The programme is receiving **R 7.647 million** from same classification under Programme 2: Local Governance in order to defray expenditure on Disaster Relieve Materials that was unavoidable for Floods that hit Mpumalanga during the 2022/23 financial year.

Programme 4: Traditional Institutional Management

The programme is receiving **R 13.152 million** additional funding through virement as follows;

(a) Programme 4: Traditional Institutional Management (Current Payments)

The programme is receiving **R 8.476 million** from same classification under Programme 2: Local Governance in order to defray expenditure on Reconstitution of Traditional Leaders that has started during the 2022/23 financial year.

(b) Programme 4: Traditional Institutional Management (Capital Payments);

The programme is receiving **R 4.676 million** from same classification under Programme 1: Administration **R 1.744 million** and Programme 3: Development and Planning **R 2.932 million** in order to defray expenditure on Constructions of Traditional Councils Offices that has started during the 2022/23 financial year. This is due to the budget cuts that were implemented during the second budget adjustment of 2022/23 financial year while the orders were already committed.

Programme 5: The House of Traditional Leaders

The programme is receiving **R1.500 million** additional funding through virement as follows;

(a) Compensation of Employees;

The programme is receiving **R 1.500 million** from Programme: 4 Traditional Institutional Management to augment the budget under the same classification in order to defray expenditure on salaries. This budget and expenditure incurred for the Member of the House of Traditional Leaders that are serving this Programme in the province

N.B: All implemented virement and shifting of funds to defray possible over or under expenditure between programmes and economic classifications are in compliance with the PFMA section 43(1-3) and the applicable Treasury Regulations 6.3 .

Unauthorised, Irregular and Fruitless & Wasteful Expenditure

In the 2021/22 Audit Report, AGSA cited an audit finding about the irregular spending on the purchase of COVID-19 PPE. The Provincial Treasury granted the Department an approval for condoning the **R 5.591 million** as identified by the auditors, however there is still an ongoing criminal court proceedings on the matter.

Strategic focus over the short to medium term period

The department has to continue with interventions as far as service delivery is concerned. As stated in the challenges on the overview of the operations of the Department the Province has limited water sources to supply households. The Department will continue to monitor the spending of the Municipal Infrastructure Grant by municipalities in attempt of delivering services to the people. In support of integrated human settlements, the Department will assist municipalities with the sub division of land parcels to promote densification within the developed existing towns and settlements. Furthermore, The Department will coordinate and monitor the development of the Regional Spatial Development Framework and the development of Nkosi City in implementation of the Mpumalanga Spatial Development Framework.

In realising the MTSF priority 1 of Building a capable, ethical and developmental state, the Department will support municipalities in preparation for 2024 National and Provincial Elections, support municipalities to implement audit action plans, monitor the extent to which anti-corruption measures are implemented, reduce the Unauthorised, fruitless and wasteful expenditure and continue to support 20 Municipalities to comply with MSA Regulations on the appointment of senior managers. In ensuring revenue enhancement in municipalities the Department will guide all 17 local Municipalities to comply with MPRA and monitor the implementation of the Municipal Support Plans.

Good Governance is key for ensuring accountability, responsibility, transparency, efficiency, effectiveness and respect for the rule of law in any institution. Therefore, the Department will support municipalities to practice Good Governance by establishing effective Section 79&80 Committees and also maintaining functional ward committees. In promotion of

local economic development and job creation, the Department will monitor the implementation of Economic Recovery Plans in the three (3) Districts Municipalities, monitor the implementation of the Community Works Programme (CWP) in all seventeen (17) local municipalities, create 190 Work opportunities through youth waste management project, establish public private partnerships to implement the Provincial Anti-poverty strategy and provision of Fire brigade services vehicles to municipalities.

The Department will support the Traditional Institution on reconstitution of Traditional Councils. For smooth operations within Traditional Councils, provision of funding for the Administration of Traditional councils and support Traditional Councils with hosting cultural ceremonies continuous support will be provided to Traditional Councils to perform their functions. Some Traditional Council Offices will be constructed and some will be renovated.

Public Private Partnerships

The Department did not have any PPP project for the financial year under review.

Discontinued key activities / activities to be discontinued

No discontinued activities

Supply chain management

The Department did not have any unsolicited bid proposals for the financial year under review. The Department has a fully functional Supply Chain Management unit and a Supply Chain Management Policy with internal controls. All officials have signed financial disclosure forms and we have adopted a Fraud Prevention policy.

Monthly and quarterly reports are prepared and submitted to the Provincial Treasury. We have a functional system of internal control that assist in the prevention and early detection of irregular, fruitless and wasteful expenditure.

The Department continues to implement internal control measures to avoid awards of business or contracts by the Department to officials employed by the state through verification of Directors of all suppliers invited for quotations on the Central Supplier Database.

The approved Supply Chain Management Policy and the Annual Procurement Plan together with National Treasury Instruction Notes and Prescripts serve as systems that guides SCM in ensuring that no irregular expenditure is incurred.

Gifts and Donations received in kind from non-related parties

No gifts and donations were received in kind from non-related parties.

List the nature of the in kind good and services provided by the department to or received from parties other than related parties.

The Department did not receive in kind goods and services from parties other than related parties.

Exemptions and deviations received from the National Treasury

The Department was granted an exemption by National Treasury to advertise bids during the period when the PPPFA 2017 was under the constitutional court challenge.

Events after the reporting date

The Department will process the payment of accruals and payables amounting to **R 14.491 million** relating to the 2022/23 financial year during the first quarter of the new financial year 2023/24.

Other

There is no other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in the report.

Acknowledgement/s or Appreciation

The Accounting Officer would like to acknowledge and appreciate the support received from the MEC, Senior Management and Staff of COGTA to make this year a success.

Conclusion

I trust that the Financial Statement and the whole Annual Report is a fair presentation of the state of affairs and performance of the Department for the year under review.

Approval and sign off

The Accounting Officer has approved the Annual Financial Statement as set out in pages 177 to 232.



Mr S. Ngubane.

Accounting Officer

Department of Co-operative Governance and Traditional Affairs

DATE: 31/08/ 2023

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

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

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

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

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

The Annual Financial Statements (Part F) 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 2023.

Yours faithfully



Mr S. Ngubane

Accounting Officer

Department of Co-operative Governance and Traditional Affairs

DATE: 31/08/ 2023

6. STRATEGIC OVERVIEW

6.1 Vision

Responsive, effective, efficient and sustainable co-operative governance system.

6.2 Mission

To ensure that Municipalities and Traditional Institutions in the Province perform their basic responsibilities and functions by promoting good governance, sound financial management and administrative capability.

6.3 Values

To Guided by the spirit of Batho Pele our values are:

- Ubuntu: Employees demonstrates a quality that includes essential human virtues, compassion and humanity
- Ethical behaviour (Integrity and honesty): Employees demonstrates a high degree of morality and empathy in the execution of duties
- Professionalism: Employees display effectiveness, efficiency in line with norms and standards in delivering the mandate of the Department
- Goal orientated: Employees Focused in achieving the mandate of the Department
- Excellent and quality services: A department that strive to provide a level of services meeting acceptable standards in delivering services
- Responsive and solutions driven: Departmental quality of reacting quickly, proactive and positively to issues to address actual needs of our clients
- Learning and development: The Department creates an Environment of continuous Learning and development for employees

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandate

The following Chapters with the relevant sections of the Constitution of the Republic of South Africa, 1996 are important regarding the specific constitutional mandates of the Department:

7.1.1 The Constitution of the Republic of South Africa, 1996

The Department subscribes to the founding provisions of the Constitution, including the Bill of Rights as well as the principles of co-operative governance and intergovernmental relations as contained in Chapters 1; 2 and 3 of the Constitution of the Republic of South Africa, 1996.

7.1.2 Section 139, Chapter 6 of the Constitution of the Republic of South Africa, 1996

The MEC as per the directives of the Provincial Executive Committee (EXCO) may intervene in the affairs of a municipality.

7.1.3 Section 154(1), Chapter 7 of the Constitution of the Republic of South Africa, 1996

The MEC as assigned by the Provincial Government to ensure by legislative or other measures, must support and strengthened the capacity of Municipalities to manage their own affairs, to exercise their powers and to perform their functions.

7.1.4 Section 155(6), Chapter 7 of the Constitution of the Republic of South Africa, 1996

The MEC as assigned by the Provincial Government to establish Municipalities in the Province in a manner consistent with legislation enacted in terms of section 155(2) and 155(3) respectively and by legislative or other measures, must monitor and support local government in the Province and promote the development of local government capacity to enable Municipalities to perform their functions and manage their own affairs.

7.1.5 Section 156(1), Chapter 7 of the Constitution of the Republic of South Africa, 1996

The MEC as assigned by the provincial government, subject to section 44 of the Constitution, has the legislative and executive authority to see to the effective performance by Municipalities of their functions in respect of matters listed in Schedules 4 and 5 of the Constitution, by regulating the exercise by Municipalities of their executive authority referred to in section 156(1) of the Constitution.

7.1.6 Section 212, Chapter 12 of the Constitution of the Republic of South Africa, 1996

The Department acknowledges the role for Traditional Leadership as an institution at local level on matters affecting local communities and to deal with matters relating to traditional leadership, the role of Traditional Leaders, customary law and the customs of communities observing a system of customary law by the establishment of Houses of Traditional Leaders.

7.1.7 Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)

The Act empowers the MEC to establish Municipalities in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the type of municipality that may be established within each category; to provide for an appropriate division of functions and powers between categories of municipality; to regulate the internal systems, structures and office-bearers of Municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith.

7.1.8 Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)

The Act seeks to provide for the core principles, mechanisms and processes that are necessary to enable Municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all; to define the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed to provide for community participation; to establish a simple and enabling framework for the core processes of planning, performance management, resource mobilization and organizational change which underpin the notion of developmental local government; to provide a framework for the provision of services, service delivery agreements and municipal service districts; to provide for credit control and debt collection; to establish a framework for support, monitoring and standard setting by other spheres of government in order to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment; to provide for legal matters pertaining to local government; and to provide for matters incidental thereto.

7.1.9 Local Government: Municipal Structures Amendment Act, 2021 (Act No. 3 of 2021)

The Act amends the Local Government: Municipal Structures Act, 1998, to provide, amongst others, for a minimum of 10 councillors per municipality; to provide for the prohibition of a councillor who was found guilty of a breach of the Code of Conduct for Councillors for a period of two years; to require the municipal manager to inform the MEC in addition to the Electoral Commission of ward vacancies; to provide that the MEC call and set the date for by-elections; to allow the MEC to designate a person to call and chair a meeting of the municipal council when the speaker, acting speaker or municipal manager refuses to call the meeting; to allow for the MEC to inform the chief electoral officer of vacancies if the municipal manager fails to do so; to provide for a Code of Conduct for Councillors; and to provide for matters connected therewith.

7.1.10 Local Government: Municipal Systems Amendment Act, 2022 (Act No. 3 of 2022)

The Act makes further provision for the appointment of municipal managers and managers directly accountable to municipal managers; to provide for procedures and competency criteria for such appointments, and for the consequences of appointments made otherwise than in accordance with such procedures and criteria; to determine timeframes within which performance agreements of municipal managers and managers directly accountable to municipal managers must be concluded; to make further provision for the evaluation of the performance of municipal managers and managers directly accountable to municipal managers; to require employment contracts and performance agreements of municipal managers and managers directly accountable to municipal managers to be consistent with the Act and any regulations made by the Minister; to require all staff systems and procedures of a municipality to be consistent with uniform standards determined by the Minister by regulation; to bar municipal managers and managers directly accountable to municipal managers from holding political office in political parties; to regulate the employment of municipal employees who have been dismissed; to provide for the approval of staff establishments of municipalities by the respective municipal councils; to prohibit the employment of a person in a municipality if the post to which he or she is appointed is not provided for in the staff establishment of that municipality; and to provide for matters connected therewith.

7.1.11 Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004)

The MEC to support Municipalities with the process to impose rates on property; to assist Municipalities to make provision to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for objections and appeals process and to provide for matters connected therewith.

7.1.12 Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

The Act requires of the Department to advise on sound and sustainable management of the financial affairs of Municipalities and other institutions in the local sphere of government; and to provide for matters connected therewith. The execution of the provisions of the Act is shared with the Provincial Treasury in as far as functions to be performed by the MEC for local government are concerned.

7.1.13 Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)

The Act requires of the Department to acknowledge the framework for the three spheres of government, namely national, provincial and local government, to promote and facilitate intergovernmental relations between the three spheres of government, which are distinctive, interdependent and interrelated; to provide mechanisms and procedures to facilitate the settlement on intergovernmental disputes and incidental matters thereto.

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

Chapter 4 of the Act requires of the Department to take cognisance of provincial disaster management –

Part 1: Provincial Disaster Management Framework:

Section 28 (1) Each Province must establish and implement a framework for disaster management in the Province aimed at ensuring an integrated and uniform approach to disaster management in the Province by all provincial organs of state, provincial statutory functionaries, non-governmental organizations involved in disaster management in the Province and by the private sector.

- (2) A Provincial disaster management framework must be consistent with the provisions of this Act and National Disaster Management Framework.
- (3) (a) Provincial disaster management framework, or any amendment thereto, must be published in the *Provincial gazette*.
- (b) Before establishing or amending a Provincial disaster management framework, particulars of the proposed framework or amendment must be published in the *Provincial gazette* for public comment.

Part 2: Provincial Disaster Management Centres

Section 29(1) Each Province must establish a disaster management centre.

- (2) A Provincial disaster management centre forms part of and functions within the Department.

7.1.15 Fire Brigade Services Act, 1987 (Act No. 99 of 1987)

The Act seeks to provide for the establishment, maintenance, employment, co-ordination and standardization of the brigade services and for matters connected therewith. This is achieved through the Fire Brigade Board and the establishment of the fire services by local municipalities and by recognizing designated fire services in those areas where a fire service is required.

7.1.16 Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019)

The Act provides for the recognition of traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition; to provide for the functions and roles of traditional and Khoi-San leaders; to provide for the recognition, establishment, functions, roles and administration of kingship or queen ship councils, principal traditional councils, traditional councils, Khoi-San councils and traditional sub-councils, as well as the support to such councils; to provide for the establishment, composition and functioning of the National House of Traditional and Khoi-San Leaders; to provide for the establishment of provincial houses of traditional and Khoi-San leaders; to provide for the establishment and composition of local houses of traditional and Khoi-San leaders; to provide for the establishment and operation of the Commission on Khoi-San Matters; to provide for a code of conduct for members of the National House, provincial houses, local houses and all traditional and Khoi-San councils; to provide for regulatory powers of the Minister and Premiers; to provide for transitional arrangements; to amend certain Acts; to provide for the repeal of legislation; and to provide for matters connected therewith.

7.1.17 Mpumalanga Traditional Leadership and Governance Act, 2005 (Act No. 3 of 2005)

The Act requires of the Department to take cognisance and assist to provide for the recognition and withdrawal of recognition of traditional communities; to provide for the establishment and recognition of Traditional Councils; to provide for the recognition and appointment of Traditional Leaders and their removal from office; to provide for the implementation of the Provincial Code of Conduct; and to provide for matters connected therewith.

7.1.18 Mpumalanga Provincial House and Local Houses of Traditional Leaders Act, 2005 (Act No.6 of 2005)

The Act provides for the establishment and composition of the Mpumalanga Provincial House and Local Houses

of Traditional Leaders, determine the procedure for the election of members of the Provincial and Local Houses, to provide for the powers and functions of the Mpumalanga Provincial House and Local Houses of Traditional Leaders and to provide for matters incidental thereto.

7.1.19 Mpumalanga Ingoma Act, 2011 (Act No. 3 of 2011)

The Act seeks to regulate the holding of an Ingoma or initiation schools; the Act empowers the MEC responsible for traditional matters to monitor the holding of an Ingoma; empowers the MEC to make regulations on any matter that will ensure the proper implementation of the Act.

7.1.20 Customary Initiation Act, 2021 (Act No. 2 of 2021)

The Act provides for the effective regulation of customary initiation practices; the Act provides for the establishment of a National Initiation Oversight Committee and Provincial Initiation Coordinating Committees and their functions; to provide for the responsibilities, roles and functions of the various role-players involved in initiation practices as such or in the governance aspects thereof; to provide for the effective regulation of initiation schools; to provide for regulatory powers of the Minister and Premiers; to provide for the monitoring of the implementation of this Act; to provide for provincial peculiarities; and to provide for matters connected therewith.

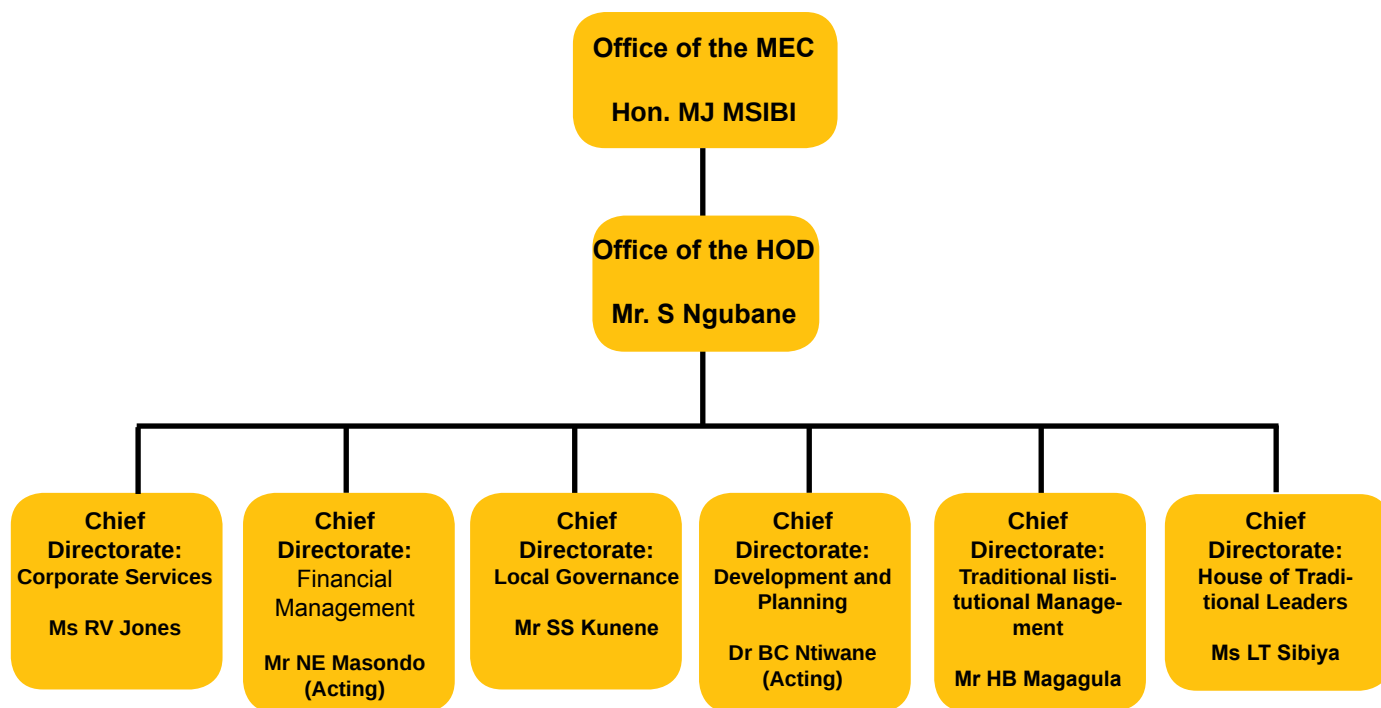
7.1.21 Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013)

The Act seeks to serve as the framework for Municipalities in order to ensure effective spatial planning and land use and management; the MEC would have to strengthen the monitoring of spatial planning and land use management by Municipalities including ensuring compliance with section 156(2) of the Constitution, which stipulates that “A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer”. Therefore, Municipalities in the Province should develop their own planning By-laws.

7.2 Other legislation that also impact on the Department includes:

- Regulations for the Election of the 40% Members of Traditional Councils, 2007
- Mpumalanga Commissions of Inquiry Act, 1998 (Act No. 11 of 1998)
- Public Finance Management Act, 1999 (Act No. 1 of 1999)
- Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998)
- Other enabling legislation of Local Government
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)
- Protection of Personal Information Act, 2013 (Act No. 4 of 2013)
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Public Service Act, 1994
- Public Administration Management Act, 2014 (Act No. 11 of 2014)

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MINISTER/MEC

There are no entities reporting to the MEC of COGTA.

PART B: PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 95 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The core mandate of the Department is to monitor and support Municipalities in terms of S154 of the Constitution which states that national and provincial governments, by legislative and other measures, must support and strengthen the capacity of Municipalities to manage their own affairs, to exercise their powers and to perform their functions.

In terms of 2021/22 audit outcomes out of the twenty (20) municipalities,

- ✓ Two (2) Municipalities received clean audit outcomes (i.e. Ehlanzeni and Nkangala Districts)
- ✓ Nine (9) Municipalities received unqualified with findings (Bushbuckridge, Thaba Chweu, City of Mbombela, Nkomazi, Dr Pixley Ka Isaka Seme, Mkhondo, Gert Sibande, Steve Tshwete and Thembisile Hani).
- ✓ Seven (7) Municipalities received qualified with findings (Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Msukaligwa, Dr JS Moroka, Emalaheni and Victor Khanye).
- ✓ One (1) received adverse outcome with findings (Emakhazeni).
- ✓ One (1) Municipalities received Disclaimers with findings (Lekwa).

In order to assist Municipalities in improving their performance, the Department monitored the implementation of the Back to Basics approach through the Integrated Municipal Support Plan (IMSP) in all Municipalities in the Province, furthermore, the Department together with the Provincial Treasury developed an Audit Improvement Support Plan to assist Municipalities in improving audit outcomes.

The population of the Province has grown from 1 075 488 households as stated in the 2011 Census Report to 1 238 861 as stated in the Community Survey of 2016, therefore an increased demand of basic services such as access to water, sanitation, electricity and refuse removal was inevitable. In meeting the required demand, the Department monitored service delivery programmes implemented by municipalities to provide access to such basic services. 16 PMUs in Local Municipalities were assessed on MIG performance and monitored on the implementation of MIG programme. An expenditure of R1.44 billion (68%) of the MIG allocate on of R2.12 billion has been reported as end of June 2022.

Community unrest in most of the Municipal areas for services such as water, roads and street lights, remains a challenge. In improving Ward level service delivery, the Department supported all 17 Local Municipalities on the implementation of Ward Committee programme and to respond to community concerns. The Department further supported all Local Municipalities and the three (3) District municipalities on the implementation of public participation programmes and assisted municipalities on the establishment of ward committees after the 2021 Local Government Elections. In an effort to bring services to the people, the Department monitored the functionality of twenty-three (23) Thusong Service Centres (TSCs) as an access strategy on service delivery to communities.

The Department supported sixteen (16) Municipalities with GIS implementation in line with the SDI Act provisions and further supported all 20 Municipalities with Spatial Development Framework (SDF) implementation. The Department evaluated fourth one (41) applications for Land Development and rendered 164 Surveys services in order to assist Municipalities in addressing land boundary disputes, identifying stand boundaries for allocation of stands and point out boundaries of properties for construction of low cost housing. The Department further supported all twenty (20) Municipalities in the implementation of SPLUMA on Land Use Management (LUM) during the period under review. Three (3) Municipalities were supported to review their LED Strategies (Bushbuckridge, Dipaleseng and Thembisile Hani), and further established three (3) (Old Mutual Mpumalanga, Umuntu Ngebantfu Social Programme and TWK – AGRI (PTY)). All seventeen (17) Local Municipalities were supported to implement the disaster risk reduction strategies and further supported them on the implementation of Fire Prevention strategies.

The Department continued with the provision of support to institutions of Traditional Leadership through:

- Resolving Traditional disputes, complaints claim and Land cases
- Convening Chairpersons' and Secretaries' Forums respectively
- Funding the day to day administration of the Traditional Council offices
- Mobilising Traditional Councils to participate in ward Committees, IDP processes and Municipal Council

2.2 Service Delivery Improvement Plan

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

Main services and standards

Table 1.4 Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Local Governance	Local Municipalities District Municipalities SALGA	20 Municipalities supported to institutionalize performance management system (PMS)	20 Municipalities supported to institutionalize performance management system	20 Municipalities supported to institutionalize performance management system (PMS) (All municipalities in the province)
Development and Planning	Local Municipalities District Municipalities Sector Departments SALGA	20 Municipalities with reviewed IDPs	20 Municipalities supported with the review of IDPs	20 Municipalities supported with the review of IDPs
Traditional Institution Management	Traditional Councils Senior Traditional Leaders	Tools of trade provided to Traditional Councils verified	60 Traditional Councils' tools of trade verified	60 Traditional Councils' tools of trade verified
House of Traditional Leaders	Local Houses Traditional communities	Provincial House Committees and Local Houses functional	5 Provincial House Committees and 3 Local Houses functional	5 Provincial House Committees and 3 Local Houses functional

Table 1.4.1 Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Public hearings	To get information about service delivery needs	Information gathered and community needs identified
Virtual Meetings (Seminars)	To get information about service delivery needs	Information sharing and decision making on service delivery issues

Table 1.4.2 Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Media (Print and Electronic)	To communicate the activities of the Department to the public with Communication tools	Departmental Newsletters
	To communicate the activities of the Department to the public with Communication tools	Booklets

Table 1.4.3 Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Written complaints	Access to information	Suggestion Boxes available at Head Office and Thusong Service Centres
	Access to information	Departmental post box in place
Verbal complaints	Access to information through telephones	Access to information through telephones
	Access to information through public hearings	Virtual Public Hearings conducted through the Committee on Disputes and Claims
	Access to information	Awareness campaigns

2.3 Organisational environment

During the 2022/2023 financial year, there were changes in the executive leadership of the department. The Honourable Premier pronounced on 10 May 2022 the appointment of the new Member of Executive Authority: MEC, MP Ndlovu after MEC BP Shiba was transferred to the Department of Agriculture Rural Development Land and Environmental Affairs. MEC MP Ndlovu was transferred to the Department of Public Works Roads and Transport on 07 October 2022 and was replaced by the Executive Authority: MEC MJ Msibi.

The Department is operating with the 2012 approved organizational structure and the process to review the organizational structure is underway. During the period under review, a total number of 48 appointments were made to address the issue of vacancies especially in critical positions, of which 03 were SMS posts and this has enhanced accountability and performance.

The Department has developed and implemented the District Development Model (DDM) in line with the National Framework in order to intensify its support towards District One Plan to accelerate service delivery in particular the delivery of basic services within communities. Catalytic projects the impacts of DDM.

2.4 Key policy developments and legislative changes

The following amendments to legislation and key policy developments that affect the operations of the Department for the year under review are as follows:

The Municipal Systems Amendment Act which came into operation on 01 November 2022 amends the Local Government: Municipal Systems Act, 2000.

On 4 November 2022, the Minister of Finance published new Preferential Procurement Regulations (2022 Regulations) which took effect on 16 January 2023 under the Preferential Procurement Policy Framework Act, 2000 (PPPFA).

The purpose of the 2022 Regulations is to:

- Comply with Section 217 of the Constitution on procurement of goods and services by organs of state.
- Comply with the PPPFA of 2000.
- Comply with the Constitutional Court judgment of the Minister of Finance against Afri business NPC (Sakeliga NPC) of February 2022.

A draft Public Procurement Bill (repealing the PPPFA) is being considered.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department's Impact is as follows:

Spatially transformed local municipalities and traditional communities.

The Department's Outcomes are summarized as follows:

1. Efficient and effective administrative support provided to the Department

- ✓ Clean Audit Outcome sustained from 2019/20 to 2021/22 financial year as compared to the five year target of clean Audit Outcome from 2019/20 to 2023/24 as stipulated in the 2020-2025 Strategic Plan of the Department.

2. Improved governance and performance in municipalities

- ✓ 20 Municipalities assessed on signed Senior Management Performance Agreement
- ✓ 20 Municipalities monitored on the effectiveness of S79, S80 committees & LLF
- ✓ 20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions
- ✓ 17 Municipalities supported to institutionalise Batho Pele (Service Standards)
- ✓ 20 Municipalities supported to review their organograms
- ✓ 17 Municipalities guided to comply with the MPRA
- ✓ 20 Municipalities monitored on the extent to which of Anti-corruption measures are implemented
- ✓ 20 Municipalities supported to institutionalize Performance Management Systems.
- ✓ 20 Municipalities monitored on the implementation of workplace skills plan
- ✓ 17 Municipalities supported to resolve community concerns.

3. Improved planning, development coordination and access to basic services

- ✓ 20 Municipalities supported with SDF alignment to the SPLUMA provisions
- ✓ 20 Municipalities supported in the implementation of SPLUMA on LUM
- ✓ 20 Municipalities monitored on the functionality of LED stakeholder Forums
- ✓ 3 Municipalities supported to review LED Strategies
- ✓ 28 546 Work opportunities reported through the Community Work Programme
- ✓ 3 Municipalities supported to maintain functional Disaster Management Centres
- ✓ 1 258 694 households have access to basic water (municipal data)
- ✓ 1 202 384 households have access to basic sanitation (municipal data)
- ✓ 1 284 820 households have access to basic electricity (municipal data)
- ✓ 766 736 households have access to waste removal (municipal data)

4. Improved performance of Traditional Councils

- ✓ 60 Traditional Councils supported to perform their functions by monitoring their operations and financial management
- ✓ 45 Traditional/ Kings Councils supported on the holding of cultural ceremonies
- ✓ 27 Senior Traditional Leaders supported to participate in Municipal Councils sittings
- ✓ 50 Traditional Councils supported to participate in Ward Committees

5. Developed communities in areas of traditional leadership

- ✓ 13 Agricultural Projects monitored in Traditional Communities (Matsamo, Moletete, Moreipuso Siboshwa and Mnisi, Ndundza Mabhoko, 2 Manala Mbongo, Bakgatla Ba Mocha Ba Moepi Ndlela, Madlamakhulu, Ebutsini and Efumbeni).
- ✓ 3 Local Houses participating in District Development Model meetings
- ✓ 3 DDM projects monitored in Traditional Communities (Mlambo, Mpsikazi and Manala Mgibe)

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose of the Programme

This Programme aim at providing effective financial, technical, political and administrative support to Department in terms of Political guidance, Strategic Management, Risk Management, Legal Services, Financial Management, Security Management, Human Resource Management, Transversal services, Planning and Programme Management and Communication & IT services in accordance with the applicable Acts and policies of the Department

List of Sub-programmes

- ✓ Office of the MEC
- ✓ Corporate Services
 - Office of the Head of Department
 - Finance
 - Human Resource Management
 - Legal Services
 - Security Management
 - Planning and Programme Management
 - Communication and IT Support

Outcomes for the financial year under review

- ✓ Efficient and effective administrative support provided to the Department

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 1.4.4.1: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

*(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has **re-tabled** an Annual Performance Plan in the financial year under review)*

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023 until date of re-tabling	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 1: Administration Sub-Programmes Office of the MEC, Finance, and Corporate Services with sub-sub programmes of Human Resource Management, Legal services, Security Management, Planning and Programme Management and Communication and IT Services. All the indicators as reflected on table 1.4.4.2 were indicators on the originally tabled 2022/23 Annual Performance Plan.									

Table 2.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

To be used for a report against the originally tabled Annual Performance Plan (In the instance where a department did not re-table the Annual Performance Plan in the financial year under review) OR Report against the re-tabled Annual Performance Plan

Programme: Administration Sub-programme: Office of the MEC								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	Political guidance provided to Executive Mayors of municipalities	Number of MUNIMEC Forum held	2 MUNIMEC Forum held	2 MUNIMEC forum held	2 MUNIMEC forum held	Achieved 2 MUNIMEC forum held	None	None

Programme: Administration Sub-programme: Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	100% Invoices paid within 30 days	Percentage of invoices paid within 30 days	100% Invoices paid within 30 days	100% Invoices paid within 30 days	100% Invoices paid within 30 days of receipt	Achieved 100% Invoices paid within 30 days of receipt	None	None
	Risk management reports approved	Number of Risk Management Reports approved	4 Risk Management Reports approved	4 Risk Management Reports approved	4 Risk Management Reports approved	Achieved 4 Risk Management Reports approved	None	None

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Human Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	Skills Programme implemented	Number of skills programme implemented	-	-	17 Skills programme implemented	Not Achieved 12 skills programme implemented 1. EMDP 2. AMDP 3. Compulsory Induction 4. Organisational Design 5. Ethics Management training 6. Labour Relations 7. Basic Writing for Government 8. Water and Wastewater reticulation 9. Breaking barriers to Employment 10. Bid Committees 11. GBV Training 12. Service and Delivery Improvements	5 Skills programme not implemented	Delay in signing of memorandum of understanding by the National School of Government, led to the deferment in the implementation of skills programme

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Legal Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	Legal opinions provided within 1 month of request	Number of Legal opinions provided within 1 month of request	100 Legal opinions provided within 1 month of request	226 Legal opinions provided within 1 month of request	100 Legal opinions provided within 1 month of request	Achieved 199 Legal opinions provided within 1 month of request	99 Additional Legal opinions provided within 1 month of request	There was a higher demand for legal opinions

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Security Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	Security assessments conducted	Number of security assessments conducted	-	-	8 Security assessments conducted	Achieved 8 Security assessments conducted	None	None

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Planning and Programme Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	**Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	Annual Performance report approved	Annual Performance Report	2019/20-Annual Performance Plan approved	2021/22 Annual Performance Plan approved	Annual Performance Report approved	Achieved 2021/22 Annual performance Report approved	None	None

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Communication and IT Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Efficient and effective administrative support provided to the Department	Departmental publications designed	Number of Departmental publications designed	-	-	17 Departmental publications designed	Achieved 17 Departmental publications designed	None	None
	Departmental Talk-shows coordinated	Number of Talk-shows coordinated	-	-	12 Departmental Talk-shows coordinated	Achieved 45 Departmental Talk-shows coordinated	33 Additional Talk-shows coordinated	There were more requests from media houses which necessitated more talk shows

Linking performance with budgets

The final budget allocation for the Programme R 159.939 million has increased by 8.1 percent or R 11.325 million in 2022/23 compared to R 140.614 million in 2021/22. This is due to the escalation in the operational cost of the department.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	10 922	10 922	-	8 057	8 055	2
Corporate Services	141 017	141 017	-	132 557	132 517	40
Total	151 939	151 939	-	140 614	140 572	42

Strategy to overcome areas of under performance

The 5 Skills programmes not implemented in the 2022/23 financial year will be implemented during the 2023/24 financial year

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

- The Programme did not have Standardised outputs and output indicator for sectors with concurrent function during the financial year under review and only reported on the Province specific outputs and output indicator as reflected on the Annual Performance Plan.

4.2 Programme 2: Local Governance

Purpose of the Programme

This programme aims at strengthening the administrative and financial capacity of Municipalities as well as deepening democracy at local level in order to ensure that Municipalities perform their developmental responsibilities.

List of the sub-programmes

- ✓ Municipal Administration
 - Inter-Governmental Relations
- ✓ Public Participation
- ✓ Capacity Development
- ✓ Municipal Performance Monitoring Reporting and Evaluation
- ✓ Service Delivery Improvement Unit (Provincial Priority)

Outcomes for the financial year under review

- ✓ Improved governance and performance in municipalities

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 2.4.4.1: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023 until date of re-tabling	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 2: Local Governance Sub-Programmes: Municipal Administration, IGR, Municipal Finance, Public Participation, Capacity Building, Municipal Performance Monitoring reporting and Evaluation and Service Delivery Improvement Unit. All the indicators as reflected on table 2.4.4.2 were indicators on the originally tabled 2022/23 Annual Performance Plan.									

Table 2.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme: Local Governance Sub-programme: Municipal Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Senior Management with signed Performance Agreements	Number of municipalities assessed on signed Senior Management Performance Agreements	20 Municipalities assessed on signed Senior Management Performance Agreements (All municipalities in the Province)	20 Municipalities assessed on signed Senior Management Performance Agreements (All municipalities in the Province)	20 Municipalities assessed on signed Senior Management Performance Agreements	Achieved 20 Municipalities assessed on signed Senior Management Performance Agreements (All municipalities in the Province)	None	None
	Municipalities implementing systems and procedures for personnel administration in line with S67 of MSA	Number of municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA	3 Municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA (Nkomazi, Msukaligwa and Thembeisile Hani)	20 Municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA (All municipalities in the Province)	20 Municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA	Achieved 20 Municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA (All municipalities in the Province)	None	None
	Municipalities with effective S79,S80 committees and LLF	Number of municipalities monitored on effectiveness of S79,S80 committees & LLF	20 Municipalities monitored on effectiveness of S79, S80 Committees & LLF (All municipalities in the Province)	20 Municipalities monitored on effectiveness of S79,S80 committees & LLF (All municipalities in the Province)	20 Municipalities monitored on effectiveness of S79, S80 committees & LLF	Achieved 20 Municipalities monitored on effectiveness of S79, S80 committees & LLF (All municipalities in the Province)	None	None
	Municipalities with effective and stable TROIKAs	Number of municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions	20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions (All municipalities in the Province)	20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions (All municipalities in the Province)	20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions	Achieved 20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions (All municipalities in the Province)	None	None
	Municipalities with approved organograms	Number of municipalities supported to review organograms	5 Municipalities supported to review organogram (Dipaleseng, Lekwa, Emakhazeni, Dr JS Moroka and Ehlanzeni District)	20 Municipalities supported to review organogram (All municipalities in the Province)	20 Municipalities supported to review organograms	Achieved 20 Municipalities supported to review organograms (All municipalities in the Province)	None	None

Programme: Local Governance								
Sub-programme: Municipal Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Municipalities with reviewed Municipal By-Laws	Number of municipalities supported to review Municipal By-Laws	9 Municipalities supported to review Municipal By-laws (Dr Pixley Ka Isaka Seme; Victor Khanye; Dipaleseng; Emalahleni; Nkomazi; Emakhazeni; Dr JS Moroka; Chief Albert Luthuli and Msukaligwa)	9 Municipalities supported to review Municipal By-laws (Dipaleseng, Emalahleni, Victor Khanye, Dr Pixley Ka Isaka Seme, Dr JS Moroka, Nkomazi, Emakhazeni, Msukaligwa and Chief Albert Luthuli)	12 Municipalities supported to review Municipal By-Laws	Achieved 12 Municipalities supported to review Municipal By-Laws (Dipaleseng, Emalahleni, Thembisile Hani, Victor Khanye, Dr Pixley ka Isaka Seme, Dr JS Moroka, Nkomazi, Emakhazeni, Mkhondo, Msukaligwa, Chief Albert Luthuli and Thaba Chweu)	None	None
	Municipalities cascading PMDS to managers	Number of Municipalities monitored on cascading PMDS to managers in terms of chapter 3 of the Regulations on municipal staff	-	-	5 Municipalities monitored on cascading PMDS to managers in terms of chapter 3 of the Regulations on municipal staff	Achieved 5 Municipalities monitored on cascading PMDS to managers in terms of chapter 3 of the Regulations on municipal staff (Thaba Chweu, Chief Albert Luthuli, Msukaligwa, Emakhazeni and Victor Khanye)	None	None
	Municipalities complying with MSA Regulations on the appointment of senior managers	Number of municipalities supported to comply with MSA Regulations on the appointment of senior managers	6 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (Thaba Chweu; Nkomazi; City of Mbombela; Bushbuckridge; Ehlanzeni and Gert Sibande Districts)	20 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (All municipalities in the Province)	20 Municipalities supported to comply with MSA Regulations on the appointment of senior managers	Achieved 20 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (All municipalities in the Province)	None	None

Programme: Local Governance								
Sub-programme: Inter Governmental Relations								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Functional IGR structures at District levels	Number of assessment reports on the performance of IGR structures at district levels	4 Assessment reports on the performance of IGR structures at District levels compiled	4 Assessment reports on the performance of IGR structures at district levels	4 Assessment reports on the performance of IGR structures at district levels	Achieved 4 Assessment reports on the performance of IGR structures at district levels	None	None

Programme: Local Governance Sub-programme: Inter Governmental Relations								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Provincial IGR Framework	Number of Provincial IGR framework finalised	-	-	1 Provincial IGR framework finalised	Achieved 1 Provincial IGR framework finalised	None	None
	Establishment of municipalities after 2021 Local Government Elections	Number of municipalities established after 2021 Local Government Elections	-	-	20 Municipalities established after 2021 Local Government Elections	Achieved 20 Municipalities established after 2021 Local Government Elections (All municipalities in the Province)	None	None
	Petitions responses coordinated	Number of reports on petitions responses coordinated	-	-	2 Reports on petitions responses coordinated	Achieved 2 Reports on petitions responses coordinated	None	None
	Municipal international relations	Number of municipalities monitored on municipal international relations	-	-	2 Municipalities monitored on municipal international relations	Achieved 2 Municipalities monitored on municipal international relations (City of Mbombela and Nkomazi)	None	None

Programme: Local Governance Sub-programme: Municipal Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Audit action plans implemented by municipalities	Number of municipalities supported on the implementation of audit action plans	-	-	20 Municipalities supported on the implementation of audit action plans	Achieved 20 Municipalities supported on the implementation of audit action plans (All municipalities in the Province)	None	None
	Revenue enhancement strategies implemented in municipalities	Number of municipalities monitored on the implementation of revenue enhancement strategies	-	-	17 Municipalities monitored on the implementation of revenue enhancement strategies (property rates and taxes)	Achieved 17 Municipalities monitored on the implementation of revenue enhancement strategies (property rates and taxes) (All local municipalities in the Province)	None	None

Programme: Local Governance Sub-programme: Municipal Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Municipalities complying with the MPRA	Number of municipalities guided to comply with the MPRA	17 Municipalities guided to comply with the MPRA (All local municipalities in the Province)	17 Municipalities guided to comply with the MPRA (All local municipalities in the Province)	17 Municipalities guided to comply with the MPRA	Achieved 17 Municipalities guided to comply with the MPRA (All local municipalities in the Province)	None	None
	Municipalities implementing anti-corruption measures	Number of municipalities monitored on the extent to which anti-corruption measures are implemented	20 Municipalities monitored on the extent to which anti-corruption measures are implemented (All municipalities in the Province)	20 Municipalities monitored on the extent to which anti-corruption measures are implemented (All municipalities in the Province)	20 Municipalities monitored on the extent to which anti-corruption measures are implemented	Achieved 20 Municipalities monitored on the extent to which anti-corruption measures are implemented (All municipalities in the Province)	None	None
	Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure	Number of municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure	-	4 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure (Dipaleseng, Msukaligwa, Dr Pixley Ka Isaka Seme and Dr JS Moroka)	20 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure	Achieved 20 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure (All municipalities in the Province)	None	None

Programme: Local Governance Sub-programme: Public Participation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Reviewed Public Participation Strategy	Number of Public Participation Strategies reviewed	-	-	1 Public Participation Strategy reviewed	Achieved 1 Public Participation Strategy reviewed	None	None
	Inducted Ward Committees	Number of municipalities supported with the induction of Ward Committees	-	-	17 Municipalities supported with the induction of Ward Committees	Achieved 17 Municipalities supported with the induction of Ward Committees (All local municipalities in the Province)	None	None

Programme: Local Governance Sub-programme: Public Participation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Improved communication channels on community engagement	Number of municipalities supported to promote participation in community based local governance processes	3 District municipalities supported on the implementation of public participation programmes (Nkangala, Gert Sibande and Ehlanzeni)	3 District municipalities supported to promote participation in community based local governance processes (Nkangala, Gert Sibande and Ehlanzeni)	3 District municipalities supported to promote participation in community based local governance processes	Achieved 3 District municipalities supported to promote participation in community based local governance processes (Ehlanzeni, Gert Sibande and Nkangala)	None	None
	Functional Ward Committees	Number of municipalities supported to maintain functional ward committees	17 Municipalities supported to on the implementation of ward committee programme (All local municipalities in the Province)	17 Municipalities supported to maintain functional ward committees (All local municipalities in the Province)	17 Municipalities supported to maintain functional ward committees	Achieved 17 Municipalities supported to maintain functional ward committees (All local municipalities in the Province)	None	None
	Interventions on community concerns	Number of municipalities supported to resolve community concerns	17 municipalities supported to respond to community concerns (All local municipalities in the Province)	17 Municipalities supported to resolve community concerns (All local municipalities in the Province)	17 Municipalities supported to resolve community concerns	Achieved 17 Municipalities supported to resolve community concerns (All local municipalities in the Province)	None	None

Programme: Local Governance Sub-programme: Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Workplace skills plans implemented in municipalities	Number of municipalities monitored on the implementation of WSPs	20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	20 Municipalities monitored on the implementation of WSPs	Achieved 20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	None	None

Programme: Local Governance Sub-programme: Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Capacity building programmes implemented in municipalities	Number of capacity building interventions conducted in municipalities	-	3 Capacity Building interventions conducted in Municipalities • (Fire and Rescue Operations for Fire Fighters; Leadership Development programme for Councillors and Revenue Management and Enhancement for Councillors)	4 Capacity building interventions conducted in municipalities	Achieved 4 Capacity building interventions conducted in municipalities (Municipal Public Accounts Committees and Approaches, Methods for Public Participation for Public Participation Coordinators, training for Councillors on IDP and LED and Training for middle Managers on cash and expenditure management)	None	None

Programme: Local Governance Sub-programme: Municipal Performance Monitoring Reporting and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Performance Review sessions conducted	Number of municipal Performance Review sessions conducted	2 Municipal Performance Review Sessions conducted	2 Municipal performance review sessions conducted	2 Municipal Performance Review sessions conducted	Achieved 2 Municipal Performance Review sessions conducted	None	None
	Coordinated support to municipalities to improve service delivery	Number of reports on the implementation of municipal support plans	4 Reports on the implementation of IMSP compiled	4 Reports on the implementation of IMSP compiled	4 Reports on the implementation of municipal support plans	Achieved 4 Reports on the implementation of municipal support plans compiled	None	None
	Report on the status of municipal performance as required by section 47 of MSA of 2000	Number of Section 47 reports compiled as prescribed by the MSA	1 Section 47 Report compiled as prescribed by the MSA	1 Section 47 report compiled as prescribed by the MSA	1 Section 47 report compiled as prescribed by the MSA	Achieved 1 Section 47 report compiled as prescribed by the MSA	None	None
	All municipalities implementing PMS in accordance with chapter 6 of the MSA	Number of municipalities supported to institutionalize the performance management system (PMS)	20 Municipalities supported to institutionalize performance management system (PMS) (All municipalities in the province)	20 Municipalities supported to institutionalize performance management system (PMS) (All municipalities in the Province)	20 Municipalities supported to institutionalize the performance management system (PMS)	Achieved 20 Municipalities supported to institutionalize the performance management system (PMS) (All municipalities in the Province)	None	None

Programme: Local Governance Sub-programme: Municipal Performance Monitoring Reporting and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Municipalities monitored on the implementation of GBVF responsive programmes	Number of municipalities monitored on the implementation of GBVF responsive programmes	-	17 Municipalities monitored on the implementation of GBVF responsive programmes (All local municipalities in the Province)	17 Municipalities monitored on the implementation of GBVF responsive programmes	Achieved 20 Municipalities monitored on the implementation of GBVF responsive programmes (All Municipalities in the Province)	3 Additional municipalities monitored on the implementation of GBVF responsive programmes (Nkangala, Gert Sibande and Ehlanzeni District Municipalities)	District Municipalities assisted local municipalities with the implementation of GBVF responsive programmes in order to address the scourge of gender based violence

Programme: Local Governance Sub-programme: Service Delivery Improvement Unit								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved governance and performance in municipalities	Functional Thusong Service Centres	Number of TSCs monitored on functionality	24 TSCs monitored on functionality (Mbangwane, Daggakraal, Louisville, Moremela, Xhimungwe, Casteel, Adelaide Tambo, Ogies, Klarinet, Doornkop, Marapyane, Verena Breyten, Mpuluzi, Saul Mkhize, Sakhile Thuthukani, Morgenzon, Victor Khanye, Wonderfontein, Siyathemba, Mashishing, Tholulwazi, Umjindi)	24 TSCs monitored on functionality (Mbangwane, Wonderfontein, Mpuluzi, Marapyane, Daggakraal, Ogies, Matsamo, Verena, Louisville, Casteel, Klarinet, Tholulwazi, Umjindi, Victor, Khanye, Siyathemba, Ximungwe, Breyton, Adelaide Tambo, Saul Mkhize, Sakhile, Thuthukani, Morgenzon, Doornkop, Mashishing)	23 TSCs monitored on functionality	Achieved 23 TSCs monitored on functionality (Casteel, Louisville, Tholulwazi, Siyathemba, Ximungwe, Mashishing, Breyton, Doornkop, Adelaide Tambo, Thuthukani, Daggakraal, Wonderfontein, Morgenzon, Verena, Sakhile, Marapyane, Ogies, Matsamo, Klarinet, Victor Khanye, Mbangwane, Mpuluzi and Saul Mkhize)	None	None
	Batho Pele institutionalized in municipalities	Number of municipalities supported to institutionalize Batho Pele	17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the province)	17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the Province)	17 Municipalities supported to institutionalize Batho Pele	Achieved 17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the Province)	None	None
	Community satisfaction survey on Local Government Services conducted	Number of community satisfaction survey on Local Government Services conducted	-	-	1 Community satisfaction survey on Local Government Services conducted	Achieved 1 Community satisfaction survey on Local Government Services conducted	None	None

Linking performance with budgets

The budget for the programme has increased by 19.0 percent or R 40.517 million from R 209.688 million in 2021/22 compared to R 250.205 million in 2022/23. This is due to the development of the Municipal Support Systems that has started in 2022/23 Financial Year. The programme has managed to spend 100 percent of the final budget and all planned targets were achieved.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Support	1 881	1 881	-	1 998	1 998	-
Municipal Administration	30 822	30 821	1	26 892	26 890	2
Municipal Finance	-	-	-	-	-	-
Public participation	175 723	175 722	1	173 096	173 096	-
Capacity Development	4 863	4 863	-	3 583	3 583	-
Municipal Performance Reporting and Evaluation	36 916	36 802	114	4 119	4 119	-
Total	250 205	250 089	116	209 688	209 686	2

Strategy to overcome areas of under performance

None

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

- The Programme had eleven (11) standardised output indicators that were achieved during the period under review as reflected on table 2.4.4.2. The standardized output indicators were planned under the following sub-programmes:
 - (i) *Municipal Administration had one (1) namely:*
 - Number of municipalities supported to comply with MSA regulation
 - (ii) *Municipal finance had three (3) namely:*
 - Number of municipalities guided to comply with the MPRA
 - Number of municipalities monitored on the extent to which anti-corruption measures are implemented
 - Number of municipalities supported to reduce Unauthorised, Irregular, wasteful and fruitless expenditure
 - (iii) *Public participation had three (3) namely:*
 - Number of municipalities supported to promote participation in community based local governance processes
 - Number of municipalities supported to maintain functional ward committees
 - Number of municipalities supported to resolve community concerns
 - (iv) *Capacity Development had one (1) namely:*
 - Number of Capacity Building interventions conducted in municipalities
 - (v) *Municipal Performance Monitoring Reporting and Evaluation Capacity Development had three (3) namely:*
 - Number of Section 47 reports compiled as prescribed by the MSA
 - Number of municipalities supported to institutionalise the Performance management system (PMS)
 - Number of municipalities monitored on the implementation of GBVF responsive programmes.

4.3 Programme 3: Development and Planning

Purpose of the Programme

This programme aims to strengthening Municipalities on development and planning requirements as well as coordinating and enhancing the delivering of quality infrastructure to improve the provision of basic services in local government level.

List of the sub-programmes

- ✓ Strategy Development, Research, Policy and Planning (IDP Coordination)
- ✓ Spatial Planning
- ✓ Land Use Management
- ✓ Local Economic Development
- ✓ Municipal Infrastructure
- ✓ Water Services
- ✓ Disaster Management

Outcome for the financial year under review

- ✓ Improved planning, development coordination and access to basic services

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 3.4.4.1: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023 until date of re-tabling	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 3: Development and Planning Sub-Programmes: Strategy Development, Research, Policy and Planning (IDP Coordination), Spatial Planning, Land Use Management, Local Economic Development, Municipal Infrastructure, Water Services and Disaster Management All the indicators as reflected on table 3.4.4.2 were indicators on the originally tabled 2022/23 Annual Performance Plan.									

Table 3.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme: Development and Planning Sub-programme: Strategy Development, Research, Policy and Planning (IDP Coordination)									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Improved planning, development coordination and access to basic services	IDP process monitoring reports	Number of municipalities monitored on the prescribed IDP process	20 Municipalities monitored on the prescribed IDP process (All Municipalities in the Province)	20 Municipalities monitored on the prescribed IDP process (All municipalities in the Province)	20 Municipalities monitored on the prescribed IDP process	Achieved 20 Municipalities monitored on the prescribed IDP process (All municipalities in the Province)	None	None	
	Legally compliant IDPs	Number of municipalities with legally compliant IDPs	20 Municipalities supported with the review of IDPs (All Municipalities in the Province)	20 Municipalities with legally compliant IDPs (All municipalities in the Province)	20 Municipalities with legally compliant IDPs	Achieved 20 Municipalities with legally compliant IDPs (All municipalities in the Province)	None	None	
	District One Plans	Number of Districts/ Metros monitored on the implementation of One Plans	3 District municipalities monitored on the development of District Development Model Plans	3 Districts supported to develop One Plans (Ehlanzeni, Gert Sibande and Nkangala)	3 Districts monitored on the implementation of One Plans	Achieved 3 Districts monitored on the implementation of One Plans (Ehlanzeni, Gert Sibande and Nkangala)	None	None	

Programme: Development and Planning Sub-programme: Spatial Planning								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved planning, development coordination and access to basic services	Municipal SDFs compliant with SPLUMA provisions	Number of municipalities supported with SDF alignment to the SPLUMA provisions	20 Municipalities supported with SDF alignment to the SPLUMA provisions (All municipalities in the Province)	20 Municipalities supported with SDF alignment to the SPLUMA provisions (All municipalities in the Province)	20 Municipalities supported with SDF alignment to the SPLUMA provisions	Achieved 20 Municipalities supported with SDF alignment to the SPLUMA provisions (All municipalities in the Province)	None	None
	Municipal GIS compliant with SDI Act provisions	Number of municipalities supported with GIS implementation in line with the SDI Act provisions	8 Municipalities supported with GIS implementation in line with the SDI Act provisions (Ehlanzeni DM, Bushbuckridge, Govan Mbeki, Msukaligwa, Nkangala DM, Gert Sibande DM, Steve Tshwete and Nkomazi)	12 Municipalities supported with GIS implementation in line with the SDI Act provisions (Nkomazi, Steve Tshwete, Govan Mbeki, Lekwa, Nkangala, Thembisile Hani, Bushbuckridge, Msukaligwa, Dr Pixley Ka Isaka Seme, Gert Sibande, Thaba Chweu and Ehlanzeni)	16 Municipalities supported with GIS implementation in line with the SDI Act provisions	Achieved 16 Municipalities supported with GIS implementation in line with the SDI Act provisions (Nkomazi, Steve Tshwete, Govan Mbeki, Lekwa, Thembisile Hani, Nkangala, Bushbuckridge, Msukaligwa, Dr Pixley Ka Isaka Seme, Gert Sibande, Dr JS Moroka, Emakhazeni, Thaba Chweu, Emalahleni, City of Mbombela and Ehlanzeni)	None	None
	Municipal SDFs implemented	Number of municipalities supported with SDF implementation	20 Municipalities supported on with SDF implementation (All municipalities in the Province)	20 Municipalities supported with SDF implementation (All municipalities in the Province)	20 Municipalities supported with SDF implementation	Achieved 20 Municipalities supported with SDF implementation (All municipalities in the Province)	None	None
	Provincial Spatial Development Framework (PSDF) projects implemented	Number of PSDF projects monitored	2 PSDF proposals initiated (Nkomazi RSDF : Appointment of the service provider has been concluded) (Human Settlement Master Plan : The draft has been compiled and is going through the consultation processes)	2 Provincial Spatial Development Framework (PSDF) projects monitored (Sustainable Human Settlements Master Plan and Regional Spatial Development Framework)	2 PSDF projects monitored	Achieved 3 PSDF projects monitored (RSDF, PHSHDA and Nkosi City)	1 Additional PSDF projects monitored (Nkosi City)	The PHSHDA is an additional provincial priority project identified to be monitored in line with the PSDF proposals

Programme: Development and Planning								
Sub-programme: Land Use Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved planning, development coordination and access to basic services	Planning evaluations	Number of planning evaluations conducted	34 Planning evaluations conducted	36 Planning evaluations conducted	30 Planning evaluations conducted	Achieved 41 Planning evaluations conducted	11 Additional planning evaluations conducted	More planning evaluation requests received
	Surveyed land in the province	Number of survey services rendered in the Province	117 Survey services rendered in the Province	219 Survey services rendered in the Province	150 Survey services rendered in the Province	Achieved 164 Survey services rendered in the Province	14 Additional survey services rendered in the Province	More requests for survey services received
	SPLUMA on land use management implemented	Number of municipalities supported in the implementation of SPLUMA on LUM	20 Municipalities supported in the implementation of SPLUMA on LUM (All municipalities in the province)	20 Municipalities supported in the implementation of SPLUMA on LUM (All municipalities in the Province)	20 Municipalities supported in the implementation of SPLUMA on LUM	Achieved 20 Municipalities supported in the implementation of SPLUMA on LUM (All municipalities in the Province)	None	None
	Land parcels sub-divided	Number of municipalities assisted with subdivision of land parcels	-	-	3 Municipalities assisted with subdivision of land parcels	Achieved 3 Municipalities assisted with subdivision of land parcels (Thaba Chweu, Thembisile Hani and Msukaligwa)	None	None

Programme: Development and Planning								
Sub-programme: Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved planning, development coordination and access to basic services	Monitoring Reports on Functional LED Forums	Number of municipalities monitored on the functionality of LED Forums	20 Municipalities monitored on the functionality of LED Forums (All municipalities in the Province)	20 Municipalities monitored on the functionality of LED Forums (All municipalities in the Province)	20 Municipalities monitored on the functionality of LED Forums	Achieved 20 Municipalities monitored on the functionality of LED Forums (All municipalities in the Province)	None	None
	Final Draft LED Strategies	Number of municipalities supported to review LED strategies	3 Municipalities supported to review LED strategies (Msukaligwa, Dr Pixley Ka Isaka Seme and Victor Khanye)	3 Municipalities supported to review LED Strategies (Dr Pixley Ka Isaka Seme, Msukaligwa and Victor Khanye)	3 Municipalities supported to review LED strategies	Achieved 3 Municipalities supported to review LED strategies (Bushbuckridge, Dipaleseng and Thembeisile Hani)	None	None
	Established partnerships to implement the Anti-Poverty Strategy	Number of partnerships established to implement the Anti-Poverty Strategy	3 Partnerships established to implement the Anti-Poverty Strategy (Old Mutual, TRAC N4 and Voices on Youth)	3 Partnerships established to implement Anti-Poverty Strategy 1. Old Mutual Partnership on provision of school uniform to 90 needy students of Violet Jiyane School 2. Standerton Oil Mills to supplied water tanks to CWP in Lekwa Local Municipality 3. Partnered with Old Mutual to provide sewing machines to women in Traditional Communities	3 Partnerships established to implement the Anti-Poverty Strategy	Achieved 3 Partnerships established to implement the Anti-Poverty Strategy (Old Mutual Mpumalanga, Umuntu Ngebantú Social Programme and TWK – AGRI (PTY))	None	None
	Work Opportunities created through the EPWP Youth Waste Management Project	Number of work opportunities created through EPWP	140 Work Opportunities created through EPWP (YWMP)	140 Work Opportunities created through EPWP (YWMP)	140 Work opportunities-created-through EPWP	Achieved 140 Work opportunities created-through EPWP (YWMP)	None	None
	Monitoring Reports on Economic Recovery Plans implemented through District Municipalities	Number of municipalities monitored on the implementation of the Economic Recovery Plans	-	3 District Municipalities monitored in the implementation of Economic Recovery Plans (Ehlanzeni, Gert Sibande and Nkangala)	3 District municipalities monitored on the implementation of the Economic Recovery Plans	Achieved 3 District municipalities monitored on the implementation of the Economic Recovery Plans (Ehlanzeni, Gert Sibande and Nkangala)	None	None

Programme: Development and Planning Sub-programme: Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Work Opportunities created through CWP	Number of work opportunities reported through Community Works Programme (CWP)	17 Municipalities monitored on the implementation of CWP (All local municipalities in the Province)	27 436 Work Opportunities reported through Community Works Programme	26 000 Work opportunities reported through Community Works Programme	Achieved 28 546 Work opportunities reported through Community Works Programme	2 546 Additional Work opportunities reported through Community Works Programme	Additional allocation of CWP participants

Programme: Development and Planning Sub-programme: Municipal infrastructure								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved planning, development coordination and access to basic services	DBSA funded programmes implemented	Number of programmes implemented by PPMU	4 Municipalities supported on implementation of municipal plans through Provincial PMU (Lekwa, Emalahleni, Thaba Chweu and Govan Mbeki)	3 Programmes Implemented by PPMU (Asset Care, Master Planning and Project Preparation)	3 Programmes implemented by PPMU (Asset Care, Master Planning and Project preparation)	Achieved 3 Programmes implemented by PPMU (Asset Care, Master Planning and Project preparation)	None	None
	MIG programmes implemented in municipalities	Number of municipalities monitored on the implementation of MIG programme	17 Municipalities monitored on the implementation of MIG programme (All local municipalities in the Province) An expenditure of R1.18 billion (68%) of the MIG allocation of R1.73 billion has been reported as at end of March 2021	16 Municipalities monitored on the implementation of MIG programme (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Msukaligwa, Victor Khanye and Dr JS Moroka) An expenditure of R1.26 billion (66%) of the revised MIG allocation of R1.90 billion has been reported as at end of March 2022 including the additional funding of R45.74 million allocated to Lekwa, Dipaleseng, Mkhondo and Nkomazi municipalities	16 Municipalities monitored on the implementation of MIG programme	Achieved 16 Municipalities monitored on the implementation of MIG programme. (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Msukaligwa, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Victor Khanye and Dr JS Moroka)	None	None

Programme: Development and Planning Sub-programme: Municipal infrastructure								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	PMU performance Assessed on MIG programme	Number of PMUs in municipalities assessed on MIG performance	17 PMUs in municipalities assessed on MIG performance (All local municipalities in the Province)	16 PMUs in municipalities assessed on MIG performance (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Msukaligwa, Victor Khanye and Dr JS Moroka)	16 PMUs in municipalities assessed on MIG performance	Achieved 16 PMUs in municipalities assessed on MIG performance (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Msukaligwa, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Victor Khanye and Dr JS Moroka)	None	None
	Projects funded by the National Grants implemented	Number of Districts monitored on the spending of National Grants	-	3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP, IUDG) (Ehlanzeni, Gert Sibande and Nkangala)	3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP, IUDG)	Achieved 3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP and IUDG)	None	None
	Projects on Water, Sanitation, Electricity and Refuse Removal implemented in communities	Number of municipalities monitored on the implementation of infrastructure delivery programmes	17 Municipalities supported with service delivery programmes (Water, Sanitation, Electricity and Refuse Removal) (All local municipalities in the Province)	17 Municipalities monitored on the implementation of infrastructure delivery programmes (Water, Sanitation, Electricity and Refuse removal) (All local municipalities in the Province)	17 Municipalities monitored on the implementation of infrastructure delivery programmes (Water, Sanitation, Electricity and Refuse removal)	Achieved 17 Municipalities monitored on the implementation of infrastructure delivery programmes (Water, Sanitation, Electricity and Refuse Removal) (All local municipalities in the Province)	None	None

Programme: Development and Planning								
Sub-programme: Water Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved planning, development coordination and access to basic services	Municipalities monitored on the functionality of Water Treatment Plants	Number of municipalities monitored on the functionality of Water Treatment Plants	17 Municipalities monitored on the functionality of Water Treatment Plants (All local municipalities in the Province)	17 Municipalities monitored on the functionality of Water Treatment Plants (All local municipalities in the Province)	17 Municipalities monitored on the functionality of Water Treatment Plants	Achieved 17 Municipalities monitored on the functionality of Water Treatment Plants (All local municipalities in the Province)	None	None
	Municipalities monitored on the functionality of Waste Water Treatment Plants	Number of municipalities monitored on the functionality of Waste Water Treatment Plants	17 Municipalities monitored on the functionality of Waste Water Treatment Plants (All local municipalities in the Province)	17 Municipalities monitored on the functionality of Waste Water Treatment Plants (All local municipalities in the Province)	17 Municipalities monitored on the functionality of Waste Water Treatment Plants	Achieved 17 Municipalities monitored on the functionality of Waste Water Treatment Plants (All local municipalities in the Province)	None	None
	Provincial Water Master Plan	Number of Master Plans developed	-	-	1 Provincial Water master plan developed	Achieved 1 Provincial Water master plan developed	None	None
	Regional Dam developed	Number of regional dams development monitored	-	-	1 Regional dam development monitored	Achieved 1 Regional dam development monitored	None	None
	Municipalities implement indigent policies	Number of municipalities monitored on the implementation of indigent policies	17 Municipalities supported to implement indigent policies (All local municipalities in the Province)	17 Municipalities monitored on the implementation of indigent policies (All local municipalities in the Province)	17 Municipalities monitored on the implementation of indigent policies	Achieved 17 Municipalities monitored on the implementation of Indigent Policies (All local municipalities in the Province)	None	None

Programme: Development and Planning								
Sub-programme: Disaster Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved planning, development coordination and access to basic services	Disaster Risk Reduction Strategies implemented in the Province	Number of disaster risk reduction strategies implemented	17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	17 Disaster risk reduction strategies implemented	Achieved 17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	None	None

Programme: Development and Planning Sub-programme: Disaster Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Infrastructure readiness plans responsive to climate change and disaster developed	Number of districts supported on the development of infrastructure readiness plans responsive to climate change and disaster	-	-	3 Districts supported on the development of infrastructure readiness plans responsive to climate change and disaster	Achieved 3 Districts supported on the development of infrastructure readiness plans responsive to climate change and disaster (Ehlanzeni, Nkangala and Gert Sibande)	None	None
	Municipal status on functional Fire Brigade Services	Number of municipalities supported on Fire Brigade Services	17 Municipalities supported on the implementation of Fire prevention strategies (All local municipalities in the Province)	17 Municipalities supported on Fire Brigade Services (All local municipalities in the Province)	17 Municipalities supported on Fire Brigade Services	Achieved 17 Municipalities supported on Fire Brigade Services (All local municipalities in the Province)	None	None
	Functional Disaster Management Centres	Number of municipalities supported to maintain functional Disaster Management Centres	3 Municipalities supported to maintain functional Disaster Management Centres (Gert Sibande, Nkangala and Ehlanzeni District municipalities)	3 Municipalities supported to maintain functional Disaster Management Centres (Nkangala, Ehlanzeni and Gert Sibande District Municipalities)	3 Municipalities supported to maintain functional Disaster Management Centres	Achieved 3 Municipalities supported to maintain functional Disaster Management Centres (Nkangala, Ehlanzeni and Gert Sibande)	None	None

Linking performance with budgets

The final budget for the programme amounts to R 115.660 million and has decreased by 64.6 percent or R 211.180 million from R 326.840 million in 2021/22. This is due to the once off allocations for the rehabilitation of disaster damaged infrastructure and the procurement of Disaster Relief Materials in the province. The programme has managed to spend 100 per cent of the final allocation and has in turn achieved 100 per cent of the planned targets for the financial year. However, some infrastructure repair projects were completed in 2022/23 financial year.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Support	32	32	-	276	276	-
Strategy Development, Research and Policy (IDP)	3 399	3 399	-	2 718	2 716	2
Spatial Planning	2 640	2 640	-	4 508	4 508	-
Land Use Management	12 596	12 596	-	13 136	13 136	-
Local Economic Development	9 407	9 407	-	7 291	7 291	-
Municipal Infrastructure	7 917	7 917	-	4 498	4 497	1
Disaster Management	79 669	79 664	5	294 413	270,613	23 800
Total	115 660	115 655	5	326 840	303 037	23 803

Strategy to overcome areas of under performance

None.

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

- The Programme had eight (8) standardized output indicators that were achieved during the period under review as reflected on table 2.4.4.1. The standardized output indicators were planned under the following sub-programmes:
 - (i) *Strategy development, research policy and planning (IDP Coordination) had two (2) namely:*
 - Number of municipalities with legally compliant IDPs
 - Number of district/Metro supported to develop one plans had one (1) namely:
 - (ii) *Local Economic Development*
 - Number of Work Opportunities reported through the Community Works programme
 - (iii) *Municipal Infrastructure had two (2) namely:*
 - Number of districts monitored on the spending of National Grants
 - Number of municipalities monitored on the implementation of infrastructure delivery programmes
 - (iv) *Water Services had one (1) namely:*
 - Number of municipalities monitored on the implementation of indigent policies
 - (v) *Disaster Management had one (1) namely:*
 - Number of municipalities monitored on fire brigade services
 - Number of municipalities supported to maintain functional Disaster Management Centres

4.4 Programme 4: Traditional Institutional Management

Purpose of the Programme

To strengthen the institution of Traditional Leaders in order to fulfil its mandate through sound financial and administrative management of Traditional Councils.

List of the sub-programmes

- ✓ Traditional Institutional Administration
- ✓ Traditional Resource Administration
- ✓ Rural Development Facilitation
- ✓ Traditional Land Administration

Outcome for the financial year under review

- ✓ Improved performance of Traditional Councils

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 4.4.4.1: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023 until date of re-tabling	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 4: Traditional Institutional Management: Traditional Institutional Administration, Traditional Resource Administration, Rural Development Facilitation and Traditional Land Administration. All the indicators as reflected on table 4.4.4.2 were indicators on the originally tabled 2022/23 Annual Performance Plan.									

Table 4.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme: Traditional Institutional Management Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved performance of Traditional Councils	Capacity building programmes implemented for Traditional Councils	Number of Capacity building programmes implemented for Traditional Councils	2 Capacity building programmes implemented for Traditional Councils (District Development Model and Financial Management)	2 Capacity building programmes implemented for Traditional Councils (Legislative prescripts and Financial Management) (Ehlanzeni, Nkangala and Gert Sibande)	2 Capacity building programmes implemented for Traditional Councils	Achieved 2 Capacity building programme implemented for Traditional Councils (Legislative prescripts and Financial Management)	None	None
	Traditional Leadership claims processed	Percentage of Traditional Leadership claims processed	-	-	100% (6) Traditional Leadership claims processed	Achieved 100% (6) Traditional Leadership claims processed (Matsamo recognition of Senior Traditional Leader, Mnisi Chieftancy claim, Matsamo removal of Senior Traditional Leader, recognition of Mhlanga, Sukazi Chieftancy and Shongwe of Mdladla Chieftainship)	None	None
	Traditional Leadership succession disputes processed	Percentage of Traditional Leadership succession disputes processed	6 Traditional Leadership succession claims / disputes processed: (Somloyisani – Chieftainship recognition; Sebothoma – Chieftainship recognition; Chiloane – application for a Regent for Moletele TC by the Bakgomana Ba Chiloane; Mr MF Mashego – disputing the current incumbent of the Traditional Council; Sothinabantu – Chieftancy claim; Mr Mahlangu – Request for recognition of 20 Senior Traditional Leaders under King Ndzundza Ka Musi II)	133% (8) Traditional Leadership succession claims/disputes received and processed 1. Babina Tshwene 2. Thabethe 3. Mawewe state of Affairs 4. Mnisi – Mantjolo 5. Recognition of Masibekela Traditional community 6. Recognition of a Senior Traditional Leader Mandlamakhulu TC. 7. Recognition of Senior Traditional Leader Amashangana TC 8. Ndzundza Mabusa	100% (3) Traditional Leadership succession disputes processed	Achieved 133% (4) Traditional Leadership succession disputes processed (Hoxane TC, Chiloane Rooi – Moletele TC, Mashilane TC dispute and Matsane and Mathibela dispute)	33%(1) Additional Traditional Leadership succession disputes processed	There were more leadership succession disputes received

Programme: Traditional Institutional Management Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Traditional Councils supported to perform their functions	Number of Traditional Councils supported to perform their functions	60 Traditional Councils supported to perform their functions (All Traditional Councils in the Province)	60 Traditional Councils supported to perform their functions (All Traditional Councils in the Province)	60 Traditional Councils supported to perform their functions	Achieved 60 Traditional Councils supported to perform their functions (All Traditional Councils in the Province)	None	None

Programme: Traditional Institutional Management Sub-programme: Traditional Resource Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved performance of Traditional Councils	Tools of trade provided to Traditional councils verified	Number of Traditional Councils' tools of trade verified	60 Traditional Councils' tools of trade verified (All Traditional Councils in the Province)	60 Traditional Councils' tools of trade verified (All Traditional Councils in the Province)	60 Traditional Councils' Tools of trade verified	Achieved 60 Traditional Councils tools of trade verified (All Traditional Councils in the Province)	None	None

Programme: Traditional Institutional Management Sub-programme: Traditional Resource Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Traditional/ Kings' Councils holding cultural ceremonies	Number of Traditional/ Kings Councils supported on the holding of cultural ceremonies	-	-	43 Traditional/ Kings Councils supported on the holding of cultural ceremonies	Achieved 45 Traditional/ Kings Councils supported on the holding of cultural ceremonies 1. Manala Mbhongo 1. Emjindini 2. Mnisi 3. Mahlaphahlapha 4. Madlangampisi 5. Madabukela 6. Mandlamakhulu 7. Ebutsini 8. Ndzundza Somphalali 9. Lekgoetla 10. Enkhaba 11. Ndlela 12. Mpakeni 13. Jongilanga 14. Somcuba Bhevula 15. Malele 16. Moletele 17. Mpisikazi 18. Manala Mgibe 19. Ndzundza Pungutsha 20. Mogane 21. Msogwaba 22. Lomshiyo 23. Siboshwa 24. Mbuyane 25. Hhoyi 26. Kgarudi 27. Duma 28. Enikwakuyengwa 29. Nkambeni 30. Bakgatla Ba Seabe 31. Bakgatla Ba Mmakau 32. Mhlaba 33. Manala Mbongo KC 34. Gutshwa 35. Embhuleni 36. Mlambo 37. Ndzundza Mabhongo KC 38. Luggedlane 39. Masoyi 40. Ndundza Mabhoko 41. Emfumbeni, 42. Mohlala 43. Manala Makerana 44. Mashilane	2 Additional Traditional/ Kings Councils supported on the holding of cultural ceremonies	More Traditional Councils were supposed to hold their cultural functions

Programme: Traditional Institutional Management Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved performance of Traditional Councils	Traditional councils supported to participate in municipal council sittings	Number of Senior Traditional Leaders supported to participate in municipal council sittings	11 Senior Traditional Leaders supported to participate in Municipal Councils (Moreipuso, Mandlana, Ndzundza Fene, Bakgatla Ba Moepi, KwaNdwelaza, Mdluli, Enikwakuye ngwa, Hoxane, Mathibela, Ogenyaneni and Hhoyi)	27 Senior Traditional Leaders supported to participate in municipal council sittings 1. Mdluli 2. Gutshwa 3. Mpsikazi 4. Kwandwalaza 5. Msogwaba 6. Ogenyaneni 7. Duma 8. Mpakeni 9. Hoxane 10. Ndzundza Pungutsha 11. Ndlela 12. Lomshiyo 13. Thabakgolo 14. Masoyi 15. Mogane 16. Mbuyane 17. Emjindini 18. Barolong Balefifi 19. Malele 20. Enikwaku yengwa 21. Ndzundza Fene 22. Moreipuso 23. Ndzundza Somphalali 24. Lekgoetla 25. Emfumbeni 26. Manala Makerana 27. Bakgatla Ba Mocha Ba Moepi	27 Senior Traditional Leaders supported to participate in municipal council sittings	Achieved 27 Senior Traditional Leaders supported to participate in municipal council sittings 1. Lekgoetla 2. Gutshwa 3. Mpsikazi 4. Kwandwalaza 5. Msogwaba 6. Ndzundza Fene 7. Ogenyaneni 8. Mdluli 9. Duma 10. Mpakeni 11. Hoxane 12. Ndzundza Pungutsha 13. Ndlela 14. Lomshiyo 15. Masoyi 16. Mogane 17. Mbuyane 18. Emjindini 19. Barolong Balefifi 20. Malele 21. Enikwaku yengwa 22. Sethlare 23. Mhlaba 24. Thabakgolo 25. Mantjolo 26. Manala Makerane 27. Bakgatla Ba Mocha Ba Moepi	None	None

Programme: Traditional Institutional Management Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Traditional councils participating in IDP processes	Number of Traditional Councils supported to participate in IDP processes	56 Traditional Councils supported to participate in the IDP processes (Moreipuso, Mogane, Thabakgolo, Malele, Ogenyaneni, Amashangana, Sethlare, Gutshwa, Hhoyi, Masoyi, Msogwaba, Mbuyane, Enkambeni, Luggedlane, Ebutsini, Somcuba Bhevula, Ndlela, Mandlamakhulu, Embhuleni, Enikwaku yengwa, Mahlapha hlapha, Ndzundza Somphalali, Bakgatla Ba Mmakau, Ndzundza Manbusa, Madabukela, Duma, Emfumbeni, Mpisikazi, Manala Mgibe, Barolong Ba-Lefifi, Ndzundza Mabhoko, Manala Makerane, Mawewe, Manala Mbongo, Ndzundza Pungutsha, Mnisi, Moletete, Bakgatla Ba Moepi, Bakgatla Ba Seabe, Mdluli, Mandlangampisi, Hhoyi, Hoxane, Enkhaba, Lomshiyo, Mhlaba, Mathibela, Emjindini, Mlambo, KwaNdwalaza, Kgarudi, Mashilane, Ndzundza Fene, Bakgatla Ba Mmakau, Lekgoetla and Jongilanga)	58 Traditional Councils supported to participate in IDP processes 1. Enikwaku yengwa 2. Mandlamakhulu 3. Madlangampisi 4. Emfumbeni 5. Madabukela 6. Mahlaphahlapha 7. Duma 8. Mantjolo 9. Ebutsini 10. Mpisikazi 11. Enkhaba 12. Ndlela 13. Kwa-Ndwalaza 14. Ogenyaneni 15. Embhuleni 16. Somcuba Bhevula 17. Matsamo 18. Nkambeni 19. Mogane 20. Kwa-Luggedlane 21. Masoyi 22. Gutshwa 23. Mhlaba 24. Thabakgolo 25. Msogwaba 26. Emjindini 27. Lomshiyo 28. Mlambo 29. Hoxane 30. Malele 31. Mnisi 32. Moletete 33. Mathibela 34. Amashangana 35. Mdluli 36. Mawewe 37. Mbuyane 38. Jongilanga 39. Kgarudi 40. Mashilane 41. Mhlala Morudi 42. Siboshwa 43. Hhoyi 44. Sethlare 45. Moreipuso 46. Manala Mbongo 47. Ndzundza Mabhoko 48. Manala Mgibe 49. Manala Makerana 50. Ndzundza Fene 51. Ndzundza Somphalali 52. Ndzundza Mabusu 53. Bakgatla Ba Mocha Ba Maloka 54. Bakgatla Ba Mocha Ba Moepi 55. Bakgatla Ba Seabe 56. Bakgatla Ba Mmakau 57. Barolong Ba Lefifi 58. Ndzundza Pungutsha	60 Traditional Councils supported to participate in IDP processes	Achieved 60 Traditional Councils supported to participate in IDP processes (All Traditional Councils in the Province)	None	None

Programme: Traditional Institutional Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Traditional Councils supported to participate in Ward Committees	Number of Traditional Councils supported to participate in Ward Committees	40 Traditional Councils participating in Ward Committees (Malele, Ebutsini, Mandlangampisi, Ndzungza Somphalali, Ndzungza Mabusa, Thabakgolo, Embhuleni, Jongilanga, Manala Mbhongo, Ndzungza Mabhoko, Ogenyaneni, KwaNdwalaza, Manala Mgibe, Mathibela, Sethlare, Moletete, Bakgtla Ba Maloka, Ndlela, Ndzungza Pungutja, Mnisi, Barolong Ba Lefifi, Emfumbeni, Mpsikazi, Mahlaphahlapha, Mhlaba, Luggedlane, Hhoyi, Enkhaba, Lekgoetla, Duma, Masoyi, Mbuyane, Nkambeni, Moreipuso, Somcuba Bhevula, Mandlamakhulu, Mlambo, Ndzungza Fene, Mashilane, Mogane)	45 Traditional Councils supported to participate in ward committees 1.Ndzundza Mabusa 2. Bakgatla Ba Mocha Ba Moloka 3. Ndlela 4. Ndzungza-Somphalali 5. Ndzungza-Pungutsha 6. Mnisi 7. Barolong Ba Lefifi 8. Emfumbeni 9. Malele 10. Ebutsini 11. Msogwaba 12.Mandlangampisi 13. Thabakgolo 14. Embhuleni 15. Jongilanga 16 Manala-Mbhongo 17. Ndzungza-Mabhoko 18. Ogenyaneni 19. Kwandwalaza 20.Enikakuyengwa 21. Mathibela 22. Sethlare 23. Duma 24. Emjindini 25. Moletete 26. Mpsikazi 27. Mahlaphahlapha 28. Mhlaba 29. Luggedlane 30. Manala Mgibe, 31. Hhoyi 32. Nkaba 33. Lekgoetla 34. Hoxane 35. Masoyi 36. Mbuyane 37. Nkambeni 38. Moreipuso 39. Somcuba Bhevula 40. Mandlamakhulu 41. Mpakeni 42. Ndzungza Fene 43. Mashilane 44. Mdluli 45. Mogane	50 Traditional Councils supported to participate in Ward Committees	Achieved 50 Traditional Councils supported to participate in Ward Committees 1. Manala Mbongo 2. Ndzungza Mabhoko 3. Manala Mgibe 4. Manala Makerane 5. Ndzungza Fene 6. Ndzungza Somphalali 7. Ndzungza Mabusa 8. Bakgatla Ba Mocha Ba Maloka 9. Enikakuyengwa 10. Lekgoetla 11. Mandlamakhulu 12. Mandlangampisi 13. Matsamo 14. Nkambeni 15. Mogane 16. Luggedlane 17. Masoyi 18. Gutshwa 19. Mhlaba 20. Thabakgolo 21. Msogwaba 22. Emjindini 23. Mpakeni 24. Lomshiyo 25. Mlambo 26. Hoxane 27. Malele 28. Mnisi 29. Moletete 30. Mathibela 31. Amashangana 32. Mdluli 33. Mawewe 34. Mbuyane 35. Jongilanga 36. Kgarudi 37. Mashilane 38. Mohlala 39. Siboshwa 40. Hhoyi 41. Emfumbeni 42. Madabukela 43. Mahlaphahlapha 44. Duma 45. Mantjolo 46. Ebutsini 47. Mpsikazi 48. Enkhaba 49. Ndlela 50. Kwandwalaza	None	None
	Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal) developed	1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal) developed	1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	Achieved 1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	None	None

Programme: Traditional Institutional Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Traditional Councils reconstituted	Number of Traditional Councils reconstituted	-	-	58 Traditional Councils reconstituted	Not Achieved	58 Traditional Councils not reconstituted	The Mpumalanga House of Traditional and Khoi-San (MPHTL) has taken a resolution to suspend the project on reconstitution of Traditional Councils until their concerns are resolved
	Traditional Councils constructed	Number of Traditional Councils constructed	-	-	12 Traditional Councils constructed	Not Achieved	12 Traditional Councils not constructed	The funding for the project was rescheduled to the 2023/24 financial year due to inclement weather conditions that caused slow implementation of the projects
	Traditional Councils renovated	Number of Traditional Councils renovated	-	-	8 Traditional Councils renovated	Not Achieved	8 Traditional Councils not renovated	The funding for the project was rescheduled to the 2023/24 financial year

Programme: Traditional Institutional Management								
Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved performance of Traditional Councils	Traditional land cases resolved	Number of Traditional land cases resolved within two months of receipt	17 Traditional land cases resolved within 2 months of receipt (Illegal stands allocation – Siboshwa TC v/s Mr Thobela; Land dispute – Gutshwa TC v/s Mr Makhabane; Business site dispute – Mr Mgwenya v/s/ Mr Shongwe; Land invasion – Mpsikazi TC v/s Mr Vincent Masina; Boundary dispute between Mdluli TC and Enkambeni TC; Stand dispute – Mr Richard Malumane v/s Enkambeni TC; Stand / house dispute – Msogwaba TC v/s Ms Nkhosi; Land dispute between Mokoena family and Mdluli TC; Land dispute between Mgwenya families and Gutshwa TC; Land dispute between Sethlare TC and Local Farmers; Land dispute between Moreipuso TC and Local Farmers; Land dispute between Mpakeni TC and Mdluli family; Land dispute between Msogwaba and Mr SD Nkosi; Land dispute between Ms Sibongile Mabuza and Neighbour (Mr Khumalo – Gutshwa TC; Stand dispute between Ms Elizabeth Mabuza and Mr Mfundi Michael Ntimane; Business stand dispute between Mbuyane TC and Mhlabane Family; Business stand dispute between Mbuyane TC and Ms Noluthando Shabangu)	18 Traditional land cases resolved within 2 months of receipt 1. Site dispute between Mr W Hlungana and Sethlare TC, 2. Site dispute between Mr K Chiloane and Mr S Hlatshwayo, 3. Ancestral land dispute between families of Sengwayo, Leyane, Ngwenyama and Mdluli TC, 4. Stand/house dispute between Mr Mthembu and Ms Arrone (Msogwaba TC), 5. Conflict of interest in ward 16 at Vlakagte 2 also known as Buhlebesizwe, a settlement under Ndzundza Mabhoko traditional council area of jurisdiction in Thembe Hani local municipality, 6. Site dispute between Mrs Nobela and Masoyi Traditional Council, 7. Land dispute between Dube Family and Mpsikazi Traditional Council, 8. Illegal land invasion and land selling at Msogwaba Traditional Council area of jurisdiction 9. Land dispute between Ikhwezi Vegetable and Poultry v/s Group Two (Matsamo Traditional Council) 10. Report on the investigation pertaining to the perimeters of the area of jurisdiction of the Manala Mbongo traditional council around the Moloto area 11. Ngodini community forum and Mpsikazi Traditional Council: Illegal Sand Mining 12. Mining challenges between Sambane AJT Mining and Logistics (PTY) LTD and the community of Enikwakuyengwa Traditional Council 13. Land dispute between Ematjeni Primary School and Siboshwa Traditional Council and 14. Report on referral of petition: Mmotoaneng community against Kwamanala Traditional Authority, Thembe Hani local municipality for land invasion: (Kwamhlanga) – (Ref: MPL) 15. Land dispute between Jerusalem High School and Two Families (Mlamo and Maphosa) 16. Land dispute between Gutshwa Traditional Council and Mr Andrew Chiloane 17. Land dispute between Famers and Nkambeni Traditional Council 18. Boundary dispute between Moletete and Mnisi Traditional Councils	16 Traditional land cases resolved within two months of receipt	Achieved 17 Traditional land cases resolved within two months of receipt 1. Land dispute between Matume family and Mhaule family 2. Land dispute between Doris Sambo and other Family Members 3. Report on a complaint about a church stand: Bhuga 4. Land dispute between Msogwaba TC & Ms Mdluli 5. Land dispute: Marcia Sihlongonyane and Charity Mhlanga (neighbours) V/S Lomshiyo TC over forceful removal from their sites 6. Land invasion at Jerusalem: Masoyi Traditional Council 7. Mosebesebe Balemirui Live Stock Farmers Project (Dr. JS Moroka) 8. Complaint about land compensation Mpakeni Traditional Council 9. Land dispute between Greater Manyeleti Farmers Association and Dr. Monareng 10. Stand dispute between Ms Abigail Mndawe and Mr Khonza Ngobeni at Swalala village (Masoyi Traditional Council) 11. Report on a land dispute by Sambo family against Nkambeni traditional council 12. Land dispute between Nkuna Family and Sifundza and Londanda Families 13. Site dispute between Nkambeni TC and Shabalala Family 14. Stand dispute between Shakwane and Magagula (Mpakeni Traditional Council) 15. Land dispute Gutshwa Traditional Council, Eskom v/s Sambo and Ngwenyama families 16. Stand dispute Msogwaba Traditional Council v/s Mr S Gama 17. Land dispute between Mr DD Milanzi and Ms E Mtshali (Mpsikazi Traditional Council)	1 Additional land cases resolved within two months of receipt	More land cases received

Programme: Traditional Institutional Management								
Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Traditional councils supported to participate in Land Use Planning	Number of Traditional Councils supported to participate in Land Use Planning	50 Traditional Councils participating in Land Use Planning (Moreipuso, Mogane, Thabakgolo, Malele, Hoxane, Moletele, Mathibela, Amashangana, Sethlare, Jongilanga, Mpakeni, Gutshwa, Hhoyi, Lomshiyo, Masoyi, Mhlaba, Msogwaba, Mbuyane, Mlambo, Emjindini, Nkambeni, Luggedlane, Kgarudi, Mnisi, Ndlela, Lekgoetla, Mandlamakhulu, Ebutsini, Embhuleni, Enikwakuyengwa, Ogenyaneni, Madabukela, KwaNdwalalza, Mahlaphahlapha, Duma, Emfumbeni, Somcuba Bhevula, Enkhaba, Mpisikazi, Mandlangampisi, Bakgatla Ba Moepi, Ndzundza Fene, Manala Mgibe, Barolong Ba Lefifi, Ndzundza Mabhoko, Manala Makerane, Ndzundza Somphalali, Bakgatla Ba Mmakau, Ndzundza Mabusa and Manala Mbhongo)	55 Traditional councils supported to participate in Land Use Planning 1. Moreipuso 2. Mogane 3. Thabakgolo 4. Malele 5. Hoxane 6. Moletele 7. Mathibela 8. Amashangana 9. Sethlare 10. Jongilanga 11. Mpakeni 12. Gutshwa 13. Hhoyi 14. Lomshiyo 15. Masoyi 16. Mhlaba 17. Msogwaba 18. Mbuyane 19. Mlambo 20. Emjindini 21. Nkambeni 22. Luggedlane 23. Kgarudi 24. Matsamo 25. Mawewe 26. Mnisi 27. Ndlela 28. Lekgoetla 29. Mandlamakhulu 30. Ebutsini 31. Embhuleni 32. Enikakuyengwa 33. Ogenyaneni 34. Madabukela 35. Kwandwalaza 36. Mahlaphahlapha 37. Duma 38. Emfumbeni 39. Somcuba Bhevula 40. Enkaba 41. Mpisikazi 42. Mandlangampisi 43. Mantjolo 44. Bakgatla Ba Mocha Ba Moepi 45. Ndzundza-Fene 46. Manala-Mgibe 47. Borolong Ba Lefifi 48. Ndzundza-Mabhoko 49. Manala Makerane 50. Ndzundza-Somphalali 51. Bakgatla Ba Mmakua 52. Ndzundza-Mabusa 53. Manala-Mbhongo 54. Bakgatla Ba Moloka 55. Bakgatla Ba Seabe	60 Traditional Councils supported to participate in Land Use Planning	Achieved 60 Traditional Councils supported to participate in Land Use Planning (All Traditional Councils in the Province)	None	None

Linking performance with budgets

The budget for the programme had increased by R 47.664 million or 44.1 per cent from R 108.098 million in 2021/22 to R 155.762 million in 2022/23. This increase is due to construction of the Traditional Councils Offices that has started in 2022/2023 Financial Year. The programme has managed to spend 100 per cent, however not all planned targets were achieved.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Support	1 395	1 395	-	2 263	2 263	-
Traditional Institution Administration	13 979	13 978	1	14 784	14 782	2
Traditional Resource Administration	95 507	95 310	197	82 538	81 723	815
Rural Development Facilitation	41 392	41 392	-	5 810	5 807	3
Traditional Land Administration	3 489	3 489	-	2 703	2 702	1
Total	155 762	155 564	198	108 098	107 277	821

Strategy to overcome areas of under performance

- The Department is engaging the Mpumalanga House of Traditional and Khoi-san Leaders in resolving their concerns in order ensure that the reconstitution happens in the 2023/24 financial year.
- Acceleration plan has been developed to fast-track the projects of the renovations and constructions of Traditional Councils offices to be completed by 2023/24 financial year.

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

- The Programme had two (2) standardized output indicators that were achieved during the period under review. The standardized output indicators were planned under the sub-programme of Traditional Institutional Administration and they were:
 - Percentage of succession disputes/ claims processed
 - Number of Traditional Councils supported to perform their functions

4.5 Programme 5: House of Traditional Leaders

Purpose of the Programme

The Mpumalanga House of Traditional Leaders (MPHTL) Programme performs an oversight function over Government Departments and Agencies pertaining service delivery projects and Programmes in Traditional communities.

List of the sub-programmes

- ✓ Administration of the House of Traditional Leaders
 - Office of the Chairperson
 - Office of the Secretary
 - Research, Policy Development and Planning
 - Legal Services
- ✓ Committees and Local Houses of Traditional Leaders
 - Provincial Committees
 - Local Houses of Traditional Leaders

Outcome for the financial year under review

- ✓ Developed communities in areas of traditional leadership

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Table 5.4.4.1: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023 until date of re-tabling	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 5: House of Traditional Leaders Sub-Programmes: Administration of the House of Traditional Leaders and Committees and Local Houses of Traditional Leaders. All the indicators as reflected on table 5.4.4.2 were indicators on the originally tabled 2022/23 Annual Performance Plan.									

Table 5.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme: House of Traditional Leaders Sub-programme: Business Support (Administration of the House of Traditional Leaders)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Developed communities in areas of traditional leadership	Matters affecting the business of the HTL processed	Number of matters affecting the business of the HTL processed	1 Matter affecting the business of HTL processed (Agrarian project)	1 Matter affecting the business of the HTL processed (Agrarian project)	1 Matter affecting the business of the HTL processed (Agrarian project)	Achieved 1 Matter affecting the business of the HTL processed (Agrarian project)	None	None
	Genealogy reports	Number of approved research reports on genealogy	6 Research reports on genealogy approved (Mpakeni Chieftaincy, Ndzundza Fene Chieftaincy, Bakgatla Ba Mmakau Chieftaincy, Mandangempisi Chieftaincy, Manala Makerane Chieftaincy and Enikwakuyengwa Chieftaincy)	6 Approved Research reports on Genealogy	6 Approved research reports on genealogy	Achieved 6 Approved research reports on genealogy	None	None

Programme: House of Traditional Leaders								
Sub-programme: Business Support (Administration of the House of Traditional Leaders)								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	Legal opinions	Number of Legal services impacting on the institution of Traditional Leadership rendered	8 Legal services impacting on the institution of Traditional Leadership rendered (Request on legal service, legal opinions and support rendered to Committees of HTL; Legal advice on duties / roles of the Chairperson, Deputy Chairperson and Secretary; Submission of Inputs on the Appropriation Bill, 2020; Inputs on Recognition of Customary Marriages Amendment Bill; Submission of Inputs on s22 (a) (b) of the Mpumalanga Traditional Leadership & Governance Framework Act 2005 (Act No. 3 of 2005); Recognition of a Regent / Libambela; Report on Assessment of Local Houses on Compliance with Section 81 of the Local Government and Municipal Structures Act 117 of 1998; Assessment of Rule 84 of the Rules and Orders)	8 Legal services impacting on the institution of Traditional Leadership rendered	8 Legal services impacting on the institution of Traditional Leadership rendered	Achieved 8 Legal services impacting on the institution of Traditional Leadership rendered	None	None
	Initiation schools complying	Number of initiation schools complying with Ingoma Act	-	-	25 Initiation schools that comply with the Ingoma Act	Achieved 39 Initiation schools that comply with the Ingoma Act	14 Additional Initiation schools that comply with the Ingoma Act	There were more registered initiation schools to be assessed on compliance

Programme: House of Traditional Leaders Sub-programme: Provincial Committees								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Developed communities in areas of traditional leadership	Functional Provincial House Committees	Number of Provincial House Committees functional	5 functional Provincial House Committees (Justice; Social Development; Target Groups; Traditional Leadership Claims & Disputes; Traditions, Culture & Custom)	5 Provincial House Committees functional	5 Provincial House Committees functional	Achieved 5 Provincial House Committees functional (Justice and Land Committees, Social Development Committee, Traditional, Culture and Customs committee, Traditional Leadership claims and disputes committee and Target group committee)	None	None
	Anti GBVF Awareness campaigns conducted in traditional communities	Number of Anti GBVF interventions/campaigns for traditional leadership	3 Awareness campaigns conducted in traditional communities to sensitize vulnerable groups on their Rights (Nkangala – Bakgatla Ba Moepi; Gert Sibande – Nkaba TC and Ehlanzeni – Mpakeni TC)	4 Anti GBVF interventions/campaigns for traditional leadership	4 Anti GBVF interventions/campaigns for traditional leadership	Achieved 4 Anti GBVF interventions/campaigns for traditional leadership	None	None

Programme: House of Traditional Leaders Sub-programme: Local House of Traditional Leaders								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Developed communities in areas of traditional leadership	Functional Local Houses	Number of functional Local Houses	3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	Achieved 3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	None	None
	Agrarian projects implemented in Traditional communities	Number of agrarian projects monitored in Traditional Councils within the 3 districts	3 Agricultural projects monitored in Traditional communities (KwaNdwalaza in Gert Sibande; Kgarudi in Ehlanzeni and Ndzuundza Somphalali in Nkangala)	7 Agricultural projects monitored in Traditional communities (Moreipuso TC, Bakgatla Ba Maloka TC, Duma TC, Lekgoetla TC, Thabakgolo TC, Ndzuundza Fene TC and Mpsikazi TC)	3 Agrarian projects monitored in Traditional councils within the 3 districts	Achieved 13 Agrarian projects monitored in Traditional councils within the 3 districts Ehlanzeni: Matsamo, Moletete, Moreipuso, Siboshwa and Mnisi Nkangala: Ndundza Mabhoko, 2 Manala Mbongo and Bakgatla Ba Mocha Ba Moepi Gert Sibande: Ndlela, Madlamakhulu, Ebutsini and Efumbeni)	10 Additional Agrarian projects monitored in Traditional councils within the 3 districts	There was a demand in all the Districts to monitor additional agricultural projects

Programme: House of Traditional Leaders Sub-programme: Local House of Traditional Leaders								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/2022	Planned Annual Target 2022/2023	Actual Achievement 2022/2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	DDM projects in Traditional communities monitored	Number of District Development Model projects monitored in Traditional communities	-	3 District Development Model Projects monitored in Traditional communities	3 District Development Model projects monitored in Traditional communities	Achieved 3 District Development Model projects monitored in Traditional communities (Ehlanzeni: Mlambo Gert Sibande: Mpsikazi Nkangala: Manala Mgibe)	None	None

Linking performance with budgets

The final budget for the programme has increased by R 4.910 million or 30.7 percent from R 16.001 million in 2021/22 to R 20.911 million in 2022/23. This is due to the limited budget within the department. The programme has managed to spend 100 percent of the final allocation and has achieved 100 percent of the planned targets.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	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 of HTL	7 847	7 847	-	5 580	5 580	-
Committees and Local Houses of Traditional Leaders	13 064	13 063	1	10 421	10 421	-
Total	20 911	20 910	1	16 001	16 001	-

Strategy to overcome areas of under performance

None.

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

- The Programme had one (1) standardised output indicators that were achieved during the period under review. The standardised output indicators were planned under the sub-programme of Committees and Local Houses of Traditional leaders (Provincial Committees):
 - Number of Anti-GBVF interventions/campaigns Traditional leadership

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
None	None	None	None	None

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Amashangane	Traditional councils	Administration	Yes	300	300	NA
Bakgatla ba maloka	Traditional councils	Administration	Yes	300	300	NA
Bakgatla ba mmakau	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Bakgatla ba mocha	Traditional councils	Administration	Yes	300	300	NA
Bakgatla ba seabe	Traditional councils	Administration	Yes	246	246	NA
		Cultural function	Yes	200	200	NA

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Barolong ba lefifi	Traditional councils	Administration	Yes	300	300	NA
Duma	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Ebutsini	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Embhuleni	Traditional councils	Administration	Yes	297	297	NA
		Cultural function	Yes	200	200	NA
Emfumbeni	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Emjindini	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Enikwakuyengwa	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Enkhaba	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Gutshwa	Traditional councils	Administration	Yes	226	226	NA
		Cultural function	Yes	200	200	NA
Hhoyi	Traditional councils	Administration	Yes	260	260	NA
		Cultural function	Yes	200	200	NA
Hoxane	Traditional councils	Administration	Yes	300	300	NA
Jongilanga	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Kgarudi	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Kwandwalaza	Traditional councils	Administration	Yes	300	300	NA
Lekgoetla	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Lomshiyo	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Lugedlane	Traditional councils	Administration	Yes	266	266	NA
		Cultural function	Yes	200	200	NA
Mabhoko kingship	Traditional councils	Administration	Yes	400	400	NA
Madabukela	Traditional councils	Administration	Yes	291	291	NA
		Cultural function	Yes	200	200	NA
Madlangampisi	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mahlaphahlapha	Traditional councils	Administration	Yes	295	295	NA
		Cultural function	Yes	200	200	NA
Malele	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Manala makerana	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Manala mbongo	Traditional councils	Administration	Yes	300	300	NA
Manala mgibe	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mandlamakhulu	Traditional councils	Administration	Yes	272	272	NA
		Cultural function	Yes	200	200	NA
Mantjolo	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mareipuso	Traditional councils	Administration	Yes	300	300	NA
Mashilane	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Masoyi	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mathibela	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Matsamo	Traditional councils	Administration	Yes	191	191	NA
		Cultural function	Yes	200	200	NA
Mawewe	Traditional councils	Administration	Yes	284	284	NA
		Cultural function	Yes	200	200	NA
Mbuyane	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Mdluli	Traditional councils	Administration	Yes	293	293	NA
		Cultural function	Yes	200	200	NA
Mhlaba	Traditional councils	Administration	Yes	263	263	NA
		Cultural function	Yes	200	200	NA
Mlambo	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mnisi	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mogane	Traditional councils	Administration	Yes	285	285	NA
		Cultural function	Yes	200	200	NA
Mohlala	Traditional councils	Cultural function	Yes	200	200	NA
Moletete	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Mpakeni	Traditional councils	Administration	Yes	185	185	NA
		Cultural function	Yes	200	200	NA
Mpisikazi	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Msogwaba	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Ndebele kingdom	Traditional councils	Administration	Yes	400	400	NA
		Cultural function	Yes	1 050	1 050	NA
Ndlela	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Ndundza somphalali	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Ndzundz fene	Traditional councils	Administration	Yes	297	297	NA
Ndzundza mabhoko	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	400	400	NA
Dzundza mabusa	Traditional councils	Administration	Yes	300	300	NA
Ndzundza pungutja	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Nkambeni	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Ogenyaneni	Traditional councils	Administration	Yes	300	300	NA
		Cultural function	Yes	200	200	NA
Sethlare	Traditional councils	Administration	Yes	300	300	NA
Siboshwa	Traditional councils	Administration	Yes	275	275	NA
		Cultural function	Yes	200	200	NA
Somcuba bhevula	Traditional councils	Administration	Yes	269	269	NA
		Cultural function	Yes	200	200	NA
Thabakgolo	Traditional councils	Administration	Yes	300	300	NA
TOTAL				28 745	28 745	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2022 to 31 March 2023, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Mohlala TC	Administration	300	-	Non-Compliance to the PFMA S(38)(1)(J)
TOTAL		300	-	

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The Department had EPWP conditional grant and earmarked funds allocated for the period under review as follows.

The Department has spent earmarked funds as follows;

- a) **R 12.078 million** for the reconstitution of Traditional Councils.
- b) **R 24.676 million** for the construction of Traditional Council Offices within the province.
- c) **R 30.889 million** for the Development of the IT Municipal Monitoring and Reporting System Support within the Municipality.
- d) **R 21.009 million** for the Municipal Audit Turn Around Initiatives
- e) **R 40.0 million** Disaster Relief Materials
- f) **R 28.747 million** Transfers to Traditional Councils

6.2 Conditional grants and earmarked funds received

The Department received a conditional grant for the implementation of the Youth Waste Management Project through the Expanded Public Works Programme amounting to **R 2.563 million** of which **R 2.563 million** or 100 percent was spent in the year under review.

The funds were received through the Provincial Treasury. The Department was able had planned to maintain 140 work opportunities and this target was successfully achieved.

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2022 to 31 March 2023.

Conditional Grant 1: Expanded Public Works Programme

Department who transferred the grant	National Department of Public Works
Purpose of the grant	Youth Waste Management Project
Expected outputs of the grant	140 work opportunities created
Actual outputs achieved	140 work opportunities created
Amount per amended DORA	R2.563 million
Amount received (R'000)	R2.563 million
Reasons if amount as per DORA was not received	Not Applicable
Amount spent by the department (R'000)	R2.563 million
Reasons for the funds unspent by the entity	Not Applicable
Reasons for deviations on performance	Not Applicable
Measures taken to improve performance	Not Applicable
Monitoring mechanism by the receiving department	Monthly In-Year Monitoring (IYM) Reports in line with the PFMA S(40) for expenditure and attendance registers.

7. DONOR FUNDS

7.1 Donor Funds Received

The Department did not receive any donor funding during the period under review.

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

The following capital infrastructure projects (Reconstruction of storm disaster damaged culverts) were implemented during the 2021/22 Financial Year however, completion was in 2022/23 Financial Year. These projects were funded through a roll-over of unspent funds from 2021/22 Financial Year.

1. Bushbuckridge Local Municipality.
2. Nkomazi Local Municipality.
3. Mkhondo Local Municipality.
4. Emalahleni Local Municipality
5. Thaba Chweu Local Municipality
6. City of Mbombela Local Municipality.

The following projects were planned however, not completed in the 2022/23 Financial Year due to inclement weather during the last quarter of the financial year leading to the rescheduling of allocated funds to the 2023/24 Financial Year. These projects are expected to be completed by end of September 2023.

1. Mogane Traditional Council offices
2. Mathibela Traditional Council
3. Hoxane Traditional Council
4. Duma Traditional Council
5. Somcuba Bhevula Traditional Council
6. Madabukela Traditional Council
7. Ndzundza Mabuse Traditional Council
8. Ndzundza Mpungusha Traditional Council
9. Bakgatla by Mmakau traditional Council
10. Manala Mbongo Traditional Council
11. Bakgatla Ba Seabe Traditional Council
12. Bakgatla ba Maloka Traditional Council
13. Jongilanga Traditional Council
14. Mohlala Traditional Council

The following projects related to maintenance were completed;

1. Repair of Bethal sewer pump station in Govan Mbeki municipality.
2. Repair of Standerton water treatment works in Lekwa municipality.
3. Replacement of motor and water pumps in Avontuur, Ekulindeni and Elukwatini water treatment works in Chief Albert Luthuli municipality.
4. Maintenance of Provincial Disaster Management Centre.

There are no major changes in the asset register for the period under review. The register is monitored and maintained through a dedicated asset management unit. The Department performs monthly reconciliations and quarterly physical asset verifications to ensure existence of assets and completeness of the asset components.

Infrastructure projects	2022/2023			2021/2022		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	24 676	24 676	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
- Upgrades and additions	-	-	-	872	871	1
- Rehabilitation, renovations and refurbishments	12 014	12 013	1	59 115	35 315	23 800
- Maintenance and repairs	1 025	1 023	2	145 873	145 873	-
Infrastructure transfer	-	-	-	-	-	-
- Current	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
Total	37 715	37 712	3	205 860	182 059	23 801

PART C: GOVERNANCE

1. INTRODUCTION

The Department has committed to the maintenance of the highest possible standards of good governance as this is fundamental to the management of public resources. In order to achieve good governance, the Department has established the following governance structures for effective, efficient and economical utilization of state resources.

2. RISK MANAGEMENT

The Department has established risk and compliance management unit that is headed by Director and the unit has achieved the following:

- Put up risk management structures and process (risk management committee in compliance with risk management framework),
- Risk identification within the Department has been undertaken both Strategic and Operational risks
- Risk mitigation action plans have been developed and adopted by management to address key risks and monitoring the implementation of the risk migration plan is conducted quarterly
- The Department has developed and approved the following policies and strategies to ensure the effective management of risks
 - o Risk Management Policy
 - o Risk Management Strategy
 - o Fraud Prevention Plan
 - o Whistle Blowing policy
 - o Risk Management Charter
 - o Risk Implementation Plan
 - o Key Performance Indicator for Risk Management Committee

Internal processes are established to sensitize all employees of the relevance of risk management to the achievements of their performance

3. FRAUD AND CORRUPTION

- The department's fraud prevention plan is in place
- Fraud awareness conducted through Departmental newsletters.
- Fraud and corruption is reported through the National Hot line and cases reported are directed back to the Department and Internally fraud and corruption is reported through Presidential Line which is managed by Communication Section and referred to the relevant section for remedial actions
- Up to date there are no cases reported

4. MINIMISING CONFLICT OF INTEREST

- The Department implemented several strategies in order to minimise conflict of interest by employees and this include amongst other:
- All members of SMS are required to complete financial disclosure forms as prescribed by DPSA at the beginning of each financial year.
- The Department has ensured that internal controls are strengthened to minimise conflict of interest in our Supply Chain Management. During competitive bidding or quotation processes, service providers are required to complete the necessary forms to disclose their interests in terms of employment or relationships with officials employed by the state. They are further also required to disclose as relationships with other businesses. Only suppliers registered on the Central Supplier Database (CSD) are used as the system automatically verifies against the PERSAL system and also detects involvement in other businesses.
- The SCM processes further provide for the segregation of duties which also assists as a control measure to prevent and detect and conflicts of interest.
- All SCM role players are required to declare their interests annually and all SCM role players appointed on any of the three bid committees are required to declare their interests at each sitting of the committee.
- Bid Committee members are all required to declare their interest and to sign oath of secrecy

5. CODE OF CONDUCT

All staff members in the department are required to sign a code of conduct upon appointment. Workshops are conducted as part of induction programme to all our employees. Any breach of code of conduct is dealt with through disciplinary processes. For the year under review we did not have breach of code of conduct that was reported.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department has complied with all safety standards in line with occupational health and safety act with the assistance of the department of Public Works Roads and Transport as the custodian of all our Government buildings.

7. PORTFOLIO COMMITTEES

The Department report to the Portfolio Committee on Co-operative Governance and Human Settlements. This is a political structure formed by the legislature to perform an oversight function to the Department. The committee review the Department's Strategic Plan, Annual Performance Plans and budgets annually before they get approved for implementation. Once approved, the implementation of the plans and budget are monitored on a quarterly basis and this is achieved through analysis of our implementation progress reports.

The Department is regularly required to submit responses to questions raised on the plans and progress reports. This include progress on implementation of recommendations

8. SCOPA RESOLUTIONS

The Select Committee on Public Accounts (SCOPA) scrutinised the 2021/22 Annual Report of the Department. The Committee sent preliminary questions to the department and received responses which were subsequently presented during the hearing with the department. The Committee met on 17 February 2023 to deliberate on the above report and the outcome is as follows:

RESOLUTION NUMBER	DATE	RESOLUTION	PROGRESS REPORTED BY THE DEPARTMENT	STATUS
REF: 13/3/1/5/4	17 February 2023	1. The Accounting Officer must put measures in place that will ensure that the Department fully complies with the PFMA and sustain the unqualified audit opinion	The Department will develop and implement credible audit action plans to address all findings raised by both Internal Audit Unit and AGSA. These action plans will be monitored on monthly basis, progress reports will be tabled before monthly management meetings and quarterly performance reviews of the Department. Furthermore, the department will continue to strengthen the internal control environment and ensure the following measures are in place. I. Establish an effective political and administrative leadership culture. II. Respect the role of oversight structures (such as Portfolio Committee, SCOPA, EXCO, AGSA, Audit Committee, Risk Committee) by implementing and monitoring their resolutions taken to improve the business operations and accountability within the Department. III. The Department will continue to enforce the implementation of the established human resource management systems, policies, procedures as well as IT Governance practices. IV. Continue to monitor the implementation of the developed Financial and Performance Management systems and controls, which include amongst other; Proper record keeping, monthly reconciliations, timeous reporting, compliance with policies, laws and regulations (PFMA, Treasury Regulations). Lastly, ensure that all risk areas identified by Internal Audit, Audit Committee, External Auditors, and {Portfolio Committees are incorporated into the Departmental Risk Register. These mitigating factors are implemented and monitored on regular basis through the Risk Management Committee.	Ongoing

RESOLUTION NUMBER	DATE	RESOLUTION	PROGRESS REPORTED BY THE DEPARTMENT	STATUS
		2. The Department must develop and submit a plan that will sustain the clean audit opinion during the medium-term period and beyond	The Department will develop and implement credible audit action plans to address all findings raised by both Internal Audit Unit and AGSA. These action plans will be monitored on monthly basis, progress reports will be tabled before monthly management meetings and quarterly performance reviews of the Department. Furthermore, will continue to strengthen the internal control environment and ensure the following measures are in place. i. Establish an effective political and administrative leadership culture. ii. Respect the role of oversight structures (such as Portfolio Committee, SCOPA, EXCO, AGSA, Audit Committee, Risk Committee) by implementing and monitoring their resolutions taken to improve the business operations and accountability within the Department. iii. The Department will continue to enforce the implementation of the established human resource management systems, policies, procedures as well as IT Governance practices. iv. Continue monitoring the implementation of the established Financial and Performance Management systems and controls, which include amongst other; Proper record keeping, monthly reconciliations, timeous reporting, compliance with policies, laws and regulations (PFMA, Treasury Regulations). v. Lastly, ensure that all risk areas identified by Internal Audit, Audit Committee, External Auditors, and Portfolio Committees are incorporated into the Departmental Risk Register. These mitigating factors are implemented and monitored on regular basis through the Risk Management Committee.	Ongoing
REF: 13/3/1/5/4	17 February 2023	3. The Accounting Officer must submit the developed Integrated Audit Improvement Support Plan	The Integrated Audit Improvement Support Plan have been forwarded to the Committee.	Closed
		4. The Accounting Officer working together with Provincial Treasury, Districts, and South African Local Government Association (SALGA) must strengthen its monitoring system during the implementation of the Integrated Municipal Support Plan.	The integrated Municipal Support Plan (IMSP) has indicators that seek address specific challenges in municipalities. All local municipalities are assessed quarterly and monitored continuously by various COGTA teams which include District municipalities, Department of Water and Sanitation, SALGA and Provincial Treasury. Support intervention measures are then developed to respond to the findings for municipalities that are performing poorly. The IMSP Task Team which includes Provincial Treasury, Districts and SALGA meets on a quarterly basis to assess progress on the implementation of IMSP.	Ongoing
		5. The Accounting Officer must provide progress report on all the litigation cases and ensure that they are finalised before 2022/23 financial year.	The copy of the contingent assets and liabilities as at 31 December 2022 was submitted to the Committee	Ongoing
		6. The Accounting Officer must develop a plan and put measures in place to avoid accruals.	The Department will issue a cut-off notice to all service providers giving guidance on timely submission of invoices after the rendering/delivery of services & goods. Furthermore, the Department is also implementing the SmartGov (remote electronic invoice submission system) in order to automate the process of submission of invoices and reduce unnecessary delays.	Ongoing

RESOLUTION NUMBER	DATE	RESOLUTION	PROGRESS REPORTED BY THE DEPARTMENT	STATUS
		7. The Accounting Officer must ensure that invoices are paid within thirty (30) days after receipt of invoices according to the SCM prescripts.	The Department has established a system of invoice tracking that ensures quick turn-around time for confirmation of services or goods delivered by all end-users and on average, it takes 10 working days to process all valid invoices received.	Closed
REF: 13/3/1/5/4	17 February 2023	8. The Accounting Officer must put measures in place and develop a strategy that will ensure that payables not recognised do not occur again.	The Department will ensure compliance to the Provincial Treasury year-end processes and payment cut-off date circular by; i. Issuing a cut-off notice to all service providers giving guidance on timely submission of invoices after the rendering/delivery of services & goods. ii. Fully implement the SmartGov (remote electronic invoice submission system) in order to automate the process of submission of invoices and reduce unnecessary delays. iii. Continue to perform daily monitoring cash flow management systems to ensure that sufficient cash is available to service all invoices received before payment cut-off dates.	Ongoing

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The department had no prior modification to audit reports.

10. INTERNAL CONTROL UNIT

The Department has established a Risk and Compliance Management Unit that is headed by Director. The unit is responsible for reviewing the Department's level of compliance to laws and regulations as well as internal controls and policies. We have since developed and implemented a compliance monitoring tool to ensure that the Department identify and manage compliance to laws and regulations that affects its operations.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1 Internal Audit

The Department utilizes the services of the shared Internal Audit function within the Office of the Premier. The shared Internal Audit function was established in terms of Section 38 (1) (a) (ii) of the PFMA and derives its mandate from the PFMA and its Treasury Regulations.

The mission of the shared Internal Audit function, being what the shared Internal Audit aspires to accomplish, is to enhance and protect departmental value by providing risk-based and objective assurance, advice and insight. In line with the definition of internal auditing as per the Institute of Internal Auditors, the primary mandate and objective of the shared Internal Audit function is to provide an independent, objective assurance and consulting activity designed to add value and improve the operations of the Department.

In keeping with its primary mandate, the shared Internal Audit supports the Head of the Department by evaluating and contributing to improving the effectiveness of risk management, controls and governance processes. In addition, it also facilitates the functioning of the clustered shared Audit Committee.

Treasury Regulation 3.2.6 requires internal audit to conduct its assurance engagements in accordance with the International Standards for the Professional Practice of Internal Auditing ("standards"). During the year under review, the shared Internal Audit function ensured that their operations were aligned with the revised Standards.

The shared Internal Audit function conducted its audits in line with the approved Internal Audit Charter and in accordance with the requirements of the PFMA, its Treasury Regulations and the International Standards for the Professional Practice of Internal Auditing ("Standards") set by the Institute of Internal Auditors.

During the year under review, the shared Internal Audit function developed a rolling three-year Strategic Internal Audit Plan and an Annual Internal Audit Coverage/Operational Plan based on the results of the risk assessment. These plans were supported by the Head of the Department and approved by the Audit Committee in March 2022.

The Annual Internal Audit Coverage/Operational Plan identified different audit engagements that were performed by the shared Internal Audit function accordingly. Respective reports were issued to Management communicating identified control weaknesses and recommendations for improvement(s), and incorporated agreed Management action plans for implementing corrective action.

In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the identified control weaknesses were also communicated and tabled at the meetings of the Audit Committee to allow for effective monitoring and oversight.

The following is the summary of the audit work performed by the shared Internal Audit function during the year under review as per the approved internal audit operational plans:

Assurance services

- Monitoring and tracking of audit findings as previously reported by both AGSA and the Internal Audit function to evaluate progress made by Management in implementing agreed audit action plans.
- Follow-up reviews were performed on both AGSA and Internal Audit findings to evaluate the effectiveness and improvements to the internal control environment.
- Review of the mid-term Departmental Performance Information.
- Review of Interim Financial Statements.
- Review of Draft Annual Report and Annual Financial Statements for 2021/2022.
- Assurance review of Human Resource Management.
- Assurance review of Supply Chain Management.
- Assurance review of DORA and Transfer Payments.
- Assurance review of ICT General and Application Controls Audit.

Consulting services

- Participation in informal consulting engagements, including routine activities such as participating in standing Management Committee meetings, Risk Management Committee meetings and provision of various advice, as and when invited and required.

11.2 Audit Committee

Similarly to the Internal Audit function, the Department utilizes the services of the shared Audit Committee based within the Office of the Premier. The shared Audit Committee was established in terms of Section 38 (1) (a) (ii) of the PFMA and derives its mandate from the PFMA and its Treasury Regulations.

The shared Audit Committee serves as an independent governance structure whose primary function is to provide oversight over the Department's financial reporting, risk management, controls and governance processes. The shared Audit Committee assists the Head of the Department in the effective execution of his/her responsibilities.

The shared Audit Committee was constituted to ensure its independence and comprises external non-official members (appointed from outside public service). It operated in terms of formally documented and approved 'Terms of Reference' referred to as the Audit Committee Charter, which details matters such as its membership, authority and responsibilities, amongst others. The said Terms of Reference are reviewed annually, and per the requirements set by the PFMA and Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Head of the Department, Senior Management, the Provincial Treasury, shared Internal Audit function and Auditor General South Africa (AGSA).

Attendance of audit committee meetings by audit committee members

In terms of section 77(b) of the PFMA, an Audit Committee must meet at least twice a year. However, per the approved Audit Committee Terms of Reference (Audit Committee Charter), the shared Audit Committee shall meet at least four times a year, with the authority to convene additional meetings as deemed necessary.

The Head of the Department and Executive Management are always represented in the meetings. The AGSA has a standing invite to attend the meetings of the shared Audit Committee, thus ensuring that such meetings are as effective and transparent as possible.

The Audit Committee meetings held were attended as follows:

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Mr. A Mashifane Chairperson	CA (SA) B Comm in Accounting (WITS) B Comm Honours (UNISA) LLB (UNISA) Postgraduate Certificate in Taxation (UNISA)	External	01 November 2021	31 October 2023	12
Ms. P Ntuli Member	CA (SA) B Com Accounting (RAU) B Compt Honours (UNISA) Postgraduate Diploma in Forensic Auditing (UNISA)	External	01 November 2021	30 October 2023	12
Mr. A Oosthuizen Member	B Com Accounting (RAU) B Compt Honours (UNISA)	External	01 November 2021	30 October 2023	12
Ms. LC Mohalaba Member	LLB Degree (University of Zululand) Executive Development Programme (UNISA) Postgraduate Diploma Corporate Law (UJ) Postgraduate Diploma Public Management (Regenesys) Certificate in Legislative Drafting (UJ)	External	01 November 2021	30 October 2023	10
Dr. Sylvia Sathekge Member	Master of Business Leadership (UNISA) Master of Science in Technology Management (University of Pretoria) B Tech degree Information Technology (TUT) Nat. Diploma Information Technology (Technikon Northern Gauteng)	External	01 November 2021	30 October 2023	10

12. Report of the Audit Committee

We are pleased to present our annual report for the financial year ended 31 March 2023.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal Terms of Reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed the changes in accounting policies as these changes are as per the National Treasury instruction.

The effectiveness of internal control

In line with the PFMA, Internal Audit assures the Audit Committee and Management that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency and developing recommendations for enhancement or improvement. The Accounting Officer is responsible for implementing such recommendations per Treasury Regulation 3.1.12.

The work performed by Internal Audit throughout the year was monitored and reviewed by the Audit Committee.

Through our analysis of audit reports from Internal Audit, Auditor General South Africa and engagements with the Departments, the Audit Committee reports that the internal control system for the period under review was adequate and effective.

Based on our interaction with the Department, we conclude that the Department does have an adequate and effective action plan and management system to address Internal Audit and Auditor-General South Africa's findings.

Risk Management

The Audit Committee is responsible for the oversight of risk management. The Risk Management Committee reports to the Audit Committee quarterly on the governance and management of risk.

Based on the Audit Committee's quarterly reviews of the reports from the Risk Management Committee, it can be concluded that the departmental processes and systems relating to fraud prevention and risk management are adequate and effective

In-Year Management and Quarterly Reporting

The Department has confirmed that they have reported to the Provincial Treasury as required by the PFMA.

Evaluation of the Annual Financial Statements

The Audit Committee has reviewed the draft annual financial statements prepared by the department and has advised the Accounting Officer to ensure that all the review notes and comments of Internal Audit and Audit Committee are fully addressed before submission of the annual financial statements to the Auditor-General South Africa for audit.

Subsequently, the management report of the Auditor-General South Africa was discussed with the Audit Committee.

Evaluation of the reporting on predetermined objectives

The Audit Committee has reviewed the draft annual report prepared by the department and has advised the Accounting Officer to ensure that all the review notes and comments of Internal Audit and Audit Committee are fully addressed before submission of the annual report to the Auditor-General South Africa for audit.

Subsequently, the Audit Committee has discussed the external audit outcome on the reporting on predetermined objectives to be included in the annual report with the Auditor-General South Africa and the Accounting Officer.

Compliance with laws and regulations

Throughout the year under review, the Audit Committee was satisfied with the compliance status with all applicable legislation, which confirms that the Department has an adequate and effective compliance framework and system.

Internal Audit

The Audit Committee is satisfied that the Internal Audit function operated effectively and has addressed the risks pertinent to the Department in its audits during the year under review.

The Audit Committee has regularly enquired and reviewed the work performed by the Internal Audit function and has seen an improvement in the quality of the internal audit reports; the actions initiated by the Internal Audit Function to bring the reported weaknesses to the attention of Senior Management and the process of ensuring action to address such deficiencies. However, there is still room for improvement in areas such as flexibility of the planning process to adapt to emerging risks and changing risk profile of the Department; the timing and execution of internal audit engagements; influence and persuasion by Internal Audit of Management to effect the necessary changes and improvement of the maturity of governance, risk management and internal control systems.

The Audit Committee noted with concern that some positions within the Internal Audit function remain vacant even after the resolution by the EXCO to lift the moratorium on filling vacant positions, as well as the instability in the position of the Chief Audit Executive.

The Audit Committee further appreciates the support provided by the Senior Manager: Assurance Audit, who assisted in the position of the Chief Audit Executive and all the other Internal Audit officials by assisting the Audit Committee in discharging its responsibilities.

Auditor-General South Africa

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that all the matters have been adequately resolved. The Audit Committee is not aware of any unresolved issues with respect to the current audit.

The Audit Committee concurs and accepts the conclusions of the Auditor-General South Africa on the Annual Financial Statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General South Africa.

Conclusion

The Audit Committee recommends that the Department ensure adequate and effective implementation and frequent monitoring of the audit action plans for internal and external audits to sustain clean administration.

The Audit Committee wishes to thank the Executive Authority, Accounting Officer and Management, Internal Auditors and Auditor-General South Africa for their tireless efforts, commitment and support throughout the year.

Signed on behalf of the Audit Committee by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, positioned above a solid horizontal line.

Chairperson of the Audit Committee

Mr. A Mashifane

Date: 10 August 2023

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Department is not responsible for the issuing of licences, concessions or other authorisations.
Developing and implementing a preferential procurement policy?	Yes	Department has Supply Chain Management Policy in place which is in line with Preferential Procurement Policy Framework Act (PPPFA) and the Policy is being implemented.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable since the Department is not categorised as a SOEs
Developing criteria for entering into partnerships with the private sector?	No	No partnerships were entered with private sector for the period under review.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	There were no incentives, grants and investment schemes awarded.

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

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. The Overview of Human Resources in The Department (Status)

The Department acknowledges that effective management of human resources capital is the cornerstone of effective service delivery. This continues to drive the Department to strive for efficient human resources service.

The staff establishment of the Department is currently at 702. The Department has embarked in the recruitment process to fill vacant and critical posts.

Women representation at SMS level is currently 45.8% and while Male representation is 54.2%, this reflects an increase of 2.4% in women representation compared to the 43.4% reported in the last 2021/22 financial year., The increase is attributed to the appointment of two (2) additional female Senior Managers. The resignation of one Senior was a setback as we projected to achieve the 50% target of women representation by the end of the year under review. The Department continues to commitment itself in terms of ensuring women empowerment and achievement of Employment equity targets.

A total number of 48 appointments were finalised in various occupational categories, it is worth indicating that the Department has managed to fill posts in scarce skills categories such as water services, waste management, civil and electrical engineer. These appointments will assist in terms of provision of adequate support to municipalities.

The representation of People With Disabilities is at 1.1%, which is slightly below the threshold of 2% target set by Cabinet; Youth representation is at 7.7% below the 30% target. The Department has deployed various strategies to address the underrepresentation in these areas. We have established strategic partnerships with institutions representing People With Disabilities, reviewed our policies to ensure the achievement of the targets and most importantly capacitated staff members on issues around employment equity.

Performance Management Training and Development remains a key strategic driver towards ensuring continuous development of the staff members, keeping the department abreast on latest developments and alignment of individual performance to organisational performance, during the year under review we have offered Management development courses, Financial Management, Administrative related course and line function related courses, also finalised assessment of staff members in line with their performance agreement and operational plans.

The Department has embarked in the process of reviewing the organisational structure, consultation with relevant programmes has been concluded, we envisage to finalise the process and submit the consultation request by the end of the 2023/24 Financial year.

2.1 Human Resources priorities for the year under review and the impact of these.

▪ Finalize the review of the organisational structure

The consultation of all programmes and stakeholders has been finalised we envisage that the process will be finalised by the end of the 2023/24 financial year.

Filling of funded posts

48 positions were filled under the year in review, the recruitment to process to fill vacated posts and advertised is under way. We project to finalise the filling of advertised posts by the first quarter of the 2023/24 financial year.

▪ Achievement of Employment Equity Targets

The Department was not able to achieve the target of 2 % representation of People with Disabilities and 50% representation of Women representation at Senior Management Service. The current representation of People With Disabilities is 1.1% and Women representation is 45.8%.

- Strengthen the Implementation of the PMDS Processes.

The Department has finalised the performance management assessments and processed the payment of pay progression for qualifying officials. 29 officials were upgraded in line with Resolution 3 of 2009. There has been a significant improvement in the quality of Performance Agreements and Assessments. This is attributed to continuous engagements with supervisors and workshops conducted to all staff members.

- Build Strategic Leadership Capabilities.

In order to build strategic leadership capabilities, the Department continues to offer mandatory and compulsory courses identified by the National School of Government, additionally we have offered accredited and non-accredited courses aimed at improving capacity within the Department, the following courses were offered.

- ✓ Advanced Management Development Programme
- ✓ Emerging Management Development Programme
- ✓ Bid Committees
- ✓ Labour Relations Management
- ✓ Compulsory Induction Programme
- ✓ Report Writing
- ✓ Organisational Design
- ✓ Ethics Management
- ✓ Occupational Health and Safety training
- ✓ Service Delivery Improvement

- Promotion of Sound Labour Relations.

There are still challenges of late finalisation of grievance / cases due to lack cooperation of other stakeholder/ parties. In an effort to ensure sound labour relations the sub-directorate has managed to conduct workshops to staff members on the quarterly basis.

- Monitor the implementation of Employee Health and Wellness.

The following programmes were coordinated in line with the operational plan of the Department

- ✓ Financial Wellness
- ✓ Employee, Health and Wellness Workshop
- ✓ Work-life Balance
- ✓ Occupational Health and Safety Workshop.

- Improve On Records Management.

Awareness sessions on the file plan were conducted to promote and ensure the correct use of the file plan and encourage proper records keeping. This contributes to the achievement of clean audit outcomes.

2.2 Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce.

In line with the Human Resource Plan the Department has accelerated the recruitment of scarce and critical skills required to effectively support Municipalities. During the year under review, the Department has managed to appoint Water & Waste Specialists, Civil and Electrical Engineers and Survey Technicians. This is a clear intention to ensure the professionalization of the department and ensuring that technical expertise is provided to Municipalities.

Human Resource Policies have been reviewed in order to be aligned to the Human Resources Plan, changes of legislative frameworks and to improve efficiency in the Department. The process to review the organizational structure is at the advanced stage, the consultation of relevant programme manager's staff members and all stakeholders has been finalised, and the process will ensure that the Department is fit for purpose, responds to urgent service delivery needs of citizens and most importantly ensuring that alignment of the priorities of the sixth administration.

The Employment Equity Plan has been reviewed to ensure that our workforce is representative of the demographics of the country, we have made significant progress in terms of women representation at Senior Management level, however the underrepresentation of People With Disabilities and the Youth in the Department remains a challenge. The plan details strategies to attract People With Disabilities and ensuring reasonable accommodation. The Plan has been integrated to the recruitment policy in order to ensure proper alignment.

We view training and development as a key driver to assist the Department to effectively support Municipalities, staff development and creating a skills pool to recruit from. At the centre of the skills development initiatives, is the need the aggressively roll out Youth Development Programmes such Graduate internships, employed and unemployed learnerships, apprenticeships, Work Integrated Programmes, such programmes have the ability to attract skills and presents a great opportunity to recruit highly qualified candidates in to the department.

Despite the non-payment of performance bonuses, remains critical to align the Performance Management and development system to the strategic plan, annual performance and operational plans.

2.3 Highlight Achievements

- Reviewed all Human Resources Management Policies
- Human Resource Plan has been reviewed, approved and submitted to DPSA
- Reviewed the Employment Equity Plan and successfully reported its implementation to the Department of Labour
- Skills Development Plan submitted to PSETA
- Reviewed the Employee Health and Wellness Policies, the two Frameworks for Gender and People With Disabilities were approved and submitted to DPSA and conducted planned workshops
- Finalised the PMDS Moderation, paid pay progression for qualifying employees and upgraded officials who met requirements in terms of resolution 3 of 2009.
- Successfully coordinated the consultation to the review of the Organisational Structure.

2.4 Challenges faced by the Department

- Meeting the Employment Equity target
- Limited budget to fill the unfunded vacant and critical posts.

2.5 Future HR Plans

The Department has set the following HR goals for the next five years as per its Human Resource Plan:

- Finalise the Review the Organisational Structure
- Reduce the vacancy rate
- Skills development of internal staff members and implementation of youth development programmes.
- Achievement of Employment Equity targets in terms women representation at SMS Level, People with disabilities and Youth representation in the Department
- Implementation of the integrated Employee Health and Wellness Programmes
- Conduct Organisational Functionality Assessment (OFA).

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

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	151,939	81,091	1,182	363	53.40	665.00
Development & Planning	250,089	190,985	1,931	21,440	76.20	425.00
Local Governance	115,655	36,335	-	3,927	31.40	172.00
The House Of Traditional Leaders	155,564	87,148	-	12,078	56.10	182.00
Traditional Institution Management	20,910	16,461	-	6	78.70	651.00
Total As On Financial Systems (BAS)	694,157	412,020	3,113	37,814	59.40	319.00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	471	0%	3	157
Skilled (Levels 3-5)	14 729	4%	38	388
Highly skilled production (Levels 6-8)	192 158	47%	491	391
Highly skilled supervision (Levels 9-12)	113 313	28%	136	833
Senior management (Levels 13)	20 831	5%	22	947
Contract (Levels 1-2)	128	0%	1	128
Contract (Levels 3-5)	1 525	0%	8	191
Contract (Levels 6-8)	124	0%	-	-
Contract (Levels 9-12)	3 372	1%	4	843
Contract (Levels >= 13)	2 855	1%	2	1 428
Abnormal Appointment	62 514	15%	586	107
TOTAL	412 020	100%	1 291	319

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	75 024	18%	648	0%	1 883	0%	3 536	1%
Development & Planning	167 980	41%	85	0%	8 263	2%	14 657	4%
Municipal Support	34 425	8%	116	0%	705	0%	1 088	0%
The House Of Traditional Leaders	85 148	21%	36	0%	547	0%	1 418	0%
Traditional Institutional Management	15 381	4%	31	0%	352	0%	697	0%
Total	377 958	92%	916	0%	11 750	3%	21 396	5%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	387	0%	-	0%	19	0%	23	0%
02 Skilled (Levels 3-5)	9 021	2%	90	0%	746	0%	1 407	0%
Highly skilled production (Levels 6-8)	156 299	38%	458	0%	8 593	2%	16 285	4%
Highly skilled supervision (Levels 9-12)	118 371	29%	368	0%	1 581	0%	3 372	1%
Senior management (Levels >= 13)	25 995	6%	-	0%	763	0%	299	0%
Contract (Levels 1-2)	114	0%	-	0%	3	0%	-	0%
11 Contract (Levels 3-5)	1 326	0%	-	0%	21	0%	1	0%
12 Contract (Levels 6-8)	104	0%	-	0%	-	0%	-	0%
13 Contract (Levels 9-12)	3 965	1%	-	0%	9	0%	-	0%
14 Contract (Levels >= 13)	3 584	1%	-	0%	15	0%	9	0%
Abnormal Appointment	58 792	14%	-	0%	-	0%	-	0%
TOTAL	377 958	92%	916	0%	11 750	3%	21 396	5%

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	179	122	31.8%	10
Development & Planning	74	52	29.7%	0
Municipal Support	488	449	8%	0
The House Of Traditional Leaders*,	39	22	43.6%	4
Traditional Institution Management	84	57	32%	0
Total	864	702	18.8%	14

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	4	3	25%	0
02 Skilled (Levels 3-5), Permanent	59	37	37.3%	0
03 Highly Skilled Production (Levels 6-8), Permanent	548	489	10.8%	0
04 Highly Skilled Supervision (Levels 9-12), Permanent	206	136	34%	0
05 Senior Management (Levels >= 13), Permanent	32	22	31.3%	0
10 Contract (Levels 1-2), Permanent	1	1	0%	1
11 Contract (Levels 3-5), Permanent	8	8	0%	8
13 Contract (Levels 9-12), Permanent	4	4	0%	4
14 Contract (Levels >= 13), Permanent	2	2	0%	1
TOTAL	864	702	18.8%	14

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	173	122	29.5%	2%
Agriculture Related,	4	1	75%	0
Architects Town And Traffic Planners	5	5	0%	0
Cartographic Surveying And Related Technicians	3	3	0	0
Cashiers Tellers And Related Clerks,	3	3	0	3
Cleaners In Offices Workshops Hospitals Etc	19	16	15.8%	1
Communication And Information Related	3	2	33.3%	0
Engineers And Related Professionals,	3	2	33.3%	0
Finance And Economics Related	9	7	22.2%	0
Financial And Related Professionals,	12	7	41.7%	0
Financial Clerks And Credit Controllers	11	10	9.1%	0
Food Services Aids And Waiters,	1	1	0%	1
General Legal Administration & Rel. Professionals	2	1	50%	0
Household Food And Laundry Services Related,	1	0	100%	0
Human Resources Clerks, Permanent	2.00	2	0%	0
Human Resources Related, Permanent	21	16	23.8%	0
Information Technology Related,	7	5	28.6%	0
Legal Related.	1	1	0%	0
Library Mail And Related Clerks.	4	4	0%	0
Messengers Porters And Deliverers.	4	4	0%	3
Motor Vehicle Drivers, Permanent	1	1	0%	0
Other Administration & Related Clerks And Organisers.	470	417	11.3%	2
Other Administrative Policy And Related Officers.	24	13	45.8%	0
Other Occupations.	30	28	6.7%	0
Quantity Surveyors & Rela Prof Not Class Elsewhere.	1	1	0%	0
Secretaries & Other Keyboard Operating Clerks.	30	18	40%	1
Senior Managers.	20	12.	40%	1
Total	864	702	18.8%	14

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2023

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	-	-	-	-	-
Salary Level 16	-	-	-	-	-
Salary Level 15	1	1	4.1%	-	-
Salary Level 14	6	4	16.7%	2	25%
Salary Level 13	24	19	79.2%	6	75%
Total	31	24	100%	8	100%

Table 3.3.2 SMS post information as on 30 September 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	-	-	-	-	-
Salary Level 16	-	-	-	-	-
Salary Level 15	1	1	4.5%	-	-
Salary Level 14	6	4	18.2%	2	25%
Salary Level 13	24	17	77.3%	7	75%
Total	31	22	100%	8	100%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

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	-	-	-
Salary Level 16	-	-	-
Salary Level 15	-	-	-
Salary Level 14	2	0	0
Salary Level 13	5	0	3
Total	7	0	3

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
Posts were advertised within the period of six after being vacant.

Reasons for vacancies not filled within twelve months
EXCO did not approve the filling of the post

Notes

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

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
Post to be re-advertised

1.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	4	0	0%	0	0%	0	0%
02 Skilled (Levels 3-5)	59	0	0%	0	0	0	0
03 Highly Skilled Production (Levels 6-8)	548	0	0%	2	100%	0	0.
04 Highly Skilled Supervision (Levels 9-12)	206	0	0%	62	100%	0	0.
05 Senior Management Service Band A	24	0	0%	0	0	0	0.
06 Senior Management Service Band B	7	0	0.00	0	0	0	0
08 Senior Management Service Band D	1	0	0.00	0	0%	0	0%
10 Contract (Levels 1-2)	1	0	0.00	0	0%	0	0%
11 Contract (Levels 3-5)	8	0	0.00	0	0%	0	0%
13 Contract (Levels 9-12)	4	0	0.00	0	0%	0	0%
14 Contract Band A	1	0	0.00	0	0%	0	0%
16 Contract Band C	1	0	0.00	0	0%	0	0%
TOTAL	864	0	0.00	64	100%	0	0%

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

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

Employees with a disability	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

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

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period-1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2)	3	0	0	0%
Skilled (Levels 3-5)	46	1	8	17.4%
Highly Skilled Production (Levels 6-8)	493	6	12	2.4%
Highly Skilled Supervision (Levels 9-12)	135	10	11	8.1%
Senior Management Service Band A Permanent	17	3	3	17.6%
Senior Management Service Band B	4	0	0	0
Senior Management Service Band D	1	2	0	0
Contract (Levels 1-2) Permanent	0	2.	0	0
Contract (Levels 1-2)	0	0	1	0
Contract (Levels 3-5) Permanent	2	12	6	300
Contract (Levels 6-8) Permanent	0.	1	0	0%
Contract (Levels 6-8) Permanent	0	0	1	0%
Contract (Levels 9-12) Permanent	0	8	0	0
Contract (Levels 9-12) Permanent	0.	0	4	0
Contract Band A Permanent	0	2	1	0
Contract Band C Permanent	1	1	1	100%
TOTAL	702	48	48	6.8%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	121	9	13	10.7%
Agriculture Related Permanent	2	0	1	50%
Architects Town And Traffic Planners Permanent	5	0	0	0%
Cartographic Surveying And Related Technicians Permanent	2	1	0	0%
Cashiers Tellers And Related Clerks Permanent	1	4	2	200%
Cleaners In Offices Workshops Hospitals Etc. Permanent	17	2.	3	17.6%
Communication And Information Related Permanent	2	1	0	0
Engineers And Related Professionals Permanent	0	2	0	0
Finance And Economics Related Permanent	7	0	1	14.3%
Financial And Related Professionals Permanent	7	0	0	0
Financial Clerks And Credit Controllers Permanent	9	1	0	0%
Food Services Aids And Waiters Permanent	0	2	1	0%
General Legal Administration & Rel. Professionals Permanent	1	0	0	0
Human Resources Clerks Permanent	2.	0	0	0%
Human Resources Related	17	0	1	5.9%
Information Technology Related	5	0	0	0
Legal Related	1	0	0	0%
Library Mail And Related Clerks	4	0	0	0%
Messengers Porters And Deliverers Permanent	4.00	4	4	100%
Motor Vehicle Drivers	1.00	0	0	0%
Other Administration & Related Clerks And Organisers	423	14	18	4.2%
Other Administrative Policy And Related Officers	14	0	0	0
Other Occupations	26	2	0	0%
Quantity Surveyors & Rela Prof Not Class Elsewhere	1	0	0	0
Secretaries & Other Keyboard Operating Clerks	17	2	1	5.9%
Senior Managers	13	4	3	23.1%
TOTAL	702	48	48	6.8%

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death, Permanent	7	14.6%
Resignation, Permanent	3	6.3%
Expiry of contract, Permanent	25	52.1%
Discharged due to ill health, Permanent	1	2.1%
Retirement, Permanent	12	25%
TOTAL	48	100%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	121	5	4%	62	51%
Agriculture Related	2	0	0%	0	0%
Architects Town And Traffic Planners	5	0	0%	5	100%
Cartographic Surveying And Related Technicians	2	0	0%	0	0%
Cashiers Tellers And Related Clerks	1	0	0%	0	0
Cleaners In Offices Workshops Hospitals Etc.	17	0	0%	9	52.9%
Communication And Information Related	2	0	0%	0	0
Finance And Economics Related	7	1	14.3%	3	42.9%
Financial And Related Professionals	7	0	0	3	42.9%
Financial Clerks And Credit Controllers	9	0	0	5	55.6%
General Legal Administration & Rel. Professionals	1	0	0	1	100%
Human Resources Clerks	2	1	50%	1	50.0%
Human Resources Related	17	0	0%	15	88.2%
Information Technology Related	5	0	0%	4	80%
Legal Related	1	0	0%	0	0%
Library Mail And Related Clerks	4	0	0%	0	0%
Messengers Porters And Deliverers	4	0	0%	0	0%
Motor Vehicle Drivers	1	0	0	0	0.00
Other Administrat & Related Clerks And Organisers	423	0	0	160	37.8%
Other Administrative Policy And Related Officers	14	0	0	4	28.6%
Other Occupations	26	5	19%	3	11.5%
Quantity Surveyors & Rela Prof Not Class Elsewhere	1	0	0	0	0%
Secretaries & Other Keyboard Operating Clerks	17	0	0	10	58.8%
Senior Managers	13	0	0	0	0
TOTAL	702	12	1.7	285	40.6%

Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2),	4	0	0.	0	0%
02 Skilled (Levels 3-5),	37	0	0.00	27	73%
03 Highly Skilled Production (Levels 6-8),	489	0	0.00	179	36.6%
04 Highly Skilled Supervision (Levels 9-12),	140	9	6.4%	78	56%
05 Senior Management (Levels >= 13)	22	3	13.6%	1	4.5%
11 Contract (Levels 3-5),	8	0	0%	0	0%
14 Contract (Levels >= 13)	2	0	0%	0.00	0.00
TOTAL	702	12	1.7	285	40.6%

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Officials And Managers	13	0	0	0	9	1	0	1	24
Professionals	23	1	0	2	21	0	0	1	48
Technicians And Associate Professionals	61	1	0	2	74	1	0	1	140
Clerks	197	1	1	0	241	1	0	0	441
Plant And Machine Operators And Assemblers	1	0	0	0	0	0	0	0	1
09 - Labourers And Related Workers	26	0	0	0	22	0	0	0	48
TOTAL	321	3	1	4	367	3	0	3	702

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
02 Senior Management, Permanent	12	0	0	0	9	1	0	1	23
03 Professionally qualified and experienced specialists and mid-management, Permanent	74	1	0	4	55	0	0	2	136
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	216	2	1	0	267	0	0	0	486
05 Semi-skilled and discretionary decision making, Permanent	9	0	0	0	28	1	0	0	38
06 Unskilled and defined decision making, Permanent	0	0	0	0	3	0	0	0	3
08 Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
10 Contract (Professionally Qualified), Permanent	2	0	0	0	2	0	0	0	4
12 Contract (Semi-Skilled), Permanent	6	0	0	0	2	0	0	0	8
13 Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	1
TOTAL	322	3	1	4	367	2	0	3	702

Table 3.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

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, Permanent	1	0	0	0	3	0	0	0	4
Professionally qualified and experienced specialists and mid-management, Permanent	4	0	0	0	5	0	0	0	9
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	4	0	0	0	4	0	0	0	8
Semi-skilled and discretionary decision making, Permanent	0	0	0	0	0	1	0	0	1
Contract (Senior Management), Permanent	3	0	0	0	0	0	0	0	3
Contract (Professionally qualified), Permanent	5	0	0	0	3	0	0	0	8
Contract (Skilled technical), Permanent	1	0	0	0	0	0	0	0	1
Contract (Semi-skilled), Permanent	8	0	0	0	4	0	0	0	12
Contract (Unskilled), Permanent	0	0	0	0	2	0	0	0	2
TOTAL	26	0	0	0	21	1	0	0	48

Table 3.6.4 Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	0	0	0	0	0	0	0	0	0
02 Senior Management, Permanent	1	0	0	0	1	0	0	1	3
03 Professionally qualified and experienced specialists and mid-management, Permanent	48	1	0	2	35	0	0	1	87
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	79	0	1	0	100	0	0	0	180
05 Semi-skilled and discretionary decision making, Permanent	8	0	0	0	19	0	0	0	27
TOTAL	136	1	1	2	155	0	0	2	297

Table 3.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, Permanent	1	0	0	0	1	0	0	0	2
03 Professionally qualified and experienced specialists and mid-management, Permanent	5	0	0	0	7	0	0	0	12
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	5	0	0	0	7	0	0	0	12
Semi-skilled and discretionary decision making, Permanent	3	0	0	0	5	0	0	0	8
Contract (Senior Management), Permanent	2	0	0	0	0	0	0	0	2
Contract (Professionally qualified), Permanent	3	0	0	0	1	0	0	0	4
Contract (Skilled technical), Permanent	2	0	0	0	0	0	0	0	2
Contract (Semi-skilled), Permanent	4	0	0	0	2	0	0	0	6
13 Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	1
TOTAL	24.00	0	0	0	24	0	0	0	48

Table 3.6.6 Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final Written Warning	2	0	0	0	2	0	0	0	4
Written Warning	1	0	0	0	0	0	0	0	1
Two and Half months' salary suspension	1	0	0	0	0	0	0	0	1
Withdrawn		0	0		1	0	0	0	1
Acquitted	1	0	0	0	0	0	0	0	1
Pending	1	0	0	0	0	0	0	0	1
Total	6	0	0	0	3	0	0	0	9

Table 3.6.7 Skills development for the period 1 April 2022 to 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	0	0	0	1	0	0	0	7
Professionals	10	0	0	1	15	0	0	0	26
Technicians and associate professionals	10	0	0	0	9	0	0	0	19
Clerks	24	0	0	0	42	0	0	0	66
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	1	0	0	0	1
Total	50	0	0	1	68	0	0	0	119
Employees with disabilities	1	0	0	0	0	0	0	0	1

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

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	0	0	0	0%
Salary Level 16	0	0	0	0%
Salary Level 15	1	1	1	4.5%
Salary Level 14	6	4	4	18.2%
Salary Level 13	24	17	17	77.3%
Total	31	22	22	100%

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
None

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023

Reasons
None

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	0	367	0	0	0
African, Male	0	316	0	0	0
Asian, Female	0	0	0	0	0
Asian, Male	0	1	0	0	0
Coloured, Female	0	2	0	0	0
Coloured, Male	0	3	0	0	0
Total Blacks, Female	0	369	0	0	0
Total Blacks, Male	0	320	0	0	0
White, Female	0	2	0	0	0
White, Male	0	4	0	0	0
Employees with a disability	0	7	0	0	0
TOTAL	0	702	0	0	0

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
01 Lower Skilled (Levels 1-2)	0	3	0	0	0	0
02 Skilled (Levels 3-5)	0	38	0	0	0	0
03 Highly Skilled Production (Levels 6-8)	0	490	0	0	0	0
04 Highly Skilled Supervision (Levels 9-12)	0	134	0	0	0	0
10 Contract (Levels 1-2)	0	1	0	0	0	0
11 Contract (Levels 3-5)	0	8	0	0	0	0
13 Contract (Levels 9-12)	0	4	0	0	0	0
TOTAL	0	678	0	0	0	0

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks And Credit Controllers	0	9	0	0	0
Human Resources Clerks	0	2	0	0	0
Messengers Porters And Deliverers	0	4	0	0	0
Finance And Economics Related	0	7	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other Administration & Related Clerks And Organisers	0	423	0	0	0
Other Occupations	0	26	0	0	0
Legal Related	0	1	0	0	0
Financial And Related Professionals	0	7	0	0	0
Architects Town And Traffic Planners	0	5	0	0	0
Administrative Related	0	121	0	0	0
Communication And Information Related	0	2	0	0	0
Secretaries & Other Keyboard Operating Clerks	0	17	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	17	0	0	0
Library Mail And Related Clerks	0	4	0	0	0
Human Resources Related	0	17	0	0	0
Cashiers Tellers And Related Clerks	0	1	0	0	0
General Legal Administration & Rel. Professionals	0	1	0	0	0
Cartographic Surveying And Related Technicians	0	2	0	0	0
Other Administrative Policy And Related Officers	0	14	0	0	0
Senior Managers	0	13	0	0	0
Engineers And Related Professionals	0	0	0	0	0
Motor Vehicle Drivers	0	1	0	0	0
Food Services Aids And Waiters	0	0	0	0	0
Quantity Surveyors & Rela Prof Not Class Elsewhere	0	1	0	0	0
Information Technology Related	0	5	0	0	0
Agriculture Related	0	2	0	0	0
Total	0	702	0	0	0

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	18	0	0	0	0
Band B	0	4	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	24	0	0	0	0

3.9 Foreign Workers

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

Table 3.9.1 foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
0	0	0	0	0	0	0

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2022

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)
Highly skilled production (Levels 6-8)	660	90%	91	53.2%	7	952
Highly skilled supervision (Levels 9-12)	382	84.3%	53	31%	7	1 132
Lower skilled (Levels 1-2)	5	100%	1	0.6%	5	3
Senior management (Levels 13-16)	20	75%	6	3.5%	3	92
Skilled (Levels 3-5)	135	88.1%	20	11.7%	7	136
TOTAL	1 202	87.8%	171	100%	7	2 315

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022

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)
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

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

Table 3.10.3 Annual Leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	10	10	1
Highly skilled production (Levels 6-8)	9 127	23	395
Highly skilled supervision (Levels 9-12)	2 491	20	126
Lower skilled (Levels 1-2)	26	13	2
Senior management (Levels 13-16)	253	12	21.00
Skilled (Levels 3-5)	919	22	42.00
TOTAL	12 826	22	587

Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2022

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 2023
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 13-16)	0	0	41	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	69	0
Highly skilled supervision (Levels 9-12)	7	7	60	1
Lower skilled (Levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	57	0
Skilled (Levels 3-5)	0	0	43	0
TOTAL	7	7	60	1

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

Table 3.10.5 Leave payouts for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual - Discounting With Resignation (Work Days)	390	13	30 000
Annual - Gratuity: Death/Retirement/Medical Retirement (Work	846	19	44 526
Capped - Gratuity: Death/Retirement/Medical Retirement (Work	1 357	11	123 364
Total	2 593	43	197890

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
N/A	

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Ms RV Jones ,Chief Director : Corporate Services
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		The Department has Special Programmes /Employee Health and Wellness Unit. The unit has Deputy Director and Assistant Director and the budget available is R257 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		The Wellness Unit is responsible for the implementation of the Employee Health and Wellness Pillars: The HIV&AIDS and TB Management Health and Productivity Management Wellness Management SHERQ
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		The OHS/Employee Health and Wellness Committee was appointed by the Head of Department Ms RV Jones , Committee Chairperson , Ms AY Mbuyane : Thusong Service Centres Mr J Benade: Disaster Management Centre and Regional offices Mr KJ Mavuso : Disaster Management Centre Mr D Matsheka : Compliance and Risk Management Mr MG Malatjie : Labour Relations Mr B Simelane : Supply Chain Mr K Manzini; Public Participation Ms E Maluleka: Land Use Management Ms L Msibi : Communications Ms RM Maputu : Security Management Ms K Nkambule : House of Traditional Leaders and TIM Ms N Sibanyoni : Nkangala Regional Office Mr IP Chilaone : Employee health &Wellness Ms NL Malupe : Employee Health and Wellness Mr H Singwane : PSA Representative Ms NE Nkosi : NEHAWU Mr M Mbethe : Salaries& Finance Directorates
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/ practices so reviewed.	X		The policies are reviews annually
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Policy on HIV&AIDS in place.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		- The HIV&AIDS are kept confidential unless the employee discloses willingly - The HCT programmes and health and screenings are being conducted to employees
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The Department has the Employee Health and Wellness Operational plans, Employee Health and Wellness Integrated Tool, and System Monitoring Tool that are being used to measure the impact. The health and wellness questionnaires are being issued to CDW's to make evaluation regarding the programme. The department also make use of the reports from the Health Risk Manager

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
Total number of Collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	N/A	N/A
Verbal warning	N/A	N/A
Written warning	1	12.5%
Final written warning	4	50%
Suspended without pay	1	12.5%
Fine	N/A	N/A
Demotion	N/A	N/A
Dismissal	N/A	N/A
Not guilty	1	12.5%
Case withdrawn	1	12.5%
Total	8	100%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Use of Government property for own purpose	01	25%
Failure to honour oath of secrecy	01	25%
Doing Business with the State	02	50%
Total	04	100%

Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	2	100%
Number of grievances not resolved	0	0%
Total number of grievances lodged	2	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	N/A	N/A
Number of disputes dismissed	01	50%
Number of dispute withdrawn	01	50%
Total number of disputes lodged	02	100%

Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	06
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	01
Number of people who's suspension exceeded 30 days	01
Average number of days suspended	220
Cost of suspension(R'000)	0

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	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	3	0	20	6	26
	Male	9	0	19	5	24
Professionals	Female	24	0	10	2	12
	Male	25	0	12	3	15
Technicians and associate professionals	Female	76	0	13	8	21
	Male	67	0	18	7	25
Clerks	Female	237	0	28	6	34
	Male	191	0	16	11	27
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	22	0	0	0	0
	Male	1	0	0	0	0
Elementary occupations	Female	21	0	9	2	11
	Male	26	0	4	0	4
Sub Total	Female	383	0	80	24	104
	Male	319	0	69	26	95
Total		702	0	149	50	199

Table 3.13.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	3	0	1	0	1
	Male	9	0	6	0	6
Professionals	Female	24	0	12	0	12
	Male	25	0	09	1	10
Technicians and associate professionals	Female	76	0	5	0	5
	Male	67	0	15	0	15
Clerks	Female	237	0	35	1	36
	Male	191	0	33	0	33
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	22	0	0	0	0
	Male	1	0	0	0	0
Elementary occupations	Female	21	0	0	1	1
	Male	26	0	0	0	0
Sub Total	Female	383	0	53	2	55
	Male	319	0	63	1	64
Total		702	0	116	3	119

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023

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

3.15 Utilisation of Consultants

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

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A	0	0	0

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

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2022 and 31 March 2023

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
0	0	0	0

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023

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

PART E: PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	5 591	-
Add: Irregular expenditure confirmed	-	5 591
Less: Irregular expenditure condoned	(5 591)	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	-	5 591

Irregular Expenditure

Irregular Expenditure for 2021/22 Financial year was condoned by Mpumalanga Provincial Treasury - Procurement of COVID-19 related PPE, The official as identified in the SIU Report was sanctioned with a final written warning and the matter is under criminal court proceedings.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	-
Irregular expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description ¹	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total 2	-	-

c) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	5 591	-
Total	5 591	-

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	-	-
Add: Fruitless and wasteful expenditure confirmed	2	3
Less: Fruitless and wasteful expenditure written off	-	(2)
Less: Fruitless and wasteful expenditure recoverable	(2)	(1)
Closing balance	-	-

Fruitless expenditure on no-show fees on accommodation was fully recovered from the responsible officials.

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description ³	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	4	2
Total⁴	4	2

No Show fees on accommodation

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	2	1
Total	2	1

No Show charge on accommodation

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	-	2
Total	-	2

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
All instances of fruitless and wasteful expenditure was fully recovered from the responsible officials.
Total

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	1 493	240 007
Invoices paid within 30 days or agreed period	1 493	240 007

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Construction of traditional councils' offices, Jongilanga Kildare (Shimungwe)	Mbhene Trading	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R4 502 120,05
Construction of traditional councils' offices, Hoxane Mkhuhlu	Zemangce (Pty) Ltd	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R4 794 896,11
Construction of traditional councils' offices, Mogane Hlabekisa	Amanyandzeni (Pty) Ltd	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 716 976,82
Construction of traditional councils' offices, Mohlala Morudi Matibidi	Lusanda Trading	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 581 748,56
Construction of traditional councils' offices, Mathibela Oakley	Evelyn Rose Trading	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R4 790 990,42
Construction of traditional councils' offices, Duma Bettysgoed	Sobantu Supply Chain (Pty) Ltd	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 547 778,50
Construction of traditional councils' offices, Somcuba Bhevula Elukwatini	Sobantu Supply Chain (Pty) Ltd	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 547 778,50
Construction of traditional councils' offices, Madabukela Lunenburg (Piet Retief)	Yozindaba (Pty) Ltd	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 601 980,00
Construction of traditional councils' offices, Bakgatla Ba Seabe Seabe	Nokwanda Projects	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4,563,780.75
Construction of traditional councils' offices, Ndzundza Mabuse Watervaal A	Lusanda Trading	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 624 992,82
Construction of traditional councils' offices, Bakgatla Ba Maloka Pankop	Siqogo Trading Enterprise	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 524 124,97
Construction of traditional councils' offices, Ndzundza Phungutsha Katjibane	Lwakithi Trading Enterprise	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 607 387,00
Construction of traditional councils' offices, Bakgatla Ba Mmakau Mametlake	Mphirati Trading (Pty) Ltd	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R 4 778 712,71
Construction of traditional councils' offices, Manala Mbhongo Vaalbank	Nickelodia Trading (PTY) LTD	Construction of traditional councils' offices	Quotations – CGT085/021/MP	R4 762 430,60
Total				R51 255 812,09

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Reconstruction of three culverts at Msogwaba in the City of Mbombela	Mylofield (Pty) Ltd	Variation	CGT/085/21/MP	1 235	247	1 482
Reconstruction of culverts at	Siphoselanga	Replacement	CGT/085/21/MP	4 767	982	5 749
Total				6 002	1 229	7 231

PART F: FINANCIAL INFORMATION

Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 4: Department of Cooperative Governance and Traditional Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Cooperative Governance and Traditional Affairs set out on pages 101 to 140, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Cooperative Governance and Traditional Affairs as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

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

Other matter

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

Unaudited irregular expenditure and fruitless and wasteful expenditure

7. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 20 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of (name of the entity). The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standard and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. 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.

Responsibilities of the auditor-general for the audit of the financial statements

10. 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.

11. 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

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2 – Local government	25	The programme meets the qualitative and quantitative considerations, requirement as per our scoping in criteria for audit of predetermined objectives, the programme was also scoped in at AGSA (firm) level.
Programme 3 – Development and planning	33	The programme meets the qualitative and quantitative considerations, requirement as per our scoping in criteria for audit of predetermined objectives, the programme was also scoped in at AGSA (firm) level.

14. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
17. I did not identify any material findings on the reported performance information for the selected programmes.

Other matters

18. I draw attention to the matter below.

Material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programmes 2. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Achievement of planned targets

20. The annual performance report includes information on reported achievements against planned targets and provides explanations for over-achievement.

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

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

25. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
26. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
27. If, based on the work I have performed, I conclude that there is a material misstatement in this other information; I am required to report that fact.
28. I have nothing to report in this regard.

Internal control deficiencies

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

Auditor - General

Auditor-General
Mbombela
31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

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
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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.

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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c);38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury regulation 17.1.1 Treasury regulation 18.2 Treasury regulation 19.8.
Division of Revenue Act No. 5 of 2022	Dora 11(6)(a) Dora 12(5) Dora 16(1) Dora 16(3) Dora 16(3)(a)(i) Dora 16(3)(a)(ii)(bb)
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
SITA ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c) ; 3.3 (e) ; 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a);4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6

Legislation	Sections or regulations
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)

ANNUAL FINANCIAL STATEMENTS FOR MPUMALANGA DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

For the year ended
31 March 2023

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(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Appropriation per programme									
2022/23								2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1.Administration	150 845	-	1 094	151 939	151 939	-	100.0%	140 614	140 572
2.Local Governance	269 166	-	(18 961)	250 205	205 089	116	100.0%	209 688	209 686
3.Development and Planning	110 945	-	4 715	115 660	115 655	5	100.0%	326 840	303 037
4.Traditional Institutional Management	144 110	-	11 652	155 762	155 564	198	99.9%	108 098	107 277
5.The House of Traditional Leaders	19 411	-	1 500	20 911	20 910	1	100	16 001	16 001
TOTAL	694 477	-	-	694 477	694 157	320	100.0%	801 241	776 573

	2022/23				2021/22	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
TOTAL (brought forward)						
Reconciliation with statement of financial performance						
ADD						
Departmental receipts						
NRF Receipts						
Aid assistance						
Actual amounts per statement of financial performance (total revenue)	694 477				801 241	
ADD						
Aid assistance						
Prior year unauthorised expenditure approved without funding						
Actual amounts per statement of financial performance (total expenditure)		694 157				776 573

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Appropriation per economic classification									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	589 864	1 838	(395)	591 307	591 300	7	100.0%	715 371	715 356
Compensation of employees	418 729	(3 799)	(2 909)	412 021	412 020	1	100.0%	396 491	396 488
Goods and services	171 135	5 637	2 514	179 286	179 280	6	100.0%	318 880	318 868
Transfers and subsidies	34 457	(2 279)	-	32 178	31 980	198	99.4%	21 262	20 444
Provinces and municipalities	99	(27)	-	72	72	-	100.0%	51	51
Non-profit institutions	31 200	(2 255)	-	28 945	28 747	198	99.3%	17 741	16 923
Households	3 158	3	-	3 161	3 161	-	100.0%	3 470	3 470
Payments for capital assets	70 156	441	395	70 992	70 877	115	99.8%	64 608	40 773
Buildings and other fixed structures	35 000	(54)	1 744	36 690	36 689	1	100.0%	59 987	36 187
Machinery and equipment	5 156	13	(1 870)	3 299	3 299	-	100.0%	4 621	4 586
Intangible assets	30 000	482	521	31 003	30 889	114	99.6%	-	-
Total	694 477	-	-	694 477	694 157	320	100.0%	801 241	776 573

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 1: Administration									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	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	11 541	(780)	161	10 922	10 922	-	100.0%	8 057	8055
2. Corporate Services	139 304	780	933	141 017	141 017	-	100.0%	132 557	132 517
Total for sub programmes	150 845	-	1 094	151 939	151 939	-	100.0%	140 614	140 572
Economic classification									
Current payments	142 703	24	2 964	145 691	145 691	-	100.0%	132 472	132 465
Compensation of employees	81 415	(324)	-	81 091	81 091	-	100.0%	77 761	77 760
Goods and services	61 288	348	2 964	64 600	64 600	-	100.0%	54 711	54 705
Transfers and subsidies	3 257	(24)	-	3 233	3 233	-	100.0%	3 521	3 521
Provinces and municipalities	99	(27)	-	72	72	-	100.0%	51	51
Non-profit institutions								-	-
Households	3 158	3	-	3 161	3 161	-	100.0%	3 470	3 470
Payments for capital assets	4 885	-	(1 870)	3 015	3 015	-	100.0%	4 621	4 586
Machinery and equipment	4 885	-	(1 870)	3 015	3 015	-	100.0%	4 621	4 586
Total	150 845	-	1 094	151 939	151 939	-	100.0%	140 614	140 572

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 2: Local Governance									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	2 093	68	(280)	1 881	1 881	-	100.0%	1 998	1 998
2. Municipal Administration	29 086	386	1 350	30 822	30 821	1	100.0%	26 892	26 890
3. Public Participation	177 112	804	(2 193)	175 723	175 722	1	100.0%	173 096	173 096
4. Capacity Development	5 359	1 081	(1 577)	4 863	4 863	-	100.0%	3 583	3 583
5. Municipal Performance, Monitoring, Evaluation	55 516	(2 339)	(16 261)	36 916	36 802	114	99.7%	4 119	4 119
Total for sub programmes	269 166	-	(18 961)	250 205	250 089	116	100.0%	209 688	209 686
Economic classification									
Current payments	239 166	(482)	(19 482)	219 202	219 200	2	100.0%	209 688	209 686
Compensation of employees	193 895	-	(2 909)	190 986	190 985	1	100.0%	185 582	185 582
Goods and services	45 271	(482)	(16 573)	28 216	28 215	1	100.0%	24 106	24 104
Payments for capital assets	30 000	482	521	31 003	30 889	114	99.6%	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Intangible assets	30 000	482	521	31 003	30 889	114	99.6%	-	-
Total	269 166	-	(18 961)	250 205	250 089	116	100.0%	209 688	209 686

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 3: Development and Planning									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	613	(581)	-	32	32	-	100.0%	276	276
2. Spatial Planning	3 909	(1 269)	-	2 640	2 640	-	100.0%	4 508	4 508
3. Land Use Management	13 104	(467)	(41)	12 596	12 596	-	100.0%	13 136	13 136
4. Integrated Development and Planning	3 828	(429)	-	3 399	3 399	-	100.0%	2 718	2 716
5. Local Economic Development	9 634	(216)	(11)	9 407	9 407	-	100.0%	7 291	7 291
6. Municipal infrastructure	8 830	(913)	-	7 917	7 917	-	100.0%	4 498	4 497
7. Disaster Management	71 027	3 875	4 767	79 669	79 664	5	100.0%	294 413	270 613
Total for sub programmes	110 945	-	4 715	115 660	115 655	5	100.0%	326 840	303 037
Economic classification									
Current payments	95 674	41	7 647	103 362	103 358	4	100.0%	267 725	267 721
Compensation of employees	38 729	(2 395)	-	36 334	36 334	-	100.0%	32 892	32 890
Goods and services	56 945	2 436	7 647	67 028	67 024	4	100.0%	234 833	234 831
Payments for capital assets	15 271	(41)	(2 932)	12 298	12 297	1	100.0%	59 115	35 316
Buildings and other fixed structures	15 000	(54)	(2 932)	12 014	12 013	1	100.0%	59 115	35 316
Machinery and equipment	271	13	-	284	284	-	100.0%		
Total	110 945	-	4 715	115 660	115 655	5	100.0%	326 840	303 037

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 4: Traditional Institutional Management

2022/23								2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	1 892	(497)	-	1 395	1 395	-	100.0%	2 263	2 263
2. Traditional Institutional Administration	15 085	(1 106)	-	13 979	13 978	1	100.0%	14 784	14 782
3. Traditional Resource Administration	97 719	(915)	(1 297)	95 507	95 310	197	99.8%	82 538	81 723
4. Rural Development Facilitation	25 925	2 518	12 949	41 392	41 392	-	100.0%	5 810	5 807
5. Traditional Land Administration	3 489	-	-	3 489	3 489	-	100.0%	2 703	2 702
Total for sub programmes	144 110	-	11 652	155 762	155 564	198	99.9%	108 098	107 277
Economic classification									
Current payments	92 910	2 255	6 976	102 141	102 141	-	100.0%	89 485	89 483
Compensation of employees	89 252	(604)	(1 500)	87 148	87 149	(1)	100.0%	86 679	86 679
Goods and services	3 658	2 859	8 476	14 993	14 992	1	100.0%	2 806	2 804
Transfers and subsidies	31 200	(2 255)	-	28 945	28 747	198	99.3%	17 741	16 923
Non-profit institutions	31 200	(2 255)	-	28 945	28 747	198	99.3%	17 741	16 923
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	20 000	-	4 676	24 676	24 676	-	100.0%	872	871
Buildings and other fixed structures	20 000	-	4 676	24 676	24 676	-	100.0%	872	871
Total	144 110	-	11 652	155 762	155 564	198	99.9%	108 098	107 277

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 5: The house of Traditional Leaders									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Admin House of Traditional Leaders	8 109	(262)	-	7 847	7 847	-	100.0%	5 580	5 580
2. Committees and Local Houses	11 302	262	1 500	13 064	13 063	1	100.0%	10 421	10 421
Total for sub programmes	19 411	-	1 500	20 911	20 910	1	100.0%	16 001	16 001
Economic classification									
Current payments	19 411	-	1 500	20 911	20 910	1	100.0%	16 001	16 001
Compensation of employees	15 438	(476)	1 500	16 462	16 461	1	100.0%	13 577	13 577
Goods and services	3 973	476	-	4 449	4 449	-	100.0%	2 424	2 424
Total	19 411	-	1 500	20 911	20 910	1	100.0%	16 001	16 001

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

Detail of these transactions 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**

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	151 939	151 939	-	0%
No variance				
Local Governance	250 205	250 089	116	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund				
Development and Planning	115 660	115 655	5	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund				
Traditional Institutional Management	155 762	155 564	198	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund				
The House of Traditional Leaders	20 911	20 910	1	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund				
Total	694 477	694 157	320	0%

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments	591 307	591 300	7	0%
Compensation of employees	412 021	412 020	1	0%
Goods and services	179 286	179 280	6	0%
Transfers and subsidies	32 178	31 980	198	1%
Provinces and municipalities	72	72	-	0%
Non-profit institutions	28 945	28 747	198	1%
Households	3 161	3 161	-	0%
Payments for capital assets	70 992	70 877	115	0%
Buildings and other fixed structures	36 690	36 689	1	0%
Machinery and equipment	3 299	3 299	-	0%
Intangible assets	31 003	30 889	114	0%
Total	694 477	694 157	320	0%

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

Immaterial variance, savings will be surrendered to the Provincial Revenue Fund

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
EPWP Grant	2 563	2 563	-	100%
Total	2 563	2 563	-	100%

No variance

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	1	694 477	801 241
TOTAL REVENUE		694 477	801 241
EXPENDITURE			
Current expenditure		591 300	715 357
Compensation of employees	3	412 020	396 488
Goods and services	4	179 280	318 869
Transfers and subsidies		31 980	20 444
Transfers and subsidies	5	31 980	20 444
Expenditure for capital assets		70 877	40 772
Tangible assets	6	39 988	40 772
Intangible assets	6	30 889	-
Payments for financial assets		-	-
TOTAL EXPENDITURE		694 157	776 573
SURPLUS/(DEFICIT) FOR THE YEAR		320	24 668
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		320	24 668
SURPLUS/(DEFICIT) FOR THE YEAR		320	24 668

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current assets		778	26 363
Cash and cash equivalents	7	505	26 328
Receivables	8	273	35
Non-current assets			
Receivables	8	-	-
TOTAL ASSETS		778	26 363
LIABILITIES			
Current liabilities		769	26 363
Voted funds to be surrendered to the Revenue Fund	9	320	24 668
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	10	192	837
Payables	11	257	858
Non-current liabilities			
Payables	11	-	-
TOTAL LIABILITIES		769	26 363
NET ASSETS		9	-

	Note	2022/23 R'000	2021/22 R'000
Represented by:			
Recoverable revenue		9	-
TOTAL		9	-

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
Recoverable revenue			
Opening balance		-	20
Transfers:		9	(20)
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental revenue)		-	(20)
Debts raised		9	-
Closing balance		9	-
TOTAL		9	-

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

CASH FLOW STATEMENT

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		696 852	803 071
Annual appropriation funds received	1.1	694 477	801 241
Departmental revenue received	2	401	442
Interest received	2.2	1 974	1 388
Net (increase)/decrease in net working capital		(839)	1 090
Surrendered to Revenue Fund		(27 741)	(2 004)
Current payments		(591 300)	(715 357)
Transfers and subsidies paid		(31 980)	(20 444)
Net cash flow available from operating activities	12	44 992	66 356
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	6	(70 877)	(40 772)
Proceeds from sale of capital assets	2.3	53	560
Net cash flow available from investing activities		(70 824)	(40 212)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		9	(20)
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		9	(20)
Net increase/(decrease) in cash and cash equivalents		(25 823)	26 124
Cash and cash equivalents at beginning of period		26 328	204
Cash and cash equivalents at end of period	13	505	26 328

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

PART A: ACCOUNTING POLICIES

[Financial Statement Presentation par .03(f)]

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. Appropriated funds are measured at the amounts receivable. 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9.	Aid assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. CARA Funds are recognised when receivable and measured at the amounts receivable. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10.	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11.	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
12.	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13.	Investments Investments are recognised in the statement of financial position at cost.
14.	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	Impairment of financial assets Not applicable.
15.	Payables Payables recognised in the statement of financial position are recognised at cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

16.	Capital assets
16.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	Intangible capital assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
16.4	Project costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17.	Provisions and contingents
17.1	Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

17.2	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
17.3	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
18.	Unauthorised expenditure Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets 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 recorded in the notes to the financial statements comprise of • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised incurred in the current year.
19.	Fruitless and wasteful expenditure Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of . • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
20.	Irregular expenditure Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
21.	Changes in accounting estimates and errors Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

22.	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23.	Principal-Agent arrangements Not applicable.
24.	Departures from the MCS requirements Not applicable.
25.	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26.	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27.	Related party transactions Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
28.	Inventories (Effective from date determined by the Accountant-General) At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29.	Public-Private Partnerships Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30.	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

31.	Transfer of functions Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32.	Mergers Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

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

	2022/23				2021/22		
	Final Budget	Actual Funds Received	Funds not requested / not received		Final Budget	Appropriation Received	Funds not requested / not received
Programmes	R'000	R'000	R'000		R'000	R'000	R'000
1.Administration	151 939	151 939	-		140 614	140 614	-
2.Local Governance	250 205	250 205	-		209 688	209 688	-
3.Development and Planning	115 660	115 660	-		326 840	326 840	-
4.Traditional Institutional Management	155 762	155 762	-		108 098	108 098	-
5.The House of Traditional Leaders	20 911	20 911	-		16 001	16 001	-
Total	694 477	694 477	-		801 241	801 241	-

1.2. Conditional grants

	Note	2022/23 R'000	2021/22 R'000
Total grants received	28	2 563	2 257

2. Departmental revenue

	Note	2022/23 R'000	2021/22 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	392	396
Interest, dividends and rent on land	2.2	1 974	1 388
Sales of capital assets	2.3	53	560
Transactions in financial assets and liabilities	2.4	9	46
Total revenue collected		2 428	2 390
Less: Own revenue included in appropriation	10	(2 428)	(2 390)
Total		-	-

2.1. Sales of goods and services other than capital assets

	Note	2022/23 R'000	2021/22 R'000
Sales of goods and services produced by the department		392	396
Sales by market establishment		65	81
Other sales		327	315
Total	2	392	396

2.2. Interest, dividends and rent on land

	Note	2022/23 R'000	2021/22 R'000
Interest		1 974	1 388
Total	2	1 974	1 388

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

2.3. Sales of capital assets

	Note	2022/23 R'000	2021/22 R'000
Tangible capital assets		53	560
Machinery and equipment		53	560
Total	2	53	560

2.4. Transactions in financial assets and liabilities

	Note	2022/23 R'000	2021/22 R'000
Receivables		9	46
Total	2	9	46

3. Compensation of employees

3.1. Analysis of balance

	Note	2022/23 R'000	2021/22 R'000
Basic salary		240 469	227 956
Performance award		-	1 967
Service based		236	254
Compensative/circumstantial		6 886	9 168
Other non-pensionable allowances		110 456	105 999
Total		358 047	345 344

- Other non-pensionable allowances consist of expenditure for housing allowance and service bonus.
- Compensative/circumstantial includes overtime, acting allowance and capital remuneration.

3.2. Social contributions

	Note	2022/23 R'000	2021/22 R'000
Employer contributions			
Pension		31 541	28 786
Medical		21 397	21 330
UIF		36	34
Bargaining council		78	76
Insurance		921	918
Total		53 973	51 144
Total compensation of employees		412 020	396 488
Total number of employees		702	702

- Included in the total number of employees 702 is 642 permanent employees, 21 office permanent probation, 15 contracted officials and 24 public office bearers.
- The total number of employees of 702 excludes traditional headman/woman.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

4. Goods and services

	Note	2022/23 R'000	2021/22 R'000
Administrative fees		447	213
Advertising		1 523	1 392
Minor assets	4.1	424	345
Catering		2 025	685
Communication		9 547	9 213
Computer services	4.2	271	457
Consultants: Business and advisory services	4.9	37 058	31 374
Infrastructure and planning services		325	1 620
Legal services		3 083	2 568
Contractors		2 840	148 587
Agency and support / outsourced services		3 661	3 347
Audit cost - external	4.3	5 874	4 573
Fleet services		4 458	3 518
Inventories	4.4	54 433	62 618
Consumables	4.5	3 711	8 434
Operating leases		17 381	16 109
Property payments	4.6	10 619	11 769
Travel and subsistence	4.7	16 813	10 069
Venues and facilities		876	9
Training and development		3 113	1 273
Other operating expenditure	4.8	798	696
Total		179 280	318 869

4.1. Minor assets

	Note	2022/23 R'000	2021/22 R'000
Tangible capital assets			
Machinery and equipment		424	345
Total	4	424	345

4.2. Computer services

	Note	2022/23 R'000	2021/22 R'000
SITA computer services		271	457
Total	4	271	457

4.3. Audit cost - external

	Note	2022/23 R'000	2021/22 R'000
Regularity audits		5 874	4 573
Total	4	5 874	4 573

4.4. Inventories

	Note	2022/23 R'000	2021/22 R'000
Clothing material and accessories		627	299
Food and food supplies		1 708	-
Materials and supplies		52 628	62 319
Total	4	54 433	62 618

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

4.5. Consumables

	Note	2022/23 R'000	2021/22 R'000
Consumable supplies		1 480	5 620
Uniform and clothing		137	25
Household supplies		585	700
Building material and supplies		1	4 751
IT consumables		68	5
Other Consumables		689	139
Stationery, printing and office supplies		2 231	2 814
Total		3 711	8 434

4.6. Property payments

	Note	2022/23 R'000	2021/22 R'000
Municipal services		7 809	8 895
Property maintenance and repairs		2 780	2 576
Other		30	298
Total	4	10 619	11 769

4.7. Travel and subsistence

	Note	2022/23 R'000	2021/22 R'000
Local		16 813	10 069
Total	4	16 813	10 069

4.8. Other operating expenditure

	Note	2022/23 R'000	2021/22 R'000
Professional bodies, membership and subscription fees		46	81
Resettlement costs		38	37
Other		714	578
Total	4	798	696

- Other operating expenditure includes courier & delivery services, non-life insurance premium, Printing & Publications services and honoraria.

4.9. Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)

Name of Commission / Committee of Inquiry	Note	2022/23 R'000	2021/22 R'000
Risk Management Committee	4	26	28
Total		26	28

5. Transfers and subsidies

	Note	2022/23 R'000	2021/22 R'000
Provinces and municipalities	29	72	51
Non-profit institutions	Annex 1	28 747	16 923
Households	Annex 2	3 161	3 470
Total		31 980	20 444

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

6. Expenditure for capital assets

	Note	2022/23 R'000	2021/22 R'000
Tangible capital assets		39 988	40 772
Buildings and other fixed structures	26	36 689	36 186
Machinery and equipment	24	3 299	4 586
Intangible capital assets		30 889	-
Software	25	30 889	-
Total		70 877	40 772

6.1. Analysis of funds utilised to acquire capital assets - Current year

	Voted funds R'000	2022/23 Aid assistance R'000	Total R'000
Name of entity			
Tangible capital assets	39 988	-	39 988
Buildings and other fixed structures	36 689	-	36 689
Machinery and equipment	3 299	-	3 299
Intangible capital assets	30 889	-	30 889
Software	30 889	-	30 889
Total	70 877	-	70 877

6.2. Analysis of funds utilised to acquire capital assets - Prior year

	Voted funds R'000	2021/22 Aid assistance R'000	Total R'000
Name of entity			
Tangible capital assets	40 772	-	40 772
Buildings and other fixed structures	36 186	-	36 186
Machinery and equipment	4 586	-	4 586
Total	40 772	-	40 772

7. Cash and cash equivalents

	Note	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General Account		2 650	34 133
Disbursements		(2 145)	(7 805)
Total		505	26 328

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

8. Receivables

	Note	2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	8.1	85	-	85	-	-	-
Staff debt	8.2	117	-	117	33	-	33
Other receivables	8.3	71	-	71	2	-	2
Total		273	-	273	35	-	35

8.1. Claims recoverable

	Note	2022/23 R'000	2021/22 R'000
<i>Group major categories, but list material items</i>			
GEHS		85	-
Total	8	85	-

8.2. Staff debt

	Note	2022/23 R'000	2021/22 R'000
<i>Group major categories, but list material items</i>			
Staff debts		85	9
Ex-Employees		117	24
Total	8	202	33

8.3. Other receivables

	Note	2022/23 R'000	2021/22 R'000
Medical Scheme		2	2
Traditional Leaders		69	-
Total	8	71	2

9. Voted funds to be surrendered to the Revenue Fund

	Note	2022/23 R'000	2021/22 R'000
Opening balance		24 668	107
Prior period error		-	-
As restated		24 668	107
Transferred from statement of financial performance (as restated)		320	24 668
Transferred to retained revenue to defray excess expenditure		-	-
Conditional grants surrendered by the provincial department	9.1	-	-
Paid during the year		(24 668)	(107)
Closing balance		320	24 668

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

9.1. Reconciliation on unspent conditional grants

	Note	2022/23 R'000	2021/22 R'000
Total conditional grants received	1.2	2 563	2 257
Total conditional grants spent		(2 563)	(2 257)
Unspent conditional grants to be surrendered		-	-
Due by the Provincial Revenue Fund		-	-

- The note on reconciliation of unspent conditional grants is a new note introduced in the 2022/23 FY AFS Specimen.

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

	Note	2022/23 R'000	2021/22 R'000
Opening balance		837	344
Prior period error		-	-
As restated		837	344
Own revenue included in appropriation	2	2 428	2 390
Paid during the year		(3 073)	(1 897)
Closing balance		192	837

11. Payables - current

	Note	2022/23 R'000	2021/22 R'000
Amounts owing to other entities		-	340
Clearing accounts	11.1	227	488
Other payables	11.2	30	30
Total		257	858

11.1. Clearing accounts

Description	Note	2022/23 R'000	2021/22 R'000
<i>Identify major categories, but list material items</i>			
Sal Income Tax		140	211
Sal ACB Account		6	6
Disallowance Miscellaneous		74	49
Sal GEHS Refund		-	207
Sal Pension Fund		7	15
Total	11	227	488

11.2. Other payables

Description	Note	2022/23 R'000	2021/22 R'000
<i>Identify major categories, but list material items</i>			
Ex-employees		30	30
Total	11	30	30

- Other payables relates to over deduction on exit pay-out for ex-employees

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

12. Net cash flow available from operating activities

	Note	2022/23 R'000	2021/22 R'000
Net surplus/(deficit) as per Statement of Financial Performance		320	24 668
Add back non-cash/cash movements not deemed operating activities		44 672	41 688
(Increase)/decrease in receivables		(238)	459
Increase/(decrease) in payables - current		(601)	631
Proceeds from sale of capital assets		(53)	(560)
Expenditure on capital assets		70 877	40 772
Surrenders to RDP Fund/Donors		(27 741)	(2 004)
Own revenue included in appropriation		2 428	2 390
Net cash flow generating		44 992	66 356

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

	Note	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General account		2 650	34 133
Disbursements		(2 145)	(7 805)
Total		505	26 328

14. Contingent liabilities and contingent assets

14.1. Contingent liabilities

Liable to	Nature	Note	2022/23 R'000	2021/22 R'000
Claims against the department		Annex 5	5 177	41 208
Intergovernmental payables		Annex 7	62	6 568
Total			5 239	47 776

- The Department is not aware of any information that will determine the outcome of the matters above in favour or against the department.
- Intergovernmental balance includes an amount of R 0.062 million claim received from the GEPEF.

14.2. Contingent assets

Nature of contingent asset	Note	2022/23 R'000	2021/22 R'000
Counter claim: Stemashan Sphephelo vs MEC & HOD		-	13 249
The Department & Mr FV Mnisi vs Venter HJ		87	87
Mokhine Group (Pty) Ltd vs the MEC		9 451	-
Special Investigation Unit vs the MEC & 3 others		5 591	
Total		15 129	13 336

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

15. Capital commitments

	Note	2022/23 R'000	2021/22 R'000
Buildings and other fixed structures		36 267	6 866
Machinery and equipment		-	490
Intangible assets		109 290	
Total		145 557	7 356

- The amount of **R145.557 million** exclude the retention amount of **R7.473 million** disclosed separately under provisions (Note 22).

16. Accruals and payables not recognised

16.1. Accruals

		2022/23			2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		4 788	1 428	6 216	7 216
Other		30	55	85	26
Total		4 818	1 483	6 301	7 242

	Note	2022/23 R'000	2021/22 R'000
Listed by programme level			
Administration		2 741	3 270
Local Governance		114	2 018
Development and Planning		132	1 900
Traditional Institutional Management		1 098	34
The House of Traditional Leaders		2 216	20
Total		6 301	7 242

16.2. Payables not recognised

		2022/23			2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		140	-	140	4 841
Interest and rent on land		-	-	-	-
Transfers and subsidies		-	-	-	5
Capital assets		8 050	-	8 050	
Other		-	-	-	23
Total		8 190	-	8 190	4 869

	Note	2022/23 R'000	2021/22 R'000
Listed by programme level			
Administration		127	497
Local Governance		-	342
Development and Planning		8 063	4 013
Traditional Institutional Management		-	10
The House of Traditional Leaders		-	7
Total		8 190	4 869

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
<i>Included in the above totals are the following:</i>			
Confirmed balances with other departments	Annex 7	530	222
Confirmed balances with other government entities		76	-
Total		606	222

17. Employee benefits

	Note	2022/23 R'000	2021/22 R'000
Leave entitlement		28 519	29 146
Service bonus		10 426	10 028
Capped leave		8 841	9 901
Other		240	214
Total		48 026	49 289

- Other includes the long term portion of the long service awards that cannot be reliably measured at this stage.
- The Department has not paid any Performance Awards since 2021/22 FY.

18. Lease commitments

18.1. Operating leases

	Specialised military equipment R'000	Land R'000	2022/23 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	16 156	1 642	17 798
Later than 1 year and not later than 5 years	-	-	830	928	1 758
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	16 986	2 570	19 556

- The Operating lease commitments on office buildings includes a 6% per annum escalation on a yearly basis.

	Specialised military equipment R'000	Land R'000	2021/22 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	15 242	1 267	16 509
Later than 1 year and not later than 5 years	-	-	16 987	1 101	18 088
Total lease commitments	-	-	32 229	2 368	34 597

19. Accrued departmental revenue

	Note	2022/23 R'000	2021/22 R'000
Sales of capital assets		191	-
Total		191	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

- Vehicles sold through public auction conducted during December 2022, however the proceeds were received by the Department during April 2023.

19.1. Analysis of accrued departmental revenue

	Note	2022/23 R'000	2021/22 R'000
Opening balance		-	-
Less: services received in lieu of cash		-	-
Add: amounts recorded		191	-
Closing balance		191	-

20. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2022/23 R'000	2021/22 R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		-	5 591
Fruitless and wasteful expenditure - current year		4	-
Total		4	5 591

Fruitless and Wasteful Expenditure

No show charges on accommodation (under Investigation)

21. Related party transactions

In-kind goods and services provided/received	Note	2022/23 R'000	2021/22 R'000
<i>List in goods and services between the department and related party</i>			
• The Department received services from MP Department of PWRT for office accommodation provided free of charge			
• IT services from Provincial Treasury			
• Shared Services for Internal Audit and Audit Committee from OTP free of charge			
• Job evaluation services from MP OTP free of charge			
• Received Interns from SSETA free of charge			
• Drafting and making Lease contracts on Office building from MP Department of PWRT			
• Received Interns from CETA free of charge			
• Received Security Services from DSSCL			
• Received Interns from LGSETA free of charge			
• Received Engineers from DBSA the department is only liable for S&T			
		287	62
Total		287	62

- There's no related part transaction within the MEC's portfolio however all departments are related and the above is disclosed as an additional information in line with TR 21.2.4.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

22. Key management personnel

	2022/23 R'000	2021/22 R'000
Political office bearers (<i>provide detail below</i>)		
Officials:	2 310	1 941
Level 15 to 16	1 770	1 733
Level 14(Incl. CFO if at a lower level)	9 092	8 102
PA to the MEC	1 338	1 371
Family members of key management personnel	482	464
Total	14 992	13 611

23. Provisions

	2022/23 R'000	2021/22 R'000
Retention	7 473	3 457
Total	7 473	3 457

23.1 Reconciliation of movement in provisions - Current year

	2022/23			
	Retention on infrastructure Projects R'000	Construction of Traditional Councils R'000	Provision 3 R'000	Total provisions R'000
Opening balance	3 457	-	-	3 457
Increase in provision	450	6 495	-	6 945
Settlement of provision	(2 929)	-	-	(2 929)
Closing balance	978	6 495	-	7 473

Reconciliation of movement in provisions - Prior year

	2021/22			
	Retention on infrastructure Projects R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	3 457			3 457
Closing balance	3 457	-	-	3 457

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

24. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Value adjustments	2022/23 Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	48 494	-	12 488	(2 392)	58 590
Transport assets	21 001	-	8 050	(1 899)	27 152
Computer equipment	14 797		3 611	(440)	17 968
Furniture and office equipment	6 792		502	(53)	7 241
Other machinery and equipment	5 904		325	-	6 229
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	48 494		12 488	(2 392)	58 590

- Included in the amount of R8.050 million for transport assets received during 2022/23 financial year and will be paid in 2023/24 financial year (R8.050 million).
- Excluded in the amount of R3.611 million for computer equipment are assets paid for during 2022/23 financial year but received in 2021/22 financial year (R0.737 million).
- Computer Equipment Additions includes R 1.876 million worth of non-cash computer donations received.
- The Disposals amount of R 2.392 million is inclusive of R1.041 million worth of assets donated/transferred to Traditional Councils within Mpumalanga Province.

Movable Tangible Capital Assets under investigation

	Number	Value
	Note	R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:		
Machinery and equipment	25	333

- Major Assets amounting to R0.333 million are under investigation not yet concluded by the Theft and Loss Committee and R0.066 million relates to assets still to be verified.

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

	Opening balance	Prior period error	2021/22 Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	46 997	-	5 253	(3 756)	48 494
Transport assets	20 612	-	2 232	(1 843)	21 001
Computer equipment	13 548	-	2 345	(1 096)	14 797
Furniture and office equipment	7 000	-	609	(817)	6 792
Other machinery and equipment	5 837	-	67	-	5 904
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	46 997	-	5 253	(3 756)	48 494

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

24.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	5	-	9 144	-	9 149
Value adjustments						
Additions	-	-	-	424	-	424
Disposals	-	-	-	(128)	-	(128)
Total Minor assets	-	5	-	9 440	-	9 445

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	2	-	5 458	-	5 460
Total number of minor assets	-	2	-	5 458	-	5 460

Minor capital assets under investigation	Number	Value
	Note	R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:		
Machinery and equipment	3	11

- Minor Assets amounting to **R0.011 million** are under investigations not yet concluded by the Theft and Loss Committee.

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

	2021/22					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	5	-	10 292	-	10 297
Prior period error	-	-	-	-	-	-
Additions	-	-	-	342	-	342
Disposals	-	-	-	(1 490)	-	(1 490)
Total Minor assets	-	5	-	9 144	-	9 149

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	2	-	5 374	-	5 376
Total number of minor assets	-	2	-	5 374	-	5 376

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

24.3. Movable tangible capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					Total
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-	-	-
Total movable assets written off	-	-	-	-	-	-

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022

	2021/22					Total
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	426	-	426
Total movable assets written off	-	-	-	426	-	426

- The total relates to a vehicle that was high-jacked and subsequently written-off due to no (zero) prospect of recovery.

25. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
	7 000	-	-	7 000
SOFTWARE				
TOTAL INTANGIBLE CAPITAL ASSETS	7 000	-	-	7 000

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

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	7 000	-	-	-	7 000
Total Intangible Capital Assets	7 000	-	-	-	7 000

25.2. Intangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

		Opening balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2023
	Note	R'000	R'000	R'000	R'000
Intangible assets	Annex 8	-	30 889	-	30 889
Total		-	30 889	-	30 889

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

26. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	31 995	13 296	(14 425)	30 866
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	31 995	13 296	(14 425)	30 866

26.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
Other fixed structures	276	-	31 719	-	31 995
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	276	-	31 719	-	31 995

26.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Current Year WIP	Ready for use	Closing balance	
	1 April 2022		(Assets to the AR) / Contracts terminated	31 March 2023	
	R'000	R'000	R'000	R'000	
<i>Note Annex 8</i>					
Buildings and other fixed structures	4 467	36 689	(13 296)	27 860	
Total	4 467	36 689	(13 296)	27 860	

Payables not recognised relating to Capital WIP

	2022/23		2021/22
	R'000		R'000
<i>Note</i>			
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress		-	-
Total		-	-

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	2021/22				
	Opening balance	Prior period error	Current Year WIP	Ready for use	Closing balance
	1 April 2021			(Assets to the AR) / Contracts terminated	31 March 2022
	R'000	R'000	R'000	R'000	R'000
<i>Note</i>					
Buildings and other fixed structures	-	-	36 186	(31 719)	4 467
Total	-	-	36 186	(31 719)	4 467

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

26.3. Immovable tangible capital assets written off

IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			Total
	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	
	R'000	R'000	R'000	R'000
Assets written off				
Total Immovable capital assets written off				

27. Prior period errors

27.1. Correction of prior period errors

		2021/22		Restated
		Amount bef error correction	Prior period error	
	Note	R'000	R'000	R'000
Expenditure:				
Consumables –Household Supplies	4.5	725	(25)	700
Consumables –Building Materials & Supplies	4.5	4750	1	4 751
Inventory – Fuel,oil,gas	4.4	139	(139)	-
Other Consumables – Fuel supplies	4.5	-	139	139
Related party transactions – In kind Goods and services provided/received - S&T	21	-	62	62
Net effect		5 614	38	5 652
Correction of expenditure misstatements				

		2021/22		Restated
		Amount bef error correction	Prior period error	
	Note	R'000	R'000	R'000
Liabilities:				
Lease commitment: Office Buildings	18.1	15 144	98	15 242
Operating Leases (not late than 1 year)				
Operating Leases (later than 1 year and not later than 5 years)	18.1	18 755	(1 768)	16 987
Net effect		33 899	(1 670)	32 229
Correction of lease commitment calculations to align with contracts				

		2021/22		Restated
		Amount bef error correction	Prior period error	
	Note	R'000	R'000	R'000
Statement of Financial Performance:				
Expenditure : Current expenditure		-	-	-
Goods and Services		318 868	1	318 869
Net effect		318 868	1	318 869
Correction of rounding off figures in the statement of Financial Performance.				

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

28. Statement of conditional grants received

NAME OF GRANT	2022/23									2021/22	
	GRANT ALLOCATION					SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under- / (Overspe-nding)	% of available funds spent by depart-ment	Division of Revenue Act / Provincial grants	Amount spent by depart-ment
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
EPWP	2 563	-	-	-	2 563	2 563	2 563	-	100%	2 257	2 257
TOTAL	2 563	-	-	-	2 563	2 563	2 563	-	100%	2 257	2 257

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

29. Statement of conditional grants and other transfers paid to municipalities

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
City of Mbombela Municipality	99	-	(27)	72	72	-	-	51	51
TOTAL	99	-	(27)	72	72	-	-	51	51

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

30. 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.

31. COVID 19 Response expenditure

	Note	2022/23 R'000	2021/22 R'000
Compensation of employees			
Goods and services		-	189
Total	<i>Annex 10</i>		

UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 1

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers Traditional Councils	31 200	-	(2 255)	28 945	28 747	99.0%	17 741	16 923
TOTAL	31 200	-	(2 255)	28 945	28 747	99.0%	17 741	16 923

ANNEXURE 2

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLD	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers Leave Gratuity	3 158	-	3	3 161	3 161	100.0%	3 470	3 470
TOTAL	3 158	-	3	3 161	3 161	100.0%	3 470	3 470

ANNEXURE 3

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23	2021/22
		R'000	R'000
Received in cash LGSETA	Fire Project	-	107
TOTAL		-	107

ANNEXURE 4

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
EPWP	-	614	294	328	314	304	315	306	82	3	3	-	2 563
TOTAL	-	614	294	328	314	304	315	306	82	3	3	-	2 563

UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 5

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of liability	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
STEMASHAN SPHEPHELO VS M & HOD	24 708	-	(24 708)	-	-
SN THWALA (NNO)&3 OTHERS VS MEC & MBOMBELA MAYOR	900	-	-	-	900
MANTELANE CONSTRUCTION CC VS MEC ,RAND WATER &FT CONSULTANTS	15 000	-	(15 000)	-	-
JL CHILLI VS THE MEC	600	-	-	-	600
MOKHINE GROUP (PTY) LTD VS THE MEC	-	3 337	-	-	3 337
HS SOKO VS THE MEC	-	340	-	-	340
TOTAL	41 208	3 677	(39 708)	-	5 177

ANNEXURE 6

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
MP:Department of Public Works,Road and Transport	-	-	553	553	553	-	-	-
City of Mbombela	-	-	6	-	6	-	-	-
TOTAL	-	-	559	553	559	553	-	-

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* For the Cash in transit columns - Please note the following:

- Provincial departments must only reflect receipts from departments within their province
- National departments must only reflect receipts from other national departments.

UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 7

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000

DEPARTMENTS

Current

MP:Department of Public Works, Road and Transport	127	119	-	-	127	119	-	-
Department of Justice	270	73	-	-	270	73	-	-
South African Police Services	133	17	-	-	133	17	-	-
MP:Department of Community ,Safety Security and Liaison	-	13	-	-	-	13		
Total Departments	530	222	-	-	530	222	-	-

OTHER GOVERNMENT ENTITIES

Current

Rand Water	-	-	-	5 419	-	5 419	-	-
Government Employees Pension fund(GEPF)	-	-	62	1 149	62	1 149	-	-
SITA	76	-	270		346			
Subtotal	76	-	332	6 568	408	6 568	-	-
TOTAL INTERGOVERNMENT PAYABLES	606	222	332	6 568	938	6 790		

VOTE 04

UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 8

INVENTORIES

	Other inventory	Tarpaulins inventory	Insert major category of inventory	Insert major category of inventory	Total
Inventories for the year ended 31 March 2023	R'000	R'000	R'000	R'000	R'000
Opening balance	14 561	25 178	-	-	39 739
Add: Additions/Purchases – Cash	26 601	23 468	-	-	50 069
(Less): Issues	(21 776)	(25 754)	-	-	(47 530)
Closing balance	19 386	22 892	-	-	42 278

	Other inventory	Tarpaulins inventory	Insert major category of inventory	Insert major category of inventory	Total
Inventories for the year ended 31 March 2022	R'000	R'000	R'000	R'000	R'000
Opening balance	5 944	24 532	-	-	30 476
Add: Additions/Purchases - Cash	23 072	38 293	-	-	61 365
(Less): Issues	(14 455)	(37 647)	-	-	(52 102)
Closing balance	14 561	25 178	-	-	39 739

ANNEXURE 9

MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
	4 467	36 689	(13 296)	27 860
BUILDINGS AND OTHER FIXED STRUCTURES				
Dwellings				
Non-residential buildings	-	24 676	-	24 676
Other fixed structures	4 467	12 013	(13 296)	3 184
SOFTWARE				
Software	-	30 889	-	30 889
TOTAL	4 467	67 578	(13 296)	58 749

UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

Movement in capital work in progress for the year ended 31 March 2022

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000

BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	-	-	36 186	(31 719)	4 467

SOFTWARE

Software					
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TOTAL	-	-	36 186	(31 719)	4 467
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ANNEXURE 10

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2022/23					2021/22
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000

Compensation of employees**Goods and services**

List all applicable SCOA level 4 items

Cons Hous Sup: Wash/Clean Dete	-	-	-	-	-	24
Cons Supp :Medical Supplies	-	-	-	-	-	1
P/P:Pest Cntrl/Fumigation Ser	-	-	-	-	-	164

TOTAL COVID 19 RESPONSE EXPENDITURE	-	-	-	-	-	189
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