cogta

Department:
Cooperative Governance and
Traditional Affairs
North West Provincial Government
REPUBLIC OF SOUTH AFRICA









ANNUAL REPORT 2022/23

Department of Cooperative Governance & Traditional Afffairs

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PART A:
GENERAL INFORMATION

1. PART A: GENERAL INFORMATION

1.1 Department general information

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1.2 LIST OF ACRONYMS

The below description of the acronyms intends to assist users to understand meanings of acronyms utilized in the annual report:

APP	Annual Performance Plan
BTO	Budget and treasury Office
CATA	Culture, Arts and Traditional Affairs
CCP	Creditor Central Payment
COGTA	Department of Corporate Governance and Traditional Affairs
DOE	Department of Education
DOH	Department of Health
DORA	Divisions of Revenue Act
DPSA	Department of Public Service and Administration
EAP	Employee Assistance Programme
EHW	Employee Health and Wellness
EHWP	Employee Health and Wellness Programme
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
FEED	Finance, Economic and Enterprise Development
GEMS	Government Employee Medical Scheme
HIV & AIDS	Human Immunodeficiency Virus & Acquired Immune Deficiency Syndrome
HOD	Head of Department
HRM	Human Resource Management
IDP	Integrated Development Plan
IPDMF	Integrated Provincial Disaster Management Framework
LED	Local Economic Development
LG	Local Government
LIC	Labour Intense Methods of Construction
LM	Local Municipalities
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MISS	Minimum Information Security Standards
MPAC	Municipal Public Audit Committee
MPRA	Municipal Property Rates Acts
MSA	Municipal System Act
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NACH	National Anti-Corruption Hotline
OHS	Organizational Health and Safety
PAAP	Post Audit Action Plan
PDMC	Provincial Disaster Management Centre
PFMA	Public Finance Management Act
PILIR	Procedure on Incapacity Leave and Ill-Health Retirement
PMDS	Performance Management and Development Strategy
PMS	Performance Management System
POE	Portfolio of evidence
READ	Rural, Environment and Agricultural Development
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts

SD	Service Delivery
SDBIP	Service Delivery and Budget Implementation Plan
SHERQ	Safety, Health, Environment, Risk and Quality
SMS	Senior Management Services
SPLUMA	Spatial Planning and Land Use Management
STI	Sexual Transmitted Infections
TB	Tuberculosis
TLGFA	Traditional Leadership and Governance Framework Act
WSP	Workplace skills Plan
UIF&W	Unauthorized, Irregular, Fruitless & Wasteful

1.3 Foreword by the MEC of the Department



The fifth cohort of councilors ended their first year in office in November 2022 and the department through its constitutional and legislative mandate and in partnership with SALGA, continued to provide training for both councilors and officials across the 22 municipalities during the term.

Part of the training programme provided to municipalities, included induction workshops for Municipal Public Accounts Committees ("MPACS") on their roles and responsibilities. MPAC is a committee of council that is established in terms of Section 79A of the Municipal Structures, 1998 (Act No. 117 of 1998) as amended. This committee is entrusted with the oversight role of promoting good governance, transparency, accountability and proper usage of municipal resources.

Municipalities in the province are still experiencing high vacancy rate in senior management positions. The provincial department of Cogta and Provincial Treasury in seeking to mitigate this state of affairs, have seconded senior officials to act as either Municipal Managers or Chief Financial Officers in identified municipalities, until such positions are filled.

The department has obtained an unqualified audit opinion for 2022/2023 audit cycle. Whilst I applaud the management of the department for this achievement, the hard facts are that, the dark cloud of undesirable audit performance that continues to hover over the municipalities in the province, constitutes an indictment on the department for it to invest substantial attention and energy into this area.

Water remains a challenge in many of the municipalities and through a political steering committee established by the Minister of Water and Sanitation, we are registering a noticeable impact on this front. We have set aside an amount of R60 million to intervene in water and sanitation challenges across the province.

All four districts have finalized their One-Plans in line with the Quality Assurance Framework (QAF) guidelines. To this end, Dr Ruth Segomotsi Mompati District Municipality is a shining example of a District Development Model (DDM) in action.

The Local and Provincial Houses of Traditional and Khoi-San Leaders were reconstituted in the year 2022 in line with the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019). The reconstitution of traditional councils has been put in abeyance following a resolution by traditional leaders calling for the revision of the formula for the composition of traditional councils.

My heartfelt gratitude goes to the Accounting Officer, Dr MS Bole, for his sterling leadership, the entire management of Cogta for their work done during the compilation of the Annual Report.



Mr Patrick Dumile Nono Maloyi (MPL)
MEC : Cooperative Governance, Human Settlements and Traditional Affairs
Date : 28 August 2023

1.4 Report of the Accounting Officer

Overview of the operation of the department

Department is currently operating with an approved start up structure and we are in the process of consulting external stakeholders in developing a fit for purpose structure. Department has a high vacancy rate in critical areas, which has negative effect on the operation of the department. In order to curb this, department has advertised vacant funded positions in various units which are understaffed and overwhelmed. All efforts are being made to ensure speedy filling of these advertised positions.

In an effort to enhance compliance management, department developed a compliance checklist register that will be monitored on a continues basis. This has enabled the Department to record all applicable legislative prescripts and related activity timelines. Pre-audit checklist was also developed to curb irregular expenditure by ensuring that all payments vouchers are compliant to Supply Chain Management regulations, prior to capturing of the system.

Governance structures are critical in upholding accountability and making necessary decisions for the institution. Key to these structures is also being able to track progress on decisions taken by mean of regular sittings. Bids committees have been appointed for the period under review i.e. Specification, Evaluation and Adjudication Committees. Furthermore, Department Management Committee were established and convened regularly to discuss matters affecting day to day operations.

Department intend to strengthen the capacity to support and monitor municipalities in the North West Province. We have come to a decision that, doing business as usual will never get us to a point of changing the face of local government. As a result, more resources must be harnessed to capacitate provincial government to support and monitor municipalities. This initiative/intervention involves collaborating with the University of North West and other pertinent stakeholders to ensure ample resources are gathered and necessary support is provided to the municipalities.

Departmental receipts

The table below outlines revenue collected in comparison to the estimated amount for the current and previous years:

Detail of departmental receipts

Departmental Receipts	2022/23			2021/22		
	Estimate	Actual Amount collected	(Over)under collection	Estimate	Actual Amount collected	(Over)under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax receipts						
Sales of goods and service other than capital assets	207	363	-156	310	328	-18
Transfers received from:						
Fines, penalties and forfeits						
Interest, dividents and rent on land	0	45	-45	0	4	-4
Sales of capital assets						
Financial transactions in assets and liabilities	294	28 562	- 28 268	167	1 150	-983
Total	501	28 970	- 28 469	477	1 482	- 1 005

Revenue collection recorded 5 782%, which is 5 682% above the targeted collection of 100%. Over collection is attributed to: Staff Debt Write off and Municipal debts amounting to R508 thousand and R28 161 million respectively. Increase in commission due to additional officials who authorized stop orders on their salaries. Sale of laptop and cellphone scrap. Departmental collection from staff debt

Programme expenditure

The table below outlines actual expenditure in comparison to the adjusted appropriation for the current and previous years:

Voted funds and Direct charges	2022/23			2021/22		
	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
Programme						
ADMINISTRATION	167 733	167 644	89	191 413	189 616	1 797
LOCAL GOVERNANCE	191 391	191 317	74	161 840	157 276	4 564
DEVELOPMENT AND PLANNING	135 164	135 111	53	192 843	179 485	13 358
TRADITIONAL AFFAIRS	128 549	128 416	133	142 969	135 430	7 539
Total	622 837	622 488	349	689 065	661 807	27 258

The target of 100% spending on the overall budget was achieved.

All virements were done with consideration of the 8 percent requirement of the PFMA.

	2022/23						
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	%
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000	%
Programme							
ADMINISTRATION	169 382	-	(1 649)	167 733	167 644	89	100%
LOCAL GOVERNANCE	167 643	-	23 748	191 391	191 317	74	100%
DEVELOPMENT AND PLANNING	145 598	-	(10 434)	135 164	135 111	53	100%
TRADITIONAL AFFAIRS	140 214	-	(11 665)	128 549	128 416	133	100%
Total	622 837	-	-	622 837	622 488	349	100%

Reasons for virements

- The Department was granted approval for Virement of R1.649 million from Administration Programme, R10.434 million from Development and Planning Programme and R11.665 million from Traditional Affairs programme. These savings were utilised to defray over expenditure under Local Governance programme Goods & Services and Payments for Financial Assets (R23.748 million).

Rollover

- None

Description of the reasons for unauthorized, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent the recurrence

- Department did not incur any unauthorized expenditure. Fruitless and wasteful expenditure incurred by the Department amounting to R8 092.77. for interest charged on Eskom and Telkom accounts was condoned by Accounting Officer.
- The Department enhanced the current internal controls to prevent and detect fruitless and wasteful expenditure in the future and also implement effective, and transparent processes of risk management.

Strategic focus over the short to medium term period

- Department to develop fit for purpose structure, that will allow it to discharge its mandate fully.
- Furthermore, department intends to collaborate with University of the North West to increase its capacity to support municipalities. This means graduate from various faculties in the University will be deployed in municipalities to provide support.
- Department will embark on skills audit of all municipalities in the Province to ensure that officials are placed according to their qualifications.

Public Private Partnerships

- The department has not entered into any Public Private Partnerships.

Discontinued activities / activities to be discontinued

- There are no activities that have been discontinued.

New or proposed activities

- There are no new activities proposed.

Supply chain management

List all unsolicited bids proposal concluded for the year under review:

- During the year under review, the department did not entertain or conclude any unsolicited bids or proposals.

Indicate whether Supply Chain Management processes and system are in place to prevent irregular expenditure

- The department continued to make significant improvements to the implementation and adherence to the SCM regulations.
- There are supply chain management processes and systems in place, as well as financial delegations, policies and practice notes which are updated periodically to ensure sound supply chain management processes.
- The Department has functional Bid Committees to ensure transparency, fairness and compliance with the Preferential Procurement Framework Act, Preferential Procurement Regulations, and the National and Provincial Instructions Notes in SCM to promotes segregation of duties and serves as a control measure for early/proactive identification of possible irregular actions that could result in irregular expenditure.

Challenges experience in Supply Chain Management and how they were resolved:

- Notable capacity constraints relating to supply chain management; however, all vacant posts are currently in the recruitment and selection process.
- The department sometimes grappled with drafting bid specifications and had to cancel some bids given the inconsistencies in the bid specifications. To address this problem, the bid specification is subjected to bid adjudication committee for scrutiny before approval and issuance.
- There are few instances where the department struggles to get three quotations, in such an instance, the delegated official approves deviation.

Gift donations received in kind from non-related parties

- No goods and services in kind were received or provided to non-related parties.

Exemption and deviation received from the National Treasury

- Department did not apply nor request for any deviation or exemption from National Treasury, therefore there was no exemption from either the PFMA or Treasury Regulations**.**

Event after the reporting date

- None

Others

- No other material facts or circumstances, which may influence the understanding of the financial state of affairs.

Acknowledgement

- I would like to convey my deepest appreciation to the entire management team and staff in general.

Conclusion

- Department is committed in ensuring its operation are in line with regulations



Dr. M.S Bole
Head of Department
Department of Cooperative Governance and Traditional Affairs
Date : 31 May 2023

1.5 Statement of responsibility and confirmation of accuracy for the annual report

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

All information and amounts disclosed throughout the annual report are consistent. The annual report is complete, accurate and is free from any omissions. The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury. The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information. The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements. The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resource information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully



Dr M.S Bole
Head of Department
Department of Cooperative Governance and Traditional Affairs
Date : 31 May 2023

1.6 Strategic Overview

Vision

- "Capable, ethical and developmental Local government and institution of Traditional Leadership".

Mission

- "To effectively monitor, support and promote Local Government and institutions of Traditional Leadership"

Values and Principles

- Accountability
- Commitment
- Dedication
- Innovative
- Client focused
- Passion
- Efficient
- Integrity

1.7 Legislations and other mandates

Constitution of the Republic of South Africa, 1996, hereafter referred to as the Constitution.

Chapter 3 - This chapter deals with cooperative government and intergovernmental relations. The Department will need to ensure that we observe and adhere to the principles in this chapter, and that we conduct our activities within the parameters of this chapter.

Chapter 5 - This chapter deals with national intervention in provincial administration when a province cannot or does not fulfil an executive

Chapter 6 - This chapter deals with provincial intervention in local government, in particular when municipalities are unable to fulfil their executive obligation. Chapter 6 is also relevant when a municipality, as a result of financial crisis, breaches its obligations to provide basic services in order to meet its financial obligations.

Chapter 7- The chapter deals inter alia with municipalities in cooperative governance. The Department, by legislation, must support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions.

Chapter 9 - This chapter deals with those institutions whose role involves strengthening the constitutional democracy of the country. The DCoG has to comply with all legislative
frameworks in this chapter in order to conform with rules made under the auspices of institutions such as the Auditor-General and Public Protector.

Mandates of the department are outlined in the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). Chapter 7, Section 4 (152) states that the objectives of local government are as follows:

- To provide democratic and accountable government for local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote safe and healthy environment, and
- To encourage the involvement of communities and community organization in the matters of local government.
- Section 154(1) states that the national government and provincial government, 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.

The work of the Department is derived from Chapter 12 of the Constitution, relevant policies, the legislation administered by the Department, national policies and laws relating to the public service as a whole, and those pieces of legislation that promote constitutional goals such as equality and accountability.

The Department's mandate is derived from the Section 211 of the Constitution of the Republic of South Africa, 1996, which states that "the institution, status and role of traditional leadership, according to customary law, are recognised, subject to the Constitution. A traditional authority that observes a system of customary law may function subject to any applicable legislation and customs, which includes amendments to, or repeal of, that legislation or those customs. The courts must apply customary law when that law is applicable, subject to the Constitution and any legislation that specifically deals with customary law".

The Department's mandate is also derived from Section 212 of the Constitution which stipulates that "national legislation may provide for a role for traditional leadership as an institution at local level on matters affecting local communities. 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. National or provincial legislation may provide for the establishment of houses of traditional leaders; and national legislation may establish a council of traditional leaders".

The Department's mandate is also informed by Part A of Schedule 4 of the Constitution, which states that "indigenous law, customary law and traditional leadership are both functional areas of concurrent national and provincial legislative competence, subject to the provisions of Chapter 12 of the Constitution".

Furthermore, the Department's mandate is informed by Section 30 of the Constitution- Language and Culture and it states that "everyone has the right to use the language and participate in the cultural life of their choice, but no-one exercising these rights may do so in a manner inconsistent with any provision of the Bill of Rights".

In addition, the Department's mandate is informed by Section 31 of the Constitution on Cultural, Religious and Linguistic Communities, which states that "persons belonging to a cultural, religious or linguistic community may not be denied the right, with other members of that community to enjoy their culture, practice their religion and use their language; to form, join or maintain cultural, religious and linguistic associations and other organs of civil society. Its further states that the rights in this section may not be exercised in a manner inconsistent with any provision of the Bill of Rights".

1. Legislative and policy mandates

In addition to the constitutional mandate, the Department's mandate is also informed by the following **three pieces** of legislation that it administers:

Traditional Leadership and Governance Framework Act (TLGFA), 2003 (Act No. 41 of 2003)

The Department also derives its mandate from the TLGFA. The TLGFA also provides for the recognition of traditional communities, the establishment and recognition of traditional councils, leadership positions within the institution of traditional leadership, the recognition of traditional leaders and the removal from office of traditional leaders. It also provides for houses of traditional leaders, the functions and roles of traditional leaders, dispute resolution and the establishment of the Commission on Traditional Leadership Disputes and Claims (CTLDC); which subsequently informs the Department's legislative mandate.

Among others, Sections 5 and 6 of the Act are of significance to the work of the Department and provides direct functions to the Department. Section 5 provides for national and provincial government to promote partnerships between municipalities and traditional councils through legislative and other measures. On the other hand, Section 6 stipulates that "the national government and provincial government may adopt such legislative or other measures as may be necessary to support and strengthen the capacity of traditional councils within the province to fulfill their functions".

Section 19 of the Act also places a responsibility for the Department or a provincial government, as the case may be, may, through legislative or other measures, to provide a role for traditional councils or traditional leaders in respect of arts and culture; land administration; agriculture; health; welfare; the administration of justice; safety and security; the registration of births, deaths and customary marriages1 economic development; environment; tourism; disaster management; the management of natural resources; the dissemination of information relating to government policies and programmes; and education. Section 20 of the TLGFA also outlines the responsibilities and conditions for the Department when allocating the above-mentioned roles to traditional leaders and traditional councils.

National House of Traditional Leaders (NHTL) Act, 2009 (Act No. 22 of 2009)

The NHTL Act provides for national legislation to establish the National House of Traditional Leaders and

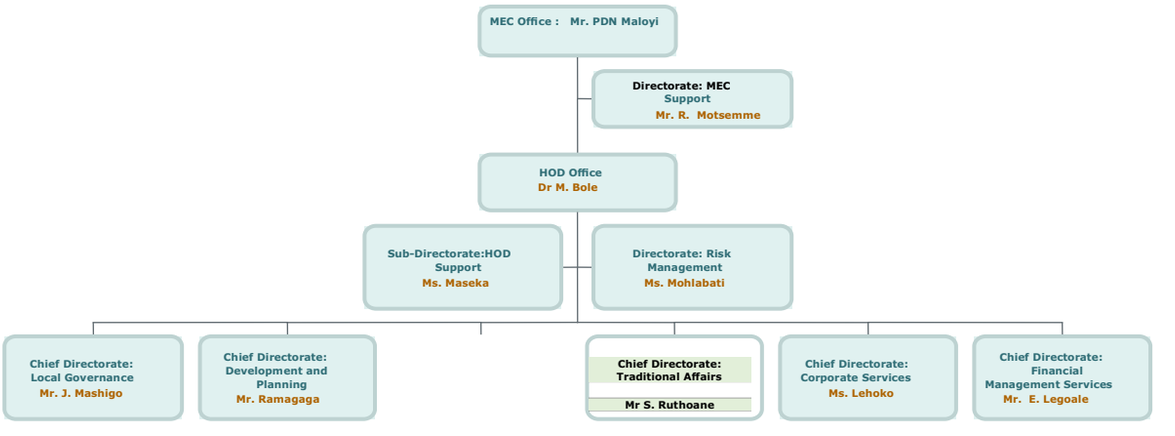
determines the powers, duties and responsibilities of the House. It furthermore provides for support to the House by national government, the relationship between the House and the Provincial Houses, and the accountability of the House. Therefore, the NHTL Act places a responsibility to the Department to provide support to the National House of Traditional Leaders.

Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act (Act 19 of 2002)
This Act provides for the promotion and protection of the rights of cultural, religious and Linguistic Communities, inclusive of traditional communities, khoisan and interfaith.

Municipal Structures Act (Act 117 of 1998)

Section 81 of the Municipal Structures Act regulates the participation of traditional leaders in municipal councils. Section 92 of the Act however makes provision for the Minister to make any regulations for purposes of the Structures Act, thus including regulations in respect of section 81 matters.

1.8 Organizational structure



1.9 Entities reporting to the MEC

Department has no Entity reporting to it.

Name of Entity	Legislative mandate	Financial relationship	Nature of Operation
N/A	N/A	N/A	N/A

PART B:
PERFORMANCE INFORMATION

2. PART B : PERFORMANCE INFORMATION

2.1 Auditor General's report: Predetermined objectives

Please refer to the Report by the Auditor General as set out on pages 126 to 135 of this Annual Report.

2.2 Overview of the department performance

Service delivery environment

Despite empowering provisions of legislation aimed at making local government work for everyone and ensuring 'Accounting, Responsive and Accessible, it is well documented fact that local government in the North West is in a state of paralysis. Our municipalities have invariable and in varying degree been and /or be challenged by immense capacity challenge.

Inverse audit outcomes have invariably been at the center of problems facing the municipalities in the North West Province. The inability of several municipalities to collect revenue from the provision of basic services results in low revenue collection rate and ultimately the inability to meet financial obligation. Engagements with sector departments took place and payment arrangements were made to settle their debt.

Appointment of senior managers at municipalities is another matter that affect the smooth running of the municipalities. Vacancy rate in municipalities on senior management positions differ from one municipality to another. The municipalities have made strides in filling of vacant funded positions in the period under review.

The institution of Traditional leadership is vested with the never-ending disputes and claims for leadership. Limited financial resources are directed towards funding of commissions of inquiry and covering of legal costs for dispute taken to court.

Initiation schools have become a lucrative business in the Province. There's a surge in number of illegal initiation schools, which are characterized by deaths, abductions, gangsterism, drug abuse and ill-treatment of initiates. The commencement of the Customary Initiation Act, 2021 (Act No. 2 of 2021) is an addition to the tools to be used in the fight against illegal initiation schools. Collaboration of multiple sectors is key in defeating the surge in illegal initiation schools.

Service Delivery Improvement Plan

Departmental Service Deliver Improvement Plan 2023/2025 is still on the draft form. The SDIP was submitted to Department of Public Service and Administration for validation and quality assurance, prior approval by the Accounting Officer and authorization by the Executive Authority. Thereafter the plan will be implemented, monitored and evaluated to measure progress made against set targets and standards on the identified key service.

Organizational environment

Department is currently operating with an approved start up structure and we are in the process of consulting external stakeholders in developing a fit for purpose structure. Department has advertised vacant funded positions in various units which are understaffed and overwhelmed. This has severely affected department performance and resulted in high vacancy rate. Department has over number of years operating without substantive Head of Department. In the period under review Department has appointed a substantive Head of Department. Furthermore, it is worth noting that also the position of Chief Financial Officer was filled.

In relation to the national employment equity targets, the department has not yet reached 50% targets in appointing women at Senior Management positions. Despite the latter, 1 woman has been appointed in senior management level as Director Anthropology. This might be a drop in an ocean; however, efforts are being made to ensure more representation of women in SMS level. Against 2% in appointing people with disabilities across all occupational levels, we are sitting at 1.6% and this is also a concern that department intends to address.

Department experienced a slow budget spending in the inception of the year mainly due to R30 thousand procurement threshold limitation. However, expenditure recovery plan was developed as measures to ensure spending of allocated budget. All affected programmes worked tirelessly to recover from underspending and avoiding loss of budget. As a result, Department managed to spend 100% of the budget allocated.

Key policy development and legislation change

There were no changes made to the legislations that may affect operations of the department.

2.3 Progress towards achievements of institutional impacts and outcomes

In pursuing the departmental mandates, the Department developed and agreed on the following outcome:

- Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province.
- Improved viable and sustainable local government

2.3.1 Improved viable and sustainable local government

MUNICIPAL PUBLIC ACCOUNT COMMITTEE

The Department of COGTA in collaboration with Provincial Treasury and SALGA successfully conducted a Provincial induction forum for all newly appointed MPAC's on the 07th — 11th February 2022 to train committees on their new roles and responsibilities, to clarify the powers and functions of the committee, Develop and entrench a culture of proper oversight by MPACs. All MPAC's attended together with their support staff.

The Department conducted the provincial MPAC forum on the 08-09 September 2022 for Bojanala Platinum DM and Ngaka Modiri Molema DM and 13th -14th September 2022 for Dr Ruth Segomotsi Mompati DM and Dr Kenneth Kaunda DM to capacitate municipal public accounts committees in order to play oversight on executive and non-executive over both financial and non-financial information. The objective was to develop a culture of proper oversight by MPAC's and inform the committee of council. The following were covered, section 79A of the amended Municipal Structures Act, UIF&W expenditure, Monitoring of Conditional grants, PMS, Terms of references between section 79 and 80 avoid conflict of duties.

UNAUTHORIZED, IRREGULAR, FRUITLESS & WASTEFUL EXPENDITURE

Assisted district municipalities to investigate Unauthorised, Irregular, Fruitless and Wasteful expenditures in terms section 32 of the MFMA. The department attended two engagement sessions at the Ngaka Modiri Molema DM on the 12 & 13 July 2022 and 02 August 2022 respectively. The engagement entailed discussions on the unauthorised, irregular, fruitless and wasteful expenditures investigating, advising the municipality as well as giving the municipality technical support.The department visited Dr Kenneth Kaunda DM and Dr Ruth Segomotsi Mompati DM on the 16th November 2022 and 3rd-28th February 2023 respectively in order to assist MPAC with the investigations of UIF&W expenditures.

2.3.2 Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province.

JOB CREATION

In an attempt to deal with the high unemployment rate facing the North West Province, the Department of Cooperative Governance and Traditional Affairs participates in and facilitates the implementation of the Community Works Programme (CWP). CWP is designed to create an employment safety net by providing participants with a minimum number of days of work. In 2022/23 financial year 22 190 job opportunities have been created through Community Work Programme against 21 200 annual targets.

DISASTER MANAGEMENT

Disaster management policy framework was assessed and evaluated in line with Disaster management Act. PDMC conducted capacity and legislative assessment in all operational fire stations to determine compliance with all prescriptions of a functional fire station in the following municipalities: Dr Kenneth Kaunda DM, JB Marks LM, Matlosana LM, Bojanala DM, Madibeng LM, Rustenburg LM, Naledi LM and Dr Ruth Segomotsi Mompati District.

Ngaka Modiri Molema Districts, Dr Ruth Segomotsi Mompati and Bojanala District were workshopped on Early warning system. The workshop was a collaboration between South African Weather Service and disaster

managers.

Municipalities were supported to maintain functional Disaster Management Centre through conducting workshops on establishment of integrated institutional arrangement for disaster management, development and implementation of disaster risk reduction strategic and measures

DISASTER MANAGEMENT RESPONSE

The Province experiencing unprecedented global climate change, which ushers in all kinds of disasters such as heavy rains, veld fires and heat wave. We have to be proactive in dealing with these disaster incidents. Our Provincial Disaster Management Centre is working very hard in co-ordinating all sectors to respond accordingly.

Disaster response and mitigation requires cooperation and mutual trust between government and communities. Flood disasters that affected the community of Deelpan, impacting on 800 households. 242 of these households required relocation from flood-prone wetlands to a more suitable area, locally. We are pleased to report that the community have agreed to be relocated from the flood-prone land they are currently occupying to a safer settlement, a portion of the farm named Deelpan 106, following allocation of land by Kgosi Molete.

A contractor has been appointed to conduct a Geo-technical assessment in the area and we hope that the work will be done with necessary speed it requires, to allow the department to build houses.

With regard to fire disasters, in 2022/2023, the department procured a state-of-the-art fire fighting and an emergency rescue pumper worth R6 million, for Mahikeng Local Municipality. We remain confident that this investment will go a long way in speedy interventions, to safeguard our communities and property from falling victim to fire disasters.

The department, through the Provincial Disaster Management Centre, will invest R6.7 million in procuring fire fighting equipment and vehicles for Dr Ruth Segomotsi Mompati District Municipality. The following municipalities will also be assisted with fire-fighting equipment: Moretele, Kgetleng rivier, Moses Kotane and Naledi LM.

WATER AND SANITATION

According to the report, 80% of our municipalities experience a huge backlog on water and sanitation infrastructure, which makes it di9icult to reduce backlog in the affected municipalities.

As part of departmental intervention to reduce the water and sanitation backlog, we have completed Seolong water supply infrastructure project during the past financial year 2022/2023. The community in this area struggled for many years to access basic portable drinking water because all their boreholes had ultimately dried up. One hundred and fifty-three (153) households currently benefit from the pipeline including Bataung Ba Moubana Traditional Council, Seolong Clinic and a local school in the area.

We further proud ourselves to announce that, over 2 340 households in Rietpan and 3 482 households in Driefontein now have access to uninterrupted supply of clean drinking water, through the Rietpan-Driefontein Water Supply project in the Ramotshere Moiloa Local Municipality.

RECONSTITUTION OF THE HOUSES OF TRADITIONAL COUNCIL

In the period under review the term of the Houses of Traditional Council came to an end, as results newly members of the Provincial Houses of Traditional were elected. The latter structure was reconstituted on the 14 June 2022, furthermore newly elected members of the Provincial House were inducted on the prescripts governing the institution of Traditional Leadership, rules of the houses and code of conduct for members of the house.

Changes to the APP

There were changes made to the Annual Performance Plan 2022/23 financial year as a result of disasters occurred in various Provinces in the Country. Amendment that was made to the initially tabled Annual Performance Plan is the inclusion of indicator on Number of reports on the implementation of disaster management plan.

2.4 Institutional Programme Performance information

PROGRAMME 01: ADMINISTRATION

Programme purpose

To provide corporate support to the entire Department as well as strategic administration and political direction through the Office of the Head of Department and the Executive Authority respectively.

Below are sub-programmes within Administration Programme:

- Office of the MEC
- Corporate services

Below is institutional outcome that each programme contributes towards according to the Annual Performance Plan:

- Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province.

PROGRAMME 1: ADMINISTRATION	**CORPORATE SERVICES**							
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective, and efficient Local Government and Traditional Affairs in the North West Province	Departmental Annual Performance Plan developed.	1. Number of Annual Performance Plans produced.	Not part of the APP	Not part of the APP	1	1 Annual Performance Plan produced.	0	None
	Departmental Annual Report developed.	2. Number of Annual Reports produced	Not part of the APP	Not part of the APP	1	1 Annual Report produced	0	None

PROGRAMME 1: ADMINISTRATION	FINANCIAL MANAGEMENT							
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective, and efficient Local Government and Traditional Affairs in the North West Province	Post Audit Action Plan	1. Number of Post Audit Action Plans produced	1 Audit Action Plan developed	1 Post Audit Action Plan produced.	1	1 Post Audit Action Plan produced.	0	None
		2. Percentage of Annual budget allocation spent	N/A	N/A	100% (600 092m)	100% of the annual allocation has been spent (622 488)	0	None

Strategy to overcome areas of underperformance

- There were no areas of underachievement in the programme.

Performance in relation to Standardised Outputs and Outputs indicators for sectors with concurrent function

- There were no standardized outputs and outputs indicators for this programme.

Linking performance with the budget

Sub-Programme	2022/23			2021/22		
	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	10 978	10 970	8	28 472	28 452	20
Corporate Services	156 755	156 674	81	162 941	161 164	1 777
TOTAL	**167 733**	**167 644**	**89**	**191 413**	**189 616**	**1 797**

Budget for compensation of employees had contributed to ensure that vacant funded positions are advertised and filled. Training of personnel which is key in personnel empowerment or development is funded from this programme

PROGRAMME 2: LOCAL GOVERNANCE

Programme Purpose

To promote and facilitate viable and sustainable local government

Below are sub-programmes within this programme :

- Municipal Administration
- Municipal Finance
- Municipal Performance, Monitoring and Evaluation

Institutional outcome that each programme contributes towards according to the Annual Performance Plan:

- Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province

	PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported to comply with MSA regulations on the appointment of senior managers	1. Number of municipalities supported to comply with MSA regulations on the appointment of senior managers (Linked to MTSF 2019-2024, priority 1	22 municipalities supported to comply with MSA regulations on the appointment and conditions of employment of officials.	22 municipalities supported to comply with MSA regulations on the appointment and conditions of employment of officials.	22	22 municipalities supported to comply with MSA regulations on the appointment of senior managers	0	None
	Municipalities monitored on the extent to which anti-corruption measures are implemented.	2.Number of municipalities monitored on the extent to which Anti-corruption measures are implemented (linked to MTSF 2019-2024, priority 1)	22 municipalities monitored on the extent to which anti-corruption measures are implemented.	0	22	0	22	Feedback on assessment report was not communicated to municipalities.

	PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Improved viable and sustainable local government	Capacity building conducted in municipalities	3 Number of capacity building interventions conducted in municipalities (Linked to MTSF 2019-2024, priority 1) B2B Pillar 5)	2 capacity building interventions conducted in municipalities.	1 capacity building intervention conducted in municipalities	2 interventions on good governance & sound administration	2 capacity building intervention conducted in municipalities	0	None
	Municipalities monitored on the implementation of GBVF responsive programme	4 Number of municipalities monitored on the implementation of GBVF responsive programme (Final M&E plan for NSP on GBVF) (Pillar 2: Prevention and restoration of social Fabric)	N/A	2 municipalities monitored on the implementation of GBVF responsive namely : Ngaka Modiri Molema District and Mamusa LM	8	1 municipality monitored on the implementation of GBVF responsive namely : JB Marks	7	The change of MECs delayed the issuing of a circular requesting municipalities to implement GBVF programmes.

	PROGRAMME 2: LOCAL GOVERNANCE: **MUNICIPAL ADMINISTRATION**							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported to promote participation in community based local governance processes.	5 Number of municipalities supported to promote participation in community based local governance processes (Priority 1 : Capable, Ethical and Developmental state)(Priority 6 MTEF indicatory: Social cohesion and safer communities	N/A	0	4 Lekwaa-Teemane Mafikeng Kgetleng Rivier Maquassie Hills	4 municipalities supported to promote participation in community based local governance processes namely: Lekwaa-Teemane LM Mafikeng LM Kgetleng Rivier LM Maquassie Hills LM	0	None

	PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
	Municipalities supported to respond to community concerns.	6. Number of municipalities supported to respond to community concerns (Outcome 09, Sub-outcome 2) (B2B pillar 1)	17 Municipalities supported to response to community concern namely: Naledi, Kagisano Molopo, Mamusa, Lekwa-Teemane, Mafikeng, Ditsobotla, Ramotshere-Moiloa, Tswaing, Ratlou, Kgetleng Rivier, Maquassi Hills, Matlosana, Rustenburg, Moses Kotane, Moretele Madibeng, JB Marks	5 municipalities supported to resolve community concerns namely: Kagiso Molopo LM, Maquassi Hills, Kgetleng Rivier, Moretele LM and Mafikeng LM	8	8 municipalities supported to respond to community concerns namely : Kagiso Molopo LM, Maquassi Hills LM, Kgetleng Rivier LM, Moretele LM, Mafikeng LM, Tswaing LM, JB Marks and Matlosana LM	0	None

	PROGRAMME 2: LOCAL GOVERNANCE: **MUNICIPAL ADMINISTRATION**							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported to maintain functional ward committees	7. Number of municipalities supported to maintain functional ward committees (Linked to MTSF 2019-2024, Priority 1)	18 municipalities supported to maintain functional ward committees	4 municipalities supported to maintain functional ward committees namely: Naledi, Kagisano Molopo, Moses Kotane, Ramotshere-Moiloa	12	14 municipalities supported to maintain functional ward committees namely : Tswaing LM, Matlosana LM, Maquassie Hills LM, Lekwa-Teemane LM, Mafikeng LM, Kgetleng Rivier LM, Moretele LM, Mamusa LM, Ratlou LM, Madibeng LM, Naledi LM, Kagisano Molopo LM, Ramotshere Moiloa LM and Moses Kotane LM	2	Over performance is due to induction of ward committees as municipalities were requested to establish ward committees within 120 days of the establishment of a council.

	PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported with revenue enhancement management initiatives	Number of municipalities supported with revenue enhancement management initiatives	10 municipalities supported to improve revenue and debt collection namely: ● Kgetleng Rivier ● Mamusa ● Maquassi Hills ● Mahikeng ● Ramotshere Moilwa ● Tswaing ● Madibeng ● Lekwa Teemane ● Ditsobotla ● Naledi	1 municipality supported with revenue enhancement management initiatives namely: Naledi LM	18	17 Local Municipalities supported with revenue enhancement management initiatives namely : ● Tswaing LM ● Ditsobotla LM ● Ratlou LM ● Ramotshere Moiloa LM ● Kgetleng Rivier LM ● Moses kotane LM ● Moretele LM ● Greater Taung LM ● Lekwa – Teemane LM Mamusa LM ● Kagisano - Molopo LM	1	Rustenburg municipality did not attend the meeting scheduled to provide support.

	PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
						• J.B Marks LM • Maqussi hills LM • Matlosana LM • Mahikeng LM • Naledi LM • Madibeng LM		
Improved viable and sustainable local government	Municipal Post Audit Action Plan assessment report	1. Number of consolidated municipal post audit action plan assessment report submitted to Legislature	1 consolidated municipal post audit action plan assessment report produced.	1 consolidated municipal post audit action plan assessment report produced.	1	1 consolidated municipal post audit action plan assessment report produced.	0	None
	Municipal Public Accounts Committees monitored on council oversight	2. Number of Municipal Public Account Committees monitored on council oversight.	22 municipal MPACs monitored on council oversight role	22 Municipal Public Account Committees monitored on council oversight	22	10 Municipal Public Account Committees monitored on council oversight namely: Dr Kenneth Kaunda DM, Taung LM, Matlosana LM,	12	Municipalities did not submit a oversight report as a results feedback could not be provided.

	PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
						Ngaka Modiri Molema DM, Rustenburg LM, Moses Kotane LM, Madibeng LM, Naledi LM, Moretele LM and Ramotshere Moiloa LM		
	Municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure	3. Number of municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure (MTSF 2019-2024, priority 1)	N/A	4 municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure namely : Ngaka Modiri Molema, Bojanala, Dr RSM and Dr Kenneth Kaunda.	4	4 municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure namely : Ngaka Modiri Molema DM, Bojanala DM, Dr Ruth Segomotsi Mompati and Dr Kenneth Kaunda	0	None

	PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
	Municipalities guided to comply with Municipal Property Rates Act (MPRA)	4. Number of municipalities guided to comply with Municipal Property Rates Act (MPRA) (Linked to MTSF 2019-2024, Priority 1) (B2B pillar 4)	18 local municipalities supported with compliance to Municipal Property Rates Act (MPRA)	18 local municipalities supported with compliance to Municipal Property Rates Act (MPRA)	18	18 municipalities guided to comply with Municipal Property Rates Act	0	None

	PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL PERFORMANCE MONITORING & EVALUATION							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported to institutionalize the performance management systems	1.Number of Municipalities supported to institutionalize the performance management systems	4 Municipalities supported to institutionalize performance management systems namely: ● Tswaing LM ● Lekwa-Teemane LM ● Kgetleng rivier and ● JB Marks LM	4 municipalities supported to institutionalize performance management systems namely: Tswaing LM JB Marks LM Lekwa-Teemane LM Kgetleng rivier LM	22	22 municipalities supported to institutionalize performance management systems	0	None
	Section 47 report as prescribed by MSA	2.Number of Section 47 reports compiled as prescribed by MSA (Linked to MTSF 2019 – 2024, Priority 1) (B2B Pillar 5)	1 Section 47 report produced as prescribed by MSA.	1 Section 47 report produced as prescribed by MSA.	1	1 Section 47 report produced as prescribed by MSA.	0	None

	PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL PERFORMANCE MONITORING & EVALUATION							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
	Section 105 (1) reports	3.Number of section (105)(1) reports compiled as prescribed by MSA.	N/A	4 section (105) (1) reports compiled as prescribed by MSA.	4	4 section (105) (1) reports compiled as prescribed by MSA	0	None

Strategy to overcome areas of underperformance

- One on one engagement with municipalities that failed to attend and share minutes to note outcomes and resolutions of the meeting for implementation of recommendations agreed upon at the forums
- Task team to be established to assists municipalities with backlog of oversight reports
- Department to write a circular through MEC to all municipalities emphasizing the important of GBV and furthermore this matter will be standing agenda item in the Municipal Managers forum.
- Feedback on assessment reports will be done in the 1st quarter of the 2023/24 financial year.

Performance in relation to Standardised Outputs and Outputs indicators for sectors with concurrent function

- There are standardized outputs and outputs indicators for this programme.

LINKING PERFORMANCE WITH BUDGET

	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)under expenditure	Final Appropriation	Actual Expenditure	(Over)under expenditure
Sub-Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Municipal Administration	141 650	141 604	46	108 566	108 396	170
Municipal Finance	35 026	35 010	16	34 690	33 626	1 064
Municipal Performance Monitoring, Reporting and Evaluation	14 715	14 703	12	18 584	15 254	3 330
TOTAL	**191 391**	**191 317**	**74**	**161 840**	**157 276**	**4 564**

The expenditure in the programme has largely contributed to municipal interventions, as well as day to day operations providing necessary support to the municipalities.

Programme 03: Development and Planning

Programme Purpose

- To guide inter-spherical planning for development and access to basic services.
- Improved systems and structures for disaster risk management across the Province with the view of ensuring safe and disaster resilient communities.
- To reduce levels of unemployment through Community Works Programme and enhance local economic development across the Province

Below are sub-programmes within this programme:

- Municipal Development and Planning
- Integrated Municipal infrastructure
- Disaster Management

Institutional outcomes that each programme contributes towards according to the Annual Performance Plan:

- Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province.

	PROGRAMME 3: DEVELOPMENT AND PLANNING: MUNICIPAL DEVELOPMENT AND PLANNING							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	Municipalities supported with the Implementation of SPLUMA	1. Number of municipalities supported with the implementation of SPLUMA	20 municipalities supported with the implementation of SPLUMA	20 municipalities supported with the implementation of SPLUMA	14	14 municipalities supported with the implementation of SPLUMA namely: ● Tswaing LM ● Ditsobotla LM ● Ratlou LM ● Ramotshere Moiloa LM ● Kgetleng Rivier LM ● Moses kotane LM ● Moretele LM ● Greater Taung LM ● Lekwa – Teemane LM ● Mamusa LM ● Kagisano - Molopo LM ● J.B Marks LM	0	None

Outcome	PROGRAMME 3: DEVELOPMENT AND PLANNING: MUNICIPAL DEVELOPMENT AND PLANNING							
	Outputs	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
						• Maqussi hills LM • Matlosana LM		
	Municipalities with legally compliant IDP	2. Number of municipalities with legally compliant IDPs	22 municipalities supported with development of IDP's	22 municipalities supported with the development of IDP.	22	22 municipalities supported with legally compliant IDPs	0	None
	Work opportunities reported through Community Work Programme (CWP).	3. Number of Work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	N/A	21641 work opportunities created through Community Work Programme	21 200	22 190	990	Implementing agents are allowed to exceed with 5 percent as per framework.

	PROGRAMME 3: DEVELOPMENT AND PLANNING: MUNICIPAL DEVELOPMENT AND PLANNING							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	Municipalities supported to implement Local Economic Development programmes in line with the National LED Framework	4. Number of municipalities supported to implement 5% MIG towards LED projects.	15 municipalities namely: Mamusa, Naledi, Kagisano Molopo Greater Taung Tswaing Mahikeng Ramotshere Moiloa, Madibeng Moretele, Kgetleng Rivier, Rustenburg, Bojanala DM JB Marks, Maquassie Hills Matlosana	4 municipalities supported to implement Local Economic Development programme namely : Greater Taung LM JB Marks Matlosana LM Maquassie Hills	5 Rustenburg Madibeng JB Marks Lekwa Teemane Matlosana	5 municipalities supported to implement Local Economic Development programme namely : ● Madibeng LM ● JB Marks LM ● Matlosana LM ● Lekwa Teemane LM ● Rustenburg LM	0	None
	Districts/Metro monitored on the implementation of One Plans	5 Number of Districts/Metro monitored on the implementation of One Plans	Not part of the APP	4 Districts municipalities supported to develop One Plans	4 Ngaka Modiri Molema District DM Dr Kenneth Kaunda DM	Not achieved	4	A circular was issued by the Department of Cooperative Governance on the 20th of August 2022 requesting Provincial

	PROGRAMME 3: DEVELOPMENT AND PLANNING: **MUNICIPAL DEVELOPMENT AND PLANNING**							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
					Dr Ruth Segomotsi Mompati DM Bojanala DM			department to support municipalities to review the District One Plans according to the new prescripts.

	PROGRAMME 3: DEVELOPMENT AND PLANNING: INTERGRATED MUNICIPAL INFRASTRUCTURE							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	Municipalities monitored on the implementation of infrastructure delivery program	1. Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, sub outcome 1)(B2B pillar 5)	20	18 local municipalities monitored on the implementation of infrastructure service delivery programmes	18	18 local municipalities monitored on the implementation of infrastructure service delivery programmes	0	None
	District municipalities monitored on the utilization of national allocated grants for infrastructure programme	2. Number of Districts monitored on spending of National Grants	Not part of the APP	4 Districts monitored on spending of national grants namely : Ngaka Modiri Molema District DM Dr Kenneth Kaunda DM Dr Ruth Segomotsi Mompati DM Bojanala DM	4 Ngaka Modiri Molema District DM Dr Kenneth Kaunda DM Dr Ruth Segomotsi Mompati DM Bojanala DM	4 Districts monitored on the spending of National Grants namely: ● Dr Kenneth Kaunda DM ● Ngaka Modiri Molema DM ● Dr Ruth Segomotsi Mompati DM ● Bojanala DM	0	None

	PROGRAMME 3: DEVELOPMENT AND PLANNING: INTERGRATED MUNICIPAL INFRASTRUCTURE							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
	Municipalities monitored on the implementation of indigent policies.	Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	18 local municipalities monitored on the implementation of indigent policies.	18 local municipalities monitored on the implementation of indigent policies	18	16 local municipalities monitored on the implementation of indigent policies namely: Tswaing LM, Ratlou LM Ramotshere Moiloa LM Kgetleng Rivier LM Moses kotane LM Moretele LM Greater Taung LM Lekwa –Teemane LM Mamusa LM Kagisano -Molopo LM J.B Marks LM Maqussi hills LM Matlosana LM Rustenburg LM Madibeng LM Moretele LM	2 municipalities i.e Ditsobotla LM & Mafikeng LM	Ditsobotla municipality could not be able to attend the meeting as there was a protest by municipal workers. Mafikeng could not attend due to unavailability of officials.

	PROGRAMME 3: DEVELOPMENT AND PLANNING: DISASTER MANAGEMENT							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	Report on the IGR Disaster management advisory forum coordinated.	1.Number of reports on the IGR Disaster management advisory forum coordinated	4 IGR Disaster management advisory forum coordinated	4 reports on the IGR Disaster management advisory forum coordinated.	4	4 reports on the IGR Disaster management advisory forum coordinated.	0	None
	Municipalities supported to maintain functional disaster management centres	Number of municipalities supported to maintain functional disaster management centres	Not part of the APP	22 municipalities supported to maintain functional	22	22 municipalities supported to maintain functional disaster management centers	0	None
	Municipalities supported with Fire Brigade Services.	Number of municipalities supported with Fire Brigade Services.	18 municipalities supported with Fire Brigade services	10 local municipalities supported with Fire Brigade Services.	10	10 local municipalities supported with Fire Brigade Services namely : Ngaka Modiri Molema DM Mahikeng LM,Bojanala DM,	0	None

	PROGRAMME 3: DEVELOPMENT AND PLANNING: DISASTER MANAGEMENT							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
						Madibeng LM, Rustenburg LM, Dr Kenneth Kaunda DM, JB Marks LM, Matlosana LM, Dr Ruth Segomotsi Mompati DM and Naledi LM		
	Disaster management centers supported to implement Disaster management Information systems	Number of Disaster management centers supported with implementation of Disaster management Information systems	Not part of the APP	Not part of the APP	4	4 Disaster Management Centre supported with the implementation of Disaster Management Information namely: Dr Kenneth Kaunda DM, Dr Segomotsi Mompati DM, Bojanala DM and Dr Kenneth Kaunda DM	0	None
	Reports on the implementation of disaster management plans	Number of reports on the implementation of disaster management plan	Not part of the APP	Not part of the APP	3	3 report on the implementation of disaster management plan produced	0	None

Strategy to overcome areas of under performance

- The department will monitor implementation of District One Plans in 2023/24 financial year as they were adopted by district municipal councils by end March 2023.
- Department to engage with affected municipalities to identified suitable date to provide support.

Performance in relation to standardised outputs and output indicators for sectors with concurrent function

- There are standardized outputs and outputs indicators for this programme.

Linking performance with budget

	2022/23			2021/22		
Sub-Programmes	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
Programme						
Spatial Planning	3 054	3 053	1	3 586	3 369	217
LEDP	5 470	5 455	15	5 293	5 216	77
Municipal Infrastructure	102 019	104 233	(2 214)	153 710	147 305	6 405
Disaster Management	18 895	16 646	2 249	23 871	17 699	6 172
LDP	5 726	5 724	2	6 383	5 896	487
TOTAL	**135 164**	**135 111**	**53**	**192 843**	**179 485**	**13 358**

The budget allocated to this programme mainly intend to address Water and Sanitation challenges affecting communities in different municipalities. Furthermore, budget also contributed to the coordination of the disaster management in the Province.

PROGRAMME 04: TRADITIONAL AFFAIRS

Programme Purpose

To provide strategic support to the institutions of Traditional Leadership.

Below are sub-programmes within this programme:

- Traditional Leadership Support
- Anthropological & Research Services
- House of Traditional Leaders

Institutional outcomes that each programme contributes towards according to the Annual Performance Plan:

- Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West.

	PROGRAMME 4: TRADITIONAL AFFAIRS TRADITIONAL AFFAIRS							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
Responsive, Accountable, effective, and efficient Local Government and Traditional Affairs in the North West Province	Traditional councils supported to perform their functionals.	1.Number of traditional councils supported to perform their functions.	56 Traditional councils supported to perform their duties	92 traditional councils were supported to perform their functions.	92	92 traditional councils were supported to perform their functions.	0	None
	Traditional leadership succession disputes processed	2.Percentage of traditional leadership succession disputes processed.	4 succession disputes/claims processed.	50% (10) of succession disputes/claims processed	50% (10)	50% (10 of 20) of succession disputes/claims processed.	0	None
	Reports on initiation schools complying with the Customary Initiation Act, 2021	3.Number of reports on initiation schools complying with the Customary Initiation Act, 2021 (Act No. 2 of 2021).	Not part of the APP	2 reports on Initiation School complying with the National Initiation Schools guidelines and/or legislation produced	2	2 reports on Initiation School complying with the complying with the Customary Initiation Act produced	0	None

	PROGRAMME 4: TRADITIONAL AFFAIRS **TRADITIONAL AFFAIRS**							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/22**	**Planned Annual Targets Plan 2022/23**	**Actual Achievement 2022/23**	**Deviation from planned target to actual achievement for 2022/23**	**Reasons for Deviations**
	Reports on functioning of houses of traditional leaders	4.Number of reports on functioning of houses of Traditional leaders	4 monitoring reports on the functioning of the Provincial and Local Houses of Traditional leaders	4 monitoring reports on the functioning of the Provincial and Local Houses of Traditional leaders	4	4 reports on functioning of houses of Traditional leaders produced.	0	None
	Anti GBVF intervention/ campaigns for traditional leaders.	5. Number of Anti GBVF Intervention/campaigns for traditional leadership (Pillar 2: Prevention and Restoration of Social Fabric of the NSP)	Not part of the APP	3 Anti GBVF Intervention/campaigns for traditional leaders conducted.	3	3 Anti GBVF Intervention/campaigns for traditional leaders conducted.	0	None

Strategy to overcome areas of underperformance

- There were no areas of under achievement in this programme

Performance in relation to standardised outputs and output indicators for sectors with concurrent function

- There are standardized outputs and outputs indicators for this programme.

Linking performance with budget

	2022/23			2021/22		
Sub-Prgrammes	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
Traditional Affairs	128 549	128 416	133	142 969	135 430	7 539
TOTAL	**128 549**	**128 416**	**133**	**142 969**	**135 430**	**7 539**

Funds allocated to this programme contributed to payment of traditional leaders' operations in the Province and the Reconstitution of Traditional Council. Furthermore, funds meant to construct Traditional councils' offices

2.5 Transfer payments

Transfer payment to Public Entities

- The table below relates to Public Entities who received funding from the Department:

Name of Public Entity	Key outputs of the Public Entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
N/A	N/A	N/A	N/A	N/A

Transfer payment to all organizations other than Public Entities.

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

Name of transferee	Type of organization	Purpose for which the funds were used	Did the dept comply with section 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Transfer payment which were budgeted for in the period 1 April 2022 to 31 March 2023, but no transfer payment was made.

Name of transferee	Type of organization	Purpose for which the funds were used	Amount Budgeted for (R'000)	Amount transferred (R'000)	Reasons for why funds unspent by the entity
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

2.6 Conditional grants and earmark funds received

2.6.1 Expanded Public Works Programme (EPWP)

The Expanded Public Works Programme is a government programme aimed at the alleviation of poverty and unemployment. The programme ensures the full engagement on Labour Intensive Methods of Construction (LIC) to contractors for skills development. The EPWP focuses at reducing unemployment by increasing economic growth by means of improving skills levels through education and training and improving the enabling environment for the industry to flourish

The table below reflect the conditional grant received during the period of 1 April 2022 to 31 March 2023:

Department who transferred the grant	**National Department of Public Works**
Purpose of the grant	The Expanded Public Works Programme is a government programme aimed at the alleviation of poverty and unemployment
Expected outputs of the grant	The programme ensures the full engagement on Labour Intensive Methods of Construction (LIC) to contractors for skills development. The EPWP focuses at reducing unemployment by increasing economic growth by means of improving skills levels through education Training and improving the enabling environment for the industry to flourish
Actual outputs achieved	184 beneficiaries were recruited in this programme.
Amount received (R'000)	R2 186 000.00
Reasons if amount as per DORA was not received.	N/A
Amount spent by the department (R'000)	R2 186 000.00
Reasons for funds unspent by the department.	None
Reasons for deviation on performance	None
Measures taken to improve performance	Enhanced proper planning Regular monitoring of projects

Department who transferred the grant	National Department of Public Works
Monitoring mechanism by the receiving department	Provincial Steering Committee meetings were held on quarterly basis where performance and progress were discussed. Site visits conducted regularly.
Measures taken to improve performance	Enhanced proper planning Regular monitoring of projects

2.6.2 Earmark fund paid

Department has not paid earmark funds to any institution.

2.7 Donor funds

No donor funds received in the period under review.

2.8 Capital investment, maintenance and assets management plan

The department does not have capital investment, maintenance and assets management plan due to the fact that it does own or have any immovable assets.

PART C:
GOVERNANCE

3 PART C : GOVERNANCE

3.1 Introduction

The Department is managing a budget entrusted to us by taxpayer with a belief that appropriate controls and diligent management will be the source of good governance guided by relevant legislation like the PFMA- Public Financial Management Act. We are expected to use procurement processes that are defined and prescribed in SCM practice notes and other legislative framework in order to minimize fraud, corruption, and self-interest. Risk management and Internal control units are there to safeguard and ensure that public funds are safe.

3.2 Risk management

The department had an approved risk management policy and strategy that has been adopted and approved by the Head of Department for implementation in the 2022/23 financial year. All the activities outlined in the Risk Management Plan has been successfully implemented.

The 2022/23 annual strategic risk assessments were conducted by the Department from which the Departmental Strategic Risk Register was produced for monitoring the effectiveness of risk management and the planned mitigating strategies. Business Risk Assessments for the financial year 2022/23 were also conducted for all five Departmental Programmes.

Analysed and assessed risk management performance reports for both Strategic and Operational Risks were presented at various management structures including the Risk Management Committee supported or justified by portfolio of evidence. The reporting environment focuses mostly on progress monitoring, emerging risks, review and evaluation against the KPIs and key risk indicators (KRIs).

An External Independent Chairperson of Risk Management and Ethics Committee has been appointed to strengthen the committee's performance and that of the department by ensuring that there are effective, efficient internal controls, mitigating strategies and quality reports.

The Risk Management and Ethics Committee has been established and approved by the HOD. The committee, with its oversight role, it is entrusted with the responsibility of Risk Management and Ethics and Fraud. Signed appointment letters by the Head of Deparment to the members outlining their responsibilities are structured line the Public Sector Risk Management Framework. The letters have been handed over and accepted by the Members of the Committee. The key tasks of the Committee is to ensure that the departmental risks are effectively managed, mitigated and brought to an acceptable level.

The Department is accountable to the Provincial Internal Audit Committee and as such, signed quarterly progress reports pertaining to the Department's performance are presented by the Head of Department to the

Audit Committee. The Audit Committee plays its pivotal oversight role independently and effectively by providing the department with appropriate advices, guidance and by thoroughly engaging the reports presented by the department. This has been proved by the value they are adding and vigorous participation and commitment during their engagement with the Accounting Officers Report presented by the Department.

The Department is maturing at a reasonable pace in terms of executing risk management processes and is becoming even more conversant with the relevant approved risk management literatures and other related prescripts. The department has moved towards a more proactive, synergised integrated planning and reporting on risk management processes and performance information.

The Department has conducted risk management training for Senior Management and Middle Management Staff Members and awareness campaign were also conducted internally.

3.3 Fraud and Corruption

The Departmental Fraud Prevention Policy and Plan has been revised and approved by the Head of Department for implementation in the 2022/23 financial year. The Plan outlined the activities to be implemented in such a way that:

- ✓ There is a common mechanism (e.g. Fraud Risk Assessments) for the Departmental Programmes intended to guide management and officials in reducing fraud to an absolute minimum.
- ✓ There are strategies put in place to combat fraud and corruption.
- ✓ The departmental resources are utilised wisely and optimally in providing high quality services and that any form of fruitless and wasteful expenditure is eliminated within the department.

In addition, is the Whistle Blowing Policy, the Gift Policy and the Financial Disclosure Policy that was reviewed and approved by the Head of Department as additional sources to combat, prevent, regularise Fraud in the Department and to strengthen consistency and ensure full compliance by the Department.

All Senior Managers of the Department managed to successfully disclose their registrable financial interest in the 2022/23 financial year in line with Regulation 19 of the Public Service Regulation and the execution of fraud and corruption implementation plan.

Most of the cases received by the Department are alleged cases reported through the National Anti-Corruption Hotline (NACH) and Presidential Hotline cases reported by whistle-blowers who in most cases prefer to remain anonymous. The reported cases are directed to the Department for further investigation and reporting to National and Provincial Public Service Commission including the Fraud and Corruption Unit placed in the Premiers Office.

3.4 Minimising conflict of interest

Therefore, in minimising conflict of interest the following are the financial disclosure systems that the

Department has implemented to ensure that conflict of interest is minimised accordingly.

- ✓ The development of gift policy, approval, implementation, and management of gift register for purpose of disclosure
- ✓ Management of Remunerative Outside Public Service (RWOPS)
- ✓ Mandate by the HOD to validate and confirm if there is a conflict
- ✓ Investigate if the conflict warrants an investigation and if yes
- ✓ An investigation will be conducted, and actions will be taken in terms DPSA Regulation and Disclosure Act.

In addition to the above, Senior Managers and other designated individuals must file their Financial Disclosure in complying with their obligations to avoid personal interests that may appear to interfere with the performance of their official duties and responsibilities, or appear to adversely influence the integrity, independence and impartiality required by their status as individuals employed by the department. When a potential or actual conflict of interest arises, it must be disclosed to the Ethics Office and the Staff Member's or the individual's supervisor/manager.

3.5 Code of Conduct

- The conduct has generally been fair amongst employees with cases attended to as they arise.
- The department has been working towards ensuring adherence to the code of conduct in as far as monitoring attendance is concerned
- Departmental officials' conduct is regulated in terms of Public Service Code of Conduct handbook and other related regulations.
- Workshops on the Code of Conduct have been conducted for levels 2 to 12.
- All employees in the department are subjected to disclosure of business interests, and all those who are involved in business must first seek approval to do so.
- All Programmes /Directorates keep work attendance registers which employees sign for knock-on, and knock-off from duty on a daily basis.
- Every employee appointed in terms of the Public Service Act must adhere to the Code of Conduct of the Public Sector. The Code of Conduct for the Public Service, as included in Chapter 2 of the Public Service Regulations, is the 'adopted' code. The code of conduct:-
  - i) Sets norms and standards in promoting integrity, efficient and effective delivery of services to the public; provides a set of standards describing the behaviour we expect from our employees; and
  - ii) Guides employees with regard to whom is expected of them ethically, both in their individual conduct and in their relationships with others and forms an integral part of the way we work every day.
- The code is furthermore strengthened by the Code of Conduct for Supply Chain Management Practitioners. All bid committee members and supply chain management practitioners are required to acknowledge that they will abide by the Code of Conduct for Supply Chain Management Practitioners.

3.6 Health Safety and Environmental issues

- Health and Safety representatives have been appointed and trained in Provincial Office and Districts. A draft emergency evacuation plan is in place it will be finalized upon Fire Safety inspections from Fire Department and Evacuation drill has been conducted at the PDMC.
- Department had inspection conducted by Department of Employment and Labour on the 03rd February 2023 were COIDA compliance and OHSA compliance was audited.
- Department has been found to be compliant with the Governance of both Acts where it was found that the employer is the member in good standing in accordance with COIDA.

3.7 Portfolio Committee

Department was summoned by the Portfolio Committee to present the following reports :

Purpose of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
Presentation of the Annual Report 2021/22 financial year	Is there a system to properly check state personnel who are doing business with government?	Department is using National Treasury online Central Database (CSD) System to check the state personnel who are doing business with government. Apart from CSD, Department also uses DPSA Public Servant Verification System as additional measures to prevent public servants doing business wit the State, by matching prospective suppliers against the personnel salary (PERSAL) system, using an identification number

Purpose of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
Presentation of the Annual Report 2021/22 financial year.	Each municipality has unique challenges, as a result their support plan must align to their challenges and avoid generic approach.	In principle the department agrees with the portfolio's committee proposal that the support plan must align to the unique challenges of municipalities, but in reality there are systematic challenges that needs to be dealt with before it can be possible to align properly the support plans. The Department positioned itself and implemented its own strategic plan to support municipalities, not only in the five main functions of the LG MSA but also on the repetitive material and concerning findings that was and is raised by the Auditor General.
Presentation of the Annual Report 2021/22 financial year	The remedial actions set by the Department on performance indicators should be specifically dated in order to be followed upon for accountability purposes.	Department will develop an improvement plan to recover from the underperformance encountered in the period under review. Remedial actions which intends to enhance performance will have a specific timeframe on when such intervention will occur.

Purpose of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
Presentation of the Annual Report 2021/22 financial year.	Why your department offered to pay salary of the Acting Municipal Manager?	To note is that all deployments are done on the spirit of section 154 of the constitution which is the responsibility of the Province and National. Municipalities previously have complained in many platforms and indicate that support provided by the province both section 154 and 139's if not consummated financially does not assist the municipalities at all, yes other municipalities can be viewed as being able to can afford but most municipalities in the province are financially distressed hence the decision not to further distress their status because of the appointment done by the MEC Coghsta as entitled by legislation, hence the deployment had to be a full package as support from the provincial government.
Presentation of the Annual Report 2021/22 financial year	Did the MEC knows that, there are allegations against the Acting Municipal Manager of Rustenburg?	The MEC was not aware of the allegations levelled against the appointed acting Municipal Manager to Rustenburg until it was raised by the portfolio committee. The Department was not informed of the intended investigation by Provincial Treasury. Whilst these allegations are repeatedly raised none of the relevant stakeholders has approached the Mayor of Ramotshere Moiloa to sanction a formal investigation and a disciplinary hearing.

Purpose of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
Presentation of the Annual Report 2021/22 financial year	How legal is the process of secondment of Mr Mabokela to Rustenburg municipality?	Mr Mabokela has been seconded to the Rustenburg Local Municipality after the municipal council has urgently required assistance in seconding a resource to the municipality. Section 154 of the constitution allows the MEC for Coghsta to find other measures to support our municipalities to discharge their mandate, and also create enhance and strengthen continuity on municipal administration, the functionality of the municipal council and service delivery
Presentation of the Annual Report 2021/22 financial year	How far is the process of filling position of Head of Department, Chief Financial Officer and Chief Director Local Governance?	The position of **Head of Department** was advertised on the 24 September and 15 October 2021 on DPSA circular with the closing date of 29 October 2021. The shortlisting process were conducted on the 18 January 2022 and interviews were conducted on the 15 March 2022. The file was forwarded to the Minister of Public Service and Administration through Office of the Premier with recommendations of the panel and it was disapproved, and Head-hunting process was initiated. The Head-hunting process has been finalized and the shortlisting, interview and appointment process will be finalized before end of 2022.

Purpose of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
		The position of **Chief Financial Officer** was advertised on the 24 November and 13 December 2021 on DPSA circular with the closing date of 20 December 2022. The shortlisting process were conducted on the 07 March 2022 and interviews were conducted on the 11 March 2022. The appointment process has been finalized and the employee is currently serving a notice and his assumption of duty will be on the 01 December 2022.
		Chief Director: Local Governance: The position is currently filled, and the appointed individual has been designated as the acting head of department for the Department of Human Settlements. The secondment will end when the appointment of the substantive Head of Department is finalized, and the official will then revert to his position as Chief Director: Local Governance.

3.8 SCOPA Resolution

There were no SCOPA resolutions received by the Department in the period under review.

3.9 Prior modifications to audit reports

The Audit Action Plan is in place to address all matters raised by the office of the Auditor General.

Nature of qualification, disclaimer, a dverse opinion and matters of non-compliance.	Financial in which it first arose	Progress made in clearing / resolving the matter
None	None	None

3.10 Internal control unit

Internal Control Unit monitored the implementation of Post Audit Action Plans (PAAP) to ensure that, the matters with a significant impact in the audit opinion are addressed, verifies compliance, and register progress with relevant POEs.

3.11 Internal Audit and Audit Committee

- **Key activities and objectives of the internal audit**

Key activities:

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

Key objectives:

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

- **Summary of audit work done**

For the financial year under review 14 internal audit assignments were performed. Work performed was based on a risk based internal audit plan and included audits of: risk management; supply chain management, financial statements; reporting on pre-determined objectives and the implementation of audit action plans etc. Based on the internal audit work performed recommendations have been made to the Department for the enhancement and improvement of the effectiveness of internal control, risk management and governance processes.

- **Key activities and objectives of the audit committee;**

Key activities:

The audit committee, amongst others, reviews the following:

(a) the effectiveness of the internal control systems;
(b) the effectiveness of the internal audit function;
(c) the risk areas of the institution's operations to be covered in the scope of internal and external audits;
(d) the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
(e) any accounting and auditing concerns identified as a result of internal and external audits;
(f) the institution's compliance with legal and regulatory provisions;
(g) the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations

Key objectives:

To contribute to the oversight function of the design and implementation of effective corporate governance, financial and performance management, risk management and internal controls with a view of achieving quality service delivery.

- **Attendance of audit committee meetings by audit committee members;**

Name	Qualifications	Internal or external	Role	Date appointed	Date resigned	No meetings attended
Central Audit Committee						
Ms P. Mzizi	CA(SA)	External	Chairperson	14 February 2022		7
Mr P. Tjie	B.Com, PMD	External	Member	14 February 2022		7
Mr. L. Ally	CA(SA)	External	Member	14 February 2022		7
Cluster Audit Committee						
Mr P. Tjie	B.Com, PMD	External	Chairperson	14 February 2022		6
Ms H Masedi	M.Com	External	Member	14 February 2022		6
Mr M. Terheyden	CA(SA)	External	Member	14 February 2022		6
Mr T Boltman	Certified Internal Auditor	External	Member	14 February 2022		6

3.12 Audit Committee report

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

- **Legislative requirements**

The Audit Committee herewith presents its draft report for the financial year ended 31 March 2023, as required by treasury regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

- **Audit Committee Members and Attendance**

The Audit Committee should meet at least four times per annum as the Central Audit Committee and also four times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year seven meetings were held by the Central Audit Committee and seven meetings was held by the Cluster Audit Committee.

- **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act, 1999 and Treasury Regulation 3.1.

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

- **The effectiveness of internal control**

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

From the various reports of the Internal Auditors, it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to financial reporting, reporting on pre-determined objectives and compliance with laws and regulations

Through our analysis of audit reports and engagement with the Department we can report that the system on internal control for the period under review was adequate and effective except for the above mentioned.

A matter of concern for the Audit Committee that has been raised with the department continuously is that the department is currently not implementing all internal and external audit action plans agreed upon. Based on our interaction with the department we conclude that the action plan management system has not been implemented adequately and effectively to address internal and external audit findings and the Audit Committee and Internal Audit have recommended specific improvements in this regard,

The Audit Committee remains concerned with the slow progress in the finalisation of irregular and fruitless and wasteful expenditure.

- **Risk management**

Based on the quarterly audit committee reviews, the departmental risk and fraud management system is not adequate and effective.

- **In-Year Management and Quarterly Reporting**

The quality of the in-year financial and performance reporting including interim financial statements are a concern to the Audit Committee.

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

The Audit Committee has engaged with management to remedy shortcomings relating to reports on performance against predetermined objectives.

- **Evaluation of Financial Statements**

The Audit Committee has reviewed the draft annual financial statements prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of Internal Audit, the Accountant General and the Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor General South Africa.

- **Evaluation of Performance Information**

The Audit Committee has reviewed the section on performance information included in the draft annual report prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of the Internal Audit and Audit Committee are fully addressed prior to the submission of the annual report to the Auditor General South Africa.

- **Compliance with laws and regulations**

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

- **Internal Audit**

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

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

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

- **Auditor General South Africa**

We have reviewed the department's implementation plan for audit issues raised in the previous year and based on the interaction with the department and the internal audit reports, the committee is not satisfied that all matters have been adequately addressed.

- **General**

Signed on behalf of the Cluster Audit Committee by:

Chairperson of the
Governance Cluster Audit Committee



P Tjie

· **Date: 19 June 2023**

3.13 B-BBEE Compliance Performance Information

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion** *(include a discussion on your response and indicate what measures have been taken to comply)*
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	This is not in the department's mandate.
Developing and implementing a preferential procurement policy?	Yes	The departmental SCM policy has incorporated the requirements of the B-BBEE Act, 2013 and implementing a procurement requirement which is aligned with the Preferential Procurement Policy Framework Act and Preferential Procurement Regulations, 2017 as issued by National Treasury. The Department has applied the B-BBEE certificates levels 1 – 8 for allocation of preference points to qualifying suppliers for all procurement of goods and services from a transaction value of R 30 000 and above.
Determining qualification criteria for the sale of state-owned enterprises?	No	This is not in the mandate of the Department.
Developing criteria for entering into partnerships with the private sector?	Yes	The B-BBEE requirements are considered when preparing PPP agreements. No PPP agreements were entered into in the financial year under review
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	This is not in the mandate of the department.

PART D:

HUMAN RESOURCE MANAGEMENT N

4. PART D : HUMAN RESOURCE MANAGEMENT

4.1. Legislations that govern Human Resource Management

Legislations governing human Resource Management		
✓ Employment Equity Act	✓ Protected Disclosure Act	✓ Public Service Act
✓ Skills Development Act	✓ Public Service Regulations, 2016 as amended	✓ Labour Relation Act
✓ Basic Conditions of Employment Act	✓ HRD Strategy	✓ National Strategic plan on HIV and AIDS & TB Management
✓ Departmental Recruitment and Selection policy	✓ Departmental Resettlement Policy	✓ Departmental Leave Management policy
✓ Departmental PILIR policy	✓ Departmental PMDS policy	✓ Departmental Retention policy
✓ DPSA Directives	✓ Departmental Service Termination policy	Code of conduct for the public service

4.2. Status of human resource in the department

Human resource in the Department is responsible for the provision of Strategic Human Resource Management services in the department. Directorate: Human Resource Management is divided into five (5) Sub: Directorates, namely:

- Organisational Design, HR Planning & Systems and
- Human Resource Utilisation and Capacity Development,
- Labour/Employee Relations,
- Employee Health and Wellness on.

4.3. Human Resource priorities for the year under and the impact of these priorities

4.3.1. Proposed Organisational Structure

- The Department to have a fit for purpose operational structure.

4.3.2 Addressing Policy Gaps

The following HRM Policies were developed/reviewed and approved for implementation in the period under review :

4.3.3 Addressing Policy Gaps

The following HRM Policies were developed/reviewed and approved for implementation in the period under review :

✓ Employment Equity	✓ Retention policy	✓ Succession Policy
✓ Labour relation Policy	✓ Grievance management Policy	✓ Policy on Management of Deem Dismissals
✓ Sexual Harassment Policy	✓ Safety, Health, Environment, Risk and Quality policy	✓ Remote Work Policy
✓ HIV, TB and STI Management Policy	✓ Health and Productivity Management Policy	✓ Acting Policy
✓ Bursary Policy	✓ Education, Training and Development Policy	✓ Induction Policy
✓ Internship, Apprenticeship & Learnership Policy	✓ Precautionary Suspension Policy	Code of conduct for the public service

The following Human Resource Management Plans were developed and approved namely:

- Employee Health Wellness Plan, Human Resource Development Plan and Employment Equity Plan MTEF Human Resource Plan

4.3.4 Filling of vacant posts

- Filling all advertised positions.

4.3.5 Skills Development

- Internship programme is ongoing and is planned to end on 31 October 2023.
- One official (01) were awarded part time bursaries to address a scare skill.

4.4 Workforce planning and key strategies to attract and recruit

4.4.1 Departmental Recruitment Policy/Strategy

- The Department has reviewed the recruitment policy to ensure that it is in line with the Human Resource Plan, Employment Equity and also in line with all Public Regulations Act 2016.
- An Employment Equity Committee is in place, the Committee has undergone training in order to give management and staff a proper advice on Employment Equity issues.

4.4.2 Staff Retention Strategy

- Although staff retention policy is in place, the Department found it difficult to retain skilled employees, since the Department cannot compete with private sectors in terms of salary packages and benefits.

4.4.3 Exit Management

- The Department has developed an exit management questionnaire/tool. The purpose of the questionnaire is to assist the department to circumvent future staff turnover due to resignations and transfers.

4.5 Employee performance management

- Pay progression was processed for 2021/22 financial year to all qualifying officials

4.6 Employee Health and Wellness Programme

The Department is implementing the DPSA EHW strategic framework which focuses on the following pillars:

- HIV, STI'S and TB Management
- SHERQ Management
- Wellness Management
- Health and Productivity Management

4.6.1 HIV and AIDS and TB Management

- Six Hundred and Five (605) officials attended over four session of HIV and Aids educational and awareness session.
- HIV, AIDS testing was conducted by lifeline whereby 86 females and 43 males underwent HIV/testing
- Condom distribution is ongoing in all our facilities

4.6.2 Safety, Health, Environment, Risk and Quality

- Hazards identification and Risk assessments was conducted in all the buildings and non-compliant report was written for the attention of accounting officer.
- The Department appointed and trained 42 First Aiders across all Departmental buildings in compliance with the law to ensure prompt first aid treatment of officials.
- The Department appointed and trained 45 Health and Safety Representatives to ensure that hazards identifications are done in every workspace and brought to the attention of the employer.
- Department trained 45 incidents investigators to ensure that every incident is handled in accordance and properly reported.
- Non-compliance of buildings were brought to the attention of Public Works for their attention

4.6.3 Wellness Management

- The Department has developed and administered the Employee Satisfaction Survey to determine the cause of low staff morale in employees.
- Both Pro-active programmes and reactive programmes were implemented to support employees
- The Department coordinated 3 Pre-retirement workshops were 178 over 55 years of age officials were empowered.
- One hundred and forty officials (145) Public Service Sports and Recreation activities and (Two Hundred and Fifty-Four) 254 officials participated in sporting and choirs. Employee Benefits workshop was attended by Eighty-Four (84) officials, COIDA and Substance Abuse workshop was attended by (Seventy-Four) 74 officials, Round table sessions was attended by 112 officials and Men mental health was attended by (Fifty-Four) 54 men.
- Debriefing session was facilitated for officials after a sudden death of acquaintance in Telkom building and Eight (8) psychosocial support was given to referred officials.

4.6.4 Health and Productivity

- The Department is experiencing a challenge to secure GEMS to conduct health screenings for officials. Request is made to clinix group (Victoria) to assist the Department.
- The Department approved to get services of Occupational therapist to assist in determining way forward for officials who are experiencing ill health.

4.7 Highlight achievements and challenge faced by the department, as well as future human resource plans/goals

Achievements
Approved start up organizational structure is in place. Appointments of 44 cleaners to assist with deep cleaning of offices across the Department buildings. Appointment of twenty-five (25) youth contracts were appointed
Challenges
Unable to attract and retain technical skilled personnel
Future plans
Improve % of women in SMS level Expedite filling of vacant funded positions

5. HR Oversight 1 April 2022- 31 March 2023

Table 5.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure	Personnel expenditure	Training expenditure	Professional and special services expenditure	Personnel expenditure as a % of total expenditure	Average personnel cost per employee
17000001 ADMINISTRATION					0	R0,00
17000002 LOCAL GOVERNANCE					0	R 0,00
17000003 DEVELOPMENT AND PLANNING					0	R 0,00
17000004 DLG&TA : TRADITIONAL LEADERSHIP					0	R 0,00
Total	**R0,00**	**R0,00**	**R0,00**	**R0,00**	**0**	**R 0,00**

Table 5.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure	% of total personnel cost	No. of Employees	Average personnel cost per employee
Lower skilled (Levels 1-2)	R6 242 251,98	2	37	R 168 710,00
Skilled (Levels 3-5)	R18 205 935,74	5	63	R 288 983,00
Highly skilled production (Levels 6-8)	R183 592 833,78	53	443	R 414 431,00
Highly skilled supervision (Levels 9-12)	R73 791 302,74	21	106	R 696 144,00
Senior and Top Management (Level 13-16)	R28 759 591,69	8	24	R 1 198 316,00
Non-Permanent	R16 699 088,82	5	267	R 62 543,00
Total	**R327 291 004,75**	**95**	**940**	**R 348 182,00**

Table 5.1.3 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	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical aid as a % of personnel costs
17000001 ADMINISTRATION	R 60 292 341,31	64	R 1 482 728,18	2	R 2 303 881,52	2	R 5 076 004,33	5
17000002 LOCAL GOVERNANCE	R 89 596 018,73	68		0	R 5 513 414,11	4	R 10 583 200,00	8
17000003 DEVELOPMENT AND PLANNING	R 20 993 133,88	67	R 1 19 144,26	0	R 715 128,25	2	R 1 517 902,00	5
17000004 DLG&TA : TRADITIONAL LEADERSHIP	R 41 702 718,07	61	R 30 190,22	0	R 1 417 582,23	2	R 2 927 749,50	4
Total	**R 212 584 211,99**	**65**	**R 1 632 062,66**	**1**	**R 9 950 006,11**	**3**	**R 20 104 855,83**	**6**

Table 5.1.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	R 3 678 579,01	59	R 67 402,17	1	R 299 288,64	5	R 626 293,25	10
Skilled (Levels 3-5)	R 11 139 000,38	61	R 223 069,19	1	R 1 062 418,95	6	R 2 205 295,25	12
Highly skilled production (Levels 6-8)	R 126 495 126,94	69	R 861 107,63	1	R 7 624 669,21	4	R 14 612 541,00	8
Highly skilled supervision (Levels 9-12)	R 53 190 478,56	72	R 478 452,05	1	R 905 340,39	1	R 2 511 399,25	3
Senior and Top Management (Level 13-16)	R 18 081 027,10	63	R 2 031,62	0	R 58 288,92	0	R 149 327,08	1
Non-Permanent		0		0		0		0
Total	**R 212 584 211,99**	**65**	**R 1 632 062,66**	**1**	**R 9 950 006,11**	**3**	**R 20 104 855,83**	**6**

Table 5.2.1 Employment and Vacancies by Programme, 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
17000001 ADMINISTRATION	383	168	56	1
17000002 LOCAL GOVERNANCE	397	316	20	1
17000003 DEVELOPMENT AND PLANNING	85	48	44	
17000004 DLG&TA : TRADITIONAL LEADERSHIP	199	132	34	
Total	**1064**	**664**	**38**	**2**

Table 5.2.2 Employment and Vacancies by Salary Bands, 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	75	43	43	
Skilled (Levels 3-5)	193	92	52	
Highly skilled production (Levels 6-8)	601	405	33	1
Highly skilled supervision (Levels 9-12)	169	101	40	1
Senior management (Levels 13-16)	26	23	12	
Total	**1064**	**664**	**38**	**2**

Table 5.2.3 Employment and Vacancies by critical occupation, 31 March 2023

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED	194	119	39	
ARCHITECTS TOWN AND TRAFFIC PLANNERS	4	3	25	
BUILDING AND OTHER PROPERTY CARETAKERS	5	5	0	
BUS AND HEAVY VEHICLE DRIVERS	32	15	53	
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	44	16	64	
COMMUNICATION AND INFORMATION RELATED	1	1	0	
COMMUNITY DEVELOPMENT WORKERS	1		100	
COMPUTER PROGRAMMERS.	1	1	0	
EMERGENCY SERVICES RELATED	1	1	0	
ENGINEERING SCIENCES RELATED	7	4	43	
ENGINEERS AND RELATED PROFESSIONALS	3		100	
FINANCE AND ECONOMICS RELATED	16	12	25	
FINANCIAL AND RELATED PROFESSIONALS	27	15	44	
FINANCIAL CLERKS AND CREDIT CONTROLLERS	49	16	67	
FOOD SERVICES AIDS AND WAITERS	2		100	
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	1		100	
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	28	11	61	
HUMAN RESOURCES CLERKS	31	19	39	
HUMAN RESOURCES RELATED	63	5	92	
LEGAL RELATED	2	2	0	
LIBRARY MAIL AND RELATED CLERKS	17	3	82	
LOGISTICAL SUPPORT PERSONNEL	3	1	67	
MATERIAL-RECORDING AND TRANSPORT CLERKS	2		100	
MESSENGERS PORTERS AND DELIVERERS	2	1	50	
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	363	294	19	1
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	49	34	31	
OTHER INFORMATION TECHNOLOGY PERSONNEL.	2	2	0	

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
OTHER OCCUPATIONS	55	43	22	1
RISK MANAGEMENT AND SECURITY SERVICES	8	2	75	
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	27	16	41	
SENIOR MANAGERS	23	22	4	
SOCIAL SCIENCES RELATED	1	1	0	
Total	**1064**	**664**	**38**	**2**

Table 5.3.1 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			0	0	0
Salary Level 16			0	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	5	5	100	0	0
Salary Level 13	18	16	89	2	11
Total	**24**	**22**	**92**	**2**	**8**

Table 5.3.2 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			0	0	0
Salary Level 16			0	0	0
Salary Level 15	2		0	2	100
Salary Level 14	6	4	67	2	33
Salary Level 13	17	16	94	1	6
Total	**25**	**20**	**80**	**5**	**20**

Table 5.3.3 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	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	**0**	**0**	**0**

Reasons for vacancies not filled within 12 months.
For the financial year 2022/23, the Department of Cooperative Governance and Traditional Affairs had only one position which is vacant and not filled namely Director Legal Services. The reason for non-appointment is because the department could not find suitable candidates during the shortlisting processes which were held twice. Furthermore, it should also be noted that appointment of SMS is the competency of Political Head.

Table 5.3.4 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

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Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within twelve months

Table 5.4.1 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
Lower Skilled (Levels1-2)	75		0		0		0
Skilled (Levels 3-5)	193		0		0		0
Highly skilled production (Levels 6-8)	601		0		0		0
Highly skilled supervision (Levels 9-12)	169		0		0		0
Senior Management Service Band A	18		0		0		0
Senior Management Service Band B	5		0		0		0
Senior Management Service Band C	1		0		0		0
Senior Management Service Band D	2		0		0		0
Total	**1064**	**0**	**0**	**0**	**0**	**0**	**0**

Table 5.5.1 Annual turnover rates by salary band, 1 April 2022 to 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)	17	0	0	0
Skilled (Levels 3-5)	59	3	4	7
Highly skilled production (Levels 6-8)	459	4	22	5
Highly skilled supervision (Levels 9-12)	108	3	9	8
Senior Management Service Band A (Level 13)	14	1	2	14
Senior Management Service Band B (Level 14)	4	1	0	0
Senior Management Service Band C (Level 15)		0	0	0
MEC & Senior Management Service Band D (Level 16)	1	1	1	100
Contracts	23	41	34	148
Non Permanent	143	253	227	159
Total	**828**	**307**	**299**	**36**

Table 5.5.2 Annual turnover rates by critical occupation, 1 April 2022 to 31 March 2023

Critical Occupation	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
ADMINISTRATIVE RELATED	285	38	20	7
ARCHITECTS TOWN AND TRAFFIC PLANNERS	3	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS	6	0	1	17
BUS AND HEAVY VEHICLE DRIVERS	12	3	2	17
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	61	33	37	61
COMMUNICATION AND INFORMATION RELATED	1	0	0	0
COMMUNITY DEVELOPMENT WORKERS	26	187	182	700

Critical Occupation	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
COMPUTER PROGRAMMERS.	1	0	0	0
ENGINEERING SCIENCES RELATED	2	2	0	0
FINANCE AND ECONOMICS RELATED	10	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	19	1	1	5
FINANCIAL CLERKS AND CREDIT CONTROLLERS	28	3	16	57
FIRE FIGHTING AND RELATED WORKERS	1	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	11	0	1	9
HUMAN RESOURCES CLERKS	36	11	6	17
HUMAN RESOURCES RELATED	8	0	1	13
LEGAL RELATED	2	0	0	0
LIBRARY MAIL AND RELATED CLERKS	5	3	4	80
LOGISTICAL SUPPORT PERSONNEL	1	0	0	0
MESSENGERS PORTERS AND DELIVERERS	3	0	0	0
MOTOR VEHICLE DRIVERS	1	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	86	3	4	5
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	63	0	7	11
OTHER INFORMATION TECHNOLOGY PERSONNEL.	3	0	0	0
OTHER OCCUPATIONS	118	17	10	9
RISK MANAGEMENT AND SECURITY SERVICES	2	0	1	50
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	12	0	1	8
SECURITY GUARDS	1	0	1	100
SENIOR MANAGERS	19	6	4	21
WORK PLANNERS	2	0	0	0
Total	**828**	**307**	**299**	**36**

Table 5.5.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death	10	3
Resignation	10	3
Expiry of contract	256	86
Dismissal – operational changes		0
Dismissal – misconduct		0
Dismissal – inefficiency		0
Discharged due to ill-health	2	1
Retirement	16	5
Transfer to other Public Service Departments	4	1
Other	1	0
Total	**299**	**100**
Total number of employees who left as a % of total employment		**36**

Table 5.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Number of employees at beginning of period - 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	285		0	123	43
ARCHITECTS TOWN AND TRAFFIC PLANNERS	3		0	1	33
BUILDING AND OTHER PROPERTY CARETAKERS	6		0	2	33
BUS AND HEAVY VEHICLE DRIVERS	12		0	11	92
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	61		0	14	23
COMMUNICATION AND INFORMATION RELATED	1		0	1	100
COMMUNITY DEVELOPMENT WORKERS	26		0	24	92
COMPUTER PROGRAMMERS.	1		0	1	100
ENGINEERING SCIENCES RELATED	2		0	2	100
FINANCE AND ECONOMICS RELATED	10		0	7	70
FINANCIAL AND RELATED PROFESSIONALS	19		0	13	68
FINANCIAL CLERKS AND CREDIT CONTROLLERS	28	1	4	10	36
FIRE FIGHTING AND RELATED WORKERS	1		0	1	100
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	11		0	3	27
HUMAN RESOURCES CLERKS	36		0	10	28
HUMAN RESOURCES RELATED	8		0	6	75
LEGAL RELATED	2		0	1	50
LIBRARY MAIL AND RELATED CLERKS	5		0	1	20
LOGISTICAL SUPPORT PERSONNEL	1		0	1	100
MESSENGERS PORTERS AND DELIVERERS	3		0		0
MOTOR VEHICLE DRIVERS	1		0		0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	86	1	1	51	59
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	63		0	27	43

Occupation	Number of employees at beginning of period - 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
OTHER INFORMATION TECHNOLOGY PERSONNEL.	3		0	3	100
OTHER OCCUPATIONS	118		0	7	6
RISK MANAGEMENT AND SECURITY SERVICES	2		0	1	50
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	12		0	9	75
SECURITY GUARDS	1		0		0
SENIOR MANAGERS	19	1	5	8	42
WORK PLANNERS	2		0	1	50
Total	**828**	**3**	**0**	**339**	**41**

Table 5.5.5 Promotions 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	Promotions to another salary level	Salary band promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Lower skilled (Levels 1-2)	31		0	14	45
Skilled (Levels 3-5)	62		0	37	60
Highly skilled production (Levels 6-8)	460		0	218	47
Highly skilled supervision (Levels 9-12)	113	3	3	62	55
Senior management (Levels 13-16)	19		0	8	42
Non-Permanent	143		0		0
Total	**828**	**3**	**0**	**339**	**41**

Table 5.6.1 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	
Legislators, senior officials, and managers	16				7				23
Professionals	36	2			42				80
Technicians and associate professionals	137	1			207	1			346
Clerks	57				79	1			137
Service and sales workers	2								2
Skilled agriculture and fishery workers									
Craft and related trades workers					1				1
Plant and machine operators and assemblers	13				1				14
Elementary occupations	50				20				70
EPWP BENEFICIARY	64				100	1			165
Non Permanent Worker	84				18				102
Non Permanent Worker (Developmental Programme)									
Total	**459**	**3**	**0**	**0**	**475**	**3**	**0**	**0**	**940**
Employees with disabilities	4				6				10

Table 5.6.2 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	
Top Management	2								2
Senior Management	15				7				22
Professionally qualified and experienced specialists and mid-management	20	1			20				41
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	180	2			282	2			466
Semi-skilled and discretionary decision making	45				18				63
Unskilled and defined decision making	9				28				37
EXCEPTION - POLITICAL OFFICE BEARERS - TRADITIONAL LEADERS	40				2				42
EPWP BENEFICIARY	64				100	1			165
Non Permanent Worker	84				18				102
Non Permanent Worker (Developmental Programme)									
Total	**459**	**3**	**0**	**0**	**475**	**3**	**0**	**0**	**940**
Employees with disabilities	4				6				10

Table 5.6.3 - 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	2								2
Senior Management	4				1				5
Professionally qualified and experienced specialists and mid-management	3				1				4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2				2				4

Table 5.6.3 - Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semi-skilled and discretionary decision making	4				3				7
Unskilled and defined decision making	12				13				25
EXCEPTION - POLITICAL OFFICE BEARERS - TRADITIONAL LEADERS	4								4
EPWP BENEFICIARY	78				108	1			187
Non Permanent Worker	23				24				47
Non Permanent Worker (Developmental Programme)	10				9				19
Total	**142**	**0**	**0**	**0**	**161**	**1**	**0**	**0**	**304**
Transfers to the Department	1				2				**3**
Total including transfers to the Department	**143**	**0**	**0**	**0**	**163**	**1**	**0**	**0**	**307**
Employees with disabilities									**0**

Table 5.6.4 - Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management									
Professionally qualified and experienced specialists and mid-management	1				1				2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1								1
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
Total	**2**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**3**
Employees with disabilities									0

Table 5.6.5 - Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management					1				1
Senior Management	4								4
Professionally qualified and experienced specialists and mid-management	3				5			1	9
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	1			9				21
Semi-skilled and discretionary decision making	5				4				9
Unskilled and defined decision making	10				9				19
EXCEPTION - POLITICAL OFFICE BEARERS - TRADITIONAL LEADERS	5								5
EPWP BENEFICIARY	73				107	1			181
Non Permanent Worker	17				27				44
Non Permanent Worker (Developmental Programme)					2				2
Total	**128**	**1**	**0**	**0**	**164**	**1**	**0**	**1**	**295**
Transfers out of the Department	1				3				4
Total including transfers out of the Department	**129**	**1**	**0**	**0**	**167**	**1**	**0**	**1**	**299**
Employees with Disabilities					1				**1**

Table 5.6.6 Disciplinary action for the period 1 April 2022 and 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Table 5.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts on 30 April 2022	Total number of SMS members on 30 April 2022	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				0
Salary Level 16				0
Salary Level 15	2	0		0
Salary Level 14	7	4		0
Salary Level 13	18	13		0
Total	**27**	**17**	**0**	**0**

Table 5.8.1 Performance Rewards by race, gender and disability, 1 April 2022 to 31 March 2023

Race	Gender	Beneficiary Profile			Cost	
		No. of Beneficiaries	Number of employees	% of total within group	Cost	Average cost per employee
AFRICAN	FEMALE	2	354	1	R 55 650,90	R 27 825,50
	MALE		307	0		R 0,00
COLOURED	FEMALE		2	0		R 0,00
	MALE		3	0		R 0,00
INDIAN	FEMALE			0		R 0,00
	MALE			0		R 0,00
WHITE	FEMALE			0		R 0,00
	MALE			0		R 0,00
Total		**2**	**666**	**0**	**R 55 650,90**	**R 27 825,50**

Table 5.8.2 Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2022 to 31 March 2023

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	No. of Beneficiaries	Number of employees	% of total within salary bands	Total Cost	Average cost per employee	
Lower Skilled (Levels 1-2)		43	0		R 0,00	0
Skilled (level 3-5)		92	0		R 0,00	0
Highly skilled production (level 6-8)	2	406	1	R 55 650,90	R 27 825,50	0
Highly skilled supervision (level 9-12)		102	0		R 0,00	0
Total	**2**	**643**	**0**	**R 55 650,90**	**R 27 825,50**	**0**

Table 5.8.3 Performance Rewards by critical occupations, 1 April 2022 to 31 March 2023

Critical Occupation	Beneficiary Profile			Cost	
	No. of Beneficiaries	Number of employees	% of total within occupation	Total Cost	Average Cost per employee
ADMINISTRATIVE RELATED	1	119	1	R 23 496,60	R 23 496,60
ARCHITECTS TOWN AND TRAFFIC PLANNERS		3	0		R 0,00
BUILDING AND OTHER PROPERTY CARETAKERS		5	0		R 0,00
BUS AND HEAVY VEHICLE DRIVERS		15	0		R 0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.		16	0		R 0,00
COMMUNICATION AND INFORMATION RELATED		1	0		R 0,00
COMPUTER PROGRAMMERS.		1	0		R 0,00
EMERGENCY SERVICES RELATED		1	0		R 0,00
ENGINEERING SCIENCES RELATED		4	0		R 0,00
FINANCE AND ECONOMICS RELATED		12	0		R 0,00
FINANCIAL AND RELATED PROFESSIONALS		15	0		R 0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS		16	0		R 0,00

Critical Occupation	Beneficiary Profile			Cost	
	No. of Beneficiaries	Number of employees	% of total within occupation	Total Cost	Average Cost per employee
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF		11	0		R 0,00
HUMAN RESOURCES CLERKS		19	0		R 0,00
HUMAN RESOURCES RELATED		5	0		R 0,00
LEGAL RELATED		2	0		R 0,00
LIBRARY MAIL AND RELATED CLERKS		3	0		R 0,00
LOGISTICAL SUPPORT PERSONNEL		1	0		R 0,00
MESSENGERS PORTERS AND DELIVERERS		1	0		R 0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	1	295	0	R 32 154,30	R 32 154,30
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS		34	0		R 0,00
OTHER INFORMATION TECHNOLOGY PERSONNEL.		2	0		R 0,00
OTHER OCCUPATIONS		44	0		R 0,00
RISK MANAGEMENT AND SECURITY SERVICES		2	0		R 0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS		16	0		R 0,00
SENIOR MANAGERS		22	0		R 0,00
SOCIAL SCIENCES RELATED		1	0		R 0,00
Total	**2**	**666**	**0**	**R 55 650,90**	**R 27 825,50**

Table 5.8.4 Performance related rewards (cash bonus) by salary bands for Senior Management Service, 1 April 2022 to 31 March 2023

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	No. of Beneficiaries	Number of employees	% of total within salary bands	Total Cost	Average cost per employee	
Senior Management Service Band A (Level 13)	0	16	0		R 0,00	0
Senior Management Service Band B (Level 14)	0	5	0		R 0,00	0
Senior Management Service Band C (Level 15)	0	1	0		R 0,00	0
Senior Management Service Band D (Level 16)	0	1	0		R 0,00	0
Total	**0**	**23**	**0**	**R 0,00**	**R 0,00**	**0**

Table 5.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
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 (Level 13-16)		0		0	0	0
Non-Permanent		0		0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

Table 5.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major Occupation	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
FINANCE AND ECONOMICS RELATED		0		0	0	0
FINANCIAL AND RELATED PROFESSIONALS		0		0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

Table 5.10.1 Sick leave, 01 January 2022 to 31 December 2022

Salary Band	Total days	% Days with medical certification	No. of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost
Lower skilled (Levels 1-2)	85	81	20	9	4	R 48 477,33
Skilled (Levels 3-5)	265	96	28	12	9	R 253 488,34
Highly skilled production (Levels 6-8)	969	90	123	53	8	R 1 538 044,24
Highly skilled supervision (Levels 9-12)	499	90	58	25	9	R 1 357 598,85
Senior management (Levels 13-16)	41	98	5	2	8	R 184 336,93
Total	**1859**	**90**	**234**	**100**	**8**	**R 3 381 945,69**

Table 5.10.2 Disability leave (temporary and permanent), 01 January 2022 to 31 December 2022

Salary Band	Total Days	% Days with medical certification	No. of employees using Disability Leave	% of total employees using Disability Leave	Average days per employee	Estimated Cost
Lower skilled (Levels 1-2)		0		0	0	
Skilled (Levels 3-5)		0		0	0	
Highly skilled production (Levels 6-8)	14	100	1	33	14	R 16 778,72
Highly skilled supervision (Levels 9-12)	28	100	2	67	14	R 108 130,52
Senior management (Levels 13-16)		0		0	0	
Total	**42**	**100**	**3**	**100**	**14**	**R 124 909,24**

Table 5.10.3 Annual leave 01 January 2022 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	552	38	15
Skilled (Levels 3-5)	1532	63	24
Highly skilled production (Levels 6-8)	6529	349	19
Highly skilled supervision (Levels 9-12)	2090	91	23
Senior management (Levels 13-16)	328	19	17
Total	**11031**	**560**	**20**

Table 5.10.4 Capped leave, 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
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	19
Highly skilled production (Levels 6-8)	0	0	0	14
Highly skilled supervision (Levels 9-12)	28	3	9	12
Senior management (Levels 13-16)	0	0	0	7
Total	**28**	**3**	**9**	**13**

Table 5.10.5 Leave Payouts for period 1 April 2022 to 31 March 2023

Reason	Total Amount	No. of Employees	Average payment per employee
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle [LEAVE DISCOUNTING (UNUSED LEAVE CR)]	R 0,00	0	R 0,00
Capped leave payouts on termination of service for 2022/23 (LEAVE GRATUITY)	R 0,00	0	R 0,00
Current leave payout on termination of service for 2022/23 [LEAVE DISCOUNTING \ GRATUITY (UNUSED LEAVE CR)]	R 2 637 077,13	36	R 73 252,00
Total	**R 2 637 077,13**	**36**	**R 73 252,00**

Table 5.11.1 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.			
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.			
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.			
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.			

Question	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			
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.			
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.			
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.			

Table 5.12.1 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	0
Total costs working days lost	R0,00
Amount recovered as a result of no work no pay	R3 720,95

Table 5.12.2 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	R0,00

Table 5.12.3 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
No departmental collective agreements concluded for the period under review	

Table 5.12.4 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of Total
Correctional counselling		0
Verbal warning		0
Written warning		0
Final written warning		0
Suspended without pay		0
Fine		0
Demotion		0
Dismissal	3	38
Not guilty		0
Case withdrawn	5	62
Total	**8**	**100**

Table 5.12.5 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of Total
LR3	1	13
Deemed dismissal	3	37
Contravened Section 21 of the SASSA Act 13 of 2004	4	50
Total	**8**	**100**

Table 5.12.5 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	13	93
Number of grievances not resolved	1	7
Total number of grievances lodged	**14**	**100**

Table 5.12.6 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	2	40
Number of disputes dismissed	3	60
Total number of disputes lodged	**5**	**100**

Table 5.12.7 Strike actions for the period 1 April 2022 and 31 March 2023

-

Total number of persons working days lost	0
Total costs working days lost	R0,00
Amount recovered as a result of no work no pay	R0,00

Table 5.12.8 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

-

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	R0,00

Table 5.13.1 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	7				0
	Male	12				0
Professionals	Female	43				0
	Male	40				0
Technicians and associate professionals	Female	209				0
	Male	140				0
Clerks	Female	85				0
	Male	58				0
Service and sales workers	Female					0
	Male	4				0
Skilled agriculture and fishery workers	Female					0
	Male					0
Craft and related trades workers	Female	1				0
	Male	1				0
Plant and machine operators and assemblers	Female	1				0
	Male	12				0
Elementary occupations	Female	20				0
	Male	52				0
Non permanent worker	Female	48				0
	Male	95				0
Sub Total	Female	**414**	**0**	**0**	**0**	**0**
	Male	**414**	**0**	**0**	**0**	**0**

5.13.2 Training provided within the reporting 01 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	7				0
	Male	12				0
Professionals	Female	43				0
	Male	40				0
Technicians and associate professionals	Female	209				0
	Male	140				0
Clerks	Female	85				0
	Male	58				0
Service and sales workers	Female					0
	Male	4				0
Skilled agriculture and fishery workers	Female					0
	Male					0
Craft and related trades workers	Female	1				0
	Male	1				0
Plant and machine operators and assemblers	Female	1				0
	Male	12				0
Elementary occupations	Female	20				0
	Male	52				0
Non permanent worker	Female	48				0
	Male	95				0
Sub Total	Female	**414**	**0**	**0**	**0**	**0**
	Male	**414**	**0**	**0**	**0**	**0**

Table 5.13.3 Injury on duty, 1 April 2022 to 31 March 2023

Nature of injury on duty	Number	% of Total
Required basic medical attention only	9	82
Temporary Total Disablement	1	9
Permanent Disablement	0	0
Fatal	1	9
Total	**11**	**100**

Table 5.13.4 Report on consultant appointments using appropriated fund 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**
N/A	**0**	**0**	**0**
N/A	**0**	**0**	**0**
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**
0	**0**	**0**	**0**
0	**0**	**0**	**0**
0	**0**	**0**	**0**
0	**0**	**0**	**0**

Table 5.13.5 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
0	0	0	0
0	0	0	0
0	0	0	0

Table 5.13.6 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
0	0	0	0
0	0	0	0
0	0	0	0

Total number of projects	Total individual consultants	Total duration (Work Days)	Total contract value in Rand

Table 5.13.6 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
0	0	0	0
0	0	0	0
0	0	0	0

Table 5.13.7 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 COMPLIANE REPORT

6. INFORMATION IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

6.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	501,293	549,706
Prior Period Errors (2017/18)	-	(48,689)
Prior Period Errors (2021/22)	-	27
As Restated	-	501,044
Add: Irregular expenditure confirmed	-	249
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**501,293**	**501,293**

-Adjustment of the Opening Balance for 2021/22 has been adjusted with a prior period error reduction amounting to R48,689 from 2017/18 as this expenditure was classified as irregular Exp though it was a non-compliance to CIDB requirement and not a transgression of any ACT.

- Another prior period error has been captured to adjust the Opening balance for 2021/2022 with an amount of Solid Sweet which was captured as R14,000 instead of R41,000 in the register. Therefore, the corrected Restated Opening balance for 2021/2022 is R501,044..

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	249
Irregular expenditure for the current year	-	-
Total	**-**	**249**

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	4,611	3,418
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total 2	**4,611**	**3,418**

The above reported unconfirmed Exp is under assessment and entails fire engine, Telkom and Insurance for vehicles.

c) Details of current and previous year irregular expenditure condoned

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

Include discussion here where deemed relevant.

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2021/2022
	R'000	R'000
	-	-
Total	**-**	**-**

Include discussion here where deemed relevant.

e) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	-	-
Total	**-**	**-**

Include discussion here where deemed relevant.

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

Include discussion here where deemed relevant.

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
Construction of Ba Ga Shuping Traditional Offices for 2021/2022 Financial Year and COGTA was not part of the bid committee meeting.
Total R 3,485

Include discussion here where deemed relevant.

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)

Description	2022/2023	2021/2022
	R'000	R'000
Total	**0**	**0**

Include discussion here where deemed relevant.

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
None

Include discussion here where deemed relevant.

6.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	1,604	1,604
Add: Fruitless and wasteful expenditure confirmed	8	14
Less: Fruitless and wasteful expenditure written off	8	14
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	**1,604**	**1,604**

The expenditure relates to interest paid on Eskom accounts.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	8	14
Total	**8**	**14**

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	-	-
Total[4]	**-**	**-**

Include discussion here where deemed relevant.

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	-	-
Total	**-**	**-**

Include discussion here where deemed relevant.

3

4

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	8	14
Total	**8**	**14**

The expenditure relates to interest paid on Eskom accounts.

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

Disciplinary steps taken
None
Total 0

Include discussion here where deemed relevant.

6.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off[5]	-	-
Closing balance	**-**	**-**

Include discussion here where deemed relevant.

[5] This amount may only be written off against available savings

Total		

Include discussion here where deemed relevant.

b) Details of other material losses

Nature of other material losses	2022/2023	2021/2022
	R'000	R'000
(*Group major categories, but list material items)*		
Total		

Include discussion here where deemed relevant and criminal or disciplinary steps taken by the institution.

c) Other material losses recovered

Nature of losses	2022/2023	2021/2022
	R'000	R'000
(*Group major categories, but list material items)*		
Total		

Include discussion here where deemed relevant.

d) Other material losses written off

Nature of losses	2022/2023	2021/2022
	R'000	R'000
(*Group major categories, but list material items)*		
Total		

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure that was under assessment in 20XX/YY	-	-
Unauthorised expenditure that relates to 20XX/YY and identified in 20YY/ZZ	-	-
Unauthorised expenditure for the current year	-	-
Total	**-**	**-**

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

Description[6]	20YY/20ZZ	20XX/20YY
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total[7]	**-**	**-**

Include discussion here where deemed relevant.

6.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/2023	2021/2022
	R'000	R'000
Theft		
Other material losses		
Less: Recovered		
Less: Not recovered and written off		

[6] Group similar items

[7] Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

6.5 LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2,378	265 236
Invoices paid **within** 30 days or agreed period	2,040	261 786
Invoices paid **after** 30 days or agreed period	27	3 468
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	3	82
Invoices older than 30 days or agreed period (***unpaid and in dispute***)	0	0

Calculated at the total amount of the whole order not as per invoice as it appears on turn-around report.

7 SUPPLY CHAIN MANAGEMENT

7.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
				0
Total				**0**

7.2 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
Appointment of a service provider with electoral expertise to manage the reconstitution of Traditional Councils and Traditional House.	Africore Trade (Pty) Ltd	Variation	RFP-CATA002/2017	13,389	3,653	5,196
Total = R 22,238						

PART F:

FINANCIAL INFORMATION

Auditing to build public confidence

AUDITOR-GENERAL SOUTH AFRICA

Report of the auditor-general to the North West Provincial Legislature on vote no. 9: Department of Co-operative Governance and Traditional Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the North West Department of Cooperative Governance and Traditional Affairs set out on pages 137 to 170, which comprise the appropriation statement, the statement of financial position as at 31 March 2023, and the statement of financial performance, statement of changes in net assets, and cash flow statement, 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 North West Department of Co-operative 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 (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 9 of 2021) (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.

Emphasis of matters

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

Restatement of Corresponding figures

7. As disclosed in note 42 to the financial statements, the corresponding figures for 2021-22 were restated as a result of an error in the financial statements of the department as at 31 March 2023 and for the year-ended 31 March 2023.

Impairment and write-off of receivables

8. As disclosed in note 8 to the financial statements, material losses of R28 669 000 was incurred as a result of write-off of irrecoverable debt owed by municipalities.
9. As disclosed in note 14 to the financial statements, impairment of receivables of R11 843 000 was incurred as a result of impairment amounts owed by municipalities.

Other matters

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

National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework

11. On 23 December 2022, the National Treasury issued Instruction Note 4 of 2022-23, which came into effect on 3 January 2023, in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA. The instruction note deals with the PFMA compliance and reporting framework and addresses, among others, the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Irregular expenditure and fruitless and wasteful expenditure incurred in prior financial years and not yet addressed no longer need to be disclosed in the disclosure notes to the annual financial statements. Only the current year and prior year figures are disclosed in note 22 to the financial statements of the North West Department of Cooperative Governance and Traditional Affairs. Movements in respect of irregular expenditure and fruitless and wasteful expenditure also no longer need to be disclosed in the notes to the annual financial statements. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) is now included as part of the other information in the annual report of the department. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Unaudited supplementary schedules

12. The supplementary information set out on pages 171 to 177 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury and the requirements of the PFMA and 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.

14. 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

15. 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 statement

16. 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

17. 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.

18. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures 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 Governance	31-34	To promote and facilitate viable and sustainable local government

Programme	Page numbers	Purpose
		Developmental local government remains the visionary foundation for the continuing reconstruction and development of our country. The Local Government White Paper developed a vision of local government as a key component of the developmental state
Programme 3: Development and Planning	44-53	To guide inter-spherical planning for development and access to basic services Improved systems and structures for disaster risk management across the province with the view of ensuring safe and disaster resilient communities To reduce levels of unemployment through Community Work Programme and enhance local economic development across the province
Programme 4: Traditional Affairs	54-57	To provide strategic support to the institution of Traditional leadership

19. 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.

20. 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.

21. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance.

22. The material findings on the performance information of the selected programmes are as follows:

Programme 3: Development and planning

Number of reports on the implementation of disaster management plans

23. The indicator was included in the approved annual performance plan but then not clearly defined during planning processes. It was also not determined how the related target would be measured and what evidence would be needed to support the achievement. Consequently, the information might be less useful for measuring performance.

Programme 4: Traditional Affairs

Number of Traditional councils supported to perform their functions

24. An achievement of 92 was reported against a target of 92. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the target was not achieved.

Various indicators

25. The indicator was included in the approved annual performance plan but then not clearly defined during planning processes. It was also not determined how the related targets would be measured and what evidence would be needed to support the achievements. Consequently, the information might be less useful for measuring performance.

Indicator name	Planned achievement	Reported achievement
Number of reports on initiation schools complying with Customary Initiation Act, 2021 (Act No. 2 of 2021)	2	2
Number of reports on functioning of houses of traditional leaders	4	4

Other matter

26. I draw attention to the matter below.

Achievement of planned targets

27. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under-achievements. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 3: Development and planning as well as programme 4: Traditional affairs. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

29. 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.

30. 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.

31. 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.

32. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Strategic planning and performance management

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

Consequence management

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

Other information in the annual report

35. The accounting officer is responsible for the other information included in the annual report, which include the audit committee's 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.

36. 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.

37. 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.

38. I have nothing to report in these regard.

Internal control deficiencies

39. 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.

40. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

41. Leadership did not adequately review the source information and the supporting evidence for the achievement reported on performance information to ensure it correlates to the indicator being reported. Leadership also did not ensure that what is reported as achievement is supported by input that is sufficient to substantiate conclusions made on the reports that supports the reported achievement.

42. Non-compliance with laws and regulations could have been prevented had compliance been properly reviewed and monitored and control measures implemented.

Other Report

43. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

44. The Directorate for Priority Crime Investigation is investigating milestones paid but not built during the 2016/17 financial year. At the date of this report, the investigation was still in progress.

Auditor General

Rustenburg

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 and audit committee 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 and audit committee 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.

ACCOUNTING POLICIES

DEPARTMENT OF COPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1.	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	**Going concern** The financial statements have been 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**

DEPARTMENT OF COPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

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.
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.
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.

DEPARTMENT OF COPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

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. <*Indicate when prepayments and advances are expensed and under what circumstances*>
12.	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13.	**Investments** Investments are recognised in the statement of financial position at cost.
14.	**Financial assets**
14.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15.	**Payables** Payables recognised in the statement of financial position are recognised at cost.
16.	**Capital assets**
16.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

	Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	**Intangible 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.

DEPARTMENT OF COPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

17.	**Provisions and contingents**
17.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
17.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
17.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
18.	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of 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 is measured at the amount of the confirmed unauthorised expenditure.
19.	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure receivables are recognised in the statement of financial position, measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
20.	**Irregular expenditure** Irregular expenditure receivables are recognised in the statement of financial position, measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21.	**Changes in accounting estimates and errors** Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
22.	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23.	**Principal-Agent arrangements** The department is party to a principal-agent arrangement for [*include details here*]. In terms of the arrangement the department is the [*principal / agent*] and is responsible for [*include details here*]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24.	**Departures from the MCS requirements** [*Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]*
25.	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26.	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27.	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

DEPARTMENT OF COPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

28.	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29.	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30.	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is 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.
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.

NORTH WEST: COOPORATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Appropriation Statement
for the year ended 31 March 2023

Appropriation per programme

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Voted funds and Direct charges	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Programme									
1. **ADMINISTRATION**	169 382	-	(1 649)	167 733	167 644	89	99,9%	191 413	189 616
2. **LOCAL GOVERNANCE**	167 643	-	23 748	191 391	191 317	74	100,0%	161 840	157 276
3. **DEVELOPMENT AND PLANNING**	145 598	-	(10 434)	135 164	135 111	53	100,0%	192 843	179 485
4. **TRADITIONAL INSTITUTIONAL MANAGEMENT**	140 214	-	(11 665)	128 549	128 416	133	99,9%	142 969	135 430
Programme sub total	**622 837**	**-**	**-**	**622 837**	**622 488**	**349**	**99,9%**	**689 065**	**661 807**
Statutory Appropriation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-	-	-
TOTAL	**622 837**	**-**	**-**	**622 837**	**622 488**	**349**	**99,9%**	**689 065**	**661 807**
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				28 469				1 005	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per Statement of Financial Performance (Total				**651 306**				**690 070**	
Add: Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure					**622 488**				**661 807**

Appropriation per economic classification									
	2022/23							2021/22	
	Adjusted 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
Current payments	**466 732**	**8 150**	**(4 647)**	**470 235**	**470 346**	**(111)**	**100,0%**	**484 606**	**474 232**
Compensation of employees	327 013	(95)	(710)	326 208	326 074	134	100,0%	330 746	325 144
Salaries and wages	278 409	3 415	(710)	281 114	280 994	120	100,0%	283 041	279 456
Social contributions	48 604	(3 510)	-	45 094	45 080	14	100,0%	47 705	45 688
Goods and services	139 713	8 245	(3 935)	144 023	144 268	(245)	100,2%	153 846	149 074
Administrative fees	616	188	-	804	804	-	100,0%	340	313
Advertising	1 313	992	-	2 305	2 305	-	100,0%	1 997	1 997
Minor assets	846	(489)	-	357	355	2	99,4%	1 112	1 099
Audit costs: External	8 113	(3 132)	-	4 981	4 981	-	100,0%	4 162	4 162
Bursaries: Employees	475	13	-	488	488	-	100,0%	743	743
Catering: Departmental activities	2 850	903	-	3 753	3 751	2	99,9%	1 965	1 905
Communication (G&S)	5 534	(3 551)	-	1 983	1 983	-	100,0%	1 337	1 238
Computer services	243	1 463	-	1 706	1 706	-	100,0%	1 955	1 955
Consultants: Business and advisory services	14 640	(5 641)	-	8 999	8 999	-	100,0%	10 789	9 552
Legal services	1 185	(810)	-	375	375	-	100,0%	12 937	12 582
Contractors	1 333	(76)	-	1 257	1 257	-	100,0%	3 042	2 915
Agency and support / outsourced services	25 983	8 369	155	34 507	34 504	3	100,0%	51 077	50 927
Fleet services (including government motor transport)	11 115	779	(270)	11 624	11 893	(269)	102,3%	12 869	12 797
Consumable supplies	1 430	406	-	1 836	1 833	3	99,8%	1 849	1 642
Consumable: Stationery, printing and office supplies	1 531	(76)	-	1 455	1 454	1	99,9%	2 205	2 010
Operating leases	22 115	143	-	22 258	22 258	-	100,0%	20 876	20 517
Property payments	7 296	1 058	-	8 354	8 354	-	100,0%	7 765	7 259
Transport provided: Departmental activity	135	56	-	191	190	1	99,5%	202	72
Travel and subsistence	18 072	7 252	(3 820)	21 504	21 501	3	100,0%	13 118	12 148
Training and development	11 427	723	-	12 150	12 142	8	99,9%	1 856	1 723
Operating payments	1 118	(230)	-	888	888	-	100,0%	453	328
Venues and facilities	2 112	71	-	2 183	2 183	-	100,0%	1 097	1 091
Rental and hiring	231	(166)	-	65	64	1	98,5%	100	99
Interest and rent on land	6	-	(2)	4	4	-	100,0%	14	14
Interest (Incl. interest on unitary payments (PPP))	6	-	(2)	4	4	-	100,0%	14	14
Transfers and subsidies	**121 789**	**(8 458)**	**(4 637)**	**108 694**	**108 641**	**53**	**100,0%**	**174 821**	**159 777**
Provinces and municipalities	88 549	(8 150)	-	80 399	80 386	13	100,0%	143 952	132 709
Municipalities	88 549	(8 150)	-	80 399	80 386	13	100,0%	143 952	132 709
Municipal bank accounts	88 549	(8 150)	-	80 399	80 386	13	100,0%	143 952	132 709
Non-profit institutions	29 579	-	(4 075)	25 504	25 504	-	100,0%	26 758	23 506
Households	3 661	(308)	(562)	2 791	2 751	40	98,6%	4 111	3 562
Social benefits	3 661	(369)	(562)	2 730	2 691	39	98,6%	4 111	3 562
Other transfers to households	-	61	-	61	60	1	98,4%	-	-
Payments for capital assets	**34 116**	**(3 585)**	**(15 294)**	**15 237**	**14 832**	**405**	**97,3%**	**29 401**	**27 677**
Buildings and other fixed structures	10 065	957	(10 065)	957	956	1	99,9%	16 933	16 925
Buildings	10 065	957	(10 065)	957	956	1	99,9%	16 933	16 925
Machinery and equipment	20 631	(1 122)	(5 229)	14 280	13 876	404	97,2%	12 468	10 752
Transport equipment	3 591	(988)	(800)	1 803	1 533	270	85,0%	-	-
Other machinery and equipment	17 040	(134)	(4 429)	12 477	12 343	134	98,9%	12 468	10 752
Software and other intangible assets	3 420	(3 420)	-	-	-	-	-	-	-
Payment for financial assets	**200**	**3 893**	**24 578**	**28 671**	**28 669**	**2**	**100,0%**	**237**	**121**
	622 837	**-**	**-**	**622 837**	**622 488**	**349**	**99,9%**	**689 065**	**661 807**

Programme 1: ADMINISTRATION

	2022/23							2021/22	
	Adjusted 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	13 056	(913)	(1 165)	10 978	10 970	8	99,9%	28 472	28 452
2. CORPORATE SERVICES	156 326	913	(484)	156 755	156 674	81	99,9%	162 941	161 164
	169 382	**-**	**(1 649)**	**167 733**	**167 644**	**89**	**99,9%**	**191 413**	**189 616**
Economic classification									
Current payments	**158 774**	**-**	**(227)**	**158 547**	**158 473**	**74**	**100,0%**	**181 070**	**180 798**
Compensation of employees	93 792	-	940	94 732	94 655	77	99,9%	96 054	95 894
Salaries and wages	80 760	591	940	82 291	82 214	77	99,9%	83 382	83 236
Social contributions	13 032	(591)	-	12 441	12 441	-	100,0%	12 672	12 658
Goods and services	64 976	-	(1 165)	63 811	63 814	(3)	100,0%	85 002	84 890
Administrative fees	260	245	-	505	506	(1)	100,2%	166	164
Advertising	1 241	(274)	-	967	967	-	100,0%	1 926	1 926
Minor assets	750	(430)	-	320	321	(1)	100,3%	106	106
Audit costs: External	8 113	(3 132)	-	4 981	4 981	-	100,0%	4 162	4 162
Bursaries: Employees	475	13	-	488	488	-	100,0%	743	743
Catering: Departmental activities	1 164	(40)	-	1 124	1 124	-	100,0%	969	969
Communication (G&S)	522	289	-	811	811	-	100,0%	1 104	1 057
Computer services	243	1 463	-	1 706	1 706	-	100,0%	1 955	1 955
Consultants: Business and advisory services	445	173	-	618	618	-	100,0%	209	209
Legal services	1 120	(798)	-	322	322	-	100,0%	11 474	11 437
Contractors	1 119	48	-	1 167	1 167	-	100,0%	1 242	1 241
Agency and support / outsourced services	2 273	(385)	(1 165)	723	723	-	100,0%	18 276	18 261
Fleet services (including government motor transport)	6 604	(1 879)	-	4 725	4 725	-	100,0%	6 105	6 105
Consumable supplies	467	939	-	1 406	1 407	(1)	100,1%	751	751
Consumable: Stationery, printing and office supplies	1 290	154	-	1 444	1 443	1	99,9%	1 791	1 791
Operating leases	20 947	627	-	21 574	21 574	-	100,0%	19 427	19 427
Property payments	7 138	1 056	-	8 194	8 194	-	100,0%	6 866	6 865
Transport provided: Departmental activity	-	-	-	-	-	-	-	73	72
Travel and subsistence	6 417	1 061	-	7 478	7 479	(1)	100,0%	4 694	4 687
Training and development	2 094	1 002	-	3 096	3 097	(1)	100,0%	1 723	1 723
Operating payments	1 079	(229)	-	850	850	-	100,0%	328	328
Venues and facilities	984	306	-	1 290	1 290	-	100,0%	812	812
Rental and hiring	231	(209)	-	22	21	1	95,5%	100	99
Interest and rent on land	6	-	(2)	4	4	-	100,0%	14	14
Interest (Incl. interest on unitary payments (PPP))	6	-	(2)	4	4	-	100,0%	14	14
Transfers and subsidies	**2 268**	**(308)**	**(437)**	**1 523**	**1 516**	**7**	**99,5%**	**3 164**	**2 741**
Households	2 268	(308)	(437)	1 523	1 516	7	99,5%	3 164	2 741
Social benefits	2 268	(369)	(437)	1 462	1 456	6	99,6%	3 164	2 741
Other transfers to households	-	61	-	61	60	1	98,4%	-	-
Payments for capital assets	**8 140**	**-**	**(985)**	**7 155**	**7 147**	**8**	**99,9%**	**6 942**	**5 956**
Machinery and equipment	8 140	-	(985)	7 155	7 147	8	99,9%	6 942	5 956
Transport equipment	100	(100)	-	-	-	-	-	-	-
Other machinery and equipment	8 040	100	(985)	7 155	7 147	8	99,9%	6 942	5 956
Payment for financial assets	**200**	**308**	**-**	**508**	**508**	**-**	**100,0%**	**237**	**121**
	169 382	**-**	**(1 649)**	**167 733**	**167 644**	**89**	**99,9%**	**191 413**	**189 616**

Programme 2: LOCAL GOVERNANCE

	2022/23							2021/22	
	Adjusted 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. **MUNICIPAL ADMINISTRATION**	114 204	3 418	24 028	141 650	141 604	46	100,0%	108 566	108 396
2. **MUNICIPAL FINANCE**	38 030	(3 174)	170	35 026	35 010	16	100,0%	34 690	33 626
3. **MUNICIPAL PERFORMANCE MONITORING, REPORTING AND EVALUATION**	15 409	(244)	(450)	14 715	14 703	12	99,9%	18 584	15 254
	167 643	**-**	**23 748**	**191 391**	**191 317**	**74**	**100,0%**	**161 840**	**157 276**
Economic classification									
Current payments	**162 013**	**-**	**(830)**	**161 183**	**161 148**	**35**	**100,0%**	**161 735**	**157 189**
Compensation of employees	135 466	-	(3 700)	131 766	131 750	16	100,0%	135 403	131 756
Salaries and wages	110 943	2 361	(3 700)	109 604	109 590	14	100,0%	111 636	109 547
Social contributions	24 523	(2 361)	-	22 162	22 160	2	100,0%	23 767	22 209
Goods and services	26 547	-	2 870	29 417	29 398	19	99,9%	26 332	25 433
Administrative fees	126	(58)	-	68	67	1	98,5%	8	5
Advertising	-	-	-	-	-	-	-	71	71
Minor assets	29	-	-	29	26	3	89,7%	-	-
Catering: Departmental activities	366	801	-	1 167	1 165	2	99,8%	265	212
Communication (G&S)	43	(43)	-	-	-	-	-	37	4
Agency and support / outsourced services	12 290	736	1 320	14 346	14 346	-	100,0%	23 863	23 862
Consumable supplies	100	(83)	-	17	16	1	94,1%	36	27
Consumable: Stationery, printing and office supplies	56	(45)	-	11	11	-	100,0%	53	33
Transport provided: Departmental activity	-	170	-	170	169	1	99,4%	-	-
Travel and subsistence	4 482	(1 936)	1 550	4 096	4 094	2	100,0%	1 800	1 147
Training and development	8 690	364	-	9 054	9 045	9	99,9%	-	-
Operating payments	-	-	-	-	-	-	-	125	-
Venues and facilities	365	94	-	459	459	-	100,0%	74	72
Transfers and subsidies	**210**	**-**	**-**	**210**	**178**	**32**	**84,8%**	**105**	**87**
Households	210	-	-	210	178	32	84,8%	105	87
Social benefits	210	-	-	210	178	32	84,8%	105	87
Payments for capital assets	**5 420**	**(3 585)**	**-**	**1 835**	**1 830**	**5**	**99,7%**	**-**	**-**
Machinery and equipment	2 000	(165)	-	1 835	1 830	5	99,7%	-	-
Other machinery and equipment	2 000	(165)	-	1 835	1 830	5	99,7%	-	-
Software and other intangible assets	3 420	(3 420)	-	-	-	-	-	-	-
Payment for financial assets	**-**	**3 585**	**24 578**	**28 163**	**28 161**	**2**	**100,0%**	**-**	**-**
	167 643	**-**	**23 748**	**191 391**	**191 317**	**74**	**100,0%**	**161 840**	**157 276**

Programme 3: DEVELOPMENT AND PLANNING

	2022/23							2021/22	
	Adjusted 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. **SPATIAL PLANNING**	4 438	(454)	(930)	3 054	3 053	1	100,0%	3 586	3 369
2. **LEDP**	7 322	3	(1 855)	5 470	5 455	15	99,7%	5 293	5 216
3. **MUNICIPAL INFRASTRUCTURE**	100 981	3 090	(2 052)	102 019	104 233	(2 214)	102,2%	153 710	147 305
4. **DISASTER MANAGEMENT**	26 066	(2 767)	(4 404)	18 895	16 646	2 249	88,1%	23 871	17 699
5. **LDP**	6 791	128	(1 193)	5 726	5 724	2	100,0%	6 383	5 896
	145 598	**-**	**(10 434)**	**135 164**	**135 111**	**53**	**100,0%**	**192 843**	**179 485**
Economic classification									
Current payments	**50 681**	**8 150**	**(6 990)**	**51 841**	**51 805**	**36**	**99,9%**	**43 891**	**42 370**
Compensation of employees	38 552	(95)	(6 990)	31 467	31 439	28	99,9%	32 653	31 256
Salaries and wages	33 736	488	(6 990)	27 234	27 218	16	99,9%	28 110	27 075
Social contributions	4 816	(583)	-	4 233	4 221	12	99,7%	4 543	4 181
Goods and services	12 129	8 245	-	20 374	20 366	8	100,0%	11 238	11 114
Administrative fees	98	12	-	110	110	-	100,0%	-	-
Minor assets	50	(42)	-	8	8	-	100,0%	994	993
Catering: Departmental activities	922	7	-	929	929	-	100,0%	481	474
Communication (G&S)	84	(83)	-	1	1	-	100,0%	8	8
Agency and support / outsourced services	4 820	8 385	-	13 205	13 202	3	100,0%	5 038	5 001
Consumable supplies	605	(229)	-	376	373	3	99,2%	804	738
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	10	-
Travel and subsistence	4 948	544	-	5 492	5 490	2	100,0%	3 812	3 811
Operating payments	39	(1)	-	38	38	-	100,0%	-	-
Venues and facilities	563	(348)	-	215	215	-	100,0%	91	89
Transfers and subsidies	**88 549**	**(8 150)**	**-**	**80 399**	**80 386**	**13**	**100,0%**	**143 952**	**132 709**
Provinces and municipalities	88 549	(8 150)	-	80 399	80 386	13	100,0%	143 952	132 709
Municipalities	88 549	(8 150)	-	80 399	80 386	13	100,0%	143 952	132 709
Municipal bank accounts	88 549	(8 150)	-	80 399	80 386	13	100,0%	143 952	132 709
Payments for capital assets	**6 368**	**-**	**(3 444)**	**2 924**	**2 920**	**4**	**99,9%**	**5 000**	**4 406**
Buildings and other fixed structures	-	957	-	957	956	1	99,9%	-	-
Buildings	-	957	-	957	956	1	99,9%	-	-
Machinery and equipment	6 368	(957)	(3 444)	1 967	1 964	3	99,8%	5 000	4 406
Transport equipment	1 368	-	-	1 368	1 368	-	100,0%	-	-
Other machinery and equipment	5 000	(957)	(3 444)	599	596	3	99,5%	5 000	4 406
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	145 598	**-**	**(10 434)**	**135 164**	**135 111**	**53**	**100,0%**	**192 843**	**179 485**

Programme 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

	2022/23							2021/22	
	Adjusted 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. **TRADITIONAL INSTITUTIONAL ADMINISTRATION**	140 214	-	(11 665)	128 549	128 416	133	99,9%	142 969	135 430
	140 214	**-**	**(11 665)**	**128 549**	**128 416**	**133**	**99,9%**	**142 969**	**135 430**
Economic classification									
Current payments	**95 264**	**-**	**3 400**	**98 664**	**98 920**	**(256)**	**100,3%**	**97 910**	**93 875**
Compensation of employees	59 203	-	9 040	68 243	68 230	13	100,0%	66 636	66 238
Salaries and wages	52 970	(25)	9 040	61 985	61 972	13	100,0%	59 913	59 598
Social contributions	6 233	25	-	6 258	6 258	-	100,0%	6 723	6 640
Goods and services	36 061	-	(5 640)	30 421	30 690	(269)	100,9%	31 274	27 637
Administrative fees	132	(11)	-	121	121	-	100,0%	166	144
Advertising	72	1 266	-	1 338	1 338	-	100,0%	-	-
Minor assets	17	(17)	-	-	-	-	-	12	-
Catering: Departmental activities	398	135	-	533	533	-	100,0%	250	250
Communication (G&S)	4 885	(3 714)	-	1 171	1 171	-	100,0%	188	169
Consultants: Business and advisory services	14 195	(5 814)	-	8 381	8 381	-	100,0%	10 580	9 343
Legal services	65	(12)	-	53	53	-	100,0%	1 463	1 145
Contractors	214	(124)	-	90	90	-	100,0%	1 800	1 674
Agency and support / outsourced services	6 600	(367)	-	6 233	6 233	-	100,0%	3 900	3 803
Fleet services (including government motor transport)	4 511	2 658	(270)	6 899	7 168	(269)	103,9%	6 764	6 692
Consumable supplies	258	(221)	-	37	37	-	100,0%	258	126
Consumable: Stationery, printing and office supplies	185	(185)	-	-	-	-	-	351	186
Operating leases	1 168	(484)	-	684	684	-	100,0%	1 449	1 090
Property payments	158	2	-	160	160	-	100,0%	899	394
Transport provided: Departmental activity	135	(114)	-	21	21	-	100,0%	129	-
Travel and subsistence	2 225	7 583	(5 370)	4 438	4 438	-	100,0%	2 812	2 503
Training and development	643	(643)	-	-	-	-	-	133	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	200	19	-	219	219	-	100,0%	120	118
Rental and hiring	-	43	-	43	43	-	100,0%	-	-
Transfers and subsidies	**30 762**	**-**	**(4 200)**	**26 562**	**26 561**	**1**	**100,0%**	**27 600**	**24 240**
Non-profit institutions	29 579	-	(4 075)	25 504	25 504	-	100,0%	26 758	23 506
Households	1 183	-	(125)	1 058	1 057	1	99,9%	842	734
Social benefits	1 183	-	(125)	1 058	1 057	1	99,9%	842	734
Payments for capital assets	**14 188**	**-**	**(10 865)**	**3 323**	**2 935**	**388**	**88,3%**	**17 459**	**17 315**
Buildings and other fixed structures	10 065	-	(10 065)	-	-	-	-	16 933	16 925
Buildings	10 065	-	(10 065)	-	-	-	-	16 933	16 925
Machinery and equipment	4 123	-	(800)	3 323	2 935	388	88,3%	526	390
Transport equipment	2 123	(888)	(800)	435	165	270	37,9%	-	-
Other machinery and equipment	2 000	888	-	2 888	2 770	118	95,9%	526	390
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	140 214	**-**	**(11 665)**	**128 549**	**128 416**	**133**	**99,9%**	**142 969**	**135 430**

NORTH WEST: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Notes to the Appropriation Statement

1 **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 1 (A-H) to the Annual Financial Statements.

2 **Detail of specifically and exclusively appropriated amounts voted (after Virement):**
Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

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

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

4,1 Per programme:	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
ADMINISTRATION				
	167 733	167 644	89	0%
99.9% spending achieved.				
LOCAL GOVERNANCE				
	191 391	191 317	74	0%
100% spending achieved.				
DEVELOPMENT AND PLANNING				
	135 164	135 111	53	0%
100% spending achieved.				
TRADITIONAL AFFAIRS				
	128 549	128 416	133	0%
99.9% spending achieved.				

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

4,2 Per economic classification:	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	326 208	326 074	134	0%
Goods and services	144 023	144 268	(245)	0%
Interest and rent on land	4	4	-	0%
Transfers and subsidies				
Provinces and municipalities	80 399	80 386	13	0%
Non-profit institutions	25 504	25 504	-	0%
Households	2 791	2 751	40	1%
Payments for capital assets				
Buildings and other fixed structures	957	956	1	0%
Machinery and equipment	14 280	13 876	404	3%
Payments for financial assets	28 671	28 669	2	0%

Payments of Capital Assets underspent by 3% on Machinery and Equipment following a journal that was passed to correct misallocation to goods and services. Application will not be made for a rollover.

4,3 Per conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
EXPANDED PUBLIC WORKS PROGRAMME	2 186	2 186	-	0%
EPWP Grant registered 100% spending.				

NORTH WEST:COOPORATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Statement of Financial Performance

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	1	622 837	689 065
Statutory appropriation		-	-
Departmental revenue	2	28 469	1 005
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		**651 306**	**690 070**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	326 074	325 144
Goods and services	4	144 268	149 074
Interest and rent on land	5	4	14
Aid assistance		-	-
Total current expenditure		**470 346**	**474 232**
Transfers and subsidies			
Transfers and subsidies	7	108 641	159 777
Aid assistance		-	-
Total transfers and subsidies		**108 641**	**159 777**
Expenditure for capital assets			
Tangible assets	8	14 832	27 677
Intangible assets	8	-	-
Total expenditure for capital assets		**14 832**	**27 677**
Unauthorised expenditure approved without funding		**-**	**-**
Payments for financial assets	6	28 669	121
TOTAL EXPENDITURE		**622 488**	**661 807**
SURPLUS/(DEFICIT) FOR THE YEAR		**28 818**	**28 263**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		349	27 258
Annual appropriation		349	27 242
Conditional grants		-	-
Departmental revenue and NRF Receipts	13	28 469	1 005
Aid assistance		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		**28 818**	**28 263**

NORTH WEST:COOPORATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Statement of Financial Position

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current Assets		**28 812**	**29 618**
Cash and cash equivalents	9	28 244	28 809
Other financial assets		-	-
Prepayments and advances	10	-	-
Receivables	11	568	809
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-Current Assets		**12 168**	**41 404**
Investments		-	-
Prepayments and advances	10	-	-
Receivables	11	12 168	41 404
Loans		-	-
Other financial assets		-	-
TOTAL ASSETS		**40 980**	**71 022**
LIABILITIES			
Current Liabilities		**28 824**	**30 568**
Voted funds to be surrendered to the Revenue Fund	12	349	27 258
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	28 269	86
Bank overdraft		-	-
Payables	14	206	3 224
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-Current Liabilities			
Payables		-	-
TOTAL LIABILITIES		**28 824**	**30 568**
NET ASSETS		**12 156**	**40 454**
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		12 156	40 454
Retained funds		-	-
Revaluation reserves		-	-
Unauthorised expenditure		-	-
TOTAL		**12 156**	**40 454**

NORTH WEST:COOPORATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Statement of Changes in Net Assets

NET ASSETS	Note	2022/23 R'000	2021/22 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:			
Movement in Equity			-
Movement in Operational Funds			-
Other movements			-
Closing balance		**-**	**-**
Recoverable revenue			
Opening balance		40 454	40 202
Transfers		**-28 298**	**252**
Irrecoverable amounts written off	6	-28 669	-
Debts revised			-
Debts recovered (included in departmental receipts)			-
Debts raised		371	252
Closing balance		**12 156**	**40 454**
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)			-
Utilised during the year			-
Other			-
Closing balance		**-**	**-**
Revaluation Reserves			
Opening balance		-	-
Revaluation adjustment (Housing departments)			-
Transfers			-
Other			-
Closing balance		**-**	**-**
Unauthorised expenditure			
Opening balance		-	-
Unauthorised expenditure - current year		-	-
Relating to overspending of the vote or main division within the vote			-
Incurred not in accordance with the purpose of the vote or main division			-
Amounts approved by Parliament/Legislature with funding			-
Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current			-
Capital			-
Transfers and subsidies			-
Amounts recoverable			-
Amounts written off			-
Closing balance		**-**	**-**
TOTAL		**12 156**	**40 454**

NORTH WEST: CORPORATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Cash Flow Statement

	Note	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**651 807**	**690 547**
Annual appropriated funds received	1,1	622 837	689 065
Statutory appropriated funds received		-	-
Departmental revenue received	2	28 925	1 478
Interest received	2,3	45	4
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/ decrease in working capital		-2 777	70 605
Surrendered to Revenue Fund		-28 045	-76 014
Surrendered to RDP Fund/Donor		-	-
Current payments		-470 342	-474 218
Interest paid	5	-4	-14
Payments for financial assets		-28 669	-121
Transfers and subsidies paid		-108 641	-159 777
Net cash flow available from operating activities	15	**13 329**	**51 008**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	8	-14 832	-27 677
Proceeds from sale of capital assets		-	-
(Increase)/ decrease in loans		-	-
(Increase)/ decrease in investments		-	-
(Increase)/ decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	11	29 236	-41 404
Net cash flows from investing activities		**14 404**	**-69 081**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		-28 298	252
Increase/ (decrease) in non-current payables		-	-
Net cash flows from financing activities		**-28 298**	**252**
Net increase/ (decrease) in cash and cash equivalents		-565	-17 821
Cash and cash equivalents at beginning of period		28 809	46 630
Unrealised gains and losses within cash and cash equivalents			-
Cash and cash equivalents at end of period	16	**28 244**	**28 809**

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Notes to the Annual Financial Statements

1

1,1 Annual Appropriation

		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	167 733	167 733	-	191 413	191 413	-
2)	LOCAL GOVERNANCE	191 391	191 391	-	161 840	161 840	-
3)	DEVELOPMENT AND PLANNING	135 164	135 164	-	192 843	192 843	-
4)	TRADITIONAL INSTITUTIONAL MANAGEMENT	128 549	128 549	-	142 969	142 969	-
	Total	**622 837**	**622 837**	**-**	**689 065**	**689 065**	**-**

The department received all the appropriated funds. Application will not be made for a rollover.

		Note	2022/23 R'000	2021/22 R'000
1,2	**Conditional grants****			
	Total grants received	30	2 186	2 058
	Provincial grants included in Total Grants received		-	-

*(** It should be noted that the Conditional grants are included in the amounts per the Final Appropriation in Note 1.1) Conditional Grants relates to Expanded Public Works Programme (EPWP).*

		Note	2022/23 R'000	2021/22 R'000
2	**Departmental Revenue**			
	Sales of goods and services other than capital assets	2,1	363	328
	Interest, dividends and rent on land	2,2	45	4
	Transactions in financial assets and liabilities	2,3	28 562	1 150
	Total revenue collected		**28 970**	**1 482**
	Less: Own revenue included in appropriation	13	501	477
	Departmental revenue collected		**28 469**	**1 005**

The department has over collected revenue with an amount of R28 469 million which is due to debts written offf mainly attributed to

		Note	2022/23 R'000	2021/22 R'000
2,1	**Sales of goods and services other than capital assets**	2		
	Sales of goods and services produced by the department		304	312
	Other sales		304	312
	Sales of scrap, waste and other used current goods		59	16
	Total		**363**	**328**

R304 thousand relates to commission for the garnishes and R59 thousand is for sale of laptops, cellphones etc.

		Note	2022/23 R'000	2021/22 R'000
2,2	**Interest, dividends and rent on land**	2		
	Interest		45	4
	Total		**45**	**4**

Interest registered is acquired from ex-employees' debt.

		Note	2022/23 R'000	2021/22 R'000
2,3	**Transactions in financial assets and liabilities**	2		
	Other Receipts including Recoverable Revenue		28 562	1 150
	Total		**28 562**	**1 150**

Transaction in Financial Assets and Liailities comprised of debt written off.

		Note	2022/23 R'000	2021/22 R'000
3	**Compensation of Employees**			
3,1	**Salaries and wages**			
	Basic salary		212 783	214 507
	Performance award		56	1 635
	Service Based		458	578
	Compensative/circumstantial		6 938	3 495
	Other non-pensionable allowances		60 759	59 243
	Total		**280 994**	**279 458**

The increase on Compensation of Employees relates to cost of living adjustment made during the financial year as per the DPSA notice.

		Note	2022/23 R'000	2021/22 R'000
3,2	**Social Contributions**			
	Employer contributions			
	Pension		24 720	25 335
	Medical		20 034	20 121
	UIF		20	-
	Bargaining council		72	73
	Insurance		234	157
	Total		**45 080**	**45 686**
	Total compensation of employees		**326 074**	**325 144**
	Average number of employees		813	804

The increase on Compensation of Employees relates to cost of living adjustment made during the financial year as per the DPSA notice.

		Note	2022/23 R'000	2021/22 R'000
4	**Goods and services**			
	Administrative fees		805	313
	Advertising		2 305	1 996
	Minor assets	4,1	354	1 099
	Bursaries (employees)		488	743
	Catering		3 751	1 905
	Communication		1 983	1 238
	Computer services	4,2	1 706	1 955
	Consultants: Business and advisory services		8 999	9 552
	Legal services		375	12 582
	Contractors		1 258	2 915
	Agency and support / outsourced services		34 503	50 928
	Audit cost – external	4,3	4 981	4 162
	Fleet services		11 893	12 796
	Consumables	4,4	3 287	3 652
	Operating leases		22 258	20 517
	Property payments	4,5	8 353	7 259
	Rental and hiring		65	100
	Transport provided as part of the departmental activities		190	72
	Travel and subsistence	4,6	21 501	12 147
	Venues and facilities		2 183	1 092
	Training and development		12 141	1 723
	Other operating expenditure	4,7	889	328
	Total		**144 268**	**149 074**

Major increase relates to Travel and Subsistence, Training and Development as the Covid-19 restrictions were eased. There is also a decrease on Legal Services and Agency & Support/Outsourced Services due to Municipal Interventions of a once off payment of legal fees paid on behalf of a Municipality and the Administrators payments, paid in the previous financial year respectively.

		Note	2022/23 R'000	2021/22 R'000
4,1	**Minor assets**	4		
	Tangible capital assets		**354**	**1 099**
	Machinery and equipment		354	1 099
	Total		**354**	**1 099**

A decrease results from lesser number of minor assets procured in the current financial as compared to the 2021/22 financial year.

		Note	2022/23 R'000	2021/22 R'000
4,2	**Computer services**	4		
	SITA computer services		165	205
	External computer service providers		1 541	1 750
	Total		**1 706**	**1 955**

The costs include software license paid to the Office of the Premier.

		Note	2022/23 R'000	2021/22 R'000
4,3	**Audit cost – external**	4		
	Regularity audits		4 981	4 162
	Total		**4 981**	**4 162**

The costs relate to statutory audit carried out by the Auditor General of South Africa.

		Note	2022/23 R'000	2021/22 R'000
4,4	**Consumables**	4		
	Consumable supplies		1 832	1 642
	Uniform and clothing		438	347
	Household supplies		556	888
	Communication accessories		-	2
	IT consumables		406	355
	Other consumables		432	50
	Stationery, printing and office supplies		1 455	2 010
	Total		**3 287**	**3 652**

Detailed breakdown of consumables is disclosed.

		Note	2022/23 R'000	2021/22 R'000
4,5	**Property payments**	4		
	Other		8 353	7 259
	Total		**8 353**	**7 259**

		Note	2022/23 R'000	2021/22 R'000
4,6	**Travel and subsistence**	4		
	Local		21 501	12 147
	Total		**21 501**	**12 147**

Travelling and Subsistence increased due to relaxation of the Covid-19 restrictions.

		Note	2022/23 R'000	2021/22 R'000
4,7	**Other operating expenditure**	4		
	Resettlement costs		259	14
	Other		630	314
	Total		**889**	**328**

		2022/23 R'000	2021/22 R'000
4,8	**Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)**		
	(Treasury Regulation 20.2.4)		
	Name of Commission / Committee of inquiry		
	Risk and Ethics Management Committee	154	30
	Total	**154**	**30**

The number of board members has increased from 01 in the previous financial year to 03 in the current financial year.

		Note	2022/23 R'000	2021/22 R'000
5	**Interest and Rent on Land**			
	Interest paid		4	14
	Total		**4**	**14**

Interest paid on overdue accounts.

		Note	2022/23 R'000	2021/22 R'000
6	**Payments for financial assets**			
	Debts written off	6,1	28 669	121
	Total		**28 669**	**121**

Staff debts and Municipalities debts written off in the year under review.

During 2021/22 financial year an amount of R236,667.28 was approved for write-off. When captured on the system, a difference of R116 thousand had an error and did not go through. This was then captured in the 2022/23 financial year. An amount of R40,004 million was approved for Municipalities debt write-off in the financial year 2022/23. However, savings realised only allowed for the write-off amount of R28,161million. This is in addition to the R394 thousand write-off approved for departmental debt.

		Note	2022/23 R'000	2021/22 R'000
6,1	**Debts written off**	6		
	Nature of debts written off			
	Recoverable revenue written off			
	Staff Debt		508	121
	Total		508	121
	Other debt written off			
	Fruitless and Wasteful Expenditure		28 161	-
	Total		28 161	-
	Total debt written off		**28 669**	**121**

Staff debts and Municipalities debts written off in the year under review

		Note	2022/23 R'000	2021/22 R'000
7	**Transfers and Subsidies**			
	Provinces and municipalities	31	80 386	132 709
	Non-profit institutions	ANNEXURE 1F	25 504	23 506
	Households	ANNEXURE 1G	2 751	3 562
	Total		**108 641**	**159 777**

Decrease due to a budget cut of Water and Sanitation allocation to Municipalities.

		Note	2022/23 R'000	2021/22 R'000
8	**Expenditure for capital assets**			
	Tangible capital assets		**14 832**	**27 677**
	Buildings and other fixed structures	28	956	16 925
	Machinery and equipment	26	13 876	10 752
	Total		**14 832**	**27 677**

Buildings and other fixed structure relates to installation of carports.

8,1 Analysis of funds utilised to acquire capital assets - 2022/23

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible capital assets	**14 832**	**-**	**14 832**
Buildings and other fixed structures	956		**956**
Machinery and equipment	13 876		**13 876**
Total	**14 832**	**-**	**14 832**

8,2 Analysis of funds utilised to acquire capital assets - 2021/22

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible capital assets	**27 677**	**-**	**27 677**
Buildings and other fixed structures	16 925	-	**16 925**
Machinery and equipment	10 752	-	**10 752**
Total	**27 677**	**-**	**27 677**

Buildings and Other Fixed Structure relates to Construction of Traditional Councils.

		2022/23 R'000	2021/22 R'000
8,3	**Finance lease expenditure included in Expenditure for capital assets**		
	Tangible capital assets		
	Machinery and equipment	8 086	3 474
			-
	Total	**8 086**	**3 474**

Finance Lease relates to cellphones and laptops.

		Note	2022/23 R'000	2021/22 R'000
9	**Cash and Cash Equivalents**			
	Consolidated Paymaster General Account		28 217	28 820
	Disbursements		27	-11
	Total		**28 244**	**28 809**

An amount of R28,269 million R349 thousand will be paid to the Provincial Revenue Fund as Departmental Own Revenue and Voted Funds to be surrendered, respectively.

10 Prepayments and Advances

10,1 Prepayments (Expensed) *("prepayments expensed" not permitted from 1 April 2023)*

	'Balance as at 1 April 2022 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2023 R'000
Listed by economic classification					
Goods and services	1 573	-1 573		1 437	1 437
Total	**1 573**	**-1 573**	**-**	**1 437**	**1 437**

Service was rendered for R1 573 million during the 2022/23 financial year. Prepayment expensed for Vehicle Insurance, Office Accomodation as well as services for Property Payments. The Prepayment amount of R1 437 million will be de-recognised when goods has been received or service has been rendered.

Prepayments (Expensed)	'Balance as at 1 April 2021 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2022 R'000
Listed by economic classification					
Goods and services	1 406	-1 406	-	1 573	1 573
Total	**1 406**	**-1 406**	**-**	**1 573**	**1 573**

Prior Period Error of Prepayment expensed amounting to R740 824,58 for payment made in 2021/22 financial year for Vehicles Insurance, Office Accomodation and Property Payments that were errenously ommitted have been corrected.

10,2 Advances paid (Expensed) *("advances expensed" not permitted from 1 April 2023)*

Advances paid (Expensed)	Balance as at 1 April 2021 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year advances R'000	Amount as at 31 March 2022 R'000
Provincial departments	32	-32	-	-	-
Total	**32**	**-32**	**-**	**-**	**-**

The advance was for procuremnt of anopy which was paid back by the Department of Community Safety and Transport Management.

		Note	2022/23 Current R'000	2022/23 Non-current R'000	2022/23 Total R'000	2021/22 Current R'000	2021/22 Non-current R'000	2021/22 Total R'000
11	**Receivables**							
	Claims recoverable	11,1	236		236	-	853	853
	Staff debt	11,2	332	325	657	426	547	973
	Other receivables	11,3		11 843	11 843	383	40 004	40 387
	Total		**568**	**12 168**	**12 736**	**809**	**41 404**	**42 213**

Out of the receivables amount of R12,736,929.80, R11,843,178.33 has been impaired and a difference of R893,751.47 on the respective, financial assets is recognised.

		Note	2022/23 R'000	2021/22 R'000
11,1	**Claims recoverable**	11		
	Provincial departments		236	-
	Public entities		-	853
	Total		**236**	**853**

Amount owed by Department of Human Settlements and Office of the Premier for secondment of officials. Auditor General South Africa settled the amount owed to the Department.

		Note	2022/23 R'000	2021/22 R'000
11,2	**Staff debt**	11		
	(Group major categories, but list material items)			
	Debt Account		657	973
	Total		**657**	**973**

An amount of R657 thousands is a sum of current and non-current assets.

		Note	2022/23 R'000	2021/22 R'000
11,3	**Other receivables**	11		
	Fruitless and wasteful expenditure		11 843	40 004
				383
	Total		**11 843**	**40 387**

Other Receiveables comprise of an amount owed by Ratlou Local Municipalities for demolitions and rectifications of RDP houses.

		Note	2022/23 R'000	2021/22 R'000
11,4	**Impairment of receivables**			
	Estimate of impairment of receivables		11 843	40 004
	Total		**11 843**	**40 004**

The amount of R11,843,170.00 is a balance of the Municipalities debt of R40,004,009.89 million impaired under the 2021/22 reporting period, of which R28,160,839.89 was written-off using the realised savings. An amount of R8.33 that would be uneconomical to recover is also impaired.

		Note	2022/23 R'000	2021/22 R'000
12	**Voted Funds to be Surrendered to the Revenue Fund**			
	Opening balance		27 258	74 556
	Prior period error			
	As restated		27 258	74 556
	Transfer from statement of financial performance (as restated)		349	27 258
	Add: Unauthorised expenditure for current year			-
	Voted funds not requested/not received	1,1	-	-
	Transferred to retained revenue to defray excess expenditure			-
	Conditional grants surrendered by the provincial department	12,1		
	Paid during the year		-27 258	-74 556
	Closing balance		**349**	**27 258**

An amount of R349 thousand to be surrendered as an underspending from the appropriated funds for equitable share.
Included in R27 258 paid(surrendered) during the year is an amount of R37 of unspent conditional grants

		Note	2022/23 R'000	2021/22 R'000
12,1	**Reconciliation of unspent conditional grants**			
	Total conditional grants received	1,2	2 186	2 058
	Total conditional grants spent		-2 186	-2 021
	Unspent conditional grants to be surrendered		-	37
	Less: Paid to the Provincial Revenue Fund by Provincial department			-37
	Approved for rollover			-
	Not approved for rollover			-37
	Add: Received from provincial revenue fund by national department			-
	Due by the Provincial Revenue Fund	12	**-**	**-**

The entire grant allocation of Expanded Public Works Programme was spent. The department adjusted the Financial Statements to include figures for the 2021/22 financial year as this is a new note.

		Note	2022/23 R'000	2021/22 R'000
13	**Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**			
	Opening balance		86	62
	Prior period error			
	As restated		86	62
	Transfer from Statement of Financial Performance (as restated)		28 469	1 005
	Own revenue included in appropriation		501	477
	Transfer from aid assistance			-
	Transfer to voted funds to defray expenditure (Parliament/Legislatures			-
	Paid during the year		-787	-1 458
	Closing balance		**28 269**	**86**

An amount of R28 269 million is to be surrendered to the Provincial Revenue Fund.

		Note	2022/23 R'000	2021/22 R'000
14	**Payables - current**			
	Clearing accounts	14,1	201	92
	Other payables	14,2	5	3 132
	Total		**206**	**3 224**

		Note	2022/23 R'000	2021/22 R'000
14,1	**Clearing accounts**	14		
	(Identify major categories, but list material amounts)			
	Sal:Income Tax:CL		193	30
	Sal:GEHS Refund Control Acc:CL		-	62
	SAL:Pension Fund:CL		7	-
	SAL:UIF:CL		1	-
	Total		**201**	**92**

The clearing accounts are to be cleared by the system automatically.

		Note	2022/23 R'000	2021/22 R'000
14,2	**Other payables**	14		
	(Identify major categories, but list material amounts)			
	Department of Health		-	210
	Department of Community Safety		-	260
	Department of Public Works		5	8
	Mahikeng Local Municipality		-	2 632
	Seapolelo		-	3
	GEMS		-	19
	Total		**5**	**3 132**

R5 thousand payable relates to rental collected on behalf of the Department of Public Works and Roads.

		Note	2022/23 R'000	2021/22 R'000
15	**Net cash flow available from operating activities**			
	Net surplus/(deficit) as per Statement of Financial Performance		28 818	28 263
	Add back non cash/cash movements not deemed operating activities		-15 489	22 745
	(Increase)/decrease in receivables		241	67 423
	(Increase)/decrease in prepayments and advances		-	-
	(Increase)/decrease in other current assets			-
	Increase/(decrease) in payables – current		-3 018	3 182
	Proceeds from sale of capital assets			-
	Proceeds from sale of investments			-
	(Increase)/decrease in other financial assets		-	-
	Expenditure on capital assets		14 832	27 677
	Surrenders to Revenue Fund		-28 045	-76 014
	Surrenders to RDP Fund/Donor			-
	Voted funds not requested/not received		-	-
	Own revenue included in appropriation		501	477
	Other non-cash items			-
	Net cash flow generated by operating activities		**13 329**	**51 008**

Net cashflow generated by operating activities registered R13.366 million.

		Note	2022/23 R'000	2021/22 R'000
16	**Reconciliation of cash and cash equivalents for cash flow purposes**			
	Consolidated Paymaster General account		28 217	28 820
	Disbursements		27	-11
	Total		**28 244**	**28 809**

Reconciliation of Cash and Cash Equivalent For Cashflow Purposes.

			Note	2022/23 R'000	2021/22 R'000
17	**Contingent liabilities and contingent assets**				
	17,1 **Contingent liabilities**				
	Liable to	**Nature**			
	Claims against the department		Annex 3B	16 641	16 641
	Total			**16 641**	**16 641**

At this stage the department cannot with certainity disclose when the cases will be finalised.

		Note	2022/23 R'000	2021/22 R'000
17,2	**Contingent assets**			
	Nature of contingent asset			
				-
	Total		**-**	**-**

As at 31 March 2023 legal cost to be recovered could not be determined for Claim No 1425/18/P9 against the department to set aside Section 139(1)b of the Constitution in Kagisano Molopo Local Muniocipality.

		Note	2022/23 R'000	2021/22 R'000
18	**Capital commitments**			
	Buildings and other fixed structures		1 090	1 090
	Machinery and equipment		-	4 000
	Total		**1 090**	**5 090**

Commitment for Ba ga Shuping Construction of Traditional Offices is within the project cost, but the contract period is still to be extended. Fire fighting truck for Mahikeng Local Municipality has been delivered and payment was made to the supplier.

				2022/23 R'000	2021/22 R'000
19	**Accruals and payables not recognised**				
	19,1 **Accruals**				
	Listed by economic classification	**30 days**	**30+ days**	**Total**	**Total**
	Goods and services	5 327	524	5 851	2 763
	Interest and rent on land			-	-
	Transfers and subsidies	1 282		1 282	2 013
	Capital assets		960	960	-
	Other			-	-
	Total	**6 609**	**1 484**	**8 093**	**4 776**

Listed by programme level	Note	2022/23 R'000	2021/22 R'000
Administration		4 366	2 214
Local Governance		969	3
Development and Planning		2 299	2 016
Traditional Affairs		459	543
Total		**8 093**	**4 776**

A Prior Year Error correction amounting to R422 569,00 was reduced on Goods and Services Administration to Payables not Recognised. Also included in the Goods and Services Administration is an amount R52 900,00 which was ommitted in the previous financial year.

19,2 Payables not recognised

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	-	17	17	422
Other		10 148	10 148	18 541
Total	**-**	**10 165**	**10 165**	**18 963**

Listed by programme level	Note	2022/23 R'000	2021/22 R'000
Administration		17	422
Local Governance		10 148	18 541
Development and Planning			
Traditional Affairs			
Total		**10 165**	**18 963**

A Prior Year Error correction amounting to R422 569,00 was included on Goods and Services Administration from Accruals.

***Included* in the above totals are the following:**	Note	2022/23 R'000	2021/22 R'000
Confirmed balances with departments	Annex 5	536	-
Confirmed balances with other government entities	Annex 5	10 165	18 541
Total		**10 701**	**18 541**

Confirmed balances constitute 1 Department and 2 Entities.

	Note	2022/23 R'000	2021/22 R'000
20 Employee benefits			
Leave entitlement		25 677	26 691
Service bonus		8 283	8 334
Capped leave		10 397	11 656
Other		520	490
Total		**44 877**	**47 171**

At this stage the department is not able to reliably measure the long term portion of the long service awards. Leave entitlement includes negative amount of R12 634,09.

21 Lease commitments

21,1 Operating leases

2022/23	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			17 588	2 431	20 019
Later than 1 year and not later than 5 years			-	854	854
Total lease commitments	**-**	**-**	**17 588**	**3 285**	**20 873**

2021/22	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	17 109	3 800	20 909
Later than 1 year and not later than 5 years	-	-	-	2 971	2 971
Total lease commitments	**-**	**-**	**17 109**	**6 771**	**23 880**

The Department has five buildings that have been leased.

The department does not have any assets that are sub-leased.

21,2 Finance leases **

2022/23	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year				9 923	9 923
Later than 1 year and not later than 5 years				10 405	10 405
Later than five years					-
Total lease commitments	**-**	**-**	**-**	**20 328**	**20 328**

2021/22	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2 924	2 924
Later than 1 year and not later than 5 years	-	-	-	4 310	4 310
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**7 234**	**7 234**

The department has finance lease with Vodacom for cellphones and ENR laptops.

		Note	2022/23 R'000	2021/22 R'000
22	**Unauthorised, Irregular and Fruitless and wasteful expenditure**			
	Unauthorised expenditure		-	-
	Irregular expenditure		-	249
	Fruitless and wasteful expenditure			-
	Total		**-**	**249**

There are no criminal or disciplinary steps taken as a result of fruitless and wasteful expenditure. The department incurred Fruitless and Wasteful Expenditure to the value of R8 092,77 relating to interest paid on overdue accounts which was written off in the financial year under review. Irregular expenditure under assessment is disclose in Part E: PFMA Compliance Report.

		Note	2022/23 R'000	2021/22 R'000
23	**Related party transactions**			
	In kind goods and services provided/received			
	List in kind goods and services between department and related party			
	The department of Cooperative Governance and Traditional Affairs is providing in-kind goods and services for office accomodation to the Department of Human Settlements Employees. The Department could not department of Human Settlements Employees. measure the rental amount, security, electricity and water consumption by the			-
	Total		**-**	**-**

List related party relationships and the nature thereof

All entities in the provincial sphere of government are related parties, as a result all provincial departments, trading entities,schedule 3C and 3D public entities as well as the provincial legislature are related parties to the department." The Cabinet resolved to invoke section 100(1)(a) Of the Constitution on 23 May 2018 at the department, together with interventions at other provincial departments. In this regard an Inter-Ministerial Task Team (IMTT) was established constitutedof several ministers to address the challenges facing the province.The department is related to administrators and all officials that have been seconded by the MEC to municipalities. Tribal and Trust Fund for Traditional Councils amounting to R25 504m was paid in support of the running of Traditional Councils in the Province.

		2022/23 R'000	2021/22 R'000
24	**Key management personnel**		
	Political office bearers (provide detail below)		-
	Officials:	2 167	2 051
	Level 15 (HoD)	322	955
	Level 14 (Chief Directors)	5 908	7 160
	Level 13 (Directors)	20 226	18 466
	Family members of key management personnel	655	664
	Total	**29 278**	**29 296**

1 official from the Department of Health was on a secondment appointment as Director until 31 December 2022. 1 Chief Director was seconded to to the Department of Human Settlement from 01 August 2021 to 31 December 2022. 2 officials are related to key management personnel as per the register.

		Note	2022/23 R'000	2021/22 R'000
25	**Provisions**			
	Construction of Bahurutshe ba ga Shuping Traditional Council Offices		2 022	2 022
	Total		**2 022**	**2 022**

The disclosed amount relates to retention.

25,1 Reconciliation of movement in provisions - 2022/23

	Provision 1 R'000	Provision 2 R'000	Ba Ga Shuping R'000	Provision 4 R'000	Total provisions R'000
Opening balance			2 022		2 022
Increase in provision			-		-
Closing balance	**-**	**-**	**2 022**	**-**	**2 022**

Reconciliation of movement in provisions - 2021/22

	Provision 1 R'000	Provision 2 R'000	Ba Ga Shuping R'000	Provision 4 R'000	Total provisions R'000
Opening balance	-	-	1 121	-	1 121
Increase in provision	-	-	901	-	901
Closing balance	**-**	**-**	**2 022**	**-**	**2 022**

Retention amount to be paid after the relevant defects notification period.

26 Movable Tangible Capital Assets

2023

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	47 883		11 669	7 319	52 233
Transport assets	19 851		7 412	7 319	19 944
Computer equipment	16 541		2 529		19 070
Furniture and office equipment	6 381		573		6 954
Other machinery and equipment	5 110		1 155		6 265
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**47 883**	**-**	**11 669**	**7 319**	**52 233**

In 2021/22 the department entered into a contract to acquire Fire Engine Truck on behalf of Mahikeng Local Municipality which was to be built in stages with payments disbursed in tranches. The department paid an amount of R2,632 million which was disclosed as Capital Work in Progress in the previous financial year.The total cost of the truck was R6,632 million of which the department had a budget of R4 million. The Municipality committed to cover the difference of R2,632 million, which was then paid to the supplier. The truck was delivered during the financial year under review. Thus an amount of R6,632 million has been disclosed in the asset register as it is the total cost of the fire truck. The vehicle has been transferred to the Municipality through signing of the Section 42 certificate. The difference between Note 10 and Note 37 relates to Non Cash Additions relating to the of the Truck and Motor Vehicle replacement.

Movable Tangible Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		**R'000**
Machinery and equipment	60	1 068

60 Capital assets to the Value of R1 068m are currently under investigation. During physical verification all these assets could not be found on the floor.

26,1 Movement for 2021/22

2022

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-		-	-	-
MACHINERY AND EQUIPMENT	44 890	-	4 646	1 653	47 883
Transport assets	19 851		-	-	19 851
Computer equipment	15 512		2 390	1 361	16 541
Furniture and office equipment	5 553		951	123	6 381
Other machinery and equipment	3 974		1 305	169	5 110
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**44 890**	**-**	**4 646**	**1 653**	**47 883**

26.1.1 Prior period error	*Note*	2021/22 R'000
Relating to 2021/22		**34**
Computer Equipment		34
Total		**34**

Corrections were also implemented to correct the over statement of R34 000.00 identified in the previous financial year for lost Laptop amounting to R23 287,50 and Laptop to the value of R11 398,86 with non-existence location.

26,2 Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	7 221	-	7 221
Additions				355		355
Disposals				541		541
TOTAL MINOR CAPITAL ASSETS	**-**	**-**	**-**	**7 035**	**-**	**7 035**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets				85		85
Number of minor assets at cost				3 147		3 147
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**3 232**	**-**	**3 232**

Minor Capital Assets under investigation

	Number	Value
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		R'000
Machinery and equipment	112	211

112 Minor assets to the Value of R211 thousands are currently under investigation. During physical verification all this assets could not be found on the floor.

Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	6 861	-	6 861
Additions	-	-	-	1 099	-	1 099
Disposals	-	-	-	739	-	739
TOTAL MINOR CAPITAL ASSETS	**-**	**-**	**-**	**7 221**	**-**	**7 221**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	85	-	85
Number of minor assets at cost	-	-	-	3 245	-	3 245
TOTAL NUMBER OF MINOR CAPITAL ASSETS	**-**	**-**	**-**	**3 330**	**-**	**3 330**

Comprised of assets less than R5000.00

Corrections were also implemented to correct the over statement of R34 000.00 identified in the previous fina

Movable tangible capital assets: Capital Work-in-progress

26,3 CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Note Annexure 7	Opening Balance 1 April 2022 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing Balance 31 March 2023 R'000
Machinery and equipment		2 632	4 000	6 632	-
TOTAL		**2 632**	**4 000**	**6 632**	**-**

The asset has been paid up and is currently transferred for use by the Municipality.

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

	Note	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2022
	Annexure 7	R'000	R'000	R'000	R'000	R'000
Machinery and equipment		-	-	2 632	-	2 632
TOTAL		**-**	**-**	**2 632**	**-**	**2 632**

WIP disclosed in relation to a fire truck.

27 Intangible Capital Assets

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

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

The assets no longer meet the definition of intangible assets.

Movement for 2021/22

27,1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

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

The asset was disclosed as intangible.

28 Immovable Tangible Capital Assets

2023

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
STRUCTURES	153 361	956	-	154 317
Dwellings	-			-
Non-residential buildings	153 361	956		154 317
Other fixed structures	-			-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	153 361	956	-	154 317

Additions relates to construction of car ports at the Provincial Disaster Management Centre.

Movement for 2021/22

28,1 2022

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
STRUCTURES	152 166	-	1 195	-	153 361
Dwellings	-		-	-	-
Non-residential buildings	152 166		1 195	-	153 361
Other fixed structures	-		-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**152 166**	**-**	**1 195**	**-**	**153 361**

Immovable tangible capital assets: Capital Work-in-progress

28,2 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2023

	Note	Opening Balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2023
	Annexure 7	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-
Buildings and other fixed structures		32 633	-	-	32 633
Land and subsoil assets		-			-
TOTAL		**32 633**	**-**	**-**	**32 633**

Construction of Traditional Offices.

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Note	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2022
	Annexure 7	R'000	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-	-
Buildings and other fixed structures		16 903	-	15 730	-	32 633
Land and subsoil assets		-	-	-	-	-
TOTAL		**16 903**	**-**	**15 730**	**-**	**32 633**

Construction of Traditional Offices.

29 Prior period errors

		Note	2021/22 Amount bef error correction	Prior period error	Restated amount
29,1	**Correction of prior period errors**		R'000	R'000	R'000
	Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
	Prepayments (Expensed)	**10,1**	832	741	1 573
					-
	MOVABLE TANGIBLE CAPITAL ASSETS	**26**			-
	Transport assets		19 851	-	19 851
	Computer equipment		13 077	3 464	16 541
	Furniture and office equipment		12 720	-6 339	6 381
	Other machinery and equipment		2 269	2 841	5 110
					-
	Net effect		**48 749**	**707**	**49 456**

Prepayment expensed amounting to R740 824,58 for payment made in 2021/22 financial year for Vehicles Insurance, Office Accomodation and Property Payments that were errenously ommitted have been corrected. Capital Assets differences on Categories were corrected between the Annual Financial Statements and the Asset Register. Corrections were also implemented to correct the over statement of R34 000.00 identified in the previous financial year for lost Laptop amounting to R23 287,50 and Laptop to the value of R11 398,86 with non-existence location.

	Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)			
	Goods and Services Administration	**19**	3 132	-369	2 763
					-
	PAYABLES NOT RECOGNISED	**19**			-
	Goods and Services Administration		-	422	422
	Net effect		**3 132**	**53**	**3 185**

Prior year correction for an amount of R422 469,00 that was previously disclosed as Accruals instead of Payables not recognised. An amount of R52 900 was included in Accruals which was ommitted in the previous financial year.

	Other: (e.g. Unauthorised expenditure, Irregular expenditure, fruitless and wasteful expenditure, etc.)			
	Irregular Expenditure		249	249
	Net effect	**-**	**249**	**249**

Irregular Expenditure identified during the 2021/22 audit relating to non-compliance to SCM processes.

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Notes to the Annual Financial Statements

30 STATEMENT OF CONDITIONAL GRANTS RECEIVED

	GRANT ALLOCATION					SPENT				2021/22	
NAME OF GRANT	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Expanded Public Works Programme	2 186	-	-	-	2 186	2 186	2 186	-	100%	2 058	2 021
					-			-			
	2 186	-	-	-	2 186	2 186	2 186	-		2 058	2 021

31 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
MORETELE LOCAL MUNICIPALITY	-		1 379	1 379	1 579			2 800	2 711
RUSTENBURG LOCAL MUNICIPALITY	1 300		-	1 300	-			-	-
KGETLENG RIVER LOCAL MUNICIPALITY	10 000		-1 330	8 670	14 258			100	-
MOSES KOTANE LOCAL MUNICIPALITY	-		242	242	242			16 056	16 030
BOJANALA PLATINUM DISTRISCT MUNICIPALITY	622		280	902	1 128			547	261
TSWAING LOCAL MUNICIPALITY	1 188		2 690	3 878	3 877			9 501	8 442
MAFIKENG LOCAL MUNICIPALITY	24 000		-8 721	15 279	15 277			10 249	7 031
DITSOBOTLA LOCAL MUNICIPALITY	8 500		-4 688	3 812	1 811			30 011	28 313
RAMOTSHERE MOILOA LOCAL MUNICIPALITY	5 090		63	5 153	5 153			36 800	35 979
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	4 622		-4 000	622	-			4 202	2 759
NALEDI LOCAL MUNICIPALITY	-		800	800	797			-	-
MAMUSA LOCAL MUNICIPALITY	1 205		186	1 391	1 391			3 500	1 808
LEKWA-TEEMANE LOCAL MUNICIPALITY	22 780		2 413	25 193	25 138			18 601	18 590
KAGISANO MOLOPO LOCAL MUNICIPALITY	6 000		71	6 071	6 070			6 419	6 419
DR RUTH SEGOMOTSI MOMPATI DISTRICT MUNICIPALITY	621			621	-			549	325
MAQUASSI LOCAL MUNICIPALITY	2 000		2 465	4 465	3 665			3 509	3 474
DR KENNETH KAUNDA DISTRICT MUNICIPALITY	621			621	-			548	12
MADIBENG LOCAL MUNICIPALITY	-			-	-			560	555
	88 549	-	-8 150	80 399	80 386	-	-	143 392	132 709

The budget and expenditure disclosed relates to Transfers and Subsidies paid to Municipalities for Water and Sanitation Capacity Building.

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Notes to the Annual Financial Statements

32 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.

		Note	2022/23 R'000	2021/22 R'000
33	**COVID 19 RESPONSE EXPENDITURE**	ANNEXURE 11		
	Compensation of employees		-	-
	Goods and services		-	385
	Transfers and subsidies		-	-
	Expenditure for capital assets		-	-
	Other		-	-
	Total		-	385

No Covid-19 response expenditure was incurred.

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

Annexure 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Mun B/Acc: Municipal Bank Account	88 549		(8 150)	80 399				80 386	80 386		100%	143 952	132 709
Total	88 549	-	(8 150)	80 399	-	-	-	80 386	80 386	-		143 952	132 709

deposited into the primary bank account of a municipality or, where appropriate, into the CPD account of a municipality as well as indicate the funds utilised for the administration of the receiving

Payments made to Municipalities for Water and Sanitation and Capacity Building

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	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								
NPI: Tribal and Trust Fund	29 579		(4 075)	25 504	25 504	100%	26 758	23 506
				-				
				-				
	29 579	-	(4 075)	25 504	25 504		26 758	23 506
Subsidies								
				-				
	-	-	-	-	-		-	-
Total	29 579	-	(4 075)	25 504	25 504		26 758	23 506

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
HOUSEHOLDS	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								
Social Benefits	3 661	-	(931)	2 730	2 691	99%	4 111	3 562
Households Other	-	-	61	61	60	98%	-	-
				-				
	3 661	-	(870)	2 791	2 751		4 111	3 562
Subsidies								
				-				
	-	-	-	-	-		-	-
Total	3 661	-	(870)	2 791	2 751		4 111	3 562

Adjustments are as per Virement and Shifting.

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

ANNEXURE 3B
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					
Summons issued for services rendered	16 511				16 511
Summons for payment for the Supply of Tent, Podium and Sound System	69				69
Summons for damages (car accident)	53				53
The Plaintiff issued summons against an employee at COGTA for cost incurred as a result of motor vehicle accident	8				8
	-				-
					-
Subtotal	16 641	-	-	-	16 641
Environmental liability					
					-
Subtotal	-	-	-	-	-
Other					
					-
Subtotal	-	-	-	-	-
TOTAL	16 641	-	-	-	16 641

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

ANNEXURE 4
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Office of the Premier		53	58		58	53
Department of Human Settlements		329	-		-	329
Department of Education			178		178	-
Department of Health			77		77	-
					-	-
	-	382	313	-	313	382
OTHER GOVERNMENT ENTITIES						
Auditor General South Africa				853	-	853
					-	-
	-	-	-	853	-	853
Total	-	382	313	853	313	1 235

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Community Safety and Transport	536	872			536	872
					-	-
Subtotal	536	872	-	-	536	872
Non-current						
					-	-
Subtotal	-	-	-	-	-	-
Total Departments	536	872	-	-	536	872
OTHER GOVERNMENT ENTITY						
Current						
State Information Technology Agency	17				17	-
					-	-
Subtotal	17	-	-	-	17	-
Non-current						
Special Investigating Unit	10 148	18 541			10 148	18 541
					-	-
Subtotal	10 148	18 541	-	-	10 148	18 541
Total Other Government Entities	10 165	18 541	-	-	10 165	18 541
TOTAL INTERGOVERNMENTAL PAYABLES	10 701	19 413	-	-	10 701	19 413

In the current financial year an official was seconded by COGTA from Office of the Premier to Ratlou Local Municipality effective from the 13/02/2023 for which the determination for financial implications has not yet been finalised between the departments

NORTH WEST:COOPERATIVE GOVERNANCE AND TRADITIONAL AFFFAIRS
Annexures to the Annual Financial Statements

ANNEXURE 7
Movement in Capital Work-in-Progress
MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	2 632	4 000	6 632	-
Transport assets	2 632	4 000	6 632	-
STRUCTURES	32 633	-	-	32 633
Other fixed structures	32 633			32 633
TOTAL	35 265	4 000	6 632	32 633

Construction of Bahurutshe ba ga Shuping Tradtional Council offices. Fire fighting Truck has been removed from Work in Progress to Assets Ready for use and was transferred to Mahikeng Local Municipality during the financial year under review.

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

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	-	2 632	-	2 632
Transport assets			2 632		2 632
STRUCTURES	16 903	-	15 730	-	32 633
Other fixed structures	16 903		15 730		32 633
TOTAL	16 903	-	18 362	-	35 265

Construction of Bahurutshe ba ga Shuping Tradtional Council offices and fire fighting truck for Mahikeng Local Municipality.


2030
NDP