

ANNUAL REPORT

Gauteng Treasury | 2023/24
ANNUAL REPORT

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GAUTENG PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA

GGT2030
GROWING GAUTENG TOGETHER



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Department General Information

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List of Abbreviations/ Acronyms

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

Foreword by the MEC



Mr Lebogang Maile

MEC of Finance and Economic Development

The 2023/24 Annual Report reflects the work that the Gauteng Provincial Treasury (GPT) has done to implement its mandate of providing leadership to provincial departments, entities as well as local government in the management of public finances. This document is therefore an important aspect of public accountability as we finalise critical deliverables that were identified at the beginning of this political term of office.

As GPT, our mandate is summarised in the following outcomes which are aligned with the provincial government's blueprint, the Growing Gauteng Together, Vision 2030 Plan:

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

In the year under review, the department implemented the Revenue Enhancement Strategy which focused on maximising revenue collection to resource provincial priorities within a challenging economic and fiscal environment.

As a result of the initiatives implemented through this strategy, we reported an over collection of 14% of provincial own revenue in the 2023/24 financial year. While own revenue accounts for only 5% of the provincial budget, these resources go a long way in supplementing the funding of key priorities including infrastructure maintenance and development, and the creation of employment opportunities.

We have made significant strides in our concerted efforts to establish both the state-owned pharmaceutical company and the state-owned bank

The development of business case for the state-owned pharmaceutical company has started. The proposed solution will address, amongst others, institutional arrangements, supply chain management, medicine procurement, facilities, distribution of medicines to the Provincial Healthcare facilities, medicines inventory and dispensary to members of the public. This is in line with our priority to ensure quality, universal basic healthcare for the residents of Gauteng, in line with the vision of the National Health Insurance that has since been signed into law.

The advisory panel continues to consult various industry stakeholders from both the public and private sectors, including the Gauteng Department of Health.

On the state-owned bank, as at the end of the current financial, the process of sourcing a Transactional Advisor is ongoing. In recognising the significance of a state-owned provincial bank, we also recognise the importance of acting within the ambits of the law. Thus, we are intentional about adhering to the relevant legal and legislative frameworks that will guide the process and ensure progressive outcomes.

Timeous payment to suppliers is one of the key priorities of the provincial government. This ensures that government honours its obligation of paying for goods and services received and enable particularly Small, Medium and Micro Enterprises (SMME) suppliers to maintain a healthy cash flow. This is essential for the sustainability of their businesses, and the resultant potential job creation. The Gauteng Provincial Government recognises the crucial role that SMMEs play in the growth and development of our provincial economy and is determined to create a conducive environment for businesses in the province, including in townships, informal settlements and hostels. This Annual Report shows that in the period under review, the department paid 100% of valid invoices within 30 days.

In addition, the department has maximised available resources to ensure the funding of sustainable projects ranging from entrepreneurial support to infrastructure development. All this has been made possible by the dedicated management and leadership of the department and its entities, which is in the frontline of good governance.

A handwritten signature in dark ink, appearing to read 'L. Maile', is positioned above a horizontal line.

Mr. Lebogang Maile
MEC of Finance and Economic Development

Report of the Accounting Officer



Ms Ncumisa Mnyani

Head of Department: Gauteng Provincial Treasury

Overview of the Operations of the Department

The financial year, 2023/24, was the final year of the 6th Administration. It was a year of consolidating efforts to ensure that government deliver on the mandate of serving the public better by delivering quality basic services to communities in Gauteng. The Department achieved 93% of planned targets. This entails supporting departments to implement the Five Elevated Priorities, which are as follows:

- Economic recovery and reconstruction
- Strengthen the battle against crime, corruption, vandalism, and overcoming lawlessness.
- Changing the living conditions in townships, informal settlements and hostels (TISH).
- Prioritisation of the health and wellness of people; and
- Strengthening the capacity of the state.

The department has formulated its own four key priority outcomes that are aligned to the priorities of GPG as captured on the GGT Plan and these priorities are as follows:

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

This was done while continuing to ensure that Gauteng Provincial Government records significant progress towards the realization of Growing Gauteng Together, Vision 2030 plan. To support departments and municipalities effectively, GPT needed, amongst other things, to intensify implementation of the following deliverables outlined in our strategic plan:

- Improve fiscal management and increased compliance that promotes clean governance and accountability.
- Implement cost cutting practices on cost containment items through budget formulation and by increasing efficiency, effectiveness and productivity gains and provide assurance on the economic and efficient utilisation of state funds.
- Promote and enforce transparency and effective Supply Chain Management in the province and enhance and protect organisational value.
- Promote better planning and budgeting resulting in an integrated, transparent, and credible planning framework to fund key priorities of the GGT 2030.
- Implement the optimisation of existing revenue sources, and explore new sources in line with the Own Revenue Enhancement Strategy
- Be proactive in providing oversight and support to municipalities; and
- Improve audit outcomes and strengthen internal controls throughout the province and provide assurance through the implementation of internal audits.

Performance against these priorities is outlined below:

Enhanced sound finances in the province

This outcome focusses on three key areas which includes improving fiscal management and increased compliance that promotes clean governance and accountability; integrating and synergising budget and planning processes; and improving revenue collection. In ensuring sound finances in the province, the Department tabled the spatially referenced MTEF budget together with the socio-economic review and outlook for the province (SERO). The optimisation and diversification of own revenue collection is critical in augmenting the equitable share and conditional grant funding allocations that the Province receives. The Department continued the implementation of the Enhanced Revenue Strategy and has identified projects that have potential to open up new revenue streams and leveraged on technology to increase revenue collection, thus in the 2023/24 Provincial own revenue collection exceeded the target of 7.5% with an achievement of 14% from over collection by departments such as GDE, GDARD and GPT mainly due to interest earned on positive provincial balances as a result of slow spending from cost containment.

To conserve funds for goods and services and capital investment and to ensure that the crowding out by compensation of employees of existing resources does not materialise, continuous monitoring of this expenditure has resulted in the wage bill being at 57% against the high target of 60%. In ensuring that cash requisitions by GPG departments remain within available cash resources and to immunize the province from liquidity exposure, cash disbursements to departments did not exceed appropriated funds.

Increased compliance with legislated prescripts

The focus of this outcome is to promote and enforce transparency and effective Supply Chain Management (SCM) in the province. This is done to promote and encourage a culture of good governance in the province through independent, objective assurance and consulting services that add value to the operations of GPG. Further, this is achieved through the assessment of governance risk management and controls to ensure compliance with legislated prescripts. To improve compliance with legislated prescripts the department continued to implement SCM compliance assessments for all 14 departments and for 8 entities and further produced SCM compliance registers for those departments and entities.

GPT improved internal controls, governance and risk management processes in GPG through the implementation of internal audits and 93% of reports were issued by the end of financial year. All action plans for internal audit findings for departments and entities were tracked. The department ensured that 19 Audit Committee approved audit plans were issued to departments and trading entities and 100% of Auditor General's management letter findings were followed up through a follow-up audit.

The Department has conducted 8 training workshops for township-based suppliers. The training offered to township-based enterprises equips them with the necessary skills to be able to increase their participation in GPG tender processes. SMMEs are also trained on how to register on the Central Supplier Database and how they can access opportunities offered in GPG. In ensuring compliance to 30 days payment policy, GPT monitors departments compliance to 30 days payments by producing the reports quarterly including spending reports by township suppliers. Further, GPT also monitored the implementation of open tender process and quarterly reports were produced including reports on monitoring of procurement plans. In supporting payment of suppliers on time, for the financial year the department ensured that 99.7% of supplier invoices are submitted electronically against the target of 90%. The GPT also managed to pay 100% of valid invoices received within 30 days.

Departments and entities expenditure was monitored during the financial year and in line with the requirements for in year monitoring (IYM) of financial performance, the Department produced consolidated IYM Reports for departments and individual entities IYMs and submitted to National Treasury in line with prescribed timeframes. The department conducted the socio-economic review and outlook for the Province and produced the SERO report which was tabled at Legislature with the Main Budget. Similarly, the MTBPS was also tabled together with the adjustment budget at Legislature.

Sustainable local government finances

The key focus for this outcome is to ensure capacity building and capability in strengthening financial management practices of municipalities. To achieve this outcome, quarterly MFMA assessments were conducted on the 8 delegated municipalities to determine MFMA compliance by the delegated municipalities and identify areas of improvement. Further to the MFMA assessments, budget assessments were conducted on draft, approved and adjustment budgets to drive implementation of funded budgets in local municipalities. Seventeen structured and targeted training initiatives for delegated municipalities in Gauteng were also conducted, this was essential in ensuring that municipalities are capacitated on best asset management practices. The Department held intergovernmental relations (IGR) engagements with relevant stakeholders and as result 71 engagements were conducted

in the 2023/24 financial year, the engagements were aimed at addressing the debt and grant management challenges faced by municipalities.

Reduced youth unemployment

The key focus of this outcome is on providing work experience and skills to the unemployed graduates to afford them an opportunity to be employable and thus contributing to employment. To achieve this outcome, the department has adopted a multipronged approach to youth development (internship/learnership) spanning several key programmes, namely, Supply Chain Management, Internal Audit, Corporate Services, Financial Governance and Municipal Financial Governance. The focus of youth development programmes is to expose the graduates to real-time, hands-on work experience to be better prepared for the labour market and to acquire professional accounting and audit related qualifications. In the year under review, a total of 93 youth were placed by the department on these development programmes.

In line with the elevated priorities pronounced by the Premier in the February 2023 SOPA, the department has made the following progress:

GPT has made progress on the establishment of State-Owned Bank with the finalisation of legal due diligence report. Further, a business case is being developed to stipulate how Gauteng Government would transact with the National Post Office once it is operating as a fully-fledged national state bank. Similar to state-owned bank, legal due diligence report was produced on the establishment of a pharmaceutical company. A Transactional Advisor (TA) was appointed and commenced with the development of a business case to assess the financial viability and feasibility of the state-owned pharmaceutical company. The appointed advisory panel continues to consult various industry stakeholders from both the public and private sectors.

GPG has made a commitment to improve audit outcomes through the development of GPG clean audit strategy. In implementing the strategy, GPG officials were trained on changes for Modified Cash Standard (MCS). The purpose of this training was to provide guidance on the change in the accounting for prepayments and advances expensed to adhere to the Modified Cash Standard (MCS) change in accounting policy effective from 1 April 2023. Officials were also trained on unauthorised, irregular, fruitless and wasteful expenditure disclosure in line with amendments issued by the National Treasury. GPG has agreed with national government on the scrapping of e-tolls and has made a commitment to finance 30% of the e-toll debt over a period, including provision of funding for maintenance backlog of R4.1 billion. The debt will be financed through borrowing from institutions established by act of parliament or commercial banks.

Overview of the Financial Results of the Department

Departmental Receipts

Departmental Receipts	2023/2024			2022/2023		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	929	527	402	869	525	344
Fines, penalties and forfeits		89	(89)			
Interest, dividends and rent on land	669 526	1 724 593	(1 055 067)	622 806	1 108 424	(485 618)
Sale of capital assets						
Financial transactions in assets and liabilities	443	735	(292)	416	473	(57)
Total	670 898	1 725 944	(1 055 046)	624 091	1 109 422	(485 331)

Revenue at the GPT consists of parking fees, commission on insurance and garnishee orders, interest on bank accounts and staff debt collections. The actual revenue collected was 157% more than what was projected for the end of the financial year. The Gauteng Provincial Government's lower spending resulted in yielding higher than anticipated positive balances in the provincial reserves causing the over collection on interest, dividends and rent on land. The over collection on financial transactions in assets and liabilities is due to debtors that have paid more than what was anticipated.

Programme Expenditure

Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	178 732	176 525	2 207	172 384	171 098	1 286
Sustainable Fiscal Resource Management	170 030	169 165	865	149 085	148 680	405
Financial Governance	123 116	120 084	3 032	115 276	114 375	901
Provincial Supply Chain Management	102 908	95 055	7 853	88 046	88 029	17
Municipal Financial Governance	78 638	70 582	8 056	45 903	45 414	489
Gauteng Audit Services	142 041	133 823	8 218	113 371	113 354	17
Total	795 465	765 234	30 231	684 065	680 950	3 115

The department expenditure was recorded at R765.2 million which is 96.2% of its budget. The underspending was mainly recorded under compensation of employees due to delays in filling of approved structure. See the explanation below:

ADMIN - The actual expenditure for the year 2023/24 is at 98.8%. The underspending is due to vacant posts on the new approved structure not yet filled.

SFRM - The actual expenditure for the year 2023/24 is at 99.5%. The programme achieved its target.

FG – The actual expenditure for the year 2023/24 is at 97.5%. The reported current year underspending is due to vacant posts on the new approved structure not yet filled.

PSCM - The actual expenditure for the year 2023/24 is at 92.4%. The reported current year underspending is due to vacant posts on the new approved structure not yet filled.

MFG - The actual expenditure for the year 2023/24 is at 89.8%. The underspending is due to vacant posts on the new approved structure not yet filled.

GAS - The actual expenditure for the year 2023/24 is at 94.2%. The underspending is due to vacant posts on the new approved structure not yet filled.

Virements / roll overs

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

Unauthorised, fruitless and wasteful expenditure

An amount of R230 000 is under investigation to identify weaknesses that caused the suspected error and make recommendations to strengthen internal controls to prevent recurrence of this nature.

Strategic focus over the short to medium term period

As we have reached the end of political term, it was critical that the department's plan fulfils the priorities in the GGT 2030, the elevated priorities and those highlighted in the GPG mid-term review of performance report. In contributing towards the achievement of these end-of-term key priorities articulated above, the GPT was intentional in formulating performance indicators in the 2023/24 annual performance plan that were directly linked to the realisation of these key priorities which were monitored and reported on at various accountability, monitoring, oversight, and management structures. As the new political term gets underway, the department will over the short to medium term period, align its plans and key outcomes in line with the national and provincial priorities of the new administration.

Public Private Partnerships (PPPs)

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

infrastructure projects for potential funding.

Discontinued key activities / activities to be discontinued

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

New or proposed key activities (Future plans of the department)

There are no new or proposed activities in the department.

Supply Chain Management

There are no unsolicited bid proposals concluded for the year under review. Procurement of goods and services is centralised in the procurement unit within the office of the Chief Financial Officer. This enables the unit to ensure that procurement is done in accordance with the legislative framework. The procurement unit also regularly meets with end users to advise on procurement matters to ensure that SCM processes and procedures which are in place are adhered to and to prevent irregular expenditure. Procurement in the department has purely been driven by our approved demand plan which is prepared, implemented and monitored in-line with the PFMA.

Gifts and Donations Received in Kind from Non-Related Parties

For the 2023/24 financial year, there were no declarations made in the Departmental register for gifts / sponsorships / donations received.

Exemptions and deviations received from NT

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

Events after the reporting period

There are no reportable matters falling under events occurring after the reporting period.

Acknowledgement/s or Appreciation

I would like to thank the MEC for support and guidance, and all the staff of the Gauteng Provincial Treasury for their commitment and contribution towards the achievement of the department's mandate. As we move into the 7th administration, it is critical that we align our plans to the priorities of the new administration, and we double our efforts to achieve the intended outcomes.



Ms Ncumisa Mnyani

Accounting Officer

Gauteng Provincial Treasury

Date: 31 May 2024

Statement of Responsibility and Confirmation of Accuracy of the Annual Report

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

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

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

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

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

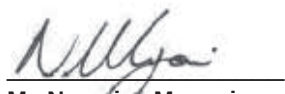
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2024.

Yours faithfully,



Ms Ncumisa Mnyani

Head of Department

Date: 31 May 2024

Strategic Overview

Vision

Pioneers in fiscal prudence and good governance.

Mission

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

Impact Statement

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

The financial year, 2023/24, was the final year of the 6th Administration. It was a year of consolidating efforts to ensure that government deliver on the mandate of serving the public better by delivering quality basic services to communities in Gauteng. This entailed supporting departments to implement the Five Elevated Priorities, which are as follows:

- Economic recovery and reconstruction.
- Strengthening the battle against crime, corruption, vandalism, and overcoming lawlessness.
- Changing the living conditions in townships, informal settlements and hostels (TISH).
- Prioritisation of the health and wellness of people; and
- Strengthening the capacity of the state.

Values

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

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

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

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

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

Legislative and Other Mandates

Legislative Mandates

Gauteng Provincial Treasury Derives its Mandate From the Following Legislation:

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

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

Division of Revenue Act

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

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

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

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

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

Labour Relations Act, 1995 (Act 66 of 1995)

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

Employment Equity Act, 1998 (Act 55 of 1998)

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

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

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

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

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

Municipal Finance Management Act (2004)

To support and monitor financial management in municipalities.

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

To support and monitor municipal IDP processes.

Preferential Procurement Policy Framework Act (2000)

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

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

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

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

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

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

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

Preferential Procurement Policy Framework Act, 2000 and Regulations

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

The Gauteng Finance Management Supplementary Act, 2018

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

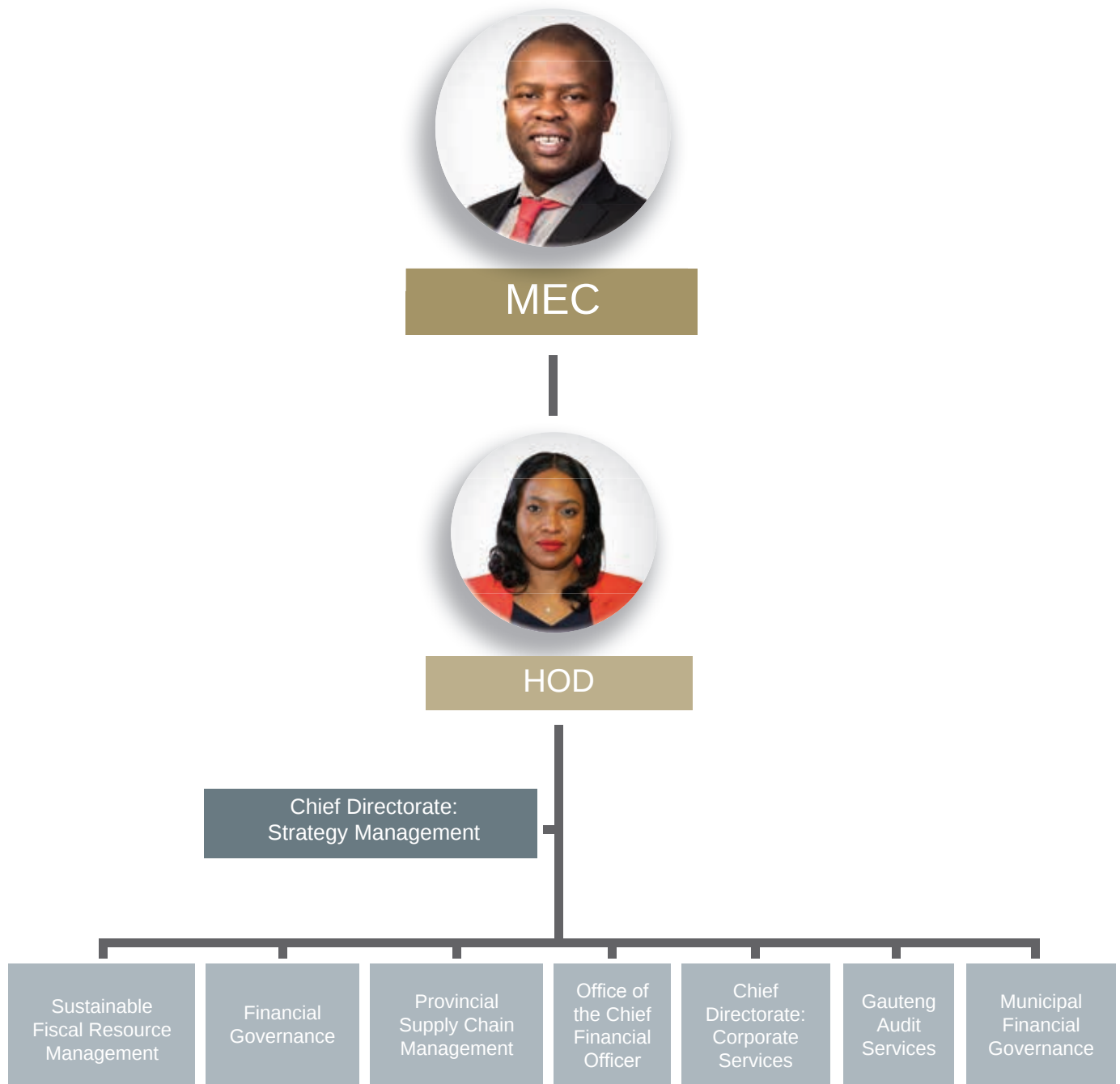
Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)

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

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

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

Organisational Structure



Entity Reporting to the MEC

The Gauteng Infrastructure Financing Agency (GIFA) is mandated to develop infrastructure project concepts and ideas to bankable proposals. GIFA also provides innovative infrastructure financing solutions and facilitates funding sources through partnerships of private investors, development finance institutions and government. This mandate supports one of the objectives of the Gauteng Provincial Treasury, which is to ensure balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province. GPT has transferred R74 868 000 to GIFA in the 2023/24 financial year.

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



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PART B: PERFORMANCE INFORMATION

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1. Auditor General's Report: Predetermined Objectives

Refer to page 88 of the Report of the Auditor General, published as Part F: Financial Information.

2. Overview of Departmental Performance

2.1 Service Delivery Environment

The 2023/24 financial year marked the end of the 6th Administration. In the latter part of the 2022-23, the Premier of Gauteng, Mr. Panyaza Lesufi, outlined the plans that the Gauteng government intended to implement and prioritize in the remaining period of the 6th Administration.

The GGT 2030 strategy remained as the blueprint guiding the work of the provincial government and a commitment was made to the following elevated priorities, that are underpinned by a focus on the improved living conditions in townships, informal settlements and hostels (TISH) program:

- Accelerate Gauteng's economic recovery.
- Strengthen the battle against crime, corruption, lawlessness, and vandalism.
- Improve health and wellness of communities.
- Strengthen the capacity of the state to deliver quality services to the people of Gauteng and
- Focus on incomplete infrastructure investment.

The MEC of Finance was tasked with the following priorities:

- Development of a revenue model aimed at funding the e-toll debt
- Establish a state-owned pharmaceutical company,
- Establish a state-owned developmental bank.

In contributing towards the achievement of these end-of-term key priorities articulated above, the GPT was intentional in formulating performance indicators in the 2023/24 annual performance plan that are directly linked to the realisation of these key priorities and were monitored and reported on at various accountability, monitoring, oversight, and management structures.

In support of the GGT 2030 Priority 1 of the economy, jobs and Infrastructure, the Gauteng Provincial Treasury continued to drive efforts in ensuring the leveraging of public procurement in the province. The Provincial Supply Chain Management programme within the GPT continued to monitor procurement spend by GPG departments to ensure 60% of the budget on good and services is procured from township-based businesses. The department also continued to monitor expenditure by departments to ensure preferential procurement from enterprises owned or managed by women (40%), youth (30%) and persons with disabilities (7%).

The GPT also contributed to the GGT 2030 Priority 5 of A capable, ethical and developmental state, and does so by ensuring an honest and capable state with professional and meritocratic public servants. In this regard, the GPT implemented the Clean Audit strategy to ensure improved audit outcomes for GPG institutions.

In the 2023-24 financial year, the GPT concluded the legal opinion on the establishment of the state-owned bank and the establishment of the pharmaceutical company. The development of business case for the state-owned pharmaceutical company has started. The proposed solution will address, amongst others, institutional arrangements, supply chain management, medicine procurement, facilities, distribution of medicines to the Provincial Healthcare facilities, medicines inventory and dispensary to members of the public. An advisory panel has been established and continues to consult various industry stakeholders from both the public and private sectors, including the Department of Health. The development of the state-owned bank is also in progress, as at the end of the financial year, the process of sourcing a Transactional Advisor to develop a business case was ongoing and as pronounced by the Premier in his State of the Province Address on the 19th of February 2024, the Province will be the first to transact with the to be established national state owned bank.

The GPT has activated the dispute resolution centralised email address and continued to monitor this email with the aim to resolve

any queries received. GPT committed to provide support towards township businesses and accelerate timeous payment of invoices to ensure their sustainability.

Clean audits in GPG institutions continue to be a priority matter and the GPT enhanced its oversight and support role to address findings that lead to regression in audit outcomes and improve on accountability and governance matters, through the implementation of the Clean Audit Strategy. During the 2023 audit, the department achieved unqualified audit outcomes with no other matters and has assisted by reviewing Annual Financial Statements for departments and entities prior to submission for AG audit. The Municipal Financial Management also put in measures in place and supported municipalities in reducing significant/ repeat audit findings that lead to qualifications in audit outcomes.

The GPG Own Revenue Enhancement Strategy was approved by EXCO in 2021 and subsequently launched. The intended objective for the strategy is to supplement the available financial resources towards resourcing of the “Growing Gauteng Together 2030 Plan”. Implementation of the Strategy has commenced and in progress. GPT plays a leadership role to ensure that implementation continues as planned and without disruptions and ensures that measures are put in place where there are challenges. The Department continued the implementation of the Enhanced Revenue Strategy and has identified projects that have potential to open up new revenue streams and leveraged on technology to increase revenue collection, thus in the 2023/24 Provincial own revenue collection exceeded the target of 7.5% with an achievement of 14% and this was due to GPT over collection from interest revenue.

As the province continued to mainstream gender responsive planning and budgeting, the Gauteng Provincial Treasury provided guidance to the provincial departments in the compilation of gender responsive plans and budgets. In this shared leadership role, the GPT supported provincial departments in quantifying the budgets to fund the interventions aimed at the targeted groups to contribute towards the assessment of the gender responsiveness of the provincial budgets. The GPT facilitated the discussion of the budget responsiveness by including the gender responsive planning and budgeting in the agenda of the provincial budget committees such as the Medium-Term Expenditure Committee (MTEC) and the Premier’s Budget Committee (PBC). Beyond planning and budgeting, the department also contributed towards the provincial reporting on the subject matter. The Treasury supported provincial departments when they quantify the quarterly expenditure amounts that benefit the targeted groups.

2.2 Service Delivery Improvement Plan

The purpose of developing a SDIP is to facilitate the commitment of state institutions to continuous service delivery improvement mechanisms to improve the nature or quality of the actual service being provided and the way the service is delivered. GPT has an approved SDIP plan and the relevant units report progress on the plan each quarter as per the directive by the Department of Public Service and Administration.

The table below reflects the SDIP annual report that was compiled against the annual targets for 2023/24 financial year as reflected in the 2023/24 – 2024/25 Plan.

Main services and standards

Main Services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Increase spending on township suppliers	Township enterprises	Increase TER spend to 30%	30%	6.9%
Paying suppliers on time	Payment of suppliers within 30 days of receipt of valid invoice	% of supplier payment made within 30 days	100% payment of suppliers within 30 days of receipt of valid invoice	100% (861/861) of suppliers paid within 30 days of receipt of valid invoices

*Batho Pele arrangements with beneficiaries (Consultation access, etc.)***Access and consultations**

Current/actual arrangements	Desired arrangements	Actual achievements
In-person contact Phone Email	Our office hours are from Mondays to Fridays between 07:30 – 16:30 pm Email: GPTCommunications@gauteng.gov.za Information can be accessed through our website www.gauteng.gov.za	The department was accessible through its physical address at 18 Rissik Street, telephone and emails
GPT holds constant engagements with relevant stakeholders as per plan	8 training workshops will be conducted with suppliers 16 IGR engagements conducted with municipalities	8 training workshops conducted with suppliers 71 IGR engagements held in the 2023/2024

Service delivery information tool

Current/actual arrangements	Desired information tools	Actual achievements
Help Desk	Increased supplier online registrations on CSD	Supplier Self Service for online registration is now implemented as part of the National Treasury Central Supplier Database
Website	Advertisement and awards of bids published through the e-Tender Portal	Advertisement and awards of bids published through the e-Tender Portal
Quarterly Performance Reports	All Quarterly and annual performance reports published on intranet and website	All Quarterly and annual performance reports published on intranet and website for 2023/24 financial year

Complaints mechanism

Current/actual arrangements	Desired information tools	Actual achievements
Complaints management system	Implement complaints management system	The Department undertake within 2 working days to acknowledge receipt of the complaint. All received complaints are reviewed and referred to the relevant programmes for resolution. The dept commits to resolve all complaints within 21 working days of acknowledgement of receipts

2.3 Organisational Environment

In the 2023/24 financial; year, the National Treasury issued the Cost Containment measures for implementation by all government institutions with the aim of managing fiscal sustainability for the province and making trade-offs in government spending over the short and medium term to incorporate the cost of the wage agreements within the tight Gauteng economy. There have not been major impacts for GPT to planned activities due to cost containment. All planned activities were implemented within the available departmental resources while there were minor changes to operations to ensure cost cutting measures are implemented in the department.

The department operated on an approved organizational structure with a total staff establishment of 987 positions and 866 filled posts as at end of March 2024. Sixty-one percent of the total staff establishment were positions occupied by women and people with disabilities occupied 1.85% of total staff establishment. Owing to the implementation of the organisational structure, the vacancy rate was above the statutory 10 percent. The table below shows the breakdown of human resources in the department by end of the 2023/24 financial year.

Description	Number
Total Staff Complement*	918
Africans	91.45% (792/866*100)
Women	61.43% (532/866*100)
People with Disabilities	1.85% (16/866*100)
Vacancy Rate	12.26% (121/987*100)

Human Resource Oversight * as at end of March 2024

The department focused on improving its performance in achieving the provincial targets of procurement spend on the designated groups. The GPT must formulate sound sourcing strategies in line with the prescripts to ensure an improved performance in empowering women, youth, people with disabilities and military-veterans owned businesses. This will ensure that the procurement spend of the department is representative of the Gauteng Province demographics and promotes equity.

2.4 Key Policy Developments and Legislative changes

Employment Equity Amendment Act 04 of 2022 (EE ACT)

The EE Act was assented to by the President on 6 April 2022. The new section 15A will introduce sectoral numerical targets. The purpose of this addition is to ensure the equitable representation of people from designated groups (historically disadvantaged groups of people based on race, gender, and disability) at all occupational levels in the workforce.

The EE Act of 1998 empowers the Employment and Labour Minister to regulate sector specific EE targets and to regulate compliance criteria to issue EE Compliance Certificates in terms of Section 53 of the EE Act.

The Compensation for Occupational Injuries and Diseases (COIDA) Amendment Act 10 of 2022 (assented to in April 2023)

The amendments to the COIDA Act include the following:

- An expanded definition of workers' dependents and beneficiaries to include their spouse(s), children, siblings, parents, and grandparents.
- Diseases and post-traumatic stress disorder resulting from the workplace are now included and provides relief to women exposed to gender-based violence at work.
- Introduction of a multi-disciplinary employee-based process of rehabilitation and reintegration of injured employees or employees who contracted occupational diseases.

Public Procurement Bill

The objectives of the Bill seek to give effect to the prescripts of Section 217 of the Constitution, by:

- a) Ensuring that the State utilises and leverages procurement to:
 - Advance economic opportunities for previously disadvantaged people and women, the youth and persons with disabilities, small businesses; and
 - Promote local production.
- b) Providing for procurement that, inter-alia:
 - Is developmental in nature;
 - Ensures value for money in the use of public funds;
 - Aspires to expand the productive base of the economy.
- c) Developing economic capacity in the Republic, through the provision of opportunities for local suppliers to participate in procurement; and
- d) Incorporates in the procurement system:
 - Categories of preference in the allocation of contracts; and
 - The protection and advancement of persons and categories of persons disadvantaged by unfair discrimination; and
- e) Create single regulatory framework for public procurement to eliminate fragmented procurement prescripts.
- f) This Bill applies to all National & Provincial Departments, Constitutional institutions, municipalities and municipal owned entities. The aforesaid, upon becoming law will apply to all departments, constitutional institutions, municipalities or municipal owned entities.

The Constitution Twentieth Amendment Bill

The amendment require national legislation to establish a Cyber Commissioner that will:

- a) establish and maintain:
 - suitable cyber security capabilities for all organs of state and entities dealing with public information;
 - capabilities to assist the police service with the necessary capacity to conduct cyber forensic investigations; and

- a cyber security hub for the reporting, monitoring and investigation of cyber security incidents and threats in the private and public sectors;
- advise all institutions responsible for the critical infrastructure of the Republic with regard to cyber security;
- promote, monitor and evaluate the compliance of all organs of state and other entities with regard to:
- cyber security capabilities and standards; and
- national legislation relating to protection of personal or public information and interception of data.

Public Service Amendment Bill

The amendment of the Public Service Act, 1994 incorporates aspects relating to:

- the devolution of administrative powers from executive authorities to heads of department;
- a mechanism to deal with the recovery of overpayments of remuneration and benefits;
- providing clarity on the role of the Public Service Commission in respect of grievances; and
- clarifying the role of the President and the Premier in respect of the appointment and career incidents of heads of departments.

Public Administration Management Amendment Bill

The Bill seeks to amend the Public Administration Management Act, 2014, so as to further provide for the transfer and secondment of employees; to provide clarification regarding the prohibition against employees conducting business with organs of state; to provide for the National School of Government to be constituted as a national department; to provide for the removal of employment disparities across the public administration; to provide for the co-ordination of the mandating process for collective bargaining in the public administration.

Gauteng Township Economic Development Amendment Bill

The amendment of the Gauteng Township Economic Development Act, 2022 seeks to provide for the following:

- the procedure for the designation of township enterprise zones and township enterprise precincts;
- the provision of a register of township-based enterprises; and
- the expansion of regulation-making powers of the responsible Member.

GUIDELINES/INSTRUCTIONS APPLICABLE TO THE DEPARTMENT

N/A

3. Achievement of Institutional Impacts and Outcomes

PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES			
STRATEGIC LINKAGES		GPT STRATEGIC PLAN	GPT STRATEGIC REPORTING
Medium Term Strategic Framework (MTSF) Priority	Growing Gauteng Together (GGT) Priority	Outcome as per approved Dept Strat Plan	Summarised Dept Performance during the 2023/24 financial year
Economic transformation and job creation	Economy, jobs and infrastructure	Enhanced sound finances in the province	2023/24 was the final year of the 6th administration and the department has achieved commendable impact on priorities planned in the strategic plan. The department has made an impact through maintaining sound finances in the province by ensuring credible, funded and sustainable budgets were aligned to provincial plan and local government sphere. The tabling of the MTEF budgets continued to resource the five elevated provincial priorities of the GGT2030 Plan which is in line with the strategic direction of government to ensure effective conclusion of the sixth administration. In addition, through spatially referenced budget, various locations were targeted within Gauteng to promote effective service delivery. The department was successful in implementing the Revenue Enhancement strategy aimed at optimizing and diversifying own revenue collection in the province. The optimisation and diversification of own revenue collection is critical in augmenting the equitable share and conditional grant funding allocations that the province receives. These results are evident in 2023/24 financial as 14% was achieved exceeding a planned target of 7.5%. Over collection was recorded by departments such as GDE, GDARD and GPT mainly due to interest earned on positive provincial balances as a result of slow spending from cost containment. GPG maintained less than 60% in 2023/24 financial year wage bill with no operational budget issues for goods and services. This achievement has made significant impact as funds were conserved for goods and services and capital investment and ensured that the crowding out by compensation of employees of existing resources did not materialise. These results were achieved through continuous monitoring of this expenditure. In ensuring that cash requisitions by GPG departments remain within available cash resources and to immunize the province from liquidity exposure, cash disbursements to departments did not exceed appropriated funds.
		Sustainable local government finances	A key impact indicator outlined in the strategic plan for GPT was to improve budgeting and planning processes for municipalities over five years. The department has made an impact by intensifying oversight, building capacity to strengthen financial management practices to improve effectiveness in supporting delegated municipalities. Assessments of draft, adopted, and adjustment budgets was carried out to improve the budgeting process for delegated municipalities. The department was able to send inputs to municipalities for implementation and to improve budgeting process and drive implementation of funded budgets in local municipalities. Similarly to budget assessments, quarterly MFMA assessments were conducted on the 8 delegated municipalities to determine MFMA compliance by the delegated municipalities and identify areas of improvement. The objective was to monitor the level of implementation by the delegated municipalities of the MFMA and its Regulations, identify gaps and provide support where needed. To achieve impact in municipalities, one of the key interventions provided by GPT is capacity building. GPT offered different capacity building initiatives targeted at improving financial management skills and capability in executing functions related to budget management, revenue, expenditure management and asset management. The Department has implemented intergovernmental relation (IGR) in municipalities. These engagements were held with different stakeholders on quarterly basis. The purpose of these IGR engagements is to share information and encourage best practice amongst municipalities to enhance or improve compliance to the MFMA. In 2023/24 financial year, 71 engagements were conducted with most of the engagements aimed at addressing the debt and grant management challenges faced by municipalities.
		Reduced youth unemployment	The department has made a commitment in the Strategic Plan to reduce unemployment and contribute to change the lives of youth in the province. To achieve this impact, a target of 10% against staff establishment was planned by the department and this target was exceeded as the department managed to achieve 12% in the final year of the 6th administration. This translates to 93 youth who were placed on different developmental programmes including the following: • 69 internship programmes • 10 bursaries • 14 SAIPA Trainee Accountants The focus of youth development programmes is to expose the graduates to real-time, hands-on work experience to be better prepared for the labour market and to acquire professional accounting and audit related qualifications. The department has adopted a multipronged approach to youth development (internship/learnership) spanning several key programmes, namely, Supply Chain Management, Internal Audit, Corporate Services, Financial Governance and Municipal Financial Governance.

Progress Towards Achievement of Institutional Impacts and Outcomes cont.

PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES			
STRATEGIC LINKAGES		GPT STRATEGIC PLAN	GPT STRATEGIC REPORTING
Medium Term Strategic Framework (MTSF) Priority	Growing Gauteng Together (GGT) Priority	Outcome as per approved Dept Strat Plan	Summarised Dept Performance during the 2023/24 financial year
Capable, ethical and developmental state	Building a capable, ethical and developmental state	Increased compliance with legislated prescripts	The department has made an impact in the province by promoting and enforcing transparency and effective Supply Chain Management (SCM). One of the notable key achievements defining the impact of the work done by the GPT is the successful implementation of open tender procurement process. The department continues to execute an oversight function through monitoring of open tender projects implemented by departments and entities. The department achieved unqualified audit outcome with no matters for the AG audit, this means the department has effective controls in place to manage its finances, performance and complies with applicable laws and regulations thus increasing public confidence on its ability to manage its affairs effectively. To improve compliance with legislated prescripts the department continued to implement SCM compliance assessments for all 14 departments and for 8 entities and further produced SCM compliance registers for those departments and entities. GPT improved internal controls, governance and risk management processes in GPG through the implementation of internal audits and 93% of reports were issued by the end of financial year. All action plans for internal audit findings for departments and entities were tracked. The department ensured that 19 audit plans approved by the Audit Committee were issued to departments and trading entities and 100% of Auditor General's management letter findings were followed up through follow-up audits. The department reviewed its risk register during the year which also informed the GPT internal audit plans. Through the department's ethics management system, it was found that none of GPT officials are doing business with the state which promote transparency and maintains good governance. The Department has conducted 8 training workshops for township-based suppliers. The training offered to township-based enterprises equips them with the necessary skills to be able to increase their participation in GPG tender processes. SMMEs are also trained on how to register on the Central Supplier Database and how they can access opportunities offered in GPG. The payment of suppliers within 30 days is a top priority for GPG and GPT monitored departments compliance to 30 days payments and produced reports quarterly including spending reports by departments on township suppliers. In supporting payment of suppliers on time, for the financial year the department ensured that 99.7% of supplier invoices are submitted electronically against the target of 90%. The GPT also managed to pay 100% of valid invoices received within 30 days. Payment of suppliers on time has an impact for suppliers as it provide much needed cashflow especially to small businesses thus increasing their sustainability over the long term. Departments and entities expenditure was monitored during the financial year and in line with the requirements for in year monitoring (IYM) of financial performance. The submission of the monthly in-year monitoring reports ensured not only compliance with the PFMA but promoted accountability, ensured effective and efficient implementation of programmes and usage of resources. The reports also allowed government departments and entities to report on the progress made on its plans and any budget related challenges so that timely decisions can be taken by the accounting officers and with the support of GPT.

4. Institutional Programme Performance Information

PROGRAMME 1: ADMINISTRATION

Purpose

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

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

Office of the Member of Executive Council

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

Office of the Head of Department

- Purpose: To execute the mandate of the Treasury

Chief Directorate: Financial Management Services

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

Chief Directorate: Corporate Management

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

Chief Directorate: Strategy Management and Transformation Program

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

Outcomes

- Increased compliance with legislated transcripts
- Reduced youth unemployment

Key Achievements

During the 2023 audit by the Auditor General of South Africa, the department achieved unqualified audit outcomes with no other matters. In compliance with the requirement to pay suppliers within 30 days, the department ensured that all payments to invoices were paid within 30 days.

The department focused on youth development programmes to expose graduates to real-time hands-on work experience to be better prepared for the labour market. As part of its contribution to Tshepo 1 million initiative to reduce youth unemployment, the department has ensured that 93 youth are placed on development programmes. This includes internships, learnerships and provision of external bursaries by the department to deserving students. The department has conducted 4 workshops to promote awareness on transformation agenda matters and produced reports to monitor the implementation of GEYODI programmes.

Table 2.4.4.1 Indicators and Targets Revised

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of retabing	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Increased compliance with legislated transcripts	Annual financial statements free from material misstatements; no material findings on performance information or non-compliance with legislation (pre-determined objectives)	AG audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	None	None	Inclusion of "with no other matters in the audit report" to align with the draft 24-25 APP
	An approved Annual Performance Plan submitted to GPL as per the prescribed timelines	Number of APP submitted to GPL on due date	1	2	1	0	-1	The 2024/25 APP was reporting in Q4	Changed target to 2, as 2 APPs were tabled in the 23-24 FY due to this revision: -Revised 23-24 APP -Final 24-25 APP
Reduced youth unemployment	10% of youth in development programmes	% of youth in development programmes	10.2% (75/733)	11% (87/826)	10%	12% (93/803)	2%	The projection allowed for slight overachievement to support youth development	Inclusion of "against staff establishment" to align with the draft 24-25 APP
Increased compliance with legislated transcripts	Approved Business Case on the establishment of a state-owned bank	Business Case on the establishment of a state-owned bank	New indicator	New indicator	Business Case for establishment of a state-owned bank	0	-1	Business Case for establishment of state-owned bank was planned for Q4	Removed from the APP because GIFA, as a GPT entity, are the implementors of the project and have included this output in their APP.
	Approved Business Case on the establishment of a pharmaceutical company	Business Case on the establishment of a pharmaceutical company	New indicator	New indicator	Business Case for establishment of a pharmaceutical company	0	-1	Business Case for establishment of pharmaceutical company was planned for Q4	Removed from the APP because GIFA, as a GPT entity, are the implementors of the project and have included this output in their APP.

Table 2.4.4.2: Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from Planned Target to Actual Achievement 2023/2024w	Reasons for Deviations
Increased compliance with legislated transcripts	Annual financial statements free from material misstatements; no material findings on performance information or noncompliance with legislation (predetermined objectives)	AG audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report	None	None
	All valid invoices paid within 30 days	% of supplier payments paid within 30 days after receipt of valid invoice	100% (672/672)	100% (739/739)	100%	100% (861/861)	None	None
	An approved Annual Performance Plan submitted to GPL as per the prescribed timelines	Number of APP submitted to GPL on due date	1	2	2	2	None	None
	Approved 2024/2025 Key Departmental Risk Register	Number of approved departmental risk register	1	1	1	1	None	None
	Four transformation agenda workshops conducted on transformation agenda matters	Number of workshops and/or training conducted to promote awareness on transformation agenda matters	3	4	4	4	None	None
	Four reports submitted to OoP to monitor the implementation of GEYODI programmes	Number of reports submitted to OoP to monitor the implementation of GEYODI programmes	N/A	4	4	4	None	None
	50% of women appointed at SMS level	% of women appointed at SMS level	48% (28/58)	46% (31/68)	50%	46% (35/76)	-4%	The number of females appointed at SMS (7) did not improve the overall status of women at SMS level as (3) were movements or promotions within SMS level.
Reduced youth unemployment	Youth in development Programmes comprising 10% of staff establishment	% of youth in development programmes against staff establishment	10.2% (75/733)	11% (87/826)	10%	12% (93/803)	2%	The projection allowed for slight overachievement to support youth development.

Strategy to Overcome Areas of Under Performance

To address the appointment of women in SMS level, request to advertise vacant and funded positions targeted to address Employment Equity (EE) for female representation was approved by the MEC on the 9th April 2024 and submitted to OoP for concurrence.

Linking Performance with Budgets

Programme 1: ADMINISTRATION									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	8 976	(621)	-	8 355	8 269	86	99,0%	7 698	7 693
2. Office of the HOD	13 660	71	-	13 731	13 729	2	100,0%	11 454	11 447
3. Corporate Management	98 103	2 984	4 246	105 333	105 078	255	99,8%	102 272	102 256
4. Financial Management Services (CFO)	39 556	954	-	40 510	38 648	1 862	95,4%	39 709	38 464
5. Strategy Management and Transformation Program	14 191	(3 388)	-	10 803	10 801	2	100,0%	11 251	11 238
Total for sub programmes	174 486	-	4 246	178 732	176 525	2 207	98,8%	172 384	171 098

The actual expenditure for the year 2023/24 is at 98.8%. The underspending is due to vacant posts on the new approved structure not yet filled. The programme has achieved 89% of planned 2023/24 targets in the APP with 1 deviation recorded for the year under review.

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

SFRM Programme Support

Purpose

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

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

Chief Directorate: Economic and Fiscal Policy Oversight

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

Chief Directorate: Budget Management

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

Chief Directorate: Infrastructure Management

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

Chief Directorate: Financial Assets and Liabilities Management

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

Chief Directorate: Public Finance

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

Outcomes

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

Key Achievements

In ensuring sound finances in the province, the Department continued the implementation of the Enhanced Revenue Strategy and in the 2023/24 Provincial own revenue collection exceeded the target of 7.5% with an achievement of 14% from over collection by departments such as GDE, GDARD and GPT mainly due to interest earned on positive provincial balances as a result of slow spending from cost containment. The wage bill was maintained at 57% against the target of 60%. Further, the department tabled 1 spatially

referenced MTEF budget together with the socio-economic review and outlook for the province (SERO). Cash disbursements to departments did not exceed appropriation. The Medium-Term Budget Policy Statement (MTBPS) was tabled together with the adjustment budget at Legislature.

Table 2.4.4.1 Indicators and Targets Revised

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of retabing	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Enhanced sound finances in the province	Provincial own revenue collection increase in line with inflation	% Increase in provincial own revenue collection	-4.5% (-R313 327/ R6, 975, 646)	3.9% (R285, 834/ R7, 249, 930)	7.5%	-52% (-R3 950 855/ R7, 622, 407)	59.5%	The results are up to end of Q2 calculated against a final target planned for Q4.	Method of calculation in the TID has been revised to reflect comparison of revenue increase for period under review and the previous FY. Previously the collection was compared to the appropriation.
Increased compliance with legislated transcripts	Provincial Gazettes on allocations to schools and hospitals	Number of Provincial Gazettes on allocations to schools and hospitals	2 Gazettes	2 Gazettes on allocations to schools and hospitals	2 Gazettes on allocations to schools and hospitals	1 Main Appropriation Gazette tabled	-1	The remaining target was planned for Q4	Inclusion of the word published – rectifying where we had captured as tabled
	SERO tabled in line with prescribed timelines	Number of SERO tabled in line with prescribed timelines	1	1	1	0	-1	The target was planned for Q4	Removed the words “ <i>prescribed timeframes</i> ” and changed to “SERO tabled at provincial legislature together with the Main Budget
	MTBPS tabled in line with prescribed timeframes	Number of MTBPS tabled in line with prescribed timeframes	1	1	1	0	-1	The target was planned for Q3	Removed the words “ <i>prescribed timeframes</i> ” and changed to “MTBPS tabled at provincial legislature together with the Adjustment Budget”

Table 2.4.4.2: Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022 R'000	Audited Actual Performance 2022/2023 R'000	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 R'000	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations
Enhanced sound finances in the province	GPG wage bill contained at not more than 60% of GPG allocated budget	% of GPG wage bill against allocated budget	56% (R83, 747, 703 / R149, 487, 028)	56% (R86, 478, 168/R155, 346, 776	60% or less	57% (R92, 436, 387/ R163, 496, 146)	3%	Over achievement a result of continuous monitoring of CoE expenditure
	MTEF budget and adjustment budget tabled	Number of spatially referenced MTEF budget and adjustment budget tabled in line with prescribed timeframes	1 spatially referenced MTEF budget tabled	1 spatially referenced MTEF budget tabled	1 spatially referenced MTEF budget tabled	1 spatially referenced MTEF budget tabled	None	None
			1 spatially referenced adjustment budget tabled	2 spatially referenced adjustment budgets tabled	1 spatially referenced adjustment budget tabled	1 spatially referenced adjustment budget tabled	None	None
	Provincial Gazettes on allocations to schools and hospitals published	Number of Provincial Gazettes on allocations to schools and hospitals published	2 Gazettes	2 Gazettes on allocations to schools and hospitals	2 Gazettes on allocations to schools and hospitals published	2 Gazettes on allocations to schools and hospitals published	None	None
	IYM reports For departments and entities	Number of legislated provincial reports produced according to the National Treasury (NT) timeframes (i.e., Departmental IYM reports and Entities IYM reports)	12 IYM submissions for departments	12 Consolidated IYM reports for departments	12 Consolidated IYM reports for departments	12 Consolidated IYM reports for departments	None	None
			4 IYM submissions for entities	40 Individual IYM reports for entities	40 Individual IYM reports for entities	40 Individual IYM reports for entities	None	None
	Assessment reports of the submitted planning documents completed and submitted to the departments before the prescribed legislated timeframe	% of assessment reports of the submitted planning documents completed and submitted to the departments before the prescribed legislated timeframe	41.2% (7/17)	100% (17/17)	100%	100% (13/13)	None	None
	Cash disbursed to departments do not exceed appropriation	Cash disbursed to departments to not exceed appropriation	Cash disbursed to departments (R149,482,799) equivalent to appropriation funds R149,487,028)	Cash disbursed to departments (R155, 346, 776) did not exceed appropriation (R155, 346, 776)	Cash disbursed to departments to not exceed appropriation	Cash disbursed to departments (R163, 496, 146) did not exceed appropriation (R163, 496, 146)	None	None
	AG Audit outcome for the Provincial Revenue Fund Management Report	AG Audit outcome for the Provincial Revenue Fund	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	None	None
	Provincial Own revenue collection increase in line with inflation	% increase in provincial own revenue collection	-4.5% (-R313 327/ R6, 975, 646)	3.9% (R285, 834/ R7, 249, 930)	7.5%	14% (R1, 055, 499/ R7, 535, 764	6.5%	There was an over collection by departments such as GDE, GDARD and GPT mainly due to interest earned on positive provincial balances as a result of slow spending from cost containment.

Final APP Indicators and Targets cont.

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022 R'000	Audited Actual Performance 2022/2023 R'000	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 R'000	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations
Increased compliance with legislated prescripts	SERO tabled at provincial legislature together with the Main Budget	Number of SERO tabled at provincial legislature together with the Main Budget	1	1	1 SERO publication tabled at provincial legislature together with the Main Budget	1 SERO publication tabled at provincial legislature together with the Main Budget	None	None
	MTBPS tabled at provincial legislature together with the Adjustment Budget	Number of MTBPS tabled at provincial legislature together with the Adjustment Budget	1	1	1 MTBPS tabled at provincial legislature together with the Adjustment Budget	1 MTBPS tabled at provincial legislature together with the Adjustment Budget	None	None

Strategy to Overcome Areas of Under Performance

N/A

Linking Performance with Budgets

Programme 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. SFRM Programme Support	79 992	(1 570)	-	78 422	78 420	2	100,0%	67 028	67 011
2. Budget Management	26 965	6 166	-	33 131	33 130	1	100,0%	29 743	29 727
3. Economic and Fiscal Policy Oversight	13 512	(809)	-	12 703	12 701	2	100,0%	12 795	12 786
4. Infrastructure Management	18 129	(2 575)	-	15 554	15 553	1	100,0%	9 826	9 774
5. Financial Asset and Liabilities Management	15 788	(1 204)	-	14 584	14 553	31	99,8%	14 059	13 790
6. Public Finance	15 644	(8)	-	15 636	14 808	828	94,7%	15 634	15 592
Total for sub programmes	170 030	-	-	170 030	169 165	865	99,5%	149 085	148 680

The actual expenditure for the year 2023/24 is at 99.5%. The programme achieved 100% of the planned 2023/24 performance targets in the APP and the results are also aligned to budget spending of 99.5% for the financial year.

PROGRAMME 3: FINANCIAL GOVERNANCE**FG Programme Support****Purpose**

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

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

Directorate: Compliance

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

Directorate: Transversal Financial Information Management Systems and SAP ERP Process and System Support

- Purpose: To provide oversight and management of transversal financial systems and ensure compliance in the implementation of new provincial automation processes.

Chief Directorate: Transversal Internal Audit and Risk Management

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

Chief Directorate: Provincial Accounting Services

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

Outcome

- Increased compliance with legislated prescripts

Key Achievements

GPT ensured the submission of annual financial statements by departments and entities in line with legislated requirements. Monitoring the payment of suppliers is essential to ensure compliance with 30 days supplier payment policy, in this regard, the Department monitored payment of suppliers by provincial departments with GPT managing to pay 100% of received valid invoices within the stipulated 30 days. In ensuring efficiencies in the process of paying suppliers on time, the Department ensured that 99.7% of supplier invoices were submitted electronically against the target of 90%. In capacitating GPG departments and entities, the Department has conducted 2 training sessions as planned, 1 for departments and another 1 for entities. The department has coordinated audit committee meetings within GPG and ensured that all planned cluster meetings were held in accordance with the Audit Committee calendar.

Table 2.4.4.1: Indicators and Targets Revised

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of retabing	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Increased compliance with legislated transcripts	Audit Committee meetings held in accordance with the Audit Committee calendar	Number of Audit Committee meetings held	N/A	N/A	25	15	-10	The 10 remaining meetings were reporting in Q3 and Q4	Inclusion of the word 'cluster' to align to the annual target of 25 cluster meetings, not individual meetings. Also explained in detail in the TID. – considered inputs from GAS audit on method of calculation

Table 2.4.4.2: Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations
Increased compliance with legislated prescripts	AFS submitted by all departments	% of Annual Financial Statements submitted by departments	100% (14/14)	100% (14/14)	100%	100% (14/14)	None	None
	AFS submitted by entities	% of Annual Financial Statements submitted by entities	100% (7/7)	100% (14/14)	100%	100% (14/14)	None	None
	Consolidated Annual Financial Statements tabled within prescribed timelines	Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	20/21 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	21/22 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	22/23 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	22/23 Consolidated Annual Financial Statements not tabled at Legislature in line with prescribed timelines	-1	The consolidated AFS could not be submitted on the 31 st of August to the AGSA due to delays for the Transport Authority of Gauteng (TAG) audit by AGSA.
	Quarterly Report on 30-days payment compliance produced	Number of departmental 30-day suppliers' payment compliance reports produced	4	4	4	4	None	None
	Supplier invoices submitted electronically	% of supplier invoices submitted electronically	94% (254 209 / 270 687)	98% (281 710/286 899)	90%	99.7% (318 111/318 974)	9.7%	Increased EIS due to mandatory requirements that all suppliers doing business with GPG should be registered for EIS.
	Annual trainings conducted	Number of targeted training workshops provided to GPG departments and entities	N/A	N/A	1 training session for GPG departments	1 training session for GPG departments	None	None
					1 training session for entities	1 training session for entities	None	None
	Audit Committee cluster meetings held in accordance with the Audit Committee calendar	Number of audit committee cluster meetings held per quarter	N/A	N/A	25	25	None	None

Strategy to Overcome Areas of Under Performance

Permission to submit late was approved by Legislature and Consolidated AFS were submitted to Legislature on the 15th of January 2024.

Linking Performance with Budgets

Programme 3: FINANCIAL GOVERNANCE									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. FG Programme Support	2 133	139	-	2 272	2 128	144	93,7%	1 671	1 483
2. Provincial Accounting Services	61 770	1	-	61 771	60 197	1 574	97,5%	56 144	55 444
3. Transversal Internal Audit and Risk Management	19 880	(139)	(250)	19 491	18 949	542	97,2%	19 134	19 125
4. Compliance	4 035	(1)	-	4 034	3 869	165	95,9%	4 144	4 143
5. Transversal Financial Information Management Systems and SAP ERP Process and System Support	37 084	-	(1 536)	35 548	34 941	607	98,3%	34 183	34 180
Total for sub programmes	124 902	-	(1 786)	123 116	120 084	3 032	97,5%	115 276	114 375

The actual expenditure for the year 2023/24 is at 97.5%. The reported current year underspending is due to vacant posts on the new approved structure not yet filled and financial statements automation consultant's accrual amount. The programme has achieved 88% of planned 2023/24 targets in the APP with no deviations recorded.

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

PSCM Programme Support

Purpose

To promote and enforce transparency and effective Supply Chain Management.

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

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

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

Chief Directorate: Supply Chain Management Client Support

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

Chief Directorate: Contract Management and Strategic Management

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

Outcome

- Increased compliance with legislated prescripts

Key Achievements

To increase compliance with legislated prescripts and ensure transparency and effective supply chain management processes in the Province, the department conducted SCM compliance assessments on all 14 departments and 8 entities and issued SCM compliance registers for departments and entities. The Department plays an oversight function within GPG and has monitored the payment of township suppliers and produced reports on a quarterly basis. The department continued its supplier development drive and 8 workshops were conducted for the financial year. The department monitored the implementation of Open Tender by the departments and entities quarterly and produced reports on monitoring the implementation plans by departments and trading entities.

Table 2.4.4.1: Indicators and Targets Revised

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024 until date of retabing	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Increased compliance with legislated transcripts	Reports on monitoring implementation of procurement plans	Number of reports produced on monitoring implementation of procurement plans by departments	N/A	2	2	1	-1	The 1 remaining report was planned for Q4	Inclusion of <i>public entities</i> as the target initially didn't include entities

Table 2.4.4.2: Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/2024	*Actual Achievement 2023/24	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations
Increased compliance with legislated prescripts	SCM compliance registers produced	Number of SCM Compliance registers produced for 14 departments	14	4	56	56	None	None
		Number of SCM Compliance registers produced for 8 public entities	8	4	32	32	None	None
	Spending reports on township suppliers	Number of reports produced on 30% spend on township suppliers	4	4	4	4	None	None
	Training provided to Gauteng township-based suppliers	Number of training workshops provided to Gauteng township-based suppliers	5	11	8	8	None	None
	Reports on monitoring implementation of Open Tender (OTP)	Number of reports produced on monitoring implementation of Open Tender Process (OTP) by departments	N/A	4	4	4	None	None
		Number of reports produced on monitoring implementation of Open Tender Process (OTP) by entities	N/A	4	4	4	None	None
	Reports on monitoring implementation of procurement plans	Number of reports produced on monitoring implementation of procurement plans by departments and public entities	N/A	2	2	2	None	None

Strategy to Overcome Areas of Under Performance

N/A

Linking Performance with Budgets

Programme 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. PSCM Programme Support	10 608	-	(2 211)	8 397	8 357	40	99,5%	6 998	6 988
2. SCM Norms and Standards, Governance, Compliance, Monitoring and Evaluation	18 613	-	-	18 613	15 296	3 317	82,2%	16 537	16 534
3. SCM Client Support	42 965	(2)	-	42 963	39 827	3 136	92,7%	37 101	37 099
4. Contract Management and Strategic Procurement	32 938	2	(5)	32 935	31 575	1 360	95,9%	27 410	27 408
Total for sub programmes	105 124	-	(2 216)	102 908	95 055	7 853	92,4%	88 046	88 029

The actual expenditure for the year 2023/24 is at 92.4%. The reported current year underspending is due to vacant posts on the new approved structure not yet filled. The programme has achieved 100% of planned 2023/24 targets in the APP with no deviations recorded.

PROGRAMME 5: MUNICIPAL FINANCIAL MANAGEMENT

MFG Programme Support

Purpose

To ensure efficient and effective management in Municipalities and municipal entities and coordinate the provisioning of capacity building.

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

Chief Directorate: Local Government Financial Services

- Purpose: Ensure optimal and sustainable budget management and monitor the effective and efficient compliance with financial assets and liabilities management.

Chief Directorate: Municipal Accounting, Reporting and Asset Management

- Purpose: Monitor compliance with financial management and annual reporting frameworks. Enhance, monitor and enforce transparent and effective asset management and coordinate, monitor and report on MFMA implementation.

Chief Directorate: Municipal Compliance and Financial Management Support

- Purpose: Ensure municipal compliance on financial management.

Outcome

- Sustainable local government finance

Key Achievements

The Department held intergovernmental relations (IGR) engagements with relevant stakeholders and as result 71 engagements were held in the 2023/24 financial year, the engagements were aimed at addressing the debt and grant management challenges faced by municipalities. Quarterly MFMA compliance assessments were conducted on all 8 delegated municipalities to assess their MFMA compliance. The department conducted 17 training initiatives with municipalities, thus exceeding the target as a result of addressing the non-achievements which occurred during the financial year and also providing municipal officials with the best practices on asset management.

2.4.4.1 Indicators and Targets Revised

Outcome	Output	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	*Actual Achievement 2023/24 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviations	Reasons for Revisions to the Outputs/ Output indicators/ Annual Targets
Sustainable local government finances	Annual IGR engagements	Number of IGR engagements with relevant stakeholders	52	30	16	31	15	More engagements were conducted to address debt and grant management in municipalities	Align with how number of engagements are counted in the TID of the 2024/25 draft APP.

2.4.4.2 Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/2024	*Actual Achievement 2023/24	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations
Sustainable local government finances	Annual IGR engagements	Number of IGR engagements with relevant stakeholders	52	30	16	71	55	More engagements were conducted to address debt and grant management in municipalities.
	Annual trainings conducted	Number of structured and targeted capacity building initiatives provided to municipalities in Gauteng	9	9	10	17	7	There were more training needs to capacitate municipal officials on asset management, municipal budget, cash management and revenue.
	MFMA Compliance assessments	Number of assessments conducted on MFMA compliance by delegated municipalities in Gauteng	32	32	32	32	None	None
	Budget assessments	Number of municipal budgets assessments conducted	24	16	24	24	None	None
	Published provincial grants	Number of publications on provincial grants allocated to Gauteng Municipalities	3	5	3	4	1	More allocations were made to municipalities by transferring departments

Strategy to Overcome Areas of Under Performance

N/A

Linking Performance with Budgets

Programme 5: MUNICIPAL FINANCIAL MANAGEMENT									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. MFG Programme Support	24 451	379	(243)	24 587	24 522	65	99,7%	14 074	13 610
2. Local Government Financial Services	20 589	(386)	-	20 203	19 696	507	97,5%	14 773	14 770
3. Municipal Accounting and Asset Management	16 009	-	(1)	16 008	14 660	1 348	91,6%	7 438	7 436
4. Municipal Compliance and Financial Management Support	17 833	7	-	17 840	11 704	6 136	65,6%	9 618	9 598
Total for sub programmes	78 882	-	(244)	78 638	70 582	8 056	89,8%	45 903	45 414

The actual expenditure for the year 2023/24 is at 89.8%. The underspending is due to vacant posts on the new approved structure not yet filled. The programme has achieved 100% of planned 2023/24 targets in the APP with no deviations recorded.

PROGRAMME 6: GAUTENG AUDIT SERVICES

GAS Programme Support

Purpose

To render audit services in the GPG departments.

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

Directorate: Internal Audit Quality and Assurance

- Purpose: Conduct quality assurance reviews to ensure audit compliance with the international standards for the professional practice of internal auditing of the Institute of Internal Auditors and report to the relevant Audit Committees about internal control in the GPG.

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

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

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

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

Chief Directorate: Performance and Computer Audit Services

- Purpose: Manage and conduct performance and computer audits for GPG.

Outcome

- Increased compliance with legislated prescripts

Key Achievements

All action plans for internal audit findings for departments and entities were tracked. The department ensured that 19 Audit Committee approved audit plans were issued to departments and trading entities and 100% of Auditor General's management letter findings were followed up through a follow-up audit.

2.4.4.1 Indicators and Targets Revised

Outcome	Output	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	*Actual Achievement 2023/24 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviations	Reasons for Revisions to the Outputs/ Output indicators/ Annual Targets
Increased compliance with legislated prescripts	Status of action plans for internal audit findings tracked at departments and trading entities	% of action plans for internal audit findings tracked at departments and trading entities	100% (810/810)	100% (1068/1068)	100%	100% (1237/1237)	None	None	Inclusion of the word "trading" to be specific to trading entities and also explain in the TID

2.4.4.2 Final APP Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/23	Planned Annual Target 2023/2024	*Actual Achievement 2023/2024	Deviation from Planned Target to Actual Achievement 2023/2024	Reasons for Deviations
Increased compliance with legislated prescripts	Approved audit reports issued against the approved audit plans	% of audit reports issued to departments and trading entities against the approved audit plans	92.2% (235/255)	95% (242/255)	95%	93% (246/265)	-2%	There were delays from clients in responding to the requested information for audits.
	Audit Committee approved audit plans	Number of AC approved audit plans issued to departments and trading entities	19	19	19	19	None	None
	Status of action plans for internal audit findings tracked at departments and trading entities	% of action plans for internal audit findings tracked at departments and trading entities	100% (810/810)	100% (1068/1068)	100%	100% (1241/1241)	None	None
	Follow-up reports issued on Auditor General's significant findings to departments and trading entities	% of Auditor General's management letter findings followed up through a follow-up audit	N/A	100% (19/19)	100%	100% (18/18)	None	None
	Annual Internal Control Assessments	Number of annual internal control assessments compiled	19	19	19	19	None	None

Strategy to Overcome Areas of Under Performance

Escalations will be done with HOD(s) to address delays and strengthening of the implementation of the turnaround times stipulated in the Service Level Agreement (SLA) in order to avoid delays in future.

Linking Performance with Budgets

Programme 6: GAUTENG AUDIT SERVICES									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. GAS Programme Support	22 445	-	-	22 445	21 577	868	96,1%	15 758	15 755
2. Risk and Compliance Audit Services (Cluster 1, 2, 3)	44 895	(2)	-	44 893	41 568	3 325	92,6%	37 763	37 757
3. Risk and Compliance Audit Services (Cluster 4, 5, 6)	32 321	(7)	-	32 314	29 446	2 868	91,1%	24 399	24 396
4. Performance and Computer Audit Services	42 380	9	-	42 389	41 232	1 157	97,3%	35 451	35 446
Total for sub programmes	142 041	-	-	142 041	133 823	8 218	94,2%	113 371	113 354

The actual expenditure for the year 2023/24 is at 94.2%. The underspending is due to vacant posts on the new approved structure not yet filled. The programme has achieved 80% of planned 2023/24 targets in the APP with 1 deviation recorded for the year under review.

5. Transfer Payments

Transfer Payments to Public Entity

Name of Public Entity	Key Outputs of the Public Entity	Amount transferred to the Public Entity R000	Amount Spent by the Public Entity R000	Achievements of the Public Entity
Gauteng Infrastructure Financing Agency	Develop and implement bankable infrastructure projects prepared for alternative financing mechanisms and financed through capital investment raised from alternative sources of funding	74 868	62 006	2 projects at initiation stage - PWV 15 Freeway and Gauteng Broad Network (GBN) 4 projects at feasibility study - Gauteng Provincial Legislature, AIDC Rail & Freight/ Pyramid, State-owned Bank and State-owned Pharmaceutical Co. 6 projects at market release - COJ: AWTT, Gauteng Schools Programme, Sedibeng Agro-processing Hub (VFPM), Merafong Bio-energy Park, West Rand Agri-Parks, Krugersdorp Game Reserve Theme Park 2 projects at procurement - Kopanong Precinct and Merafong Solar Farm Cluster 3 projects at financial close - Rooftop Solar PV – Phase 1, Innovation Hub: EB 2 and Innovation Hub: EB3 2 projects at implementation - Jewellery Manufacturing Precinct (JMP) and West Rand Logistics Hub



PAGS
Promoting the culture of accountability
and ethical governance in the Gauteng Province

PLEDGE
for Good Governance

I, ANTHONY MOSWANE
as a delegate to the Gauteng Clean Audit and
Ethical Governance Seminar do solemnly commit
to promote and uphold the culture of accountability
and ethical governance in the province of Gauteng.

Signature : [Signature]
Date : 29th of March 2023

Gauteng Treasury Gauteng Provincial Treasury #GautengTreasury

GAUTENG PROVINCE
REPUBLIC OF SOUTH AFRICA

GGT2030

PAGS
Promoting the culture of accountability
and ethical governance in the Gauteng Province

PLEDGE
for Good Governance

I, Semphile Moko (SM)
as a delegate to the Gauteng Clean Audit and
Ethical Governance Seminar do solemnly commit
to promote and uphold the culture of accountability
and ethical governance in the province of Gauteng.

Signature : [Signature]
Date : 29th of March 2023

Gauteng Treasury Gauteng Provincial Treasury #GautengTreasury

GAUTENG PROVINCE
REPUBLIC OF SOUTH AFRICA

GGT2030





PART C: GOVERNANCE

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1. Introduction

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

The Audit Committee and the Risk and Ethics Management Committee are also established to provide assurance on compliance and governance issues as oversight structures. The Department has a functional governance system, with the highest decision-making authority being the Executive Management Team (EMT) that oversees the effective and efficient management of the Department.

2. Risk Management

Departmental Risk Management Processes are guided by its Risk Management Policies and Risk Management Framework; these are reviewed on a regular basis to ensure alignment to risk management standards. In line with the Treasury Regulation 3 2.1; the Department identifies emerging risks on a regular basis; these are assessed and managed on an ongoing basis.

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

3. Fraud and Corruption

There is continuous communication of messages regarding what fraud and corruption are and the procedures to be followed when reporting fraud and corruption, such as awareness during induction, webinars that were conducted during the financial year.

Department conducted Fraud Risk Review which is used for updating the fraud prevention plan. In addition to that, Data Analysis on officials registered on CSD conducted during the year by the audit, and there were no officials found/identified to have been doing business with the state.

Department obtained 100% compliance on Financial Disclosures, as all SMS Members and Other Designated Categories completed and submitted their e-Disclosures.

4. Minimising Conflict of Interest

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

In addition to that, Middle Management and Other Designated Categories (i.e SCM/Finance officials) were required to declare their financial interest and submit by end of July 2023 and GPT was in full compliance with the legislated deadlines.

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

5. Code of Conduct

The revision of Public Service Regulations in 2016 has resulted in changes to the Public-Sector Code of Conduct.

The Department enrolled officials with the National School of Governance for an Ethics Online Course dealing with the Code of Conduct through their eLearning programme.

6. Health, Safety and Environmental Issues

The Department has a functional OHS Committee made up of competent and duly appointed representatives, who monitor the implementation and compliance to OHS provisions. Monthly inspections are conducted and identified hazards are addressed. In March 2022, the Department of Employment and Labour conducted inspection and issued out ten (10) direction notice (6 contravention, 3 improvements, 1 prohibition) of which nine (9) are resolved. The building (Imbumba House) was evacuated from 18 September 2023 until further notice, after it was declared non-compliant to Occupational Health and Safety owing to the leakage from the rooftop and effects of such on the walls and ceilings.

Business continuity measures were invoked; by implementing and adopting a hybrid working model to accommodate the critical functions that cannot be performed from home. Critical employees are housed in different departments/entity on rotation basis while others are working hybrid (home/client's premises). The department strengthened the provisions of tools of trade for the employees working from home. Progress is being monitored at Executive Management level and by the oversight bodies.

7. Portfolio Committees

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

- 2023/24 Provincial Adjustment Bill
- Division of Revenue Amendment Bill 2023
- 2023/24 Quarterly Reports
- 2022/23 Annual Report
- 2023/24 Quarterly State of Finances Reports
- 2024/25 Departmental Vote 14 Budget
- 2024/25 Provincial Appropriation Bill

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

8. Prior Modifications to Audit Reports

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

9. Internal Control Unit

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

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

10. Internal Audit and Audit Committee

Objective of Internal Audit

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

Key Activities of Internal Audit

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

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

Audit Committee

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

Name	Qualifications	Internal or External member	Position, if internal, position in the Department	Date Appointed	Date Resigned	No. of meetings attended
Vishnumurthie Kista Naicker (Mr)	- Bachelor of Commerce (Accounting and Economics) - Higher Diploma in Taxation - Business Management Diploma - Systems Administration Diploma - Harvard Certificate in Sustainable Business Strategy	External	Chairperson	11 August 2020	Current	5
Luyanda Mangquku (Mr)	- Chartered Accountant (South Africa) - Master of Business Leadership - Advanced Company Law I&II - Honours Bachelor of Accounting Sciences - Bachelor in Commerce Honours (Accounting)	External	Member	11 August 2020	Current	3

Audit Committee cont.

Name	Qualifications	Internal or External member	Position, if internal, position in the Department	Date Appointed	Date Resigned	No. of meetings attended
Sizo Mzizi (Ms)	• IODSA Cert Director • CGISA ACG • Post Grad Diploma in Corporate Law • Post Grad Cert in Corporate Governance • CIMA (ACMA CGMA) • BCom Hons (Financial Management) • BTech: Cost and Management Accounting • Higher Diploma in Education (Economic Sciences)	External	Member	01 August 2022	Current	4

11. Report of the Audit Committee - Cluster 02

Gauteng Provincial Treasury

We are pleased to present our report for the financial year ended 31 March 2024.

Audit Committee and attendance

The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per the provisions of the Public Finance Management Act, 1999 (Act Number 1 of 1999) (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter). Five meetings were held during the current year i.e., three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's (AGSA) Audit and Management Reports.

Non-Executive members

Name of member	Number of meetings attended
Mr. Vishnu Naicker	05
Mr. Luyanda Mangquku	03
Ms. Sizo Mzizi	04

Executive members

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

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

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

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

Audit Committee responsibility

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

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

It is recommended that management should pay special attention to the following areas to ensure that the overall control environment is improved:

- Township Economic Revitalisation (TER) spend analysis
- Municipal Budget Assessments
- Patch management review
- IT continuity review

Internal Audit

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

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

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

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

- Follow up - Foreign Exchange Transactions
- Cash Management
- Provincial Revenue Management
- GPG Consolidated Annual Financial Statements
- Township Economic Revitalisation (TER) spend analysis
- Municipal Budget Assessments
- Follow up audits on AG findings
- Supply Chain Management
- Review of Draft Annual Performance Report
- Performance of the Department against Predetermined Objectives Q1 and Q2
- SAP ESS & PERSAL leave reconciliation
- Data Analysis – ETHICS / FIN / HR (1 Jan 2023 – 30 June 2023) and (1 July 2023 – 31 December 2023)
- Patch management review
- IT continuity review
- 2024-25 IT risk assessment
- Follow up Audit on Significant Auditor General (IT Audit Findings)

The Audit Committee will continue to monitor the resources and capabilities of the Internal Audit function as this has an impact on the performance, functioning and effectiveness of GAS as an assurance provider.

Risk Management

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

Forensic Investigations

There was no new case received by Gauteng Forensic Services for the year under review.

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

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

Evaluation of the Annual Financial Statements

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

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

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

One-on-One meetings with the Accounting Officer

The Audit Committee has periodically held in-committee meetings with the Accounting Officer for the Department where necessary to address unresolved issues.

One-on-One meetings with the Executive Authority

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

Auditor-General of South Africa

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



Mr. Vishnu Naicker
Chairperson of the Audit Committee
Date: 13 August 2024

12. BBBEE Compliance Performance Information

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

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





PART D: HUMAN RESOURCE MANAGEMENT

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1. Introduction

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

2. Overview of Human Resources

The Status of Human Resources in the Department

As at 31 March 2024, the total number of posts was 987 of which 866 were filled and 121 vacant. The overall vacancy rate for the Department was 12,26%. The number of employees with disability was 16. This represents 1.85% of the GPT staff complement.

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

The department submitted the HR Plan approved in 2020/21 for 2023/24 financial year as it was still valid. All vacant positions in the Department were advertised to encourage open competition. Headhunting was utilised in instances where suitable candidates could not be attracted through the normal recruitment process.

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

Employee Performance Management

A total of 750 out of 756 employee performance agreements were captured, translating to 99% concluded performance agreements in line with prescripts. Final performance assessments for the 2022/23 cycle were finalised.

3. Human Resources Oversight Statistics

3.1. Personnel Related Expenditure

3.1.1 Personnel Expenditure by Programme for the period 1 April 2023 and 31 March 2024

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	176,525	121,801	1,498	0	0.26	316
Sustainable Fiscal Resource Management	169,165	74,477	0	0	0.12	90
Financial Governance	120,084	111,454	29	0	0.17	188
Provincial Supply Chain Management	95,055	88,184	302	0	0.17	153
Municipal Finance Management	70,582	49,559	996	0	0.15	75
Gauteng Audit Services	133,823	120,976	354	0	0.15	185
Total	765,234	566,451	3,179	0	0.18	1007

3.1.2 Personnel Costs by Salary Band for the period 1 April 2023 and 31 March 2024

Salary Band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Contract (levels 13-16)	18931	3%	13	1456
Contract (levels 3-5)	1338	0%	6	223
Contract (levels 6-8)	1569	0%	4	392
Contract (levels 9-12)	3788	1%	5	758
Contract (levels 1-2)	172	0%	1	172
Contract other	5483	1%	79	69
Lower skilled (Levels 1-2)	8464	1%	41	206
Skilled (levels 3-5)	6926	1%	25	277
Highly skilled production (levels 6-8)	137568	24%	338	407
Highly skilled supervision (levels 9-12)	297567	53%	423	703
Senior and Top management (levels 13-16)	81346	14%	65	1251
Legislators	2088	0%	1	2088
Periodic	1211	0%	6	202
Total	566 451	100%	1007	563

3.1.3 Salaries, Overtime, Home Owners' Allowance and Medical Aid by Programme for the period 1 April 2023 and 31 March 2024

Programme	Salaries		Overtime		Home Owners' Allowance		Medical Aid	
	Amount (R'000)	Salaries as % of Personnel Costs	Amount (R'000)	Overtime as % of Personnel Costs	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Aid as % of Personnel Costs
Administration	86482	21	367	52	3276	25	5872	27
Sustainable Fiscal Resource Management	52248	13	112	16	1347	10	1623	7
Financial Governance	81450	20	6	1	2546	19	4717	21
Provincial Supply Chain Management	63079	15	215	31	2474	19	4452	20
Municipal Finance Management	36053	9	0	0	941	7	1169	5
Gauteng Audit Services	89015	22	0	0	2509	19	4236	19
Total	408327	100	700	100	13093	100	22070	100

3.1.4 Salaries, Overtime, Home Owners' Allowance and Medical Aid by Salary Band for the period 1 April 2023 and 31 March 2024

Salary bands	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Aid as % of Personnel Costs
Lower Skilled (levels 1-2)	5176	1	55	8	636	5	1506	7
Skilled (levels 3-5)	4603	1	83	12	455	3	770	3
Highly skilled production (levels 6-8)	101880	25	259	37	5110	39	9092	41
Highly skilled supervision (levels 9-12)	219176	54	294	42	5502	42	10061	46
Senior management (level 13-16)	53537	13	0	0	743	6	604	3
Contract (levels 1-2)	125	0	0	0	0	0	0	0
Contract (levels 3-5)	986	0	0	0	0	0	0	0
Contract (levels 6-8)	1161	0	6	1	20	0	0	0
Contract (levels 9-12)	2721	1	3	0	0	0	0	0
Contract (levels 13-16)	12183	3	0	0	627	5	36	0
Contract other	5483	1	0	0	0	0	0	0
Legislators	1296	0	0	0	0	0	0	0
Total	408327	100.00	700	100	13093	100	22069	100

3.2 Employment and Vacancies

3.2.1 Employment and Vacancies by Programme as on 31 March 2024

Programme	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate (%)	Number of employees additional to the Establishment
Administration, Permanent	250	225	10,00	1
Financial Governance, Permanent	202	176	12,87	0
Gauteng Audit Services, Permanent	187	173	7,49	0
Municipal Finance Management, Permanent	89	68	23,60	0
Provincial Supply Chain Management, Permanent	160	139	13,13	0
Sustainable Fiscal Resource Management, Permanent	99	85	14,14	0
Total	987	866	12,26	1

3.2.2 Employment and Vacancies by Salary Band as on 31 March 2024

Salary Band	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate % (Including frozen posts)	Number of employees additional to the Establishment
Lower Skilled (Levels 1-2)	47	46	2,13	0
Skilled (Levels 3-5)	23	21	8,70	0
Highly skilled production (Levels 6-8)	348	309	11,21	0
Highly skilled supervision (Levels 9-12)	464	400	13,79	1
Senior management (Levels 13-16)	78	63	19,23	0
Other, Permanent	1	1	0	0
Contract (Levels 1-2)	1	1	0	0
Contract (Levels 3-5)	4	4	0	0
Contract (Levels 6-8)	3	3	0	0
Contract (Levels 9-12), Permanent	6	6	0	0
Contract (Levels 13-16), Permanent	12	12	0	0
Total	987	866	12,26	1

3.2.3 Employment and Vacancies by Critical Occupations as on 31 March 2024

Critical Occupations	Number of Posts on approved Establishment	Number of Posts Filled	Vacancy Rate %	Number of employees additional to the Establishment
Administrative related, Permanent	248	221	10,48	1
Authors, journalism and other writers	12	10	16,67	
Cleaners in offices, workshops, hospitals etc.	46	45	2,17	0
Client information clerks (switchboard, reception, information clerks), Permanent	1	1	0,00	0
Communication and information related, Permanent	10	9	10,00	0
Computer system designers and analysts, Permanent	4	4	0,00	0
Finance and economics related, Permanent	173	145	17,34	0
Financial and related professionals, Permanent	31	25	19,35	0
Financial clerks and credit controllers, Permanent	75	71	5,33	0
Food services aids and waiters, Permanent	5	5	0,00	0
General legal administration and related professionals	0	0	0,00	0
Head of Department/Chief Executive Officer, Permanent	1	1	0,00	0
Human Resources & organisational development & related professionals, Permanent	33	28	15,15	0
Human Resources clerks, Permanent	1	1	0,00	0
Human Resources related, Permanent	7	5	28,57	0
Legal related, Permanent	3	2	33,33	0
Library mail and related clerks, Permanent	10	10	0,00	0
Logistical support personnel, Permanent	2	2	0,00	0
Material-recording and transport clerks	1	1	0,00	0
Mathematicians and related professionals, Permanent	3	3	0,00	0
Messengers, porters and deliverers, Permanent	6	5	16,67	0
Other administrative & related clerks and organisers, Permanent	85	74	12,94	0
Other information technology personnel	7	6	14,29	0
Other occupations, Permanent	1	1	0,00	0
Risk management and security services, Permanent	79	72	8,86	0
Secretaries & other keyboard operating clerks, Permanent	51	42	17,65	0
Senior managers, Permanent	90	75	15,56	0
Trade related	2	2	0,00	0
Total	987	866	12,26	1

3.3 Filling of SMS Posts

3.3.1 SMS Post Information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100,00	0	0
Salary Level 16	0	0	0,00	0	0
Salary Level 15	5	4	80,00	1	20
Salary Level 14	19	18	94,74	1	5,26
Salary Level 13	65	53	81,54	12	18,46
Total	90	76	84,44	14	15,56

3.3.2 SMS Post Information as at 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100,00	0	0
Salary Level 16	0	0	0,00	0	0
Salary Level 15	5	4	80,00	1	20
Salary Level 14	19	17	89,47	2	10,53
Salary Level 13	65	51	78,46	14	21,54
Total	90	73	81,11	17	18,89

3.3.3 Advertising and Filling of SMS Posts for the period 1 April 2023 to 31 March 2024

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

3.3.4 Reasons For Not Having Complied with the Filling of Funded Vacant SMS - Advertised Within 6 Months and Filled Within 12 Months After Becoming Vacant for the period 1 April 2023 to 31 March 2024**Reasons for vacancies not advertised within six months**

The introduction of cost containment measures for advertising and filling vacant and funded positions led to delays in the process

Reasons for vacancies not filled within twelve months

No suitable candidates were appointable in some of the advertised positions

Delays in adopting provincial standard operating procedures for the implementation of DPSA Circular 49 of 2023

3.3.5 Disciplinary Steps Taken For Not Complying with the Prescribed Timeframes for Filling SMS Posts Within 12 Months for the period 1 April 2023 to 31 March 2024**Reasons for vacancies not advertised within six months**

In the latter part of the financial, the introduction of cost containment measures for advertising and filling vacant and funded positions delayed the process

Reasons for vacancies not filled within six months

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

3.4 Job Evaluation

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

3.4.1 Job Evaluation by Salary band for the period 1 April 2023 to 31 March 2024

Salary Band	Number of Posts on approved establishment	Number of jobs evaluated	% of Posts evaluated per salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts downgraded
Lower Skilled (Levels 1-2)	48	47	97,92	0	0	0	0
Skilled (Levels 3-5)	25	21	84	0	0	0	0
Highly skilled production (Levels 6-8)	351	344	98	0	0	2	0.57
Highly skilled supervision (Levels 9-12)	472	457	96,82	0	0	0	0
Senior Management Service Band A	65	53	81,54	0	0	0	0
Senior Management Service Band B	19	17	89,47	0	0	0	0
Senior Management Service Band C	5	4	80	0	0	0	0
Senior Management Service Band D	2	1	50	0	0	0	0
Total	987	944	95,64	0	0	2	0.57

3.4.2 Profile of Employees Whose Positions Were Upgraded Due to Their Posts Being Upgraded for the period 1 April 2023 to 31 March 2024

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

3.4.3 Employees with Salary Levels Higher than those Determined by Job Evaluation by Occupation for the period 1 April 2023 to 31 March 2024

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Lower Skilled (Level 2)	5	2	4	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Skilled (Level 3)	1	4	5	Executive protocol regarding MEC staff positions.
Skilled (Level 4)	2	4	6	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled production (Level 6)	1	6	7	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6.
Highly skilled production (Level 7)	21	7	8	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6. Resolution 3 of 2009
Highly skilled supervision (Level 9)	57	9	10	Resolution 3 of 2009
Highly skilled supervision (Level 11)	19	11	12	Resolution 3 of 2009
Senior Management	2	13	14	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6. Regulation 44
Senior Management	1	14	15	Setting of higher salary in terms of the Public Service Regulations, 2001, Part V.C5 and C6. Regulation 44
Total	109			
Total number of employees whose salaries exceeded the level determined by job evaluation	109			
Percentage of total employed	12.59%			

3.4.4 Profile of Employees Who Have Salary Levels Higher than those Determined by Job Evaluation for the period 1 April 2023 to 31 March 2024

Gender	African	Asian	Coloured	White	Total
Female	46	3	4	6	59
Male	37	2	5	6	50
Total	83	5	9	12	109
Employees with a disability	0	0	1	0	1

3.5 Employment Changes

3.5.1 Annual Turnover Rates by Salary Band for the period 1 April 2023 to 31 March 2024

Salary Band	Number of employees at Beginning of Period (1 April 2023)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate %
Lower skilled (Levels 1-2)	46	1	1	2.17
Skilled (Levels 3-5)	23	1	1	4.35
Highly skilled production (Levels 6-8)	298	44	21	7.05
Highly skilled supervision (Levels 9-12)	378	41	28	7.41
Senior Management Band A	40	3	3	7.50
Senior Management Band B	13	1	1	7.69
Senior Management Band C	1	0	0	0,00
Senior Management Band D	0	0	0	0,00
Other, permanent	1	0	0	0,00
Contract (Levels 1-2)	1	0	0	0,00
Contract (Levels 3-5)	1	2	0	0,00
Contract (Levels 6-8)	4	0	0	0,00
Contract (Levels 9-12), Permanent	7	3	0	0,00
Contract Senior Management Band A	7	0	0	0,00
Contract Senior Management Band B	2	0	1	50,00
Contract Senior Management Band C	3	0	0	0,00
Contract Senior Management Band C	1	0	0	0,00
Total	826	96	56	6,78

3.5.2 Annual Turnover Rates by Critical Occupation for the period 1 April 2023 to 31 March 2024

Critical Occupation	Number of employees at beginning of period (1 April 2023)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate %
Administrative related	106	11	9	8,49
Archivists	3	0	0	0,00
Authors, journalists and other writers	0	0	0	0,00
Cleaners in offices, workshops, hospitals etc.	45	2	1	2,22
Client information clerks (switchboard, reception, information clerks)	1	1	0	0,00
Communication and information related	7	0	0	0,00
Computer system designers and analysts	7	0	0	0,00
Finance and economics related	192	17	13	6,77
Financial and related professionals	70	7	5	7,14
Financial clerks and credit controllers	60	8	3	5,00
Food services aids and waiters	7	0	1	14,29
Head of Department/ Chief Executive Officer	1	0	0	0,00
Human Resources & organisational development & related professional	23	0	5	21,74
Human Resources clerks	24	2	3	12,50
Human resources related	10	0	1	10,00
Language	1	0	0	0,00
Legal related	3	1	2	66,67
Library mail and related clerks	6	0	0	0,00
Logistical support personnel	28	0	5	17,86
Material-recording and transport clerks	8	1	0	0,00
Mathematicians and related professionals	2	1	0	0,00
Messengers, porters and deliverers	6	1	0	0,00
Middle managers: administrative related	0	0	0	0,00
Middle managers: finance and economics related	0	2	0	0,00
Other administrative & related clerks and organisers	17	6	0	0,00
Other information technology personnel	2	1	0	0,00
Other occupations	1	24	0	0,00
Risk management and security services	79	6	3	3,80
Secretaries & other keyboard operating clerks	49	2	0	0,00
Senior managers	66	3	5	7,58
Trade Related	2	0	0	0,00
Total	826	96	56	6,78

3.5.3 Reasons Why Staff Left the Department for the period 1 April 2023 to 31 March 2024

Termination Type	Number	% of Total Resignations
Resignation	31	55,36
Expiry of contract	1	1,79
Retirement	8	14,29
Transfer to other Public Service Departments	14	25
Death	1	1,79
Dismissal	1	1,79
Total	56	100,00
Total number of employees who left as a % of total employment	6,78	

3.5.4 Promotions by Critical Occupation for the period 1 April 2023 to 31 March 2024

Critical Occupation	Number of employees at beginning of period-1 April 2023	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by occupation	Progressions to another Notch within Salary Level	Notch progressions as a % of Employees by occupation
Administrative related	106	8	7,55	62	58,49
Archivists, curators and related professionals	3	0	0,00	3	
Authors, journalists and other writers	0	0	0,00	0	0,00
Cleaners in offices, workshops, hospitals etc.	45	0	0,00	34	75,56
Client information clerks (switchboard, reception, information clerks)	1	1	0,00	1	100,00
Communication and information related	7	0	0,00	2	28,57
Computer system designers and analysts	7	0	0,00	5	71,43
Finance and economics related	192	10	5,21	104	54,17
Financial and related professionals	70	4	5,71	35	50,00
Financial clerks and credit controllers	60	1	1,67	46	76,67
Food services aids and waiters	7	0	0,00	5	71,43
General Legal Administration and Related Professionals	0	0	0,00	0	0,00
Head of department/chief executive officer	1	0	0,00	0	0,00
Human resources & organisational development & related professionals	23	1	4,35	17	73,91
Human resources clerks	24	0	0,00	22	91,67
Human resources related	10	1	10,00	6	60,00
Language practitioners, interpreters & other communicators	1	0	0,00	1	100,00
Legal related	3	0	0,00	1	33,33
Library mail and related clerks	6	0	0,00	3	50,00
Logistical support personnel	28	0	0,00	15	53,57
Material-recording and transport clerks	8	0	0,00	7	87,50
Mathematicians and related professionals	2	2	100,00	2	100,00
Messengers, porters and deliverers	6	0	0,00	3	50,00
Middle managers: administrative related	0	0	0,00	0	0,00
Middle managers: finance and economics	0	0	0,00	0	0,00
Other administrative & related clerks and organisers	17	1	5,88	6	35,29
Other information technology personnel	2	0	0,00	2	100,00
Other occupations	1	0	0,00	0	0,00
Risk management and security services	79	0	0,00	3	3,80
Secretaries & other keyboard operating clerks	49	1	2,04	30	61,22
Senior managers	66	11	16,67	39	59,09
Trade related	2	0	0,00	0	0,00
Total	826	41	4,96	454	54,96

3.5.5 Promotion by Salary Band for the period 1 April 2023 to 31 March 2024

Salary Band	Employees 1 April 2023	Promotions to another Salary Level	Salary bands Promotions as a % of Employees by salary level	Progressions to another Notch within Salary Level	Notch progressions as a % of Employees by salary band
Lower skilled (Levels 1-2)	46	1	2.17	31	67.39
Skilled (Levels 3-5)	23	0	0.00	14	60.87
Highly skilled production (Levels 6-8)	298	13	4.36	158	53.02
Highly skilled supervision (Levels 9-12)	378	30	7.94	209	55.29
Senior management (Levels 13-16)	54	12	22.22	28	51.85
Other, Permanent	1	0	0.00	0	0.00
Contract (Levels 1-2)	1	0	0.00	0	0.00
Contract (Levels 3-5)	1	0	0.00	1	100.00
Contract (Levels 6-8)	4	0	0.00	1	25.00
Contract (Levels 9-12), Permanent	7	0	0.00	1	14.29
Contract (Levels 13-16), Permanent	13	0	0.00	11	84.62
Total	826	56	6.78	454	54.96

3.6 Employment Equity

3.6.1 Total Number of Employees (Including Employees with Disabilities) Per Occupational Categories for the period 1 April 2022 to 31 March 2023

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	37	4	1	0	33	1	0	1	77
Professionals	119	7	0	7	167	5	3	7	315
Technicians and associate professionals	56	2	2	2	79	2	2	0	145
Clerks	40	1	3	0	107	13	5	5	174
Service and sales workers	21	0	0	0	54	0	0	0	75
Labourers and related workers	32	0	0	0	47	0	1	0	80
Total	305	14	6	9	487	21	11	13	866
Employees with disabilities	5	2	0	0	7	1	0	1	16

3.6.2 Total Number of Employees (Including Employees with Disabilities) Per Occupational Bands for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	1	0	0	0	0	0	0	1
Senior Management	30	3	1	0	27	1	0	1	71
Professionally qualified and experienced specialists and mid-management	102	6	1	7	125	4	3	5	254
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	136	4	4	2	281	16	8	7	425
Semi-skilled and discretionary decision making	9	0	0	0	14	0	0	0	25
Contract semi-skilled and discretionary decision making	2	0	0	0	3	0	0	0	5
Unskilled (Levels 1-2)	15	0	0	0	26	0	0	0	41
Contract top management, Permanent	2	0	0	0	2	0	0	0	4
Contract (Senior Management), Permanent	4	0	0	0	4	0	0	0	8
Contract Professionally qualified and experienced specialists and mid-management, Permanent	3	0	0	0	2	0	0	0	5
Contract (Skilled Technical)	1	0	0	0	2	0	0	0	3
Contract (Unskilled (level1-2))	0	0	0	0	1	0	0	0	1
Other	1	0	0	0	0	0	0	0	1
Total	305	14	6	9	487	21	11	13	866

3.6.3 Recruitment for the period 1 April 2023 to 31 March 2024

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Managers	4	0	0	0	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management	17	0	0	0	26	0	0	0	43
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	12	0	0	0	32	0	0	0	44
Semi-skilled and discretionary decision making	2	0	0	0	1	0	0	0	3
Unskilled and defined decision making	1	0	0	0	0	0	0	0	1
Contract (Senior Management) permanent	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified and experienced specialists and mid-management)	1	0	0	0	0	0	0	0	1
Contract (Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents)	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled and discretionary decision making)	0	0	0	0	0	0	0	0	0
Contract (Unskilled and defined decision making)	0	0	0	0	0	0	0	0	0
Total	37	0	0	0	59	0	0	0	96

3.6.4 Promotions for the period 1 April 2023 to 31 March 2024

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	4	0	1	0	7	0	0	0	12
Professionally qualified and experienced specialists and mid-management	7	0	0	0	17	0	1	0	25
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	3	0	0	0	4
Semi-skilled, Permanent									0
Total	12	0	1	0	27	0	1	0	41
Employees with disabilities	1	0	0	0	0	0	0	0	1

3.6.5 Terminations for the period 1 April 2023 to 31 March 2024

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	3	1	1	0					5
Professionally qualified and experienced specialists and mid-management	12	1	1	0	13	0	1	0	28
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	7	0	0	0	13	1	0	0	21
Semi-skilled, Permanent	1				1		0	0	2
Total	23	2	2	0	27	1	1	0	56
Employees with Disabilities	0	0	0	0	0	0	0	0	0

3.6.6 Disciplinary Action for the Period 01 April 2023 to 31 March 2024

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Total	4	1	0	0	2	0	1	0	8

3.6.7 Skills Development for the Period 01 April 2023 to 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	14	3	0	1	12	0	0	0	30
Professionals	29	0	0	2	44	0	0	0	75
Technicians and associate professionals	92	0	0	0	152	1	0	0	245
Clerks	2	0	0	0	20	3	1	1	27
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	137	3	0	3	228	4	1	1	377
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7 Signing of Performance Agreements by SMS Members

3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2023

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 15	5	4	4	100
Salary Level 14	19	17	17	100
Salary Level 13	65	49	49	100
Total	90	71	71	100

3.7.2 Reasons for Not Having Concluded Performance Agreements for All SMS Members as on 31 May 2023

Reasons
Not applicable because all SMS Members concluded Performance Agreements.

3.7.3 Disciplinary Steps Taken Against SMS Members for not Having Concluded Performance Agreements as on 31 May 2024

Reasons
Not applicable.

3.8 Performance Rewards

3.8.1 Performance Rewards by Race, Gender and Disability for the Period 01 April 2023 to 31 March 2024

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	300	0	0	0
Female	0	480	0	0	0
Asian					
Male	0	6	0	0	0
Female	0	11	0	0	0
Coloured					
Male	0	12	0	0	0
Female	0	20	0	0	0
White					
Male	0	9	0	0	0
Female	0	12	0	0	0
Employees with Disabilities	0	16	0	0	0
Total	0	866	0	0	0

3.8.2 Performance Rewards by Salary Band for Personnel Below Senior Management Service for the Period 01 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower skilled (level 1-2)	0	46	0,00	0	0	0
Skilled (level 3-5)	0	21	0,00	0	0	0
Highly skilled production (level 6-8)	0	309	0,00	0	0	0
Highly skilled supervision (level 9-12)	0	399	0,00	0	0	0
Contract (Level 1-2)	0	1	0,00	0	0	0
Contract (Level 3-5)	0	4	0,00	0	0	0
Contract (Level 6-8)	0	3	0,00	0	0	0
Contract (Level 9-12)	0	6	0,00	0	0	0
Other	0	1	0,00	0	0	0
Total	0	790	0,00	0	0	0

3.8.3 Performance Rewards by Critical Occupation for the Period 01 April 2023 to 31 March 2024

Critical Occupation	Number of beneficiaries	Number of employees at beginning of period-1 April 2023	% of total within occupation	Total Cost (R'000)	Average cost per employee (R)
Administrative related	0	106	0,00	0	0
Archivists Curators and Related Professional	0	3	0,00	0	0
Authors, journalists and other writers	0	0	0,00	0	0
Cleaners in offices, workshops, hospitals etc.	0	45	0,00	0	0
Client information clerks (switchboard, reception, information clerks)	0	1	0,00	0	0
Communication and information related	0	7	0,00	0	0
Computer system designers and analysts	0	7	0,00	0	0
Finance and economics related	0	192	0,00	0	0
Financial and related professionals	0	70	0,00	0	0
Financial clerks and credit controllers	0	60	0,00	0	0
Food services aids and waiters	0	7	0,00	0	0
Head of Department/ Chief Executive Officer	0	1	0,00	0	0
Human resources & organisation development & related professionals	0	23	0,00	0	0
Human resources clerks	0	24	0,00	0	0
Human resources related	0	10	0,00	0	0
Language Practitioners, Interpreters & Other Communicators	0	1	0,00	0	0
Legal related	0	3	0,00	0	0
Library mail and related clerks	0	6	0,00	0	0
Logistical support personnel	0	28	0,00	0	0
Material-recording and transport clerks	0	8	0,00	0	0
Mathematicians and related professionals	0	2	0,00	0	0
Messengers porters and deliverers	0	6	0,00	0	0
Middle managers: administrative related	0	0	0,00	0	0
Middle managers: finance and economic related	0	0	0,00	0	0
Other administrators & related clerks and organisers	0	17	0,00	0	0
Other information technology personnel	0	2	0,00	0	0
Other occupations	0	1	0,00	0	0
Risk management and security services	0	79	0,00	0	0
Secretaries & other keyboard operating clerks	0	49	0,00	0	0
Senior managers, permanent	0	66	0,00	0	0
Trade related	0	2	0,00	0	0
Total	0	826	0,00	0	0

*Performance bonuses paid are for the period 1 April 2020 to 31 March 2021

3.8.4 Performance Related Rewards (Cash Bonus), by Salary Band for Senior Management Service for the Period 01 April 2023 to 31 March 2024

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	53	0	0	0	0,00
Band B	0	18	0	0	0	0,00
Band C	0	4	0	0	0	0,00
Band D	0	1	0	0	0	0,00
Total	0	76	0	0	0	0,00

3.9 Foreign Workers

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

3.9.1 Foreign Workers by Salary Band for the period 1 April 2023 to 31 March 2024

Salary band	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior Management (Levels 13-16)	1	100.00	1	100.00	0	0
Total	1	100.00	1	100.00	0	0

3.9.2 Foreign Workers by Major Occupation for the period 1 April 2023 to 31 March 2024

Major occupation	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior Management (Levels 13-16)	1	100.00	1	100.00	0	0
Total	1	100.00	1	100.00	0	0

3.10 Leave Utilisation

3.10.1 Sick Leave for the Period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 13-16)	20	15,00	4	0,80	5	96,00
Contract (Levels 3-5)	17	100,00	1	0,20	17	15,00
Contract (Levels 6-8)	15	6,70	4	0,80	4	23,00
Contract other	89	47,20	21	4,00	4	27,00
Highly skilled production (levels 6-8)	1 239	40,60	195	37,20	6	2 160,00
Highly skilled supervision (levels 9 -12)	1 247	44,70	225	42,90	6	3 594,00
Lower skilled (levels 1-2)	229	100,00	34	6,50	7	143,00
Senior management (levels 13-16)	162	54,90	27	5,20	6	833,00
Skilled (levels 3-5)	44	40,90	13	2,50	3	42,00
Total	3 062	47,60	524	100,00	6	6 931,00

3.10.2 Disability Leave (Temporary and Permanent) for the Period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Contract Other	43	100,00	1	12,50	43	13,00
Highly skilled production (Levels 6-8)	174	100,00	4	50,00	44	324,00
Highly skilled supervision (Levels 9-12)	61	100,00	2	25,00	31	176,00
Lower skilled (Levels 1-2)	26	100,00	1	12,50	26	15,00
Total	304	100,00	8	100,00	38	528,00

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

3.10.3 Annual Leave for the Period 1 January 2023 to 31 December 2023

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	3	1	3
Contract (Levels 13-16)	299	14	21
Contract (Levels 3-5)	54	5	11
Contract (Levels 6-8)	89	5	18
Contract (Levels 9-12)	25	3	8
Contract other	619	80	8
Highly skilled production (Levels 6-8)	6 365	321	20
Highly skilled supervision (Levels 9-12)	9 120	421	22
Lower skilled (Levels 1-2)	781	43	18
Senior management (Levels 13-16)	1 475	68	22
Skilled (Levels 3-5)	502	26	19
Total	19 331	987	20

3.10.4 Capped Leave for the Period 1 January 2023 to 31 December 2023

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	***Average capped leave per employee as on 31 March 2023
Contract (Level 13-16)	0	0	0	12
Highly skilled production (Levels 6-8)	0	0	0	38
Highly skilled supervision (Levels 9-12)	0	0	0	29
Senior management (Levels 13-16)	0	0	0	20
Total	0	0	0	73

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

3.10.5 Leave Payouts for the Period 1 April 2023 and 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2023/24 due to termination of service	2 829	43	66
Total	2829	43	66

3.11 HIV/AIDS & Health Promotion Programmes

3.11.1 Steps Taken to Reduce the Risk of Occupational Exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
- Youth (young employees) - Interns and learners - First Aiders - Cleaners	- Ongoing HIV/AIDS's awareness sessions. - Promotion of Voluntary HTS (HIV Testing Service (counselling and testing). - Education on behaviour change - Awareness and Education on PrEP and adherence to treatment - Condom distribution and the promotion of consistent use of condoms. - Stigma and discrimination mitigation - World Aids Day Commemoration

3.11.2 Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Chapter 4, Part 3, Regulation 55 of the Public Service Regulations, 2016? If so, provide her/his name and position.	Yes		Ms Mmakgabo Mashabela Director: HRD, ER & EHWP
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.	Yes		Number of employees: 5 & 1 vacant Overall budget for unit: R 354 000.00
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		The EHWP offers therapeutic and psychosocial support to employees and their immediate family members through the internal coordinators and outsourced service provider (Zinakekele).
4. Has the department established (a) committee(s) as contemplated in Chapter 4, Part 3, Regulation 55 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Ms Ledile Dlangalala Mr Thabo Moloi Ms Miranda Henry Ms Onica Mazibuko Ms Lerato Bilankulu Mr Mazwamahle Gwebu Ms Andiswa Thantamiso Mr Thabang Letsholo Ms Margaret Nhlapo Ms Njabulo Ntuli Ms Mmasape Phasha Ms Refiloe Halata Ms. Hleziphikhona Dhlamini Ms Patricia Rikhotso Ms Dimakatso Makgoba Ms Tumelo Molathegi Ms Thelma Maswanganye Ms Sibongile Zwane Ms Vuyiwe Lavisa Ms Idah Mogale Ms Tiisetso Mosate
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		SHERQ Management policy H & P Management Policy Wellness Management Policy HIV, AIDS, TB & STI Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The Departmental HIV/AIDS, TB & STI's policy adheres to anti-discriminatory values and does not coerce employees to disclose their diagnosis. Secondly, the Employee Health & Wellness unit adheres to strict confidentiality code to ensure employees are protected
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Government Employees Medical Scheme and other stakeholders conduct HIV Counselling and Testing (HCT) during Health Screening Campaigns in the department.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The measures are based on medical reports received from the outsourced EHWP service provider, GEMS and other stakeholder's engagements after conducting health screenings. Reporting quarterly on the programs implemented, indicating the achievements, gaps, and proposed solutions to identified gaps.

3.12 Labour Relations

3.12.1 Collective Agreements for the Period 01 April 2023 to 31 March 2024

Total number of Collective agreements	None
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3.12.2 Misconduct and Disciplinary Hearings Finalised for the Period 01 April 2023 to 31 March 2024

Outcome of Disciplinary Hearings	Number	% of Total
Verbal Warning	1	16,66
Written warning	2	33,33
Final written warning	2	33,33
Dismissal	1	16,66
Total	6	100,00

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

3.12.3 Types of Misconduct Addressed at Disciplinary Hearings for the Period 01 April 2023 to 31 March 2024

Type of Misconduct	Number	% of Total
Allegations of non-delivery of performance agreement output, insubordination & or failure to comply with reasonable management instruction	1	50
Harassment in the workplace	1	50
Total	2	100

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

3.12.4 Grievances Logged for the Period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	4	66,66
Number of grievances not resolved	2	33,33
Total number of grievances lodged	6	100,00

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

3.12.5 Disputes Logged with Councils for the Period 1 April 2023 and 31 March 2024

Disputes	Number	% of Total
Number of disputes upheld	1	100
Number of disputes dismissed	0	0
Number of disputes pending outcome	0	0
Number of disputes settled	0	0
Total number of disputes lodged	1	100

3.12.6 Strike Actions for the Period 1 April 2023 and 31 March 2024

Total number of persons working days lost	00
Total costs working days lost	00
Amount recovered as a result of no work no pay (R'000)	R0

3.12.7 Precautionary Suspensions for the Period 1 April 2023 to 31 March 2024

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

3.13 Skills Development

3.13.1 Training Needs Identified for the Period 01 April 2023 to 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	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	31	0	70	0	70
	Male	38	0	66	0	66
Professionals	Female	218	0	35	0	35
	Male	168	0	14	0	14
Technicians and associate professionals	Female	209	0	52	0	52
	Male	93	0	24	0	24
Clerks	Female	18	0	4	0	4
	Male	10	0	4	0	4
Elementary occupations	Female	26	0	0	0	0
	Male	15	0	0	0	0
Sub Total	Female	502	0	161	0	161
	Male	324	0	108	0	108
Total		826	0	269	0	269

3.13.2 Training Provided for the Period 01 April 2023 to 31 March 2024

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	31	0	12	0	12
	Male	38	0	18	0	18
Professionals	Female	218	4	40	0	44
	Male	168	0	31	0	31
Technicians and associate professionals	Female	209	0	153	0	153
	Male	93	0	92	0	92
Clerks	Female	18	0	25	0	25
	Male	10	0	2	0	2
Elementary occupations	Female	26	0	0	0	0
	Male	15	0	0	0	0
Sub Total	Female	502	4	230	0	234
	Male	324	0	143	0	143
Total		826	4	373	0	377

3.14 Injury on Duty

3.14.1 Injury on Duty for the Period 1 April 2023 to 31 March 2024

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

3.15 Utilisation of Consultants

3.15.1 Report on Consultant Appointments Using Appropriated Funds for the Period 1 April 2022 to 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Probity Audit	97	8088	5 746 550.48
Internal Audit	86	2948	10 802 817.20
Advisors MSCOA	2	168	14 462 400.00
General Advisor	9	639	39 555 000.00
Automation of Financial Statement	7	240	3 165 928.00
Infrastructure Development	2	95	19 203 813.27
Price Data	9	134	7 900 160.00
TER	6	126	3 448 505.00

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
Probity Audit	74	8088	5 746 550.48
Internal Audit	79	2948	10 802 817.20
Advisors MSCOA	1	168	14 462 400.00
General Advisor	9	639	39 555 000.00
Automation of Financial Statement	0	240	3 165 928.00
Infrastructure Development	1	95	19 203 813.27
Price Data	9	134	7 900 160.00
TER	3	126	3 448 505.00

3.15.2 Analysis of Consultant Appointments Using Appropriated Funds, in Terms of Historically Disadvantaged Individuals (HDIs) for the Period 1 April 2023 to 31 March 2024

Project title	% ownership by HDI groups	% management by HDI groups	Number of consultants from HDI groups that work on the project
Probity Audit	94%	34%	74
Internal Audit	91%	30%	79
Advisors Mscosa	50%	33%	1
General Advisor	75%	40%	9
Automation of Financial Statements	64%	0%	0
Infrastructure Development	50%	100%	1
Price Data	51%	0%	9
TER	51%	51%	3

3.15.3 Report on consultant appointments using Donor funds

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

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

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

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

3.16 Severance Packages

3.16.1 Granting of Employee Initiated Severance Packages

No severance packages were initiated or offered during the year under review.





PART E: PFMA COMPLIANCE REPORT

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2. Late and/or Non-Payment of Suppliers 87
3. Supply Chain Management 87

1. Irregular, Fruitless and Wasteful, Unauthorised Expenditure and Material Losses

1.1. Irregular Expenditure

a) Reconciliation of Irregular Expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	-	-
Add: Irregular expenditure confirmed	-	-
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	-	-

Reconciling notes

Description	2023/2024	2022/2023 ¹
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2022/23 and identified in 2023/24	-	-
Irregular expenditure for the current year	-	-
Total	-	-

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

Description ²	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total³	-	-

c) Details of current and previous year irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

¹ Record amounts in the year in which it was incurred

² Group similar items

³ Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

e) Details of current and previous year irregular expenditure recovered

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

*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
Total

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	2023/2024	2022/2023
	R'000	R'000
	-	-
	-	-
	-	-
	-	-
Total	-	-

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

Disciplinary steps taken

1.2. Fruitless and Wasteful Expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Add: Fruitless and wasteful expenditure confirmed	230	-
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	230	-

Reconciling notes

Description	2023/2024	2022/2023 ⁴
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	-	-
Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2023/24	-	-
Fruitless and wasteful expenditure for the current year	230	-
Total	230	-

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

Description ⁵	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total⁶	-	-

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

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	-	-

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

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

⁴ Record amounts in the year in which it was incurred

⁵ Group similar items

⁶ Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

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

Disciplinary steps taken

1.3. Unauthorised Expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	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 ⁷		
Closing balance	-	-

Reconciling notes

Description	2023/2024	2022/2023 ⁸
	R'000	R'000
Unauthorised expenditure that was under assessment in 2022/2023	-	-
Unauthorised expenditure that relates to 2022/2023 and identified in 2023/2024	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

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

Description ⁹	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total¹⁰	-	-

⁷ This amount may only be written off against available savings

⁸ Record amounts in the year in which it was incurred

⁹ Group similar items

¹⁰ Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

1.4. 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	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
	-	-
	-	-
	-	-
	-	-
Total	-	-

c) Other material losses recovered

Nature of losses	2023/2024	2022/2023
	R'000	R'000
	-	-
	-	-
	-	-
	-	-
Total	-	-

d) Other material losses written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
	-	-
	-	-
	-	-
	-	-
Total	-	-

2. Late and/or Non-Payment of Suppliers

Description	Number of Invoices	Consolidated Value
		R'000
Valid invoices received	925	100 614
Invoices paid within 30 days or agreed period	925	100 614
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	49	4 789

Invoices in dispute is due to relevant supporting documentation of completion not yet received.

3. Supply Chain Management

3.1. Procurement by Other Means

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract R'000
ACL Software Licence	Surtech	Single sourcing	4251106711	R 546
Shredding of the documents	The Document Warehouse	Single sourcing	4251107495	R 41
Training in performance and expenditure	Government Technical and Advisory Centre	Single sourcing	4251117402	R 911
Exhibition of space at the procurement Indaba	Commerce edge	Single sourcing	4251129661	R 79
Live broadcasting roundtable discussion: Gauteng GDP 35% plus	Africa Business News	Single sourcing	4251127898	R 890
Annual Subscription	Steel and Engineering Industrial federation	Sole sourcing	4251146280	R 15
Press reader services, supply of newspapers and magazines for a period of 12 Months	Calandria 159	Single sourcing	4251151007	R 130
Media Buying OB for Live Broadcast of the 2024/25 Gauteng Provincial Budget on SABC radio stations (SA FM and Lesedi FM)	South African Broadcasting Corporation	Single sourcing	4251158986	R 610
Audit software licenses renewal and maintenance	Wolters Kluwer tax and accounting	Sole Source	4251108118	R 2 028
Support and Maintenance services for the Kofax e-Invoicing processing system	Impilo Technologies	Sole Source	4251164556	R 3 037
Total				R 8 287

3.2. Contract Variations and Expansions

Project Description	Name of Supplier	Contract Modification Type (Expansion or Variation)	Contract Number	Original Contract Value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Venue and Conference facilities for BMT	Gemini Moon Trading 7	Expansion	4251101928	R 79	N/A	R 20
Total				R 79	R0.00	R20







PART F: FINANCIAL INFORMATION

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Report of the auditor-general to Gauteng Provincial Legislature on vote no.14: Gauteng Provincial Treasury

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Provincial Treasury set out on pages 99 to 130, which comprise the appropriation statement, the statement of financial position as at 31 March 2024, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the annual financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Provincial Treasury as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) as prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (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.

Responsibilities of the accounting officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the annual financial statements in accordance with the MCS and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the annual 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

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 96, forms part of my auditor's report.

Report on the audit of the annual performance report

10. 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 the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Sustainable fiscal resource management	32 - 35	To enforce the effective and efficient administration of fiscal resources at provincial institutions
Financial Governance	35 - 38	To promote and enforce transparency and effective supply chain management
Municipal financial management	40 - 42	To ensure efficient and effective management in municipalities and municipal entities and coordinate the provisioning of capacity building

12. 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.
13. 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
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so 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 those 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 and is comparable and understandable.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets
14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected programmes.

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under-achievements.

18. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 34 to 41.

Financial Governance

Targets achieved: 86%		
Budget spent: 97.5%		
Key indicator not achieved	Planned target	Reported achievement
Consolidated annual financial statements tabled at Legislature in line with prescribed timelines	22/23 Consolidated annual financial statements tabled at Legislature in line with prescribed timelines	22/23 Consolidated annual financial statements not tabled at Legislature in line with prescribed timelines

Report on compliance with legislation

19. 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.
20. 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.
21. 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.
22. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

23. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
24. 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.
25. 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.
26. The other information I obtained prior to the date of this auditor's report is the annual financial statements and the draft annual report. The MEC foreword and audit committee report are expected to be made available to us after 31 July 2024.
27. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
28. When I do receive and read the other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

Auditor General

Johannesburg
31 July 2024



Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

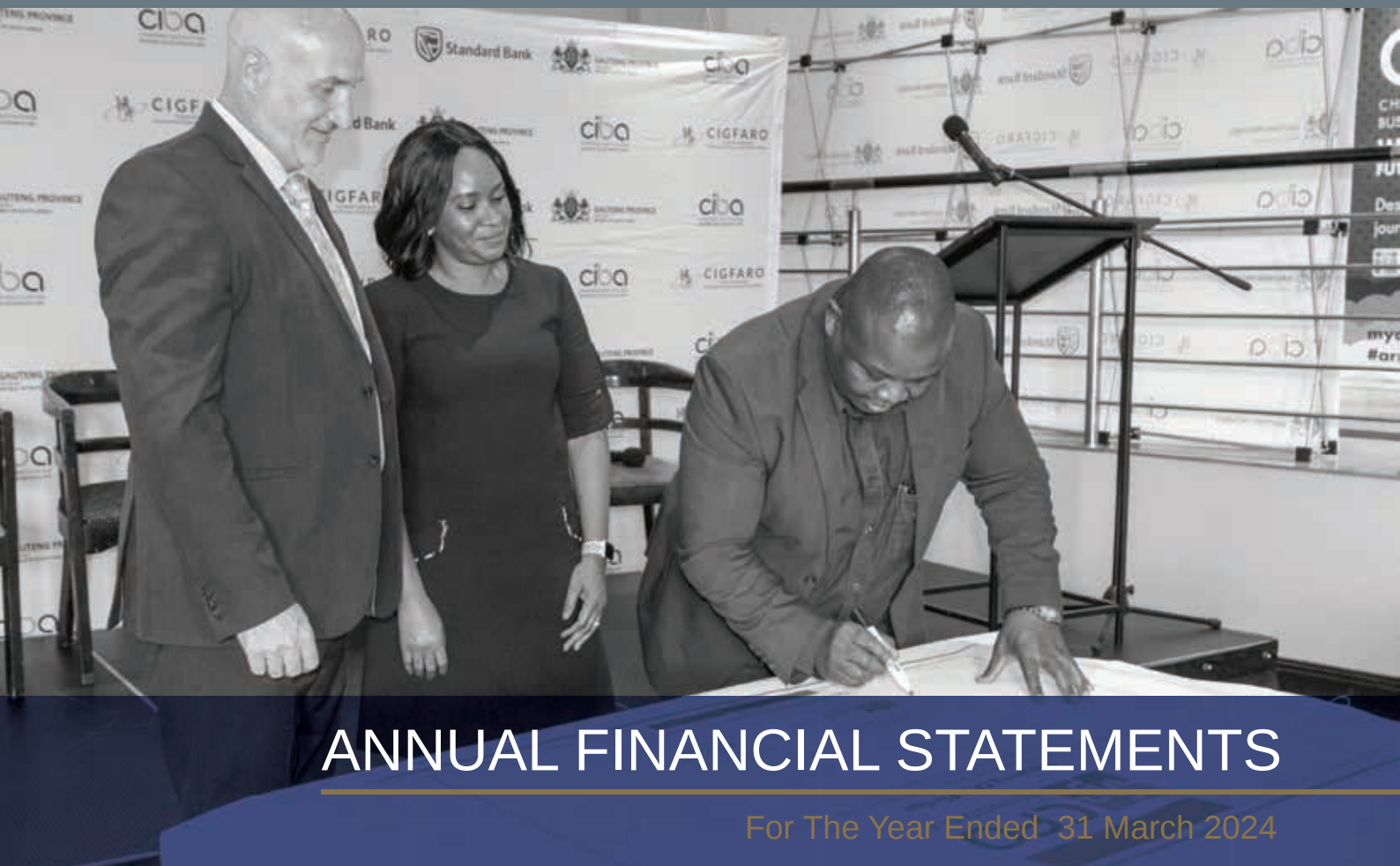
I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); Section 38(1)(d); 38(1)(h)(iii); 38(1)(j); 39(1)(a); Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.14; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; Regulation 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A 6.3(e); 16A6.4; Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3; Regulation 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2); Regulation 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A 9.1(d); 16A 9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3 Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)



ANNUAL FINANCIAL STATEMENTS

For The Year Ended 31 March 2024

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Appropriation Statement

For The Year Ended 31 March 2024

Appropriation per programme									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	174 486	-	4 246	178 732	176 525	2 207	98,8	172 384	171 098
2. Sustainable Fiscal Resource Management (SFRM)	170 030	-	-	170 030	169 165	865	99,5	149 085	148 680
3. Financial Governance (FG)	124 902	-	(1 786)	123 116	120 084	3 032	97,5	115 276	114 375
4. Provincial Supply Chain Management (PSCM)	105 124	-	(2 216)	102 908	95 055	7 853	92,4	88 046	88 029
5. Municipal Financial Governance (MFG)	78 882	-	(244)	78 638	70 582	8 056	89,8	45 903	45 414
6. Gauteng Audit Services (GAS)	142 041	-	-	142 041	133 823	8 218	94,2	113 371	113 354
Subtotal	795 465	-	-	795 465	765 234	30 231	96,2	684 065	680 950
Statutory Appropriation									
TOTAL	795 465	-	-	795 465	765 234	30 231	96,2	684 065	680 950

Reconciliation with Statement of Financial Performance	2023/24			2022/23	
	Final Budget	Actual Expenditure		Final Budget	Actual Expenditure
	R'000	R'000		R'000	R'000
Total (brought forward)					
Reconciliation with statement of Financial Performance					
ADD					
Departmental receipts	1 725 943			1 109 423	
Actual amounts per statement of financial performance (total revenue)	2 521 408			1 793 488	
Actual amounts per statement of financial performance (total expenditure)		765 234			680 950

Appropriation per economic classification									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	710 246	(868)	-	709 378	681 081	28 297	96,0	605 165	603 303
Compensation of employees	610 612	(16 313)	-	594 299	566 451	27 848	95,3	514 609	513 428
Goods and services	99 634	15 445	-	115 079	114 630	449	99,6	90 556	89 875
Transfers and subsidies	78 319	867	-	79 186	78 990	196	99,8	66 838	66 827
Provinces and municipalities									
Departmental agencies and accounts	74 868	-	-	74 868	74 868	-	100,0	63 706	63 706
Households	3 451	867	-	4 318	4 122	196	95,5	3 132	3 121
Payments for capital assets	6 900	-	-	6 900	5 162	1 738	74,8	11 969	10 728
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 900	-	-	6 900	5 162	1 738	74,8	11 969	10 728
Payments for financial assets	-	1	-	1	1	-	100,0	93	92
Total	795 465	-	-	795 465	765 234	30 231	96,2	684 065	680 950

Appropriation Statement

For The Year Ended 31 March 2024

Programme 1: ADMINISTRATION									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final appropriation	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	8 976	(621)	-	8 355	8 269	86	99,0	7 698	7 693
2. Office of the HOD	13 660	71	-	13 731	13 729	2	100,0	11 454	11 447
3. Corporate Management	98 103	2 984	4 246	105 333	105 078	255	99,8	102 272	102 256
4. Financial Management Services (CFO)	39 556	954	-	40 510	38 648	1 862	95,4	39 709	38 464
5. Strategy Management and Transformation Program	14 191	(3 388)	-	10 803	10 801	2	100,0	11 251	11 238
Total for sub programmes	174 486	-	4 246	178 732	176 525	2 207	98,8	172 384	171 098
Economic classification									
Current payments	165 786	(1)	4 246	170 031	169 745	286	99,8	158 905	158 861
Compensation of employees	130 983	(8 988)	-	121 995	121 801	194	99,8	109 615	109 584
Goods and services	34 803	8 987	4 246	48 036	47 944	92	99,8	49 290	49 277
Transfers and subsidies	1 800	-	-	1 800	1 617	183	89,8	1 489	1 488
Households	1 800	-	-	1 800	1 617	183	89,8	1 489	1 488
Payments for capital assets	6 900	-	-	6 900	5 162	1 738	74,8	11 969	10 728
Machinery and equipment	6 900	-	-	6 900	5 162	1 738	74,8	11 969	10 728
Payments for financial assets	-	1	-	1	1	-	100,0	21	21
Total	174 486	-	4 246	178 732	176 525	2 207	98,8	172 384	171 098

Appropriation Statement

For The Year Ended 31 March 2024

Programme 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. SFRM Programme Support	79 992	(1 570)	-	78 422	78 420	2	100.0	67 028	67 011
2. Budget Management	26 965	6 166	-	33 131	33 130	1	100.0	29 743	29 727
3. Economic and Fiscal Policy Oversight	13 512	(809)	-	12 703	12 701	2	100.0	12 795	12 786
4. Infrastructure Management	18 129	(2 575)	-	15 554	15 553	1	100.0	9 826	9 774
5. Financial Asset and Liabilities Management	15 788	(1 204)	-	14 584	14 553	31	99,8	14 059	13 790
6. Public Finance	15 644	(8)	-	15 636	14 808	828	94,7	15 634	15 592
Total for sub programmes	170 030	-	-	170 030	169 165	865	99,5	149 085	148 680
Economic classification									
Current payments	95 162	(25)	-	95 137	94 272	865	99,1	85 182	84 779
Compensation of employees	79 621	(4 282)	-	75 339	74 477	862	98,9	71 733	71 376
Goods and services	15 541	4 257	-	19 798	19 795	3	100,0	13 449	13 403
Transfers and subsidies	74 868	25	-	74 893	74 893	-	100.0	63 903	63 901
Provinces and municipalities									
Departmental agencies and accounts	74 868	-	-	74 868	74 868	-	100.0	63 706	63 706
Households	-	25	-	25	25	-	100.0	197	195
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	170 030	-	-	170 030	169 165	865	99,5	149 085	148 680

Appropriation Statement

For The Year Ended 31 March 2024

Programme 3: FINANCIAL GOVERNANCE									
	2023/24							2022/23	
	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. FG Programme Support	2 133	139	-	2 272	2 128	144	93,7	1 671	1 483
2. Provincial Accounting Services	61 770	1	-	61 771	60 197	1 574	97,5	56 144	55 444
3. Transversal Internal Audit and Risk Management	19 880	(139)	(250)	19 491	18 949	542	97,2	19 134	19 125
4. Compliance	4 035	(1)	-	4 034	3 869	165	95,9	4 144	4 143
5. Transversal Financial Information Management Systems and SAP ERP Process and System Support	37 084	-	(1 536)	35 548	34 941	607	98,3	34 183	34 180
Total for sub programmes	124 902	-	(1 786)	123 116	120 084	3 032	97,5	115 276	114 375
Economic classification									
Current payments	124 702	(400)	(1 786)	122 516	119 485	3 031	97,5	115 030	114 131
Compensation of employees	114 585	(400)	-	114 185	111 454	2 731	97,6	106 128	105 353
Goods and services	10 117	-	(1 786)	8 331	8 031	300	96,4	8 902	8 778
Transfers and subsidies	200	400	-	600	599	1	99,8	206	205
Households	200	400	-	600	599	1	99,8	206	205
Payments for financial assets	-	-	-	-	-	-	-	40	39
Total	124 902	-	(1 786)	123 116	120 084	3 032	97,5	115 276	114 375

Appropriation Statement

For The Year Ended 31 March 2024

Programme 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT									
	2023/24							2022/23	
	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. PSCM Programme Support	10 608	-	(2 211)	8 397	8 357	40	99,5	6 998	6 988
2. SCM Norms and Standards, Governance, Compliance, Monitoring and Evaluation	18 613	-	-	18 613	15 296	3 317	82,2	16 537	16 534
3. SCM Client Support	42 965	(2)	-	42 963	39 827	3 136	92,7	37 101	37 099
4. Contract Management and Strategic Procurement	32 938	2	(5)	32 935	31 575	1 360	95,9	27 410	27 408
Total for sub programmes	105 124	-	(2 216)	102 908	95 055	7 853	92,4	88 046	88 029
Economic classification									
Current payments	103 999	(247)	(2 216)	101 536	93 684	7 852	92,3	87 110	87 096
Compensation of employees	96 282	(247)	-	96 035	88 184	7 851	91,8	82 836	82 832
Goods and services	7 717	-	(2 216)	5 501	5 500	1	100,0	4 274	4 264
Transfers and subsidies	1 125	247	-	1 372	1 371	1	99,9	930	927
Non-profit institutions									
Households	1 125	247	-	1 372	1 371	1	99,9	930	927
Payments for financial assets	-	-	-	-	-	-	-	6	6
Total	105 124	-	(2 216)	102 908	95 055	7 853	92,4	88 046	88 029

Appropriation Statement

For The Year Ended 31 March 2024

Programme 5: MUNICIPAL FINANCIAL GOVERNANCE									
	2023/24							2022/23	
	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. MFG Programme Support	24 451	379	(243)	24 587	24 522	65	99,7	14 074	13 610
2. Local Government Financial Services	20 589	(386)	-	20 203	19 696	507	97,5	14 773	14 770
3. Municipal Accounting Reporting and Asset Management	16 009	-	(1)	16 008	14 660	1 348	91,6	7 438	7 436
4. Municipal Compliance and Financial Management Support	17 833	7	-	17 840	11 704	6 136	65,6	9 618	9 598
Total for sub programmes	78 882	-	(244)	78 638	70 582	8 056	89,8	45 903	45 414
Economic classification									
Current payments	78 836	(195)	(244)	78 397	70 341	8 056	89,7	45 790	45 303
Compensation of employees	57 758	(195)	-	57 563	49 559	8 004	86,1	40 075	40 071
Goods and services	21 078	-	(244)	20 834	20 782	52	99,8	5 715	5 232
Transfers and subsidies	46	195	-	241	241	-	100,0	113	111
Households	46	195	-	241	241	-	100,0	113	111
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	78 882	-	(244)	78 638	70 582	8 056	89,8	45 903	45 414

Appropriation Statement

For The Year Ended 31 March 2024

Programme 6: GAUTENG AUDIT SERVICES									
	2023/24							2022/23	
	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. GAS Programme Support	22 445	-	-	22 445	21 577	868	96,1	15 758	15 755
2. Risk and Compliance Audit Services (Cluster 1, 2, 3)	44 895	(2)	-	44 893	41 568	3 325	92,6	37 763	37 757
3. Risk and Compliance Audit Services (Cluster 4, 5, 6)	32 321	(7)	-	32 314	29 446	2 868	91,1	24 399	24 396
4. Performance and Computer Audit Services	42 380	9	-	42 389	41 232	1 157	97,3	35 451	35 446
Total for sub programmes	142 041	-	-	142 041	133 823	8 218	94,2	113 371	113 354
Economic classification									
Current payments	141 761	-	-	141 761	133 554	8 207	94,2	113 148	113 133
Compensation of employees	131 383	(2 201)	-	129 182	120 976	8 206	93,6	104 222	104 212
Goods and services	10 378	2 201	-	12 579	12 578	1	100,0	8 926	8 921
Transfers and subsidies	280	-	-	280	269	11	96,1	197	195
Household	280	-	-	280	269	11	96,1	197	195
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	26	26
Total	142 041	-	-	142 041	133 823	8 218	94,2	113 371	113 354

Notes to the Appropriation Statement

For the Year ended 31 March 2024

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) of the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	178 732	176 525	2 207	1%
Sustainable Fiscal Resource Management	170 030	169 165	865	1%
Financial Governance	123 116	120 084	3 032	2%
Provincial Supply Chain Management	102 908	95 055	7 853	8%
Municipal Financial Governance	78 638	70 582	8 056	10%
Gauteng Audit Services	142 041	133 823	8 218	6%
TOTAL	795 465	765 234	30 231	4%

4.2 Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	594 299	566 451	27 848	5%
Goods and services	115 079	114 630	449	0%
Transfers and subsidies				
Departmental agencies and accounts	74 868	74 868	-	0%
Households	4 318	4 122	196	5%
Payments for capital assets				
Machinery and equipment	6 900	5 162	1 738	25%
TOTAL	795 465	765 234	30 231	4%

Statement of Financial Performance

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
REVENUE			
Annual appropriation	1	795 465	684 065
Departmental revenue	2	1 725 943	1 109 423
TOTAL REVENUE		2 521 408	1 793 488
EXPENDITURE			
Current expenditure			
Compensation of employees	3	566 461	513 428
Goods and services	4	114 630	89 874
Transfers and subsidies			
Transfers and subsidies	6	78 991	66 827
Expenditure for capital assets			
Tangible assets	7	5 161	10 728
Payments for financial assets	5	1	92
TOTAL EXPENDITURE		765 234	680 949
SURPLUS/(DEFICIT) FOR THE YEAR		1 756 176	1 112 539
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		30 231	3 116
Annual appropriation		30 231	3 116
Departmental revenue and PRF Receipts	12	1 725 943	1 109 423
SURPLUS/(DEFICIT) FOR THE YEAR		1 756 174	1 112 539

Statement of Financial Position

As At 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
ASSETS			
Current assets		179 142	4 954
Cash and cash equivalents	8	175 693	1 880
Prepayments and advances	9	-	7
Receivables	10	3 449	3 067
TOTAL ASSETS		179 142	4 954
LIABILITIES			
Current liabilities		177 274	3 675
Voted funds to be surrendered to the Revenue Fund	11	30 231	3 189
Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund	12	146 541	102
Payables	13	502	384
TOTAL LIABILITIES		177 274	3 675
NET ASSETS		1 868	1 279
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		1 868	1 279
TOTAL		1 868	1 279

Statement of Changes in Net Assets

For the year ended 31 march 2024

	Note	2023/24 R'000	2022/23 R'000
Recoverable revenue			
Opening balance		1 279	640
Transfers:		589	639
Debts recovered (included in departmental revenue)		(735)	(49)
Debts raised		1 324	688
Closing balance		1 868	1 279
TOTAL		1 868	1 279

Cash Flow Statement

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2 521 408	1 793 488
Annual appropriation funds received	1.1	795 465	684 065
Departmental revenue received	2	1 350	999
Interest received	2.2	1 724 593	1 108 424
Net (increase)/decrease in net working capital		(257)	(3 236)
Surrendered to Revenue Fund		(1 582 693)	(1 174 747)
Surrendered to RDP Fund/Donor		-	-
Current payments		(681 081)	(603 302)
Payments for financial assets		-	(92)
Transfers and subsidies paid		(78 991)	(66 827)
Net cash flow available from operating activities	14	178 386	(54 716)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(5 161)	(10 728)
Net cash flow available from investing activities		(5 161)	(10 728)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		588	639
Net cash flows from financing activities		588	639
Net increase/(decrease) in cash and cash equivalents		173 813	(64 805)
Cash and cash equivalents at beginning of period		1 880	66 685
Cash and cash equivalents at end of period	8	175 693	1 880

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

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

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

9.	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
10.	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
11.	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
12.	Financial assets
12.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost - plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
12.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
13.	Payables Payables recognised in the statement of financial position are recognised at cost.
14.	Capital Assets
14.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
14.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

14.3	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.
15.	Provisions and Contingents
15.1	Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
15.2	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
15.3	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.
15.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
16	Unauthorised expenditure Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprise of • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised incurred in the current year.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

17	Fruitless and wasteful expenditure Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of: • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
18	Irregular expenditure Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
19	Changes in accounting estimates and errors Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
20	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
21	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.
22	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.
23	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 full compensation of key management personnel is recorded in the notes to the financial statements.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

24	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.
25	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.
26	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.
27	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.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1 Annual Appropriation

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

	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	174 486	174 486	-	172 384	172 384	-
Sustainable Fiscal Resource Management	170 030	170 030	-	149 085	149 085	-
Financial Governance	124 902	124 902	-	115 276	115 276	-
Provincial Supply Chain Management	105 124	105 124	-	88 046	88 046	-
Municipal Financial Governance	78 882	78 882	-	45 903	45 903	-
Gauteng Audit Services	142 041	142 041	-	113 371	113 371	-
Total	795 465	795 465	-	684 065	684 065	-

	Note	2023/24 R'000	2022/23 R'000
2. Departmental revenue			
Sales of goods and services other than capital assets	2.1	615	525
Interest, dividends and rent on land	2.2	1 724 593	1 108 424
Transactions in financial assets and liabilities	2.3	735	474
Transfers received	2.4	-	-
Total revenue collected		1 725 943	1 109 423
Total		1 725 943	1 109 423
2.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the department		526	525
Other sales (parking, forfeited GEHS interest & garnish)		526	525
Total	2	526	525
2.1 Fines, penalties and forfeits			
Forfeits		89	89
Total	2	89	89
2.2 Interest, dividends and rent on land			
Interest		1 724 593	1 108 424
Total	2	1 724 593	1 108 424
2.3 Transactions in financial assets and liabilities			
Other Receipts including Recoverable Revenue		735	474
Total	2	735	474

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
3. Compensation of employees			
3.1 Analysis of balance			
Basic salary		408 327	357 180
Performance award		189	717
Service Based		28 456	24 304
Compensative/circumstantial		1 375	1 562
Periodic payments		1 866	1 903
Other non-pensionable allowances		50 774	60 428
Total		490 987	446 094
3.2 Social contributions			
Employer contributions			
Pension		53 294	47 629
Medical		22 069	19 615
Bargaining council		101	90
Total		75 464	67 334
Total compensation of employees		566 451	513 428
Average number of employees		904	895
4. Goods and services			
Administrative fees		1 643	924
Advertising		12 910	11 331
Minor assets	4.1	150	62
Bursaries (employees)		6 092	3 238
Catering		1 305	877
Communication		2 950	3 156
Computer services	4.2	12 046	11 035
Consultants: Business and advisory services	4.8	41 927	18 861
Legal services		1 383	3 977
Contractors		1 337	1 330
Agency and support / outsourced services		190	165
Audit cost - external	4.3	3 999	3 811
Fleet services		1 347	1 127
Consumables	4.4	3 168	2 737
Operating leases		8 940	6 093
Property payments	4.5	5 833	13 844
Travel and subsistence	4.6	1 498	1 152
Venues and facilities		2 462	2 283
Training and development		3 179	1 407
Other operating expenditure	4.7	2 271	2 464
Total		114 630	89 874

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
4.1 Minor assets			
Tangible capital assets		150	62
Machinery and equipment		150	62
Total	4	150	62
4.2 Computer services			
SITA computer services		6 929	5 938
External computer service providers		5 117	5 097
Total	4	12 046	11 035
4.3 Audit cost – External			
Regularity audits		3 999	3 811
Total	4	3 999	3 811
4.4 Consumables			
Consumable supplies		1 373	1 553
Uniform and clothing		473	371
Household supplies		623	1 088
Communication accessories		1	40
IT consumables		258	45
Other consumables		18	9
Stationery, printing and office supplies		1 795	1 184
Total	4	3 168	2 737
4.5 Property payments			
Municipal services		5 833	13 844
Total	4	5 833	13 844
4.6 Travel and subsistence			
Local		1 457	1 024
Foreign		41	128
Total	4	1 498	1 152

*The variance between 2022/23 and 2023/24 payments is an amount of R10 million that was paid to settle a dispute between e-Government and City of Johannesburg in the prior reporting period.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
4.7 Other operating expenditure			
Professional bodies, membership and subscription fees		967	739
Resettlement costs		205	388
Other		1 099	1 337
Total	4	2 271	2 464
4.8. Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)			
Name of Commission / Committee of Inquiry			
Audit Committee		3 061	2 912
Total	4	3 061	2 912
4.7 Other operating expenditure	4		
Consultants			
Probity Auditors		3 751	2 738
Internal Auditors		10 090	6 847
Research and advisory		25 025	6 364
Automation of financial statements		1 090	2 058
Municipal hands-on support		17 749	4 306
Infrastructure Delivery Management Support		4 505	-
Other advisory services		1 681	-
Audit Committee		3 061	2 912
Total		41 927	18 861
5. Payments for financial assets			
Debts written off	5.1	1	92
Total		1	92
5.1 Debts written off			
Nature of debts written off			
Other debt written off	5	1	92
Total		1	92

* An amount of R102 000, approved after the end of the financial year, is not included in the amount for debts written off.

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
6. Transfers and subsidies			
Departmental agencies and accounts	Annex 1B	74 868	63 706
Households	Annex 1G	4 123	3 121
Total		78 991	66 827

The variance between 2022/23 and 2023/24 expenditure for transfers and subsidies is due to the additional budget provided to GIFA for additional responsibilities to develop a business case for the state bank and the pharmaceutical company.

7. Expenditure for capital assets

Tangible capital assets	5 161	10 728
Machinery and equipment	5 161	10 728
Total	5 161	10 728

7.1 Analysis of funds utilised to acquire capital assets 2023/24

	2023/24		
Name of entity	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	5 161	-	5 161
Machinery and equipment	5 161	-	5 161
Total	5 161	-	5 161

7.2 Analysis of funds utilised to acquire capital assets 2022/23

	2022/23		
Name of entity	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	10 728	-	10 728
Machinery and equipment	10 728	-	10 728
Total	10 728	-	10 728

8. Cash and cash equivalents

Consolidated Paymaster General Account	175 673	2 040
Disbursements	-	(180)
Cash on hand	20	20
Total	175 693	1 880

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
9. Prepayments and advances			
Travel and subsistence		-	7
Total		-	7
Analysis of Total Prepayments and advances			
Current Prepayments and advances		-	7
Total		-	7

10. Receivables

	Note	2023/24			2022/23		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	10.1	1 060	-	1 060	1 603	-	1 603
Staff debt	10.2	2 377	-	2 377	1 463	-	1 463
Other receivables	10.3	12	-	12	1	-	1
Total		3 449	-	3 449	3 067	-	3 067

10.1 Claims recoverable

National departments		57	176
Provincial departments		1 003	1 427
Total	10	1 060	1 603

* An amount of R102 000, approved after the end of the financial year, is not included in the amount for debts written off.

10.2 Staff debt

Debt Account		2 377	1 463
Total	10	2 377	1 463

* An amount of R102 000, approved after the end of the financial year, is not included in the amount for debts written off.

10.3 Other receivables

SAL: Reversal Control		11	-
SAL: Tax Debt		1	1
Total	10	12	1

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
11. Voted funds to be surrendered to the Revenue Fund			
Opening balance		3 189	63 585
As restated		3 189	63 585
Transferred from statement of financial performance (as restated)		30 231	3 116
Voted funds not requested/not received			-
Paid during the year		(3 189)	(63 512)
Closing balance		30 231	3 189
12. Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund			
Opening balance		102	1 914
As restated		102	1 914
Transferred from statement of financial performance (as restated)		1 725 943	1 109 423
Own revenue included in appropriation		-	-
Paid during the year		(1 579 504)	(1 111 235)
Closing balance		146 541	102
13. Payables – current			
Clearing accounts	13.1	200	225
Other payables	13.2	302	159
Total		502	384
13.1 Clearing accounts			
Description			
SAL: GEHS Refund Control Acc		200	225
Total	13	200	225
13.2 Other payables			
Description			
SAL: Income Tax		57	88
SAL: Finance Other Institution		231	61
SAL: Reversal		14	8
SAL: Pension Fund		-	2
Total	13	302	159

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
14. Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		1 756 175	1 112 539
Add back non- cash/cash movements not deemed operating activities		(1 577 789)	(1 167 255)
(Increase)/decrease in receivables		(382)	159
(Increase)/decrease in prepayments and advances		7	(7)
(Increase)/decrease in payables - current		118	(3 388)
Expenditure on capital assets		5 161	10 728
Surrenders to Revenue Fund		(1 582 693)	(1 174 747)
Net cash flow generated by operating activities		178 386	(54 716)
15. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		175 673	2 040
Disbursements		-	(180)
Cash on hand		20	20
Total		175 693	1 880
16. Contingent liabilities and contingent assets			
16.1 Contingent liabilities			
Liable to			
Claims against the department	Annex 3B	37 999	39 132
Intergovernmental payables	Annex 5	373	-
Total		38 372	39 132
17. Capital Commitments			
Machinery and equipment		4 321	-
Total		4 321	-

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24	2022/23
		R'000	R'000

18. Accruals and payables not recognised

18.1 Accruals

Listed by economic classification

	2023/24			2022/23
	30 Days	30+ Days	Total	Total
	R'000	R'000	R'000	R'000
Goods and services	5 857	-	5 857	4 996
Total	5 857	-	5 857	4 996

Listed by programme level

Administration	3 322	3 583
Sustainable Fiscal Resource Management	523	394
Financial Governance	16	179
Provincial Supply Chain Management	798	34
Municipal Financial Governance	876	404
Gauteng Audit Services	322	402
Total	5 857	4 996

18.2 Payables not recognised

Listed by economic classification

	2023/24			2022/23
	30 Days	30+ Days	Total	Total
	R'000	R'000	R'000	R'000
Goods and services	1 943	-	1 943	1 310
Total	1 943	-	1 943	1 310

Listed by programme level

Administration	1 558	1 310
Provincial Supply Chain	95	-
Gauteng Audit Services	290	-
Total	1 943	1 310

Included in the above totals are the following:

Confirmed balances with other departments	Annex 5	412	18
Confirmed balances with other government entities	Annex 5	961	228
Total		1 373	246

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
19. Employee benefits			
Leave entitlement		32 734	28 027
Service bonus		15 483	13 586
Capped leave		4 631	5 478
Other		-	307
Total		52 848	47 398

Included in leave entitlement is negative leave balances to the amount of R184 373,95

20. Lease commitments

20.1 Operating leases

	2023/24				
	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	3 781	6 878	10 659
Later than 1 year and not later than 5 years	-	-	-	3 876	3 876
Total lease commitments	-	-	3 781	10 754	14 535

	2022/23				
	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	2 836	6 867	9 703
Later than 1 year and not later than 5 years	-	-	3 782	10 664	14 446
Total lease commitments	-	-	6 618	17 531	24 149

21. Accrued departmental revenue

Interest, dividends and rent on land	21.1	142 482	148 556
Total		142 482	148 556

21.1 Analysis of accrued departmental revenue

Opening balance	148 556	65 888
Less: amounts received	(148 556)	(65 888)
Add: amounts recorded	142 482	148 556
Closing balance	142 482	148 556

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	2023/24	2022/23
	R'000	R'000
22. Unauthorised, irregular and Fruitless and Wasteful expenditure		
Fruitless and wasteful expenditure	230	-
Total	230	-

23. Related party transactions

*Gauteng Infrastructure Financing Agency (GIFA) was established as a government component in terms of section 7 (5) (d) of the Public Service Act, 1994 following the President's proclamation no. 69 of 2014 (Government Gazette No 38088) within the portfolio of the MEC responsible for finance in the province with effect from 17 October 2014.

GIFA receives an annual transfer payment from Gauteng Provincial Treasury (GPT), the controlling department of GIFA. This transfer payment is used to cover the operating costs and project preparation facility of the GIFA for the year. Additional transfers were made through the adjustment budget to fund additional responsibilities to develop a business case for the state bank and the pharmaceutical company.

*Transactions relating to transfers and subsidies to other government entities have been disclosed under Annexure 1B of the financial statements.

24. Key management personnel

Political office bearers	2 161	2 150
Officials:		
Level 15-16	11 034	10 708
Level 14	25 806	25 322
Total	39 001	38 180

25. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Value adjustments	Additions	Disposals
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	60 242	-	5 348	1 271
Transport assets	1 330	-	-	746
Computer equipment	40 352	-	4 942	479
Furniture and office equipment	14 739	-	235	8
Other machinery and equipment	3 821	-	171	38
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	60 242	-	5 348	1 271

Movable Tangible Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:		
Machinery and equipment	3	98
Total	3	98

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

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

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	49 587	-	10 728	73	60 242
Transport assets	1 330	-	-	-	1 330
Computer equipment	29 731	-	10 694	73	40 352
Furniture and office equipment	14 739	-	-	-	14 739
Other machinery and equipment	3 787	-	34	-	3 821
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	49 587	-	10 728	73	60 242

25.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Intangible assets	2	-	-	-	2
Heritage assets	-	-	-	-	-
Machinery and equipment	6 662	-	611	-	7 273
Biological assets	-	-	-	-	-
TOTAL MINOR ASSETS	6 664	-	611	-	7 275

	Specialised military equipment	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	2	-	3 754	-	3 756
TOTAL NUMBER OF MINOR ASSETS	-	2	-	3 754	-	3 756

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

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Intangible assets	2	-	-	-	2
Heritage assets	-	-	-	-	-
Machinery and equipment	6 601	-	61	-	6 662
Biological assets	-	-	-	-	-
TOTAL MINOR ASSETS	6 603	-	61	-	6 664

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024



	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	2	-	3 540	-	3 542
TOTAL NUMBER OF MINOR ASSETS	-	2	-	3 540	-	3 542

25.3 Movable tangible assets written-off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					Total
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Assets written off	-	-	-	367	-	367
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	367	-	367

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

	2022/23					Total
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Assets written off	-	-	-	73	-	73
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	73	-	73

26. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	308	-	-	308
TOTAL INTANGIBLE CAPITAL ASSETS	308	-	-	308

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

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

Notes to the Annual Financial Statements

For The Year Ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
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27. 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.

28. Natural disaster or relief expenditure

Compensation of employees
Goods and services
Transfers and subsidies
Expenditure for capital assets
Other
Total

Annex 11

-	-
-	-
-	-
-	-
-	-
-	-
-	-

Unaudited Annexures to the Annual Financial Statements

For The Year Ended 31 March 2024

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2023/24						2022/23	
DEPARTMENTAL AGENCY OR ACCOUNT	TRANSFER ALLOCATION				TRANSFER			
	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	
Gauteng Infrastructure Financing Agency	74 868	-	-	74 868	74 868	100.0%	63 706	63 706
Total	74 868	-	-	74 868	74 868	100.0%	63 706	63 706

* Additional transfers were made through the adjustment budget to fund additional responsibilities to develop a business case for the state bank and the pharmaceutical company.

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2023/24						2022/23	
HOUSEHOLD	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Injury on duty	115	-	-	115	115	100,0%	77	77
Leave gratuity	2 829	-	-	2 829	2 829	100,0%	1 827	1 827
External Bursaries	1 179	-	-	1 179	1 179	100,1%	1 217	1 217
Total	4 123	-	-	4 123	4 123	-	3 121	3 121
Subsidies								
TOTAL	4 123	-	-	4 123	4 123	-	3 121	3 121

Unaudited Annexures to the Annual Financial Statements

For The Year Ended 31 March 2024

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

	Opening Balance 1 April 2023	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable	Closing Balance 31 March 2024
Nature of Liability	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Labour court matter on the upgrade of posts, previously dismissed by the Bargaining Council	32 000	-	-	-	32 000
Labour court matter by an aggrieved employee, unhappy with the decision of the Public Service Commission on same matter	-	-	-	-	-
Terminated contract with a supplier, claims of damages for loss of profits.	1 076	-	-	-	1 076
SA Du Toit/ MEC: Finance & E-Gov, alleged motor vehicle accident	77	-	-	-	77
A2A Kopano (Probity Audit service provider) submitted invoices that relates to historical probity audit purchase auditors. The GPT is engaging both the service provider and Departments concerned to confirm if service was indeed rendered.	5 979	-	1 133	-	4 846
Subtotal	39 132	-	1 133	-	37 999
TOTAL	39 132	-	1 133	-	37 999

ANNEXURE 4

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Gauteng Department of E-Government	880	880	-	-	880	880	-	-
Gauteng Department of Health	30	-	-	-	30	-	-	-
National Treasury	57	-	-	-	57	-	-	-
Gauteng Department of Education	93	-	-	-	93	-	-	-
Subtotal	1 060	880	-	-	1 060	880	-	-
Other Government Entities								
Total	1 060	880	-	-	1 060	880	-	-

Unaudited Annexures to the Annual Financial Statements

For The Year Ended 31 March 2024

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Departments Current								
Department of E-Government	407	18	-	-	407	18	-	-
Gauteng Department of Health	-	25	-	-	-	25	-	-
Gauteng Department of Transport	5	-	373	-	378	-	-	-
Subtotal	412	43	373	-	785	43	-	-
Total Departments	412	43	373	-	785	43	-	-
Other Government Entities Current								
Gauteng GG Transport	961	60	-	-	961	60	-	-
Total Other Government Entities	961	60	-	-	961	60	-	-
TOTAL	1 373	103	373	-	1 746	103	-	-

Notes

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