OFFICE OF THE PREMIER
ANNUAL REPORT
2023/2024

office of the premier
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

30 YEARS OF FREEDOM

MPUMALANGA
THE PLACE OF THE RISING SUN

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PART A
GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS	NO.7 GOVERNMENT BOULEVARD MAKHONJWA BUILDING RIVERSIDE PARK, EXTENSION 2 MBOMBELA, 1200
POSTAL ADDRESS	PRIVATE BAG X11291 MBOMBELA, 1200
TELEPHONE	013 766 2473
EMAIL	infootp@mpg.gov.za
WEBSITE	www.mpumalanga.gov.za
FACEBOOK	facebook.com/MPGov
TWITTER	@MpumalangaGov

2. LIST OF ABBREVIATIONS/ACRONYMS

ABSA	Amalgamated Banks of South Africa	HIRA	Hazard Identification and Risk Assessment
AFS	Annual Financial Statement	HAST	HIV, AIDS, Sexually Transmitted Infections, and TB
AGSA	Auditor General South Africa	HIV	Human Immune Virus
AO	Accounting Officer	IOD	Injury on Duty
APP	Annual Performance Plan	HoD	Head of Department
CFO	Chief Financial Officer	ICT	Information Communication Technology
CIPC	Companies and Intellectual Property Commission	IMU	Integrity Management Unit
COGTA	Cooperative Governance and Traditional Affairs	IPCP	Integrated Provincial Communication Plan
COP	Conference of Parties	IT	Information Technology
CSS	Citizen Satisfaction Survey	MISS	Minimum Information Security Standards
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs	MMS	Middle Management Services
DCSR	Department of Culture, Sports and Recreation	MPAC	Mpumalanga Provincial Aids Council
DCSSL	Department of Community Safety, Security and Liaison	MPG	Mpumalanga Provincial Government
DEDT	Department of Economic Development and Tourism	MPSA	Minister of Public Service and Administration
DDM	District Development Model	MTEF	Medium Term Expenditure Framework
DG	Director-General	MEGA	Mpumalanga Economic Growth Agency
DHS	Department of Human Settlement	MTSF	Medium Term Strategic Framework
DoE	Department of Education	MRI	Mpumalanga Research Institute
DoH	Department of Health	NACH	National Anti-Corruption Hotline
DPSA	Department of Public Service and Administration	NDP	National Development Plan
DSD	Department of Social Development	NSP	National Strategic Plan

DPWRT	Department of Public Works, Roads and Transport	LGBTIQ+	Abbreviation for Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual
EEIP	Essential Element for Internal Auditors	OFA	Organisational Functionality Assessment
EHW	Employee Health and Wellness	OHSA	Occupational Health and Safety Act
eNatis	Electronic National Administration Traffic Information System	OTP	Office of the Premier
eQPR	Electronic Quarterly Performance Report	PERSAL	Personal and Salary Administration System
EXCO	Executive Council	PEP	Provincial Evaluation Plan
FDI	Foreign Direct Investment	PEPFAR	President's Emergency Plan for AIDS Relief
GBVF	Gender Based Violence and Femicide	PFMA	Public Finance Management Act
GDP	Gross Domestic Product	PFNSP	Provincial Food Nutrition and Security Plan
PIMP	Provincial Infrastructure Master Plan	SMS	Senior Management Services
PMDS	Performance Management and Development System	STATS-SA	Statistics South Africa
PMDP	Performance Management and Development Policy	SCM	Supply Chain Management
PPOA	Provincial Programme of Action	SCOPA	Select Committee on Public Accounts
PSCBC	Public Service Co-ordinating Bargaining Council	STI	Sexually Transmitted Infection
PSETA	Public Sector Education Training Authority	TB	Tuberculosis
PT	Provincial Treasury	TUT	Tshwane University of Technology
PYDF	Premier’s Youth Development Fund	UNISA	University of South Africa
SBD	Standard Bidding Document	SMME	Small Medium and Micro Enterprise

3. PREMIER'S FOREWORD

MR. MANDLA NDLOVU
PREMIER OF MPUMALANGA

The presentation of this Annual Report is premised within the context of the National Development Plan and the Provincial Strategic Framework for implementation of Vision 2030 (2019/24 Medium Term Strategic Framework), 2020 -25 Strategic Plan as well as the 2023-24 Annual Performance Plan.

The Annual Report is presented in year of transitioning from the 6th to the 7th Administration. It depicts key achievements, challenges as well as future plans for the OTP.

Achievements in relation to policy directives, 2019-24 Medium Term Strategic Framework and department's outcomes

The OTP is responsible for coordinating the alignment and implementation of the seven (7) key priorities contained in the Revised 2019/24 MTSF, and directly contributes to Priorities 1 and 7, including the cross cutting Priorities, namely:

Priority 1: A capable, ethical and developmental state;

Priority 7: A better Africa and the World, and the Cross-cutting Priority in respect of Women Youth and Persons with Disabilities.

During the year under review, the following achievements in line with the MTSF were realised:

- The OTP coordinated all Departments and the Public Entities to ensure alignment of their respective APPs to the revised 2019/24 MTSF and other policy statements such as SOPA. District and Local Municipalities were also coordinated in collaboration with COGTA for alignment of IDPs.
- Coordinated the Outbound missions to promote peace and invite domestic and foreign investors into the Province. First, the mission to Germany for a world exhibition travel incentive and this was followed by a benchmarking exercise to Austria for herbs and vegetable dehydration processing.
- As part of our commitment to fight the scourge of Gender Based Violence and Femicide, the Province has finalised the GBVF strategy.

- The OTP continued to support qualifying Youth Enterprises with funding, through the PYDF and has partnered with ABSA that provided training on business acumen and technical support.

The OTP identified the following four institutional outcomes namely; improved ethical culture, effective control; improved trust as well as good performance. The targeted outcomes achieved are as follows:

- With regards to improved ethical culture, no instance of unethical conduct was reported.
- Regarding effective control, security breaches in the MPG have decreased from 50 the previous financial year to 46. Ten Departments in the MPG achieved unqualified audit outcomes, an increase by two compared to the eight realized in the previous Financial Year.
- To test the level of public trust in the MPG, a citizen's satisfaction survey was conducted in four Departments namely, DoH, DoE, DSD, and DCSSL. The outcome revealed that the public is satisfied with services received from these four Departments. The OTP used multi-media platforms (e.g. social media, newsletters, radio slots, etc.), to communicate to the public on government delivery services and also coordinated two Premier's outreach programmes one at Bushbuckridge and also at Goven Mbeki Municipalities as well as one Presidential Imbizo at eMalahleni Municipality.
- As part of our monitoring and evaluation mandate, the OTP monitored service delivery indicators which includes among others, percentage of households with internet access which has increased from 56% to 78% The number of unemployed women dropped from 50,5% to 42,5 There was also a reduction of a number unemployed youth (15-34) from 66,5% to 51,5%

Challenges for the financial year under review

During the year under review, the OTP experienced among others, the following challenges:

- Cost containment measures imposed by the National Treasury. This impacted negatively on the filling of vacant funded positions.
- Extreme weather patterns caused by El Nino wreaked havoc on infrastructure across the Country and specifically in Mpumalanga.
- Persistent and escalated stages of load-shedding, with a detrimental effect on business, especially SMMEs which cannot afford alternative energy.
- Non-achievement of 50% target on women representation at SMS level.

- Perpetual gender-based violence and femicide.
- High rates of Youth unemployment.

The strategic focus over the medium to long-term period

- The support of the youth enterprises through the Premier's Youth Development Fund.
- Implementation of the Integrated Provincial Plan to fight Gender Based Violence and Femicide, which includes establishing and launching of the Provincial GBVF Council.
- Forge domestic and international partnerships that are mutually beneficial and promote friendship and peace.
- Implementation of initiatives for the institutionalisation of the Just Energy Transition Framework.
- Intensify the professionalization of the Public Service in the Provincial sphere.
- Coordination and monitoring of the service delivery complaints through the Service Delivery Monitoring Tool.
- Review of current arrangement, performance and mandates of state owned entities
- Executive support of the Provincial Operation Clean Audit Committee.
- Compile and present the provincial 30-year review report.

I wish to extend my gratitude to the Executive Council, the Acting Director-General, Heads of Departments, Management in the MPG and the staff in general for the continuous support in carrying out the mandate of the office. We also appreciate the public support and willingness to hold us accountable to our commitments that we make through various platforms, including the public engagement during EXCO Outreach.

Mr MP NDLOVU
PREMIER OF MPUMALANGA PROVINCE
DATE: 30 AUGUST 2024

4. REPORT OF THE ACCOUNTING OFFICER

4.1 Overview of the operations of the Office:

MR. TP NYONI
ACTING DIRECTOR - GENERAL
OFFICE OF THE PREMIER OF MPUMALANGA

The 2024 is the year of National and Provincial elections. This effectively means that the 2024/25 Financial Year is a transition year between the 6th and the 7th administration. The Office of the Premier (OTP) will strive to ensure continuity of planning, budgeting and reporting processes between the 6th and 7th Administration at all provincial institutions.

It is important to understand the context in which the OTP operated. During the 2023-24 Financial Year, the OTP experienced among others, the following challenges: Shrinking world economy, which result in slow economic growth in the Country and implementation of Cost containment measures (as directed by the National Treasury). This impacted negatively in filling of vacant funded positions;

- Extreme weather patterns caused by El Nino that wreaked havoc on infrastructure across the Country and specifically in Mpumalanga, which is always a set-back to progress made in improving the lives of the inhabitants of Mpumalanga; and
- Load shedding continued to negatively impact on the business operations, especially SMMEs that cannot afford alternative energy.

The OTP acknowledge the impact that these challenges had on its operations and measures which were put in place to ensure that service delivery is not negatively affected. The OTP continued to respond to the plight of the designated groups, namely; Women, Youth, Elderly and People with Disabilities. This was achieved firstly through monitoring the implementation of the Gender Responsive Framework on Planning, Budgeting, Monitoring, Evaluation and Auditing to track the Department's alignment and compliance to the provisions of the framework.

Secondly, 82 (new cohort) Youth Owned entities were supported through the Premier's Youth Development Fund. Since its inception, the Fund has approved 182 business enterprises. The MPG has established partnership with ABSA to support the beneficiaries on various business skills modules (i.e. business sustainability, access to funding, compliant business entities, creating more employment opportunities, etc.). In 2024/25 Financial Year, the OTP together with all relevant partners will host a Business Breakfast

for PYDF beneficiaries and this platform will create networking opportunities for these young entrepreneurs.

Thirdly, the Province has finalised the GBVF strategy and lastly, the MPG's procurement budget spent on Women enterprises is at 21,36% which is below the National target of 40%. To improve the MPG's performance in this regard, the OTP will ensure that the Performance Agreements of the HoDs and SMS Members promote the agenda of women advancement.

In a quest to improve public trust on quality of services rendered by the MPG, the OTP coordinated two outreach programmes, at Bushbuckridge and Govan Mbeki Local Municipalities, as well as Presidential Imbizo at eMalahleni Local Municipality. This is an important public participation platform, which aims to provide a platform for -

- giving inhabitants of the Province a voice;
- the President/Premier/MEC an opportunity to listen to the people and respond to their concerns;
- assessing the level of service delivery in the Province;
- tracking progress on the institutionalisation of the DDM (One Plan) in the Province;
- mobilisation of community participation and support for the work of government; and
- resolving any blockages that hamper economic growth and efforts to mitigate the triple challenges (Unemployment, Poverty, and Inequality).

The Outreach and Imbizos programmes are an all of government and society approach which enables integrated and responsive planning, budgeting, implementation, as well as monitoring and evaluation through the 'One Plan Approach'. The 'One Plan' is central to building an accountable, ethical, capable and developmental state that delivers on its mandate.

The OTP further facilitated outbound missions led by the Premier to promote peace and lure investors with common interests to the Province. First, the Premier led a delegation to Germany for a world exhibition travel incentive and thereafter ensued a benchmarking exercise to Austria for herbs and vegetable dehydration processing. Secondly, the Premier led a delegation to the United Nations Climate Change Conference (COP28) from the 1 - 8 December 2023.

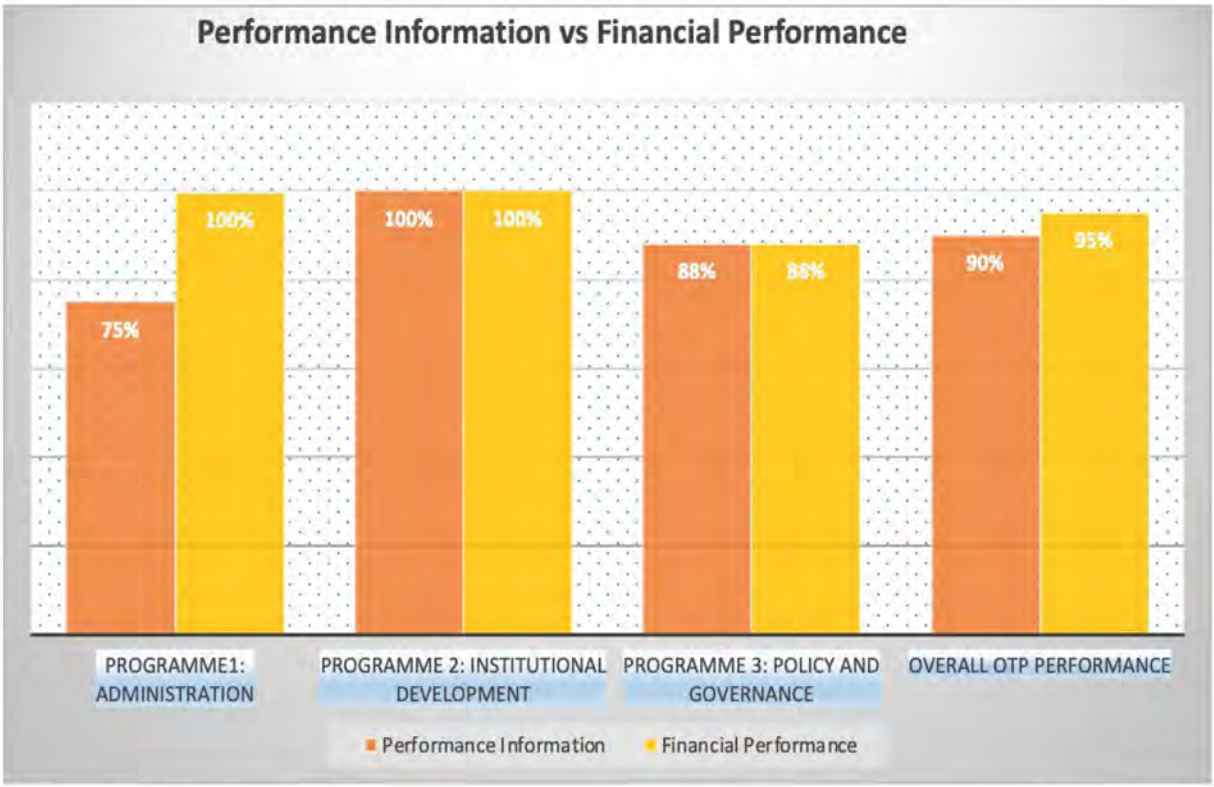
The Financial Year 2023/24 was the period for the implementation of the new 2023 – 2028 NSP for HIV, TB & STI was launched on 24 March 2023 at Bushbuckridge Municipality. Through the Provincial Steering Committee, the OTP commenced with the development of the Provincial Implementation Plan for HIV, TB & STI for 2023 – 2028 aligned to the NSP.

The OTP strives to strike a balance between financial performance and non-financial performance. In respect of the Financial Year under review, the average performance against the Annual Performance Plan is 90%. This is a 28% improvement as compared to the 62% achievement of 2022/23 Financial Year. The overall non-financial performance (performance information) of the OTP per programme for year under review is depicted in the table below:

Table: OTP 2023/24 Financial Year overall non-financial performance

Name of the Programme	Planned Indicators	Achieved Indicators	% Achieved	Indicators Overachieved
Programme1: Administration	4	3	75%	0
Programme 2: Institutional Development	9	9	100%	2
Programme 3: Policy and Governance	16	14	88%	1
Total	**29**	**26**	**90%**	**3**

Figure 1: 2023/24 Comparison of Non-financial Performance and Financial Performance



4.2 Overview of the financial results of the OTP:

4.2.1 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	214	190	24	220	186	43
Interest, dividends and rent on land	562	1 138	(576)	246	1 099	(853)
Sale of capital assets	187	-	187	178	-	178
Financial transactions in assets and liabilities	1 358	1 364	(6)	-	108	(108)
Total	**2 321**	**2 692**	**(371)**	**644**	**1 393**	**(749)**

4.2.2 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	175 396	175 321	75	156 666	156 606	60
Institutional Development	98 588	98 569	19	81 455	81 154	301
Policy and Governance	224 148	200 645	23 503	123 705	119 386	4 319
Total	**498 132**	**474 535**	**23 597**	**361 826**	**357 146**	**4 680**

4.2.3 Virements / Roll-overs

Virements of funds between programmes

The following virements were made to Programme 1: Administration and Programme 3: Policy and Governance respectively from Programmme 2: Institutional Development, to defray anticipated expenditure.

- An amount of R5 013 000 was shifted from Programme 2: Institutional Development to Programme 1: Administration; and
- An amount of R3 021 000 was shifted from Programme 2: Institutional Development to Programme 3: Policy and Governance.

These virements were applied between Programmes in terms of section 43 of the PFMA.

Roll-overs

Requests for roll-overs were made to the amount of R2 447 000 in respect of the 2023/2024 Financial Year and it was not approved.

4.2.4 A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence

Unauthorized Expenditure

The OTP did not incur unauthorized expenditure for the period ending 31 March 2024.

Irregular Expenditure

The irregular expenditure identified in the year under review amount to R19 927 000 described as follows: R114 000 incurred directly and R19 813 000 emanate from the participating in the DCSR contract.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure identified in the current Financial Year amounting to R1 654 000 was as a result of no-show on accommodation and poor quality of third party invoice submitted to the main supplier

4.2.5 The strategic focus over the short to medium-term period

- Continuance of support to the youth enterprises through the PYDF;
- Implementation of the Integrated Provincial Plan to fight GBVF which includes establishing and launching the Provincial GBVF Council;

- Forge domestic and international partnerships that are mutually beneficial and promote friendship and peace;
- Implementation of initiatives for the institutionalisation of the Just Transition Framework;
- Intensify the professionalization of the Public Service in the Provincial sphere;
- Coordination and monitoring of the service delivery complaints through the Service Delivery Monitoring Tool;
- Executive support of the Provincial Operation Clean Audit Committee; and
- Compile and present the provincial 30-year review report.

4.2.6 Public Private Partnership

The OTP did not enter into any Public-Private Partnerships during the Financial Year ending 31 March 2024.

4.2.7 Discontinued / to be discontinued

No activities were discontinued during the Financial Year ending 31 March 2024.

4.2.8 New or proposed key activities

There were no proposed or new activities during the Financial Year ending 31 March 2024.

4.2.9 Supply Chain Management

There were no unsolicited bid proposals for the current year. SCM processes and systems are in place to prevent irregular expenditure. The OTP continued to inculcate a culture of compliance with SCM procurement prescripts to improve good governance.

4.2.10 Gifts and donations received in kind from non-related parties

The OTP did not receive any gifts or donations in kind from non-related parties.

4.2.11 Exemptions and deviations received from the National Treasury

The OTP did not receive any exemptions or deviations from the National Treasury.

4.2.12 Events after the reporting date

The OTP did not have events after the reporting period, which may affect on the understanding of the OTP's financial state of affairs.

4.2.13 Other

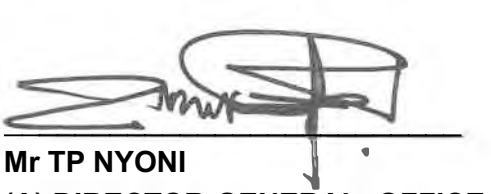
There are no other material facts or circumstances, which may affect on the understanding of the OTP's financial state of affairs.

4.2.14 Acknowledgement/s or Appreciation

I am immensely proud of the work we do and would like to acknowledge our dedicated staff, communities, and stakeholders who contribute their time and efforts to make a positive contribution to the lives of inhabitants of the Mpumalanga. I am proud of the way that the OTP has continued to deliver day-to-day on its mandate, while adopting new ways of working, taking into consideration-limited resources as a result of socio-economic challenges. Let us work together to grow Mpumalanga as a capable and responsive state. "*If we all work together to build a more capable and developmental state; we will be that much closer to realising the SA that we all want (H.E President MC Ramaphosa)".*

4.2.15 Conclusion

It gives me great pleasure to endorse and share the 2023/24 Annual Report for OTP of Mpumalanga.



Mr TP NYONI
(A) DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA
DATE: 31 MAY 2024

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

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

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate, and free from any omissions.

The Annual Report has been prepared in accordance with the Guidelines on the Annual Report as issued by the National Treasury.
The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standards and the relevant frameworks and guidelines issued by the National Treasury.

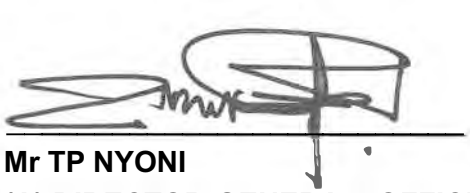
The Accounting Officer is responsible for preparing the Annual Financial Statements and for the judgements made on this information.

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 OTP for the Financial Year, which ended on 31 March 2024.

Yours faithfully



Mr TP NYONI
(A) DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA
DATE: 31 MAY 2024

6 STRATEGIC OVERVIEW

6.1 Vision

A strategic centre of excellence.

6.2 Mission

We exist to -

- Provide strategic leadership;
- Provide support for institutional development;
- Coordinate Government programs through integrated research & development, information, planning, monitoring, and evaluation; and
- Provide professional advice through evidence-based decision-making support.

6.3 Values

- *Reliability* – service that is accurate, consistent, timeous and trustworthy;
- ***Resourcefulnes***s – customised solutions to problems in delivering the services concerned;
- ***Accountabilit***y – we will be transparent and take responsibility in our decision-making; and
- ***Professionalism*** – to be duly skilled, conscientious, objective, ethical and compliant with all relevant prescripts in performing our duties.

7 LEGISLATIVE AND OTHER MANDATES

7.1. Updates to the relevant legislative and policy mandates

There have been no significant changes to the OTP's legislative mandates. There is sufficient capacity within the OTP to ensure compliance with all legal responsibilities that relate to its mandate.

7.2. Legislative mandates

The OTP derives its legislative mandates primarily from the following pieces of legislation.

Table 1: Legislative Mandates

Legislative Mandate	Aim/Purpose
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	This Act gives effect to the Constitutional right of access to any information held by the Government, which is required for the exercise or protection of any rights.
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)	This Act gives effect to the right to administrative action that is lawful, non-discriminatory and procedurally reasonable and fair.
Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000)	This Act gives effect to section 9 of the Constitution to prevent and prohibit unfair discrimination, harassment, promote equality, and to eliminate unfair discrimination.
Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)	This Act establishes a framework for the National Government, Provincial Government, and Local Government to promote and facilitate intergovernmental relations and provides for mechanisms and procedures to facilitate the settlement of intergovernmental disputes.
Public Finance Management Act, 1999 (Act No. 1 of 1999)	This Act regulates financial management in the National and Provincial Governments to ensure that all Government revenue, expenditure, assets, and liabilities are managed efficiently and effectively.
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	This Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of the Government's procurement policy as contemplated in section 217(2) of the Constitution.
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	This Act establishes a legislative framework for the promotion of Black Economic Empowerment.
Division of Revenue Act (annually)	To annually provide for the equitable division of revenue raised among the National, Provincial, and Local Spheres of Government.
Public Service Act, 1994 (Proclamation No. 103 of 1994)	This Act provides for establishing and administration of the Public Service of the RSA.

Legislative Mandate	Aim/Purpose
Public Service Regulations, 2016	These Regulations provide comprehensive detail regarding the organisation and administration of the Public Service, including issues of ethics and integrity.
Labour Relations Act, 1995 (Act No. 66 of 1995)	This Act gives effect to section 27 of the Constitution and seeks to regulate trade unions' organizational rights and promote and facilitate collective bargaining.
Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)	This Act gives effect to the right to fair labour practices referred to in section 23(1) of the Constitution.
Employment Equity Act, 1998 (Act No. 55 of 1998)	This Act provides for equity in all levels and categories of employment.
Protected Disclosures Act, 2000 (Act No. 26 of 2000)	This Act provides for procedures in terms of which employees in both the private and the public sector may disclose information regarding unlawful or irregular conduct to their employers and provides for the protection of such employees.
Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004)	This Act provides for the strengthening of measures to prevent and combat corruption and corrupt activities.
State Information Technology Agency Act, 1998 (Act No. 88 of 1998)	This Act establishes a company responsible for the provision of information technology services to the Public Administration.
Public Administration Management Act, 2014 (Act No. 11 of 2014)	This Act seeks to promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution, when fully operational.
Disaster Management Act, 2002 (Act No. 57 of 2002)	This Act provides for an integrated and coordinated disaster management policy in South Africa that focuses on preventing and reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters, and post-disaster recovery.
Electronic Communications Act, 2005 (Act No. 36 of 2005)	This Act seeks to make provision for the regulation of electronic communications services, electronic communications network services, and broadcasting services.
Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	This Act seeks to promote the protection of personal information processed by public and private bodies.

7.3. Policy Mandates

The OTP, in fulfilling its role within the Provincial Government, takes into account various National and Provincial policy mandates, in particular, the following:

- The annual State of the Nation Address (2024-25);
- The annual State of the Province Address (2024-25);
- The annual Provincial Budget and Policy Speech (2024-25);
- The annual Premier's Budget and Policy Speech (2024-25);
- The National and the Provincial Medium-Term Strategic Framework (2019-2024);
- The National Strategic Framework of the Department for Women, Children, and People with Disabilities;
- Specific National Policy Frameworks on Gender and Women's Empowerment, Disability and Children;
- Framework on Gender-Responsive Planning, Budgeting, Monitoring, Evaluation, and Auditing;
- National Strategic Plan for HIV, TB, and STIs (2023-2028);
- The White Paper on the Transformation of the Public Service (1995);
- The White Paper on Public Service Training and Education (1997);
- The White Paper on a New Employment Policy for the Public Service (1997);
- Policy Frameworks of the National Department of Public Service and Administration on Gender Equality, Disability and Youth in the Public Service;
- National Development Plan (NDP) 2030;
- Mpumalanga Vision 2030 Strategic Implementation Framework (2013-2030);
- The Policy Framework for Government-Wide Monitoring and Evaluation (2007);
- The Revised Framework for Strategic Plans and Annual Performance Plans (2019);
- The National Treasury Framework for Managing Programme Performance Information (2007);
- The Green Paper on National Performance Management (2009);
- The Revised National Evaluation Policy Framework (2019-2024);
- The National Child Care and Protection Policy (2019);

- The National Policy Development Framework (2020);
- The National Anti-Corruption Strategy (2020-2030);
- The National Youth Policy (2020-2030);
- The National Action Plan on Women, Peace and Security (2020-2025);
- National Integrated ICT Policy White Paper (2016);
- DPSA Directive on Public Administration and Management Delegations (2014);
- African Agenda 2063 (2015);
- Sustainable Development Goals 2030 (2015);
- National Action Plan to combat Racism, Racial Discrimination, Xenophobia and Related Intolerance;
- National Spatial Development Framework (2022);
- Directive on human resource management and development for Public Service Professionalisation – volume 1 as issued by the Minister of the Public Service and Administration;
- Directive on conducting business with an organ of state issued by the Minister for the Public Service and Administration (February 2024);
- Directive on other remunerative work outside the employee's employment in the relevant Department issued by the Minister for the Public Service and Administration (February 2024); and
- Directive on the institutionalisation of the ethics officer function in the Public Service issued by the Minister for the Public Service and Administration (February 2024).

7.4. Updates to institutional policies and strategies

The OTP will initiate or advance the following policies over the MTEF Period:

- Security Management Policy;
- Performance Information Management Policy;
- Provincial Strategic Plan on Gender-Based Violence and Femicide;
- Provincial Youth Development Strategy;
- Provincial Anti-Corruption Strategy;
- Just Energy Transition Implementation Plan 2023–2027; and

The OTP will consider the following:

- National Development Plan (NDP) 2030;
- 2019-24 Medium-Term Strategic Framework;
- Mpumalanga Spatial Development Framework 2019;
- Local Government Priorities;
- National Strategic Plan on Gender-Based Violence and Femicide (2020 - 2030); and
- National Youth Development Strategy.

7.5. Updates to relevant court rulings

Pilane and others v Premier of the North West Province and others 2023 JDR 2389 (NWM)

This is an application in terms of the **Promotion of Administrative Justice Act** 3 of 2000 ("PAJA") to review and set aside the decision taken by the first respondent (Premier of the North West Province: "the Premier") on 26 February 2020 to appoint the fourth respondent as the Administrator ("the Administrator") to manage and control the affairs of the second applicant (Bakgatla Ba Kgafela Traditional Council; "the Traditional Council"), with retrospective effect from 6 January 2020.

It was argued on behalf of the Premier that the Premier acted in terms of the legislation to provide clarity on the identity of the rightful traditional leader on the basis that the Traditional Community could not come to a conclusion and agree on who the rightful leader is. It was further argued that the legislation makes provision for the Premier to act when the community cannot come to a decision. The legislation is set in place for situations such as these where there is no transparency of the Traditional Council or Kgosi.

In the premise, the Court found that the applicant had failed to make a case for the relief as requested and that the application was doomed to be dismissed as the Premier acted within his legislative authority.

Mabele v Mndende 2022 JDR 1284 (ECB)

The applicant seeks to review and set aside the administrative decision of the second respondent (the Premier) in endorsing the recommendation of a Provincial Committee ('the Committee') of the Commission on Traditional Leadership Disputes and Claims ('the Commission') to dismiss the applicant's claim for chieftainship. If successful in the review,

he requests the court to grant an order substituting the Premier's decision and declaring him to be the traditional leader of Mxhelo Administrative Area, Alice ('Mxhelo').

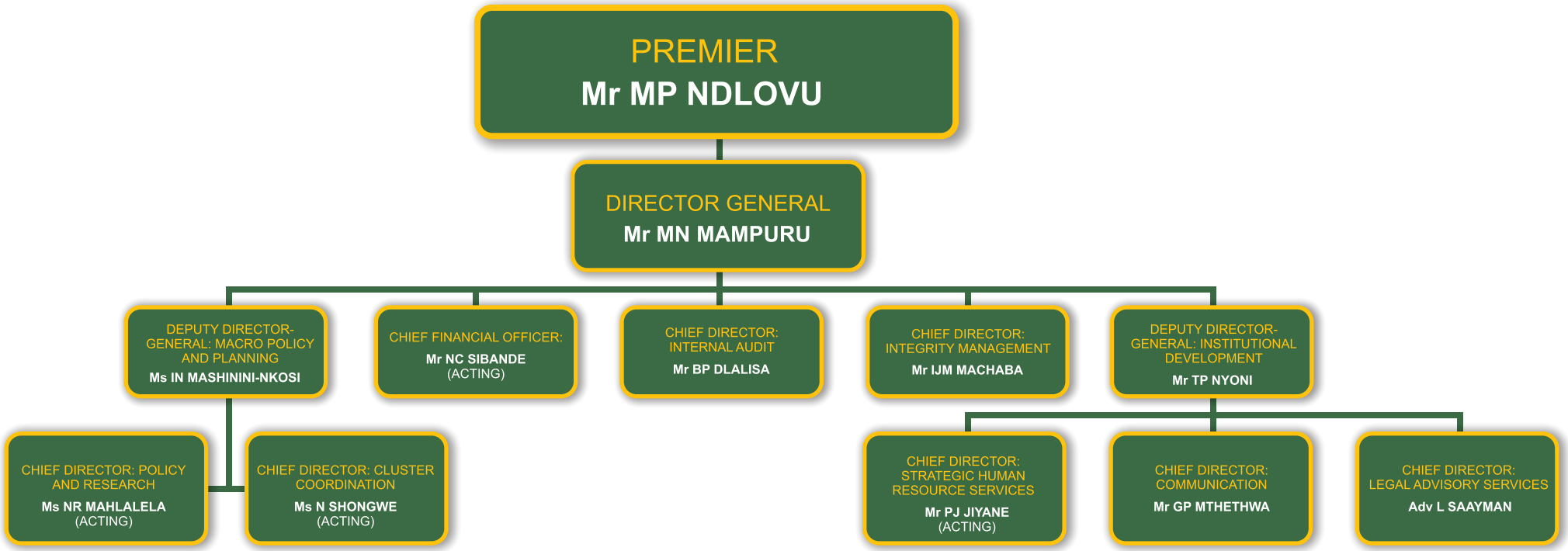
In the present instance, the Commission was seized with a claim in terms of the Act concerned. In terms of the applicable sections of the Act, the Committee acted properly in making a recommendation for the Premier's consideration and the Premier's decision cannot be set aside on the authority of *Sigcau* or *Nxumalo*. There appears to be a rational connection between the material that was before the Premier and the decision that he took, and a rational connection between this decision and the reasons provided in the explanation. There is no reason to believe that the Premier committed any misdirection in endorsing the Committee's recommendation, or that that recommendation was improperly supported or advanced. The application accordingly stands to be dismissed.

Mbude v Premier of the Eastern Cape and Others 2022 JDR 1289 (ECB)

Public service — Employee — Suspension — Head of Education Department suspended by Premier — Urgent application to declare suspension unconstitutional, unlawful, and invalid, based on Premier's alleged abuse of his powers — Question of urgency discussed — Court finding that, while urgent application appropriate, precautionary suspension justified — Application dismissed.

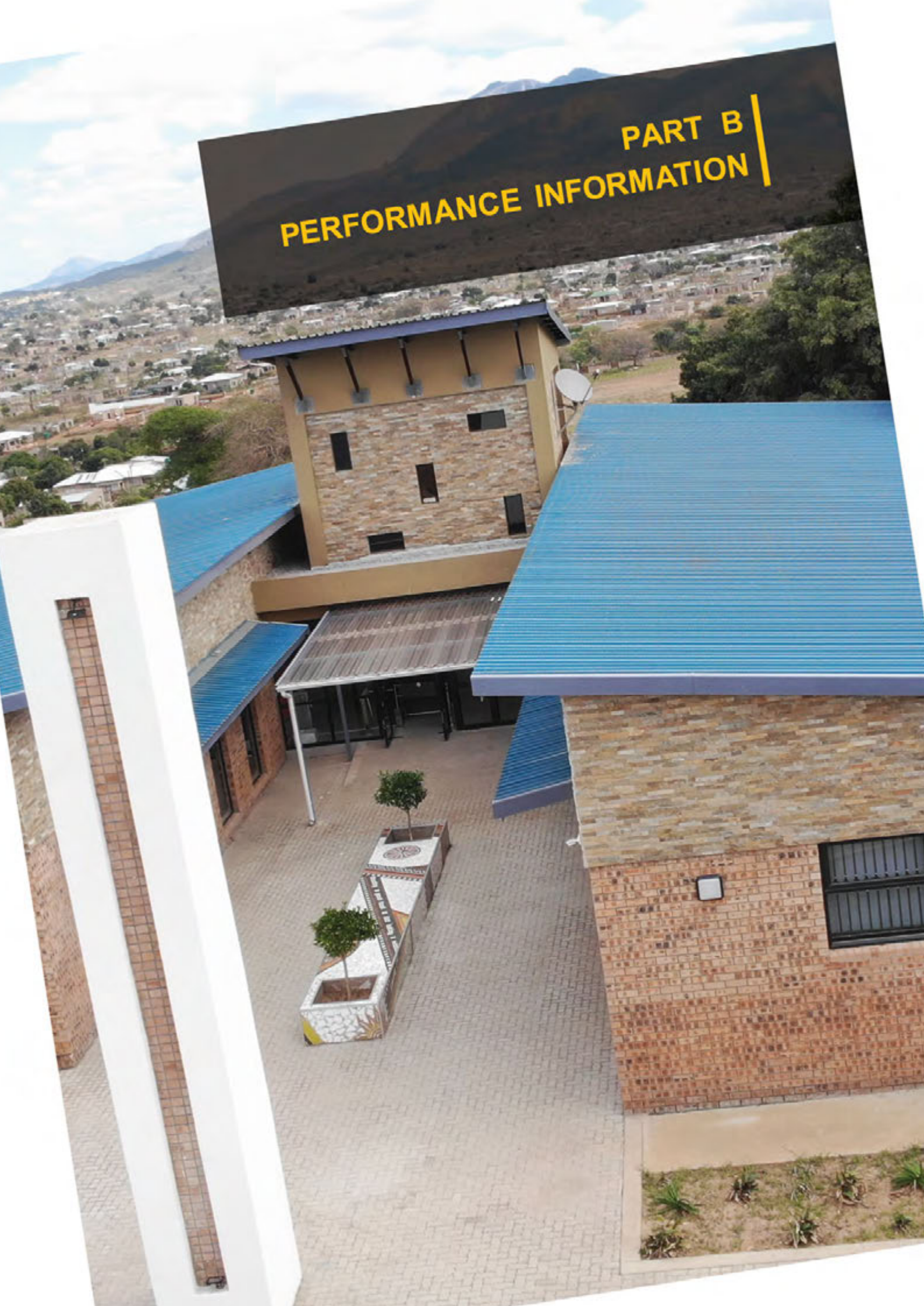
There is public interest in swift and efficient investigation of allegations of mismanagement or misconduct on the part of high-ranking public servants responsible for service delivery. The applicant was appointed to the crucial position of Head of the Department of Basic Education in the Province. Serious issues have been raised regarding the circumstances that resulted in the delay of delivery of textbooks and stationery, the embarrassment caused by the late payment of Education Assistants, the impact of the withholding of the education infrastructure grant for the Province, and the associated negative publicity and reputational damage to the Provincial Government. Understandably, the Premier would not want the investigation instituted to be conducted while the applicant remains in OTP. The applicant suffers limited prejudice in consequence. She remains on full pay and her suspension will be for a limited duration. In all these circumstances, the applicant's suspension, far from being a knee-jerk reaction on the part of the Premier, is lawful and valid.

8 ORGANISATIONAL STRUCTURE



9 ENTITIES REPORTING TO THE MINISTER/MEC

No entities are reporting to the OTP.



PART B
PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 171 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 AR for the OTP presents progress towards achieving the impact, outcomes, and provincial priorities articulated in the 2020-2025 Strategic Plan and 2023/24 APP. The five-year (2020 to 2025) Strategic Plan outlines the OTP's mandate, strategic focus, impact, and outcomes, and the Annual Performance Plan serves as an implementation mechanism through outcome-aligned outputs, indicators, annual and quarterly targets for 2023/24, as year four of the five-year strategy. The sixth administration promotes a culture of strict adherence to the values of openness, responsiveness, and accountability.

The OTP assures communities that the same way that it responded to the service delivery issues that were raised both in the electronic and print media, will continue to do so even in the new Financial Year. Through the Executive Council Outreach and Premier's Imbizo programmes, the OTP continued to engage communities on a face-to-face basis.

During the year under review, the OTP experienced among others, the following challenges:

- Cost containment measures imposed by the National Treasury, which impacted negatively on the filling of vacant funded positions;
- Extreme weather patterns caused by El Nino wreaked havoc on infrastructure across the Country and specifically in Mpumalanga, which is always a set-back to progress made in improving the lives of the inhabitants of Mpumalanga;
- Persistent and escalated stages of load-shedding, with a detrimental effect on business, especially SMMEs which cannot afford alternative energy.

There is a continued increase in the population and households in the Province, which means an increase in demand for services with limited resources. The population has increased from a mere 3,3 million people in 1994 to 5,1 million people as indicated by STATS-SA Census, 2022. Census 2022 further indicates that the number of households has increased from 1 075 466 in 2011 to 1 421 721 in 2022, which is a staggering 32% increment. The MPG will continue to be prudent in its planning, budgeting and expenditure to ensure quality services are delivered to the inhabitants.

Despite these challenges, the OTP continued to respond to the plight of the designated groups, namely Women, Youth, Elderly, and People with Disabilities. This was achieved firstly through monitoring the implementation of the Gender Responsive Framework on Planning, Budgeting, Monitoring, Evaluation, and Auditing to track the Department's alignment and compliance with the provisions of the framework.

Secondly, Youth-owned entities were supported through the PYDF. In partnership with ABSA, PYDF beneficiaries were also trained in business skills.

Thirdly, the Province has finalised the GBVF strategy.

Lastly, the MPG procurement budget spent for the year under review on Women enterprises is at 21,36% against the National target of 40% for the period 1 April 2023 to 31 March 2024. To improve the performance in this regard, the OTP will ensure that the Performance Agreements of all HoDs and SMS Members promote the agenda of women's advancement.

Table: Overall MPG Percentage of preferential procurement per designated group for 2023/24 FY

Designated Groups	Target per designated group in %	% spend on designated groups
Women	40%	21,36%
Youth	30%	14,38%
Persons with Disabilities	7%	2,43%

Source: May 2024: National Treasury CSD Supplier Payment database

The OTP continued to monitor that the Military Veterans Programme of Action and the Military Veterans Database is updated and digitalised.

The provincial HIV/AIDS 90-90-90 strategy target was 75% for those persons, who are positive and know their HIV status, 95,4% who are on Anti-Retroviral Treatment, and 90% of persons, who are positive and whose viral load is suppressed. The progress to date is 95% of persons, who are positive and know their HIV status, 85% of those persons, who are on Anti-Retroviral Treatment, and 93% of persons, whose viral load is suppressed.

The Province hosted inaugural BRICS Roadshows on 4 - 5 May 2023. Similar events were also rolled out in other Provinces meant as a build-up towards the 15th BRICS Summit that took place in September 2023 in Gauteng. The roadshows on 4 - 5 May 2023 afforded opportunities to different interest groups as follows:

- Provincial leadership engaged with High Commissioners and Ambassadors of BRICS member states in South Africa. Two-way exchange of information regarding available opportunities for trade, investment, people-to-people exchange and technical cooperation;
- The Province got a platform to market itself in terms of the available opportunities in the various sectors of the provincial economy, showcasing tourism attractions along

Tourism Panorama Route to the BRICS delegates and to further strengthen the existing relations with the BRICS countries;

- The Provincial business community was accorded an opportunity to engage with the BRICS representatives during Golf Day held at Matume Golf course and during the GALA Dinner hosted by DIRCO at Emnotweni Arena; and
- The various media houses were invited to the press briefing to have information disseminated to the inhabitants of Mpumalanga through the various communication platforms.

Subsequent to that, the Province hosted the BRICS Ministers and Officials meeting for Education and Culture on 12-13 July 2023 and 20-21 July 2023 respectively. These events were co-hosted with the Department of Higher Education & Training and the Department of Sport, Arts and Culture.

The HoD for the Department of Culture, Sport and Recreation and senior officials were invited to attend a two-day session and the MEC for Education and senior officials from the department took part in the other two-day session.

The two meetings of Education and Culture culminated into the Joint Declarations, which were presented to the Heads of State during the Summit.

On Just Transition, the OTP led a provincial delegation to participate in the Worldwide Exhibition for Incentive Travel, Meetings, and Events (IMEX Frankfurt) that was held in May 2023. The event served as a platform for international stakeholder mobilization, marketing Mpumalanga as a hotspot for green economy development and for youth development to access opportunities presented by Just Transition. The OTP coordinated the Premier's outbound mission for the Province to participate in the 28th session of the Conference of the UN's Framework on Climate Change in Dubai on 4 - 8 December 2023. For many developing countries in Africa, South Africa in general and Mpumalanga in particular, there is still a heavily reliant on fossil fuels. The issue of just transition is not limited to cleaner, environmentally friendly sources of fuel. Communities are often built largely around fossil fuels, such as in South Africa where, in the Mpumalanga Province, some local economies are dependent on the mining of coal. When coal-based fuels are phased out and coal mines closed, the impact on people in the coal value chain, including these vulnerable communities and economies that are built around coalmines, will be significant.

Navigating the complexities within Mpumalanga challenges necessitates strong collaboration with stakeholders. Prioritise partnerships with various entities, including business formations, state-owned enterprises, and private-sector organisations.

Recognising the urgency, MPG, ESKOM and Sasol endorse the call for a Global Goal on Adaptation. The MPG collaborates closely with local authorities, NGOs, and communities to promote climate change adaptation and fortify resilience against extreme weather events.

A Just Transition also involves the reskilling and upskilling of people reliant on coal for their livelihood to ensure they remain productive members of society who contribute to the economy. The timing and funding of skills development initiatives are still up for debate globally. However, the Premier has, on behalf of the Province proactively signed a MoU with TVET Colleges in the Province namely Gert-Sibande, Nkangala, Ehlanzeni, and MRTT with the purpose of training youth in artisan development, focusing on renewable energy and green economy amongst others. A funding proposal has been sent to SETAs to secure funding for these training development initiatives.

Skills Development and Education are therefore essential to respond to the transition risk and support people in becoming more climate resilient. The major focus areas on the skills development for the Just Energy Transition for the MPG include the following:

- Reskilling and upskilling existing adult workers so that they are better equipped to navigate the transition;
- Aligning the skills development system with the anticipated labour force needs of the future, particularly focused on green jobs to support a just transition; and
- Ensuring foundational skills through the education system to improve the adaptive capacity of the broader workforce.

2.2 Service Delivery Improvement Plan

The OTP has completed a Service Delivery Improvement Plan. The tables below highlight the service delivery improvement plan and the achievements to date:

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Number of Batho Pele Progrmmes coordinated	12 Departments (Including OTP)	Integrated Public Service Month coordinated	4 Batho Pele Programmes coordinated	Coordinated and monitored the implementation of four (4) Batho Pele Programmes (KHAEDU, Africa Public Service Day, Integrated Public Service Month, and Service Delivery Improvement Plan in 12 Departments

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

Current/actual arrangements	Desired arrangements	Actual achievements
Produce Reports on Batho Pele programmes	Produce reports for Departments	12 Departments were monitored on Batho Pele programmes and reports produced
Compile SDIP Annual Reports	Consult with stakeholders	12 Departments were coordinated for the submission of SDIP Annual Reports
Coordinate, workshop, and monitor 11 Departments, the OTP, and 3 Municipalities on the Batho Pele Programmes	Monitoring Reports on Batho Pele Programmes produced	Compiled Status Report on the monitoring of the implementation of Batho Pele programmes Africa Public Service Day celebration report produced Public Service Month and Khaedu deployment report produced Monitored submission of SDIP Annual Reports

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Reports	Reports	Khaedu deployment / Africa Public Service Day reports
Press Releases	Press Releases	5 EXCO media statements released

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Presidential Hotline	Integrated complaints mechanism	37% (127 out of 343) of calls resolved 96% (7225 of 7518) of calls resolved cumulative since the inception of the hotline in 2009

2.3 Organisational environment

The OFA conducted in the OTP serves to respond to the Directive issued by the DPSA in April 2022, to all Departments to conduct OFA in their respective spheres of operation. The Directive is in line with the provisions of Regulation 35 of the PSR, 2016, which stipulates that an Executive Authority shall conduct an OFA, as directed by the MPSA, to assess the effectiveness of a Department's internal systems and processes. The assessment is based on a three-year period (1 April 2022 to March 2024). The detailed report was submitted to the Minister on 31 March 2024.

The OFA is based on the generic methodology that is being applied as a self-assessment, including general observation of behaviour and conduct. It highlights the OTP's functionality and capacity challenges, strengths, and improvement opportunities in the delivery of public value. Key components that OFA focuses on are Monitoring, Evaluation and Performance Monitoring; Planning, Governance & Oversight; Human Resource Management & Development; Operations Management; Productivity Management; Service Delivery Improvement Plan; Learning & Knowledge Management; and Organisational Performance. The exercise allowed the OTP to identify functionally sound areas, as well as functionality gaps that need to be addressed, before they contribute adversely towards the achievement of the impact and outcomes as espoused in the 2020-2025 Strategic Plan. Therefore, upon inputs from DPSA, the OTP will develop an improvement plan to remedy all identified gaps to ensure maximum functionality.

The OTP has an approved organogram comprising of 384 posts, including the Premier, only 259 posts are on the PERSAL establishment. Of these, only 234 posts are filled, including the Premier. 36 vacant funded posts have been identified and were advertised as replacement posts. Out of the above 36 critical vacant funded posts, three are at the Senior Management Services level (incl. the Chief Financial Officer), 33 are on Salary Level 2-12. Furthermore, it must also be noted that all the vacant posts that are not considered critical have been abolished on the PERSAL system as per the Budget and Finance Committee resolution of 11 March 2015.

The OTP has advertised thirty-six (36) replacement posts, of which thirty- three (33) are graded at SL 2-12 and three (03) are SMS posts. Eleven (11) posts out of thirty-six (36) replacement posts were filled, of which three were filled through internal transfers and one SMS post was filled through re-instatement. The current occupancy rate, based on the PERSAL establishment stands at 81.4%, while the vacancy rate is 18.6%. Note must be taken that the vacancy rate is still high, based on the approved organogram throughout the year under review, i.e. 150 out of 384 (39.1%). Since the OTP has planned to fill several critical vacant funded posts, including the replacement posts in the following financial year, it is envisaged that the vacancy rate shall decrease sharply. When filling posts, the OTP has an obligation of ensuring that it does not exceed the 58% threshold concerning cost of employees versus goods and services.

It should be noted that during the year under review, 19 out of 20 Graduate-Interns were placed in various programmes on a 24 months' Internship Contract. 19 Student-Interns were received from the DoE's TVET Colleges for experiential learning on the Learnership Programme. The Learnership Programme was aimed at providing work environment exposure to the graduates and subsequently promote accelerated development and utilisation of available skills and qualified people for service delivery in the Public Service.

The OTP has shown a slight increase concerning the implementation of the PMDS in terms of the approved PMDP, for officials on salary levels 2-12, i.e. 182 out of 205 (88,7%) compliance in terms of signing of Performance Undertakings. The signing of Performance Agreements by SMS members on or before the deadline as per Chapter 4 of the SMS Handbook has recorded an 81,8% compliance rate (27 SMS members out of 33), which is an increase in comparison to the previous Financial Year. There has been an increase in the assessment of SMS Members in this regard. It must also be noted that the OTP has dealt with the outstanding Performance Agreements and Assessments in line with relevant regulations.

2.4 Key policy developments and legislative changes

During the period under review, the following key policy developments and legislative changes had an impact on the OTP:

- The National Framework towards the Professionalization of the Public Sector as approved by Cabinet on 19 October 2022;
- The Directive on conducting business with an organ of state issued by the Minister for the Public Service and Administration (February 2024);
- The Directive on other remunerative work outside the employee's employment in the relevant Department issued by the Minister for the Public Service and Administration (February 2024);
- The Directive on the institutionalisation of the ethics officer function in the Public Service issued by the Minister for the Public Service and Administration (February 2024);
- The Framework for a Just Transition in South Africa (2022);
- The Just Energy Transition Implementation Plan 2023 – 2027; and
- The Public Service Amendment Regulations, 2023 with effect from 1 November 2023.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The OTP identified the following institutional outcomes towards the achievement of the NDP, Revised 2019-2024 MTSF, and the impact statement:

- Outcome 1: Improved ethical culture;
- Outcome 2: Effective control;
- Outcome 3: Good performance; and
- Outcome 4: Improved trust.

The following progress has been made toward the achievement of outcomes and targets as set in the 2020/2025 Strategic Plan:

Outcome 1: Improved Ethical Culture

The Outcome refers to shared beliefs by employees in an organization, which will be reflected in the ethics that the organization subscribes to. The OTP strives to attain an improved ethical culture through exemplary leadership and good governance. Over the five-year period, the OTP would like to have zero instances of proven unethical conduct

within its control environment. No instance of unethical conduct was reported during the period under review.

The Minister of Public Service and Administration issued a directive on the implementation of lifestyle audits in the Public Service. In terms of the directive, Lifestyle Review serves as a tool to understand the financial profile of an employee, regarding legitimate declared income versus known and observed assets. This is the initial step to be conducted by Management to assess if the employee's lifestyle is commensurate with his/her income. If a lifestyle review identifies that an employee's expenditures constantly exceed his or her income, and it cannot be explained, an investigation should be launched. During the period under review, a Lifestyle review was conducted on all SMS Members and 81 other designated employees in the OTP. The review was conducted based on the information disclosed by the employees in regard to additional income and loans versus the assets disclosed, which was verified against eNatis, CIPC, and Deeds databases. Based on this information, no findings were raised which may require further investigation.

Through the citizen participation, the OTP conducted several awareness workshops across the Municipalities and Institutions of Higher Learning. The sessions were conducted in conjunction with Law enforcement agencies such as the Special Investigation Unit and the HAWKS. 1 158 Youth participants were workshopped on Ethical behaviour and fraud and anti-corruption awareness focusing on informing and teaching the community when and how to report acts of corruption and maladministration. 56 Youths, from Mkhondo, Victor Khanye, and Emalahleni Local Municipalities were nominated to serve as Ethics and Anti-Corruption Ambassadors.

In line with enhancing governance oversight and accountability; 6 Officials from within the MPG including the OTP, were trained, and are certified Ethics Officers.

Furthermore, a total number of 15 officials were trained in Ethics Management Train the Trainer programme. In partnership with DPSA, 25 Ethics and Risk officers from provincial and local governments were trained on the implementation of the lifestyle audit. The goal of the sessions was to help build an ethical culture by developing the capacity of officials for personal and professional ethical conduct. However, the OTP acknowledges that responding to ethical dilemmas in the Public Service is complex in real-life contexts.

Outcome 2: Effective control

This refers to the ability of the OTP to put adequate and effective measures in place that will enable it and the Mpumalanga Provincial Administration to achieve good governance. Effective control would contribute to reducing corruption, improving Audit Outcomes as well

as better service delivery. To strengthen governance and compliance management across the Provincial Administration, special focus will be placed on improving Audit outcomes as well as the clearing of irregular expenditure. During the year under review, Provincial performance outcomes on the five-year targets (2020-2025) were as follows:

- 12 Departments with unqualified audit outcomes. The Report of the Auditor-General shows that ten Departments in the Mpumalanga Provincial Administration obtained unqualified Audit outcomes for the Financial Year ended 31 March 2023. The Province therefore improved by two compared to the eight realized in the previous Financial Year. (i.e. the year ended on 31 March 2022);
- Reduction of security breaches from 100 to <50, as at 31 March 2024. The security assessment report by DCSSL indicates that security breaches in the MPG have decreased to 46; and
- Reduction of unauthorized, irregular, fruitless, and wasteful expenditure by 10% in rand value over the next five years. The financial results for the period under review reflect that no unauthorized expenditure was incurred. Irregular expenditure incurred in the incurred in the Financial Year 2023/24 amount to R19 927 000 (R114 000 incurred directly and R19 813 000 incurred while participating in the DCSR contract). The fruitless and wasteful expenditure amounted to R1 654 000 due to a no-show on accommodation and poor quality of third party invoices submitted to the main supplier.

Outcome 3: Good performance

This refers to the ability of the OTP to coordinate the MPG to meet customers' expectations in respect of service delivery and should also lead to the desired developmental impact. During the year under review, Provincial performance outcomes on the five-year targets (2020-2025) were as follows:

- Reduction of the poverty rate from 46% to 35%, STATS-SA through Census 2022 released in October 2023 indicated the poverty rate was at 49%;
- Reduction unemployment rate from 33% to 25%, Quarterly Labour Force Survey 2023, Q4 statistics indicated the unemployment had slightly risen to 34,9%;
- Increased the percentage of households with internet access from 56% to 80%, the current statistics indicate that 78% of households have access to the internet (Census, 2022);
- Real GDP per head from R58 243 to R60 000. As at July 2022, STATS-SA indicated that the GDP per head increased to R72 056, which surpassed the 2025 target,

- Reduction of the percentage of unemployed women from 50,5% to 42,5%. As at Quarter 2 of 2023, the Labour Force Survey indicated the unemployment rate of women to be at 42,6%, which is 0.1% away from reaching the 2025 target;
- Reduction of the percentage of unemployed youth (15-34) from 66,5% to 51,5%. As at Quarter 2 of 2023, Labour Force Survey indicate the youth unemployment to be at 51% (reached the 2025 target); and
- Increase of the total FDI from R600 million to R1 billion. According to the MEGA 2023/24 Financial Year report, the Province received FDI amounting to R2 billion.

The statistics further indicate that the economy of the Province is growing in leaps and bounds. The GDP, that is the value of goods and services produced in Mpumalanga was R46 billion in 1994, today (2024) economy has grown to more than R530 billion, twelve times bigger than what it was, becoming the 4th largest economy in the country.

Outcome 4: Improved trust

This refers to the ability of the OTP to display integrity in its dealings with the public, espouse honesty, and build trust through positive and accurate communication or messaging. The OTP has, as part of stakeholder engagements towards achieving the outcome, implemented the Integrated Provincial Communication Strategy, and Departments continuously monitored its implementation through the 12 Provincial Department and Municipalities. The OTP informed the public on government services through multi-media platforms (e.g. social media, newsletters, radio slots, etc.), and also coordinated two Premier's outreach programmes at Bushbuckridge and Goven Mbeki Municipalities as well as one Presidential Imbizo at eMalahleni Municipality. This is a Government and society approach, which enables integrated and responsive planning, budgeting, implementation, as well as monitoring and evaluation through the DDM. This approach is central to building an accountable, ethical, capable, and developmental state that delivers on its mandate.

Moreover, during 2022/23 OTP endevoured to measure service delivery through a CSS as an integral part of a performance management system based on service delivery indicators. By carrying out these steps, four departments were selected to undertake the survey in the Province, being the DoH, DoE, DSD, and DCSSL. This will ensure that a CSS survey plays an important role in developing a service delivery culture throughout the Public Service. The survey received a total number of 1 633 responses from the three districts in the Province as follows: DoH received 430 responses, DSD received 402 responses, DoE received 411 responses and DCSSL received 390 responses.

The results suggest that the **DoH** can provide accessible services to most of its clients. However, the significant number of respondents who traveled far or very far indicate a potential need for additional health services in more remote areas, as such, there may be a need to consider strategies such as mobile service units or satellite clinics to better serve clients in remote areas. Thus, the DoH should consider conducting further research to understand the reasons for this and determine whether additional services are needed to meet the needs of these clients.

The graph below indicates the client's service experience in each of the three regions on services rendered by DoH;

Figure 2: DoH Client Satisfaction Results

Source: OTP CSS Report, 2023

Out of 430 respondents, the majority, being 53% (228) rated the quality of services provided by DoH as satisfactory and 13% (58) of respondents rated the quality of service provide as inadequate. While 15% (64) of the respondents rated their services provided as adequate. 16% (69) of respondents rated the quality of services provided as extremely satisfactory and only 3% (11) of the respondents indicated that the question was not applicable to them.

The results indicate varying levels of satisfaction among respondents regarding the quality of service they received from the **DSD**. The graph below indicate the level of satisfaction among respondents regarding the quality of the service they received from the DSD.

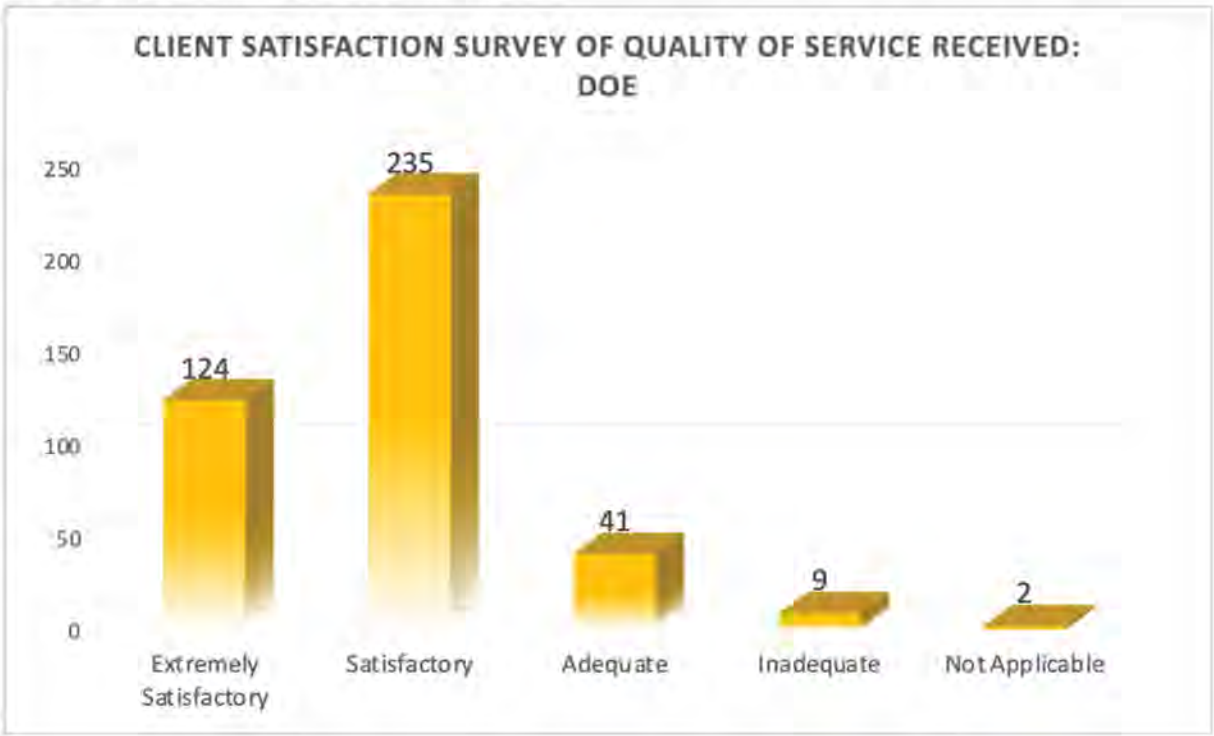
Figure 3: DSD Client Satisfaction Results

Source: OTP CSS Report, 2023

Out of 402 respondents, most respondents, being 50% (201) reported being satisfied with the quality of service. The category comprises 19% (80) of the respondents rated the quality of service rendered as extremely satisfactory. Furthermore, 16% (65) of respondents rated the service as adequate. While 11% (45 out of 402) of the respondents indicated that services received from DSD are inadequate, and a small number of respondents i.e. 3% (11) indicated that the question was not applicable to them.

The survey results further indicated that most respondents were satisfied or extremely satisfied with the quality of the service they received from **DoE**. The graph below indicates the clients' satisfaction with the quality of the service they received from the DoE.

Figure 4: DoE Client Satisfaction Results



Source: OTP CSS Report, 2023

Out of the 411 respondents, the majority 57% (235) of respondents reported a satisfactory perception of the quality of the service they received. A significant portion, being 30% (124) of respondents found the quality of the service they received to be extremely satisfactory. Additionally, 10% (41) of the respondents found the quality of the service they received to be adequate. However, only a few respondents, being 2% (9) expressed an inadequate perception of the quality of the service they received and the remaining 0.5% (2) of the respondents indicated that the question was not applicable to them.

Based on the findings, it can be concluded that most respondents had a satisfactory or extremely satisfactory experience with the service received from the **DCSSL**. However, there is room for improvement, as some of the respondents found the service to be inadequate. The graph below indicates the level of satisfaction among respondents regarding the quality of the service they received from the DCSSL. It aims to capture their overall satisfaction and perception of the service quality.

Figure 5: DCSSL Client Satisfaction Results

Source: OTP CSS Report, 2023

Out of 390 respondents, 57% (223) respondents expressed a satisfactory level of satisfaction with the service quality. Furthermore, 25% (96) of respondents expressed an extremely satisfactory level of satisfaction with the service quality, and 12% (45) of the respondents found the quality of service adequate. However, 6% (22) of the respondents reported an inadequate level of satisfaction with the service quality and lastly, 1% (4) of the respondents indicated that the question was not applicable to them.

The above-mentioned Departments should investigate the factors contributing to inadequate experiences and take appropriate measures to address them. The OTP will monitor progress in this regard to ensure improvement in the delivery of quality services.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose

The Programme is responsible for the appropriate and effective coordination and monitoring of administrative and strategic matters, both within the OTP and the Province. The Programme comprises of the following sub-programmes, being Premier Support, Director-General Support, Executive Council Support and Financial Management.

Sub-programme: Premier Support

This sub-programme provides programme management and coordination support to the Premier in executing her constitutional mandate. These include delivering the State of the Province Address as well as the annual Policy and Budget Speech for the OTP.

Sub-programme: Director-General Support

The sub-programme provides administrative leadership and directives through planning, reporting, auditing, security, integrity and forensic services. The Office of the Director-General is also required to provide internal and external support to sections within the OTP and Departments in the Provincial Government.

This sub-programme comprises the Office of the Director-General, Planning and Programme Management, Integrity Management and Forensic Audit, Internal Audit and Security Management.

Strategic leadership and direction is delivered by providing support to other intergovernmental structures such as the PCF, EXCO and Makgotla, the Budget and Finance Committee, Premier's Advisory Committees, the PMC and Cluster Committees.

Section 38(1)(a)(ii) of the Public Finance Management Act, 1999 stipulates that each Department must have and maintain an Internal Audit Unit under the control and direction of an Audit Committee. The sub-programme, through the Internal Audit Unit, provides audit assurance, performance and computer audit services. The OTP also provides these services to four other cluster departments namely, CoGTA, DHS, DCSR, and DCSSL.

Sub-programme: Executive Council Support

The sub-programme is responsible for providing effective and efficient secretarial and administrative support services to the Executive Council, EXCO Sub-Committees and

intergovernmental structures. The service provided by the support includes the overall management of EXCO resolutions.

Sub-Programme: Financial Management

The sub-programme provides financial management support and advisory services to ensure compliance with the PFMA and Treasury Regulations. It is responsible for the coordination and facilitation of the Audit Remedial Action Plan and financial delegations. The management of payroll, assets and logistics support is effected through the Supply Chain Management Unit. Risk and Ethics Management also resides within the Financial Management sub-programme. This unit furthermore is responsible for coordinating the Risk Management Committee and the development of the Departmental risk registers (strategic and operational) and reports to the Director-General on the progress made by the various units as per the risks identified by the OTP as contained in the various Risk Registers.

Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements

The Security Management Services supported all Departments to ensure that controls are in place for sensitive or classified information to protect national security.

The Integrity Management Unit rendered, implemented, and monitored the anti-corruption strategies in all Provincial Departments and Municipalities proactively. Moreover, it managed to engage with the general public on the role that the public can play to assist in curbing the scourge of corruption within the MPG. The programmes support a zero-tolerant environment towards fraud and corruption, specifically focusing on fraud risk assessments, fraud, and corruption awareness sessions, and electronic anti-fraud newsletters and communications. Furthermore, the unit also conducted lifestyle reviews on all SMS Members and 81 designated employees within the OTP. The review was conducted based on the information disclosed by the employees in regard to additional income and loans versus the assets disclosed, which was verified against eNatis, CIPC and Deeds databases. Based on this information, no were findings raised which may require further investigation.

In terms of Forensic Audit Services, the OTP had 32 cases that were received through the NACH (13 cases broad forward from the previous Financial Year and 19 new cases received). Out of the 32 cases, 19 were investigated and resolved, (that is 58%) and the remaining 13 will be carried over to the 2024/25 Financial Year.

Lastly, the Financial Management Services enforces compliance with prescripts in the procurement of services for the OTP. Moreover, Departmental initiatives prioritising

women, youth, and persons with disabilities were supported through the SCM processes. Through Planning and Programme Management, departmental plans and reporting were coordinated, consolidated, and submitted to oversight bodies. Implementation of the plans was monitored. The programme operations ultimately impact positively towards service delivery and achievement of the outcomes of improved ethical culture and effective controls.

Sub-Programme: DG Support – Security Management								
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**
Effective control	Departments monitored for compliance with MISS	Number of Departments monitored for compliance with MISS	6 Departments assessed for security compliance (DCSR; DCSSL; DSD; DARDLEA; DPWRT and DHS)	12	12 Departments	**Achieved** All 12 Departments monitored for compliance with MISS during the year under review	0	None

Sub-Programme: DG Support – Integrity Management								
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**
Improved Ethical Culture	Department monitored for compliance with the Provincial Anti-Corruption Strategy	Number of Departments monitored for compliance with Provincial Anti-Corruption Strategy	The 1st Draft reviewed and Provincial Anti-Corruption Strategy is in place	**Not achieved** 95% (19 of 20) activities completed towards the review of the Provincial Anti-corruption Strategy	12 Departments	**Achieved** All 12 Departments were monitored on National and Provincial Anti-Corruption Strategies	0	None

Sub-Programme: DG Support – Forensic Audit Services								
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**
Improved Ethical Culture	Corruption cases investigated	Percentage of Corruption cases investigated	75% (9 of 12) cases from NACH resolved 21% (9 of 43) backlog fraud and corruption cases investigated	36% (4 of 11) cases from NACH resolved 73% (27 of 37) backlog fraud and corruption cases investigated	80% of Corruption cases	**Not Achieved** 58% (19 out of 32) of cases were investigated	22%	Slow pace in finalisation of cases due to delay in submission of documents by departments and constraints of human resources

Sub-Programme: DG Support – Financial Management								
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**
Effective control	Invoices from service providers paid within 30 days from the date of receipt	Percentage of invoices paid within 30 days	100% (1512 of 1512) of invoices paid within 30 days	100% (2 837 of 2 837) invoices paid within 30 days	100% of invoices	**Achieved** 100% (2 764 out of 2 764) of invoices paid within 30 days	0	None

Linking performance with budgets

The programme's budget was effectively utilised to coordinate and monitor the administration of the OTP and that of MPG.

Sub-programme expenditure

Sub-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
Premier Support	37 471	37 469	2	36 495	36 482	13
Executive Council Support	8 187	8 186	1	6 697	6 695	2
Director-General Support	66 734	66 725	9	45 018	44 995	23
Financial Management	63 004	62 941	63	68 456	68 434	22
Total	**175 396**	**175 321**	**75**	**156 666**	**156 606**	**60**

The programme has spent an amount of R175 321 000 which is 100% of its adjusted budget of R175 396 000.

Strategy to overcome areas of under performance

Forensic Audit Services

- Escalate slow submission of documents by Departments to the DG for immediate intervention.
- Prioritise Integrity Management Unit and Forensic Audit Services Unit when filling vacant positions in the 2024/25 Financial Year.

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

The OTP does not have standardised outputs and outputs indicators. The programme is administrative and renders support to the rest of the Department. Departmental initiatives

prioritising women, youth, and persons with disabilities were supported from an SCM perspective. The Integrity Management Unit rendered proactive measures to all MPG. The unit's proactive programme supports a zero-tolerant environment towards fraud and corruption, specifically focusing on fraud risk assessments, fraud and corruption awareness sessions and electronic anti-fraud newsletters and communications.

4.2 Programme 2: Institutional Development

Purpose

To provide institutional development services, advice, strategic support, coordination and development of policies to ensure operational efficiency, alignment and corporate compliance in order to improve the capacity of the Mpumalanga Provincial Government to deliver effective and efficient services. The Programme is composed of Strategic Human Resources, Legal Advisory Services, Government Communications and Information Services, the Provincial Government Information Technology Officer and Public Service Transformation and Service Delivery Improvement.

Sub-programme: Strategic Human Resources

The sub-programme is responsible for coordinating and monitoring the implementation of human resource practices and strategies by Departments in the Provincial Government. This sub-programme ensures that the Mpumalanga Provincial Government and the OTP's human resource management practices are performed within the applicable legal frameworks and prescripts.

Public Service Transformation and Service Delivery Improvement

To coordinate and monitor the implementation of Batho Pele programmes in the OTP and Provincial Departments.

Sub-programme: Legal Advisory Services

To provide legal advisory services to the Mpumalanga Provincial Government and the OTP.

Sub-programme: Government Communication and Information Services

To coordinate government communication and information services within the Provincial Government and the OTP.

Sub-programme: The Provincial Government Information Technology Officer

To provide ICT support function across all Provincial Departments and the OTP, and to promote the effective management of information and communication technology as a service delivery enabler and a strategic resource.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Skills Programmes provide a platform for skilling and re-skilling of employees, which is important. Eleven prioritised programmes were implemented to upskill the employees to be competent and to deliver on the mandate of the OTP. The OTP was deliberate in encouraging women, youth, and persons with disabilities to register for courses to improve their skills. This will in turn afford them a competitive advantage when recruitment opportunities arise within the MPG.

Resolution of disputes contributes positively to influencing behaviour change, and embeds values and ethics, thus ensuring that the OTP and the Provincial Government at large, have capable and credible human resources with integrity, that adhere to applicable legal frameworks and prescripts. This contributes to an improved ethical culture. The implementation and monitoring of the Labour Summit resolutions were conducted in the 12 provincial Departments to promote labour peace. Implementation of these resolutions will result in an improved relationship between the employer, employees at large and organised labour.

The five reviewed organisational structures were in line with the strategic plans and mandates of the OTP and Provincial Departments, as well as the integrated development plans of local Municipalities. This ensured that there was adequate human resource capacity to carry out related activities to achieve outputs, which will contribute towards good performance.

The provision of legal advice, guidance, assistance, and support to all clients contributed towards the achievement of the outcomes by ensuring implementation within a Constitutional and legally sound framework. All requests received for legal advice were processed within 30 days.

The OTP has, as part of its stakeholder engagements towards improving trust in the MPG, implemented the Integrated Provincial Communication Strategy. All the Departments were continuously monitored in respect of its implementation. The OTP informed the public on government services through multi-media platforms (e.g. social media, newsletters, radio slots, etc.), and also coordinated two Premier's outreach programmes at Bushbuckridge and Goven Mbeki Municipalities as well as one Presidential Imbizo at eMalahleni Municipality.

Moreover, through the Public Service Transformation and Service Delivery Improvement, the OTP coordinated and monitored the implementation of four Batho Pele programmes in all 12 Provincial Departments.

The OTP has through the Office of the Provincial Government Information Technology Officer co-ordinated the rollout of Broadband across the Province through the national SA Connect Project. Four coordination meetings were held with the National Role-players, namely the Department of Communication and Digital Technologies, Broadband Infraco, and the State Information Technology Agency. Funding has been available for the 2024/2025 Financial Year for the implementation to start across the Province.

Sub-programme: Strategic Human Resource – Internal Human Resources Management and Development								
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**
Good performance	Workplace Skills Plan programmes implemented	Number of Workplace skills programmes implemented	7 Skills programmes in the WSP implemented	10 Workplace Skills Programmes implemented	10 Workplace Skills Programmes	**Achieved** Eleven (11) Workplace Skills Programmes implemented	(1)	One more programme implemented than planned due to collaborative work with PSETA

Sub-programme: Strategic Human Resource – Transversal Human Resource Services								
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**
Good performance	Provincial Human Resources Management policy frameworks reviewed	Number of Provincial Human Resources Management policy frameworks reviewed	Five (5) Draft Provincial Human Resource Policy Frameworks reviewed (PMDS Policy; Overtime Policy; Reasonable Accommodation Policy; Recruitment Policy; and Selection Policy)	Draft Provincial Human Resource Policy Frameworks were reviewed but not approved: • Selection Policy Framework • General Leave Policy • Special Leave Policy • Employment Equity Policy • Recruitment Policy Framework	4 Provincial Human Resources Management policy frameworks	**Achieved** 4 Provincial Human Resources Management policy frameworks reviewed	0	None

Sub-programme: Strategic Human Resource – Labour Relations								
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**
Improved ethical culture	Disputes duly attended to within 90 days of receipt in the 11 Departments as well as the Office of the Premier	Percentage of disputes duly attended to within 90 days	100% (3 of 3) disputes duly attended to within 90 days 100% (1 of 1) Grievance of non-payment of acting allowance emanating from previous years resolved	No disputes received during the 2022/23 Financial Year	100% of disputes	**Achieved** 100% (1 out of 1) of dispute duly attended to within 90 days	0	None
Good Performance	Departments monitored on the implementation of the labour summit resolutions	Number of Departments monitored on the implementation of the labour summit resolutions	-	-	12 Departments	**Achieved** All 12 Departments monitored on the implementation of the Labour Summit resolutions	0	None

Sub-Programme: Strategic Human Resource – Organisational Design and Job Evaluation								
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**
Good performance	Organizational Structures reviewed	Number of Organizational Structures reviewed	3 Organizational Structures reviewed (Provincial Treasury; DSD and the Office of the Premier	3 Organizational Structures reviewed for DEDT, Msukaligwa Local Municipality and Dipaliseng Local Municipality	2 organisational structures	**Achieved** Reviewed 5 organisational structures as per the requests within 60 days (Nkomazi & Bushbuckridge Municipalities, DEDT, DCSSL, COGTA)	(3)	3 more organisational structures were reviewed in line with requests received

Sub-Programme: Legal Advisory Services								
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**
Good performance	Legal advisory services provided	Percentage of requests for Legal Advisory Services received via the Office of the Director-General completed within 30 working days	100%	100%	100% of requests	**Achieved** 100% (70 out of 70) legal advisory services provided in the form of a legal opinion, letters and other documents with a legal bearing drafted as well as Provincial Bills dealt with as requested, within 30 working days after receiving the request	0	None

Sub-programme: Public Service Transformation and Service Delivery Improvement (PST & SDI)								
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**
Good performance	Batho Pele Programmes coordinated	Number of Batho Pele Programmes coordinated	4 Change Management Programmes coordinated	4 Batho Pele Programmes coordinated (Africa Public Service Day and Integrated Public Service Month; Intra-Departmental KHAEDU deployment in DCSSL; Coordinated the submission of SDIP Annual Reports by 3 Departments and Monitored 3 Municipalities on Batho Pele programmes	4 Batho Pele Programmes	**Achieved** Coordinated and monitored the implementation of four Batho Pele Programmes (KHAEDU, Africa Public Service Day, Integrated Public Service Month and Service Delivery Improvement Plan) in all 12 Departments	0	None

Sub-programme: Government Communication and Information Services								
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**
Improved trust	Departments monitored for Compliance with Integrated Provincial Communication Plan (IPCP)	Number of Departments monitored for compliance with IPCP	4 Monitoring Reports on the implementation of IPC Strategy compiled	4 Monitoring Reports on the implementation of the IPCP compiled	12 Departments	**Achieved** All 12 Departments monitored on the compliance with IPCP	0	None

Sub-programme: The Provincial Government Information Technology Officer								
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**
Good performance	National 3-year Broadband rollout coordinated in the Province	Percentage of activities implemented towards coordination of the National 3-year Broadband rollout in the Province	Final Draft Provincial 10-year Broadband Plan developed	100% (12 of 12) of activities implemented towards coordination of the Provincial 3-year Broadband rollout	100% of activities	**Achieved** 100% (12 of 12) of activities implemented towards coordination of the National 3-year Broadband rollout in the Province	0	None

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2023/2024			2022/2023		
	Final Appropriation	Final Appropriation	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Human Resource	54 593	54 586	7	47 260	46 972	288
Information Communication Technology	3 293	3 288	5	2 927	2 925	2
Legal Services	3 202	3 201	1	3 009	3 006	3
Communication Services	32 425	32 419	6	24 739	24 732	7
Programme Support	5 075	5 075	-	3 520	3 519	1
Total	**98 588**	**98 569**	**19**	**81 455**	**81 154**	**301**

The programme has spent an amount of R98 569 000 which is 100% of its adjusted budget of R98 588 000 for the 2023/2024 Financial Year.

Strategy to overcome areas of under performance

- None. The programme has achieved all its planned output targets for the year under review.

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

The OTP does not have standardised outputs and outputs indicators. The programme is Institutional Development and proactively contributes towards the attainment of three outcomes, namely Improved Ethical Culture, Good Performance and Improved Trust.

4.3 Programme 3: Policy and Governance

Purpose

To provide effective macro policy advice, coordination and monitoring in the following key focus areas:

- Provincial Planning;
- Monitoring the Implementation of Provincial Programmes;
- Mainstreaming of gender, youth, persons with disabilities and older persons' issues;
- Regional and International cooperation;
- Research and Information management;
- Advisory services to the Premier, EXCO, EXCO Committees and MPAC; and
- Coordinate key strategic interventions to improve Departmental performance.

Sub-programme: International Relations

This sub-programme facilitates the development and implementation of the *Provincial International Relations Programme of Action* and monitors the progress thereof. The sub-programme is also responsible for facilitating International Relations partnerships and signing of MOUs to support Socio-Economic Development in the Province.

Sub-programme: Provincial Policy Management

The sub-programme consists of the following Units:

- Macro Planning;
- Monitoring and Evaluation;
- Research and Strategic Information Management;
- Governance, State Capacity, Security, Crime Prevention and Institutional Development Cluster;
- Social Protection, Community and Human Development Cluster;
- Economy Sector, Investment, Employment and Infrastructure Development Cluster; and
- Mpumalanga Province Aids Council.

The purpose of the sub-programme is to enhance EXCO's evidence-based decision-making processes by providing integrated research, coordination, planning, monitoring and evaluation within the Province. The sub-programme also conducts macro policy analysis and develops baseline indicators for the Mpumalanga Province (Provincial 5-year Plan). The following are the key deliverables:

- Developing Provincial priorities in line with the revised 2019 – 2024 PMTSF for 2024/25 and monitoring the implementation thereof through the cluster system PPOA;
- Implementing the PEP and coordinating the evaluation of identified programmes;
- Guiding the development of Departments' Plans (SPs, APPs, AOPs) and monitoring the implementation thereof, through the eQPR system and publications;
- Guiding the development or review of Provincial Sector Development Plans by Provincial Departments i.e. PIMP by the DPWRT and the PFNSP by DSD;
- Implementing and monitoring the Provincial Research Agenda, and facilitating the establishment of the MRI. The MRI will enhance the Provincial Research capacity and provide quality assurance on the research projects implemented;
- Monitoring the implementation of Provincial Implementation Plan on HIV, STIs and TB, and the roll out of the Provincial COVI-19 response plan through MPAC sittings;
- Developing the Provincial Just Transition Plan.

Sub-programme: Special Programmes

The purpose of this sub-programme is to mainstream the target groups programmes in line with the Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework. The following are the key deliverables:

- Coordinating the implementation of the PYDF;
- Facilitating the implementation of Youth Empowerment Programmes in the Province;
- Coordinating and monitoring the mainstreaming of target groups (women, youth, older persons, and persons with disabilities) and LGBTQIA+;
- Monitoring the implementation of the Provincial Strategic Plan on GBVF; and
- Establishment of provincial data management repository for target groups.

Outcomes, Outputs, Outputs Indicators, Targets and Actual Achievements

International Relations facilitated outbound missions led by the Premier to promote peace and lure investors with common interests to the Province. First, the Premier led a delegation to Germany for a world exhibition travel incentive and thereafter ensued a benchmarking exercise to Austria for herbs and vegetable dehydration processing.

Secondly, the Premier led a delegation to the United Nations Climate Change Conference (COP28) from 1 - to 8 December 2023. Furthermore, the COP28 Conference was convened in the United Arab Emirates. Delegates at the conference deliberated extensively on measures that address the climate crisis through, amongst others, decreasing the reliance on fossil fuels. The conference also outlined strategies that will enable the Province to achieve net-zero emissions by 2050.

The OTP also coordinated partnerships in six countries and entities namely –

- the Sverdlovsk Region in the Russian Federation;
- Maputo Province in the Republic of Mozambique;
- Chonqing Province in the Socialist Republic of China;
- Worldwide Exhibition of Incentive Travel Meetings and Events (IMEX) in Frankfurt in the Federal Republic of Germany;
- Waldviertel Plant (Vegetable and Herbs Dehydration and process Plant in the Republic of Austria; and
- the United Nations Framework Convention on Climate Change (COP28) in Dubai.

The OTP further guided Provincial Departments on key priorities that should be achieved during the 2024/25 period and informed the development of the PPoA. To track progress made in the implementation of the key Provincial priorities, the Monitoring and Evaluation Unit monitored the implementation and published the eQPR reports for transparency, conducted performance assessment, and commissioned three evaluation studies for evidence-based decision-making.

The MPG continued with its endeavour of creating youth entrepreneurs through the PYDF. The PYDF was conceptualised to create a systemic, integrated, and multi-sectoral, resource programme for local young entrepreneur identification, support, capacitation, and sustenance to contribute to job creation through business-orientated black youth participation in the economy of the Province. During the year under review, 82 youth-owned enterprises were approved for financial and business advisory support, and of these,

84% received their disbursement to start or enhance their operations. The Budget (amounting to R110 460 543) was transferred to MEGA to facilitate disbursement to beneficiaries.

During this period, the Province monitored the HIV and TB cascades through a multi-sectoral approach. All the performance reports were presented, analysed, and recommendations for improvements documented through the Local, District, and Provincial AIDS Council sittings. Three (Lekwa, Victor Khanye, and Emakhazeni) out of 17 Local Municipalities in the Province were not sitting on quarterly basis to process their reports. The SHE Departments (Health, Social Development, and Education) remain the main Departments providing direct HIV, TB, and STIs services to the public. Other Departments remain focused on HAST service through Health and Wellness programme in the workplace.

The Province also developed a standardized reporting template aligned to the new goals of the NSP while engaging in the finalization of the Provincial Implementation Plan for 2023 – 2028. Three Quarterly performance review meetings were conducted with PEPFAR and Global Fund implementing partners during the 2023/24 Financial Year.

The attainment of all the output indicators in this programme contributes towards the achievement of the outcome of Good Performance.

Sub-programme: International Relations								
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**
Good performance	International Partnerships coordinated	Number of International Partnerships coordinated	2 International Relations MOUs not coordinated (Russia and Mozambique)	3 Reports on the collaboration with Africa and the World compiled	6 international partnerships	**Achieved** 6 international partnerships coordinated (Russia, Mozambique, Germany, Austria, China, and COP 28)	0	None
	International Relations' missions coordinated	Number of International Relations' missions coordinated	New	1 Outbound mission to the Russian federation coordinated	2 international relations missions	**Achieved** Coordinated 3 Outbound missions to Germany and Austria by the Premier delegation for world exhibition travel incentive and herbs and vegetable dehydration processing plant and COP 28 for discussion and investment on climate change incl. Just Transition	(1)	1 more International Relations' mission coordinated than anticipated

Sub-programme: Provincial Policy Management - Macro Planning								
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**
Good performance	Departmental Annual Performance Plans quality assured	Number of Departmental Annual Performance Plans quality assured	New	12 Departmental Annual Performance Plans quality assured	12 Departmental Annual Performance Plans	**Achieved** All 12 Departmental Annual Performance Plans quality assured	0	None

Sub-programme: Provincial Policy Management - Cluster Management								
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**
Good performance	Analysis Reports compiled on the socio-economic and governance priorities	Number of Analysis Reports compiled on the socio-economic and governance priorities (Governance, State Capacity Security, Crime Prevention and Institutional Development Cluster)	New	**Achieved** 4 Analysis Reports on Governance, State Capacity, Security, Crime Prevention and Institutional Development Cluster compiled	4 analysis reports	**Achieved** 4 analysis reports compiled on the socio-economic and governance priorities (Governance, State Capacity, Security, Crime Prevention and Institutional Development Cluster)	0	None
	Analysis Reports compiled on the socio-economic and governance priorities	Number of Analysis Reports compiled on the socio-economic and governance priorities (Social Protection, Community and Human Development Cluster)	New	**Achieved** 4 Analysis Reports on Social Protection, Community and Human Development Cluster compiled	4 analysis reports	**Achieved** 4 analysis reports were compiled on the socioeconomic and governance priorities (Social Protection, Community, and Human Development Cluster)	0	None

Sub-programme: Provincial Policy Management - Cluster Management								
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**
	Analysis Reports compiled on the socio-economic and governance priorities	Number of Analysis Reports compiled on the socio-economic and governance priorities (Economy Sector, Investment, Employment and Infrastructure Development Cluster)	New	**Achieved** 4 Analysis Reports on Economy Sector, Investment, Employment and Infrastructure Development Cluster compiled	4 analysis reports	**Achieved** 4 analysis reports were compiled on the socioeconomic and governance priorities (Economy Sector, Investment, Employment and Infrastructure Development Cluster)	None	None

Sub-programme: Provincial Policy Management - Monitoring and Evaluation								
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**
Good performance	Programmes commissioned for evaluation studies	Number of programmes commissioned for evaluation studies	1 Programme Evaluation study commissioned (Rapid Evaluation at Shongwe Boarding School completed)	1 Programme commissioned for evaluation study	2 programmes	**Achieved** 3 programmes for evaluation studies commissioned (Boarding School, Fortune 40, and Sustainable Livelihoods for sustainable households)	(1)	1 programmes for evaluation study from prior Financial Year commissioned in the year under review
	eQPRs reports published	Number of eQPRs reports published	4	4	4 eQPRs reports	**Achieved** 4 eQPRs reports published	0	None
	30-year Performance Review Report	Percentage progress on the completion of 30-year	New	New	30% progress	**Achieved** 33% (2 out of 6) progress on the completion of the 30-year	(3%)	None

Sub-programme: Provincial Policy Management - Monitoring and Evaluation								
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**
		Performance Review Report				Performance review report completed (Inception report & Development of data collection framework completed)		

Sub-programme: Provincial Policy Management - Research Services								
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**
Good performance	Status reports on the implementation of the Provincial Research Agenda	Number of Status reports on the implementation of the Provincial Research Agenda compiled	**Achieved** 4 Status reports on the implementation of the Provincial Research Agenda compiled	**Achieved** 4 Status reports on the implementation of the Provincial Research Agenda compiled	4 Status reports	**Achieved** 4 Status reports on the implementation of the Provincial Research Agenda compiled	0	None
	Research studies commissioned	Number of Research studies commissioned	New	2 Research studies not commissioned	2 research studies	**Not achieved** 2 Research studies not commissioned	2	Research studies not commissioned due to no responsive bids received and duplication of research studies
Good performance	Service Delivery Assessment	Number of service delivery assessment	New	New	4 service delivery assessme	**Achieved** 5 Service	(1)	The Presidential Imbizo was

Sub-programme: Provincial Policy Management - Research Services								
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**
	Report Produced	reports produced			nt reports	delivery assessment reports for Thaba Chweu, Govan Mbeki, eMalahleni, Victor Khanye Local Municipalities and Presidential Imbizo held at eMalahleni produced		not part of the provincial plan and had to be accommodated after consultation and agreement with the Presidency
	Monitoring Report on the Implementation of Knowledge Management in the Province	Number of monitoring reports on the implementation of Knowledge Management in the Province	New	New	4 Monitoring reports	**Achieved** 4 Monitoring reports on the implementation of Knowledge Management in the Province produced	0	None

Sub-programme: Provincial Policy Management - Special Programmes								
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**
Good performance	Integrated PPOA on mainstreaming of women empowerment and gender equality, youth development, persons with disabilities and older persons' rights into Provincial Government programmes	Number of analysis reports on mainstreaming of target groups	4 quarterly reports on the implementation of the Integrated PPOA	3 Analysis reports on the performance of Departments against the PPOA on target groups compiled	3 analysis reports	**Achieved** 3 analysis reports on the mainstreaming of target groups produced	None	None
		Percentage of approved youth enterprises supported through Premier's Youth Development Fund	64% (41 of 64) qualifying Youth enterprises supported through Mpumalanga Youth Development Fund	**Not achieved** 86% (31 of 36) approved youth enterprises supported through the Mpumalanga Youth Development	100% youth enterprises	**Not achieved** 84,14% (69 out of 82) approved youth enterprises supported through Premier's Youth Development	15.86% (13)	13 beneficiaries have not yet received their disbursement due to MEGA verification process with beneficiaries not completed

Sub-programme: Provincial Policy Management - Special Programmes								
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**
				Fund		Fund, 5 beneficiaries from previous Financial Year's approval also received their disbursement during the reporting period		

Sub-programme: Provincial Policy Management - Mpumalanga Provincial AIDS Council								
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**
Good performance	Performance Reports on the implementation of the Provincial Implementation Plan on HIV, STIs and TB compiled	Number of Performance Reports on the implementation of the Provincial Implementation Plan on HIV, STIs and TB compiled	4 Status Reports on the implementation of the Provincial Implementation Plan on HIV, STIs and TB compiled	4 Performance Reports on the implementation of the Provincial Implementation Plan on HIV, STIs and TB compiled	4 Performance Reports	**Achieved** 4 Performance reports on the implementation of the Provincial Implementation Plan on HIV, STIs and TB compiled	None	None

Linking performance with budgets

Sub-programme expenditure

Sub-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
Special Programmes	133 981	132 232	1 749	78 321	77 862	459
Intergovern mental Relations	9 119	9 118	1	8 747	8 657	90
Provincial and Policy Management	42 476	39 727	2 749	35 243	31 478	3 765
Programme Support	38 572	19 568	19 004	1 394	1 389	5
Total	**224 148**	**200 645**	**23 503**	**123 705**	**119 386**	**4 319**

The programme has spent an amount of R200 645 000 which is 89,5% of its adjusted budget of R224 148 000. The deviation of 10,5% below the required benchmark of 100% is attributed to budget for the Procurement of the Service Delivery Monitoring Tool, which was not procured due to budget reprioritisation.

Strategy to overcome areas of under performance

- The research studies have been carried over to the new Financial Year and the process of appointing the service provider is being expedited to ensure that the service provider is appointed by the end of the first quarter.
- The disbursement of funds will be completed in the new Financial Year upon completion of verification by MEGA and compliance to the requirements by beneficiaries.

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

The OTP does not have standardised outputs and outputs indicators. The programme is Policy and Governance. It provide oversight support to the MPG. All sub-programmes within the programme contributes towards the attainment of Good Performance outcome.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The table below reflects the transfer payments made to the Mpumalanga Economic Growth Agency for the period 1 April 2023 to 31 March 2024

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Economic Growth Agency	Youth Development	R110 460 543	R85 135 437	The Mpumalanga Economic Growth Agency managed to disburse funds to 84% (69 of 82) and 5 from the previous Financial Year of qualifying youth Entities supported through the PYDF to the satisfaction of the OTP.
TOTAL		**R110 460 543**	**R85 135 437**	

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made to Provinces, Municipalities, Departmental agencies (excluding public entities), higher education institutions, public corporations, private enterprises, foreign governments, non- profit institutions, and households for the period 1 April 2023 to 31 March 2024.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Mbombela Municipality	Municipality	Licenses	Yes	21	21	None
Various Institutions of Higher Learning	Higher Education	Premiers discretionary Bursaries	Yes	2 477	2 477	None
Employees	Employees	Injury on duty	Yes	35	35	None
Ex-employees	Ex-employees	Leave Gratuity	Yes	1 682	1 682	None
Ex-employees	Ex-employees	Claim for damages in compliance with a court order	Yes	16 989	16 989	None
Ex-employees	Ex-employees	Severance package	Yes	62	62	None
TOTAL				**21 266**	**21 266**	

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The OTP did not have conditional grants and earmarked funds during the period 1 April 2023 to 31 March 2024.

6.2. Conditional grants and earmarked funds received

The OTP did not have conditional grants and earmarked funds during the period 1 April 2023 to 31 March 2024.

7. DONOR FUNDS

7.1. Donor Funds Received

The OTP did not receive any donor funds during the period 1 April 2023 to 31 March 2024

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Sub-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
New and replacement assets	3 984	3 923	61	8 309	8 307	2
Total	**3 984**	**3 923**	**61**	**8 309**	**8 307**	**2**

PART C
GOVERNANCE

1. INTRODUCTION

To ensure that the highest standard of governance is maintained, the OTP established governance structures such as the Ethics and Risk Management Committee, Audit Committee, and Management Committees. The Mpumalanga Provincial Legislature, through the relevant Portfolio Committee as well as SCOPA holds the OTP accountable through reports and during oversight meetings on how public finances and resources are managed.

2. RISK MANAGEMENT

The OTP understands that risk management is a strategic imperative within high-performing organisations. In 2009, a Risk Management Unit was established in terms of section 38(1) of the PFMA and it is under the custodianship of the Office of the Chief Financial Officer.

The OTP has a Risk Management Policy and Strategy developed in terms of the Public Sector Risk Management Framework. The Policy and Strategy communicates the OTP's risk management philosophy and is reviewed annually.

The OTP conducts risk assessments and reviews annually in accordance with Treasury Regulation 3.2.1. This helps the OTP to direct its Internal Audit effort and prioritize the allocation of resources.

The Risk Management Committee, chaired by an external member, is appointed by the Accounting Officer to assist in discharging risk his management responsibility. The Committee meets on a quarterly basis to evaluate the effectiveness of mitigating strategies to address the material risks and report to the Accounting Officer any material changes to the risk profile of the OTP.

The Committee also provides oversight on ethics management in the OTP. An Ethics Management Strategy informed by the ethical risks has been developed and has been reviewed in the period under review. On a quarterly basis the Committee discusses the progress regarding the implementation of the Strategy by management. The Audit Committee provides oversight of the risk management function in the OTP and as such, risk management is a standing item on the quarterly meetings of the Audit Committee.

To improve the implementation of the action plans and ensure alignment of risk management strategies with the plans and budget of the OTP, management has reviewed the composition of the Risk Management Committee and as such, the Ethics and Risk Management Committee was reviewed.

3. FRAUD AND CORRUPTION

The OTP has, in terms of Treasury Regulation 3.2.1, an approved Fraud Prevention Plan in place to implement the Fraud Prevention Policy. Fraud Risk Assessments conducted shows that the OTP has a minimum exposure to fraud risks and management has put measures in place to ensure that these risks do not materialise.

Nevertheless, management accepts fraud and corruption as a business risk. Acceptance however, does not mean it condones fraud and it therefore commits itself to actively fight fraud and corruption including all other acts of dishonesty with perseverance and vigour.

There are measures in place to ensure that fraudulent activities are reported, investigated, and resolved within a specified period. Employees and the public are encouraged through awareness programmes and initiatives to report any suspected fraud and corruption activities. There is NACH and the Presidential Hotline which employees and the public can use to report allegations of fraud. Reporting can be made either anonymously or through walk-ins, to the General Manager: IMU. The OTP has a Whistle-Blowing Policy or Protected Disclosure Policy which provides assurance to provide protection to all reporters of unethical conduct.

All incidences of fraud and corruption detected, are dealt with. The OTP has a responsibility to investigate all cases for the Provincial Government.

4. MINIMISING CONFLICT OF INTEREST

Conflicts of Interest refer to any financial or other private interest or undertaking that could directly or indirectly compromise the performance of the public servant's duties or the reputation of a public servant's Department in its relationship with its stakeholders; or
A situation in which a public official has a private interest that influences, or appears to influence a public decision.
To manage conflict of interest, management has put in place the following measures:

- Declaration of financial interests by SMS, MMS, Ethics Officers, Supply Chain & Financial Management Officials;
- Declaration of interest forms which are completed during Committee meetings for attendees to declare any conflict of interest;
- The OTP requires potential service providers to declare on SBD forms if they are connected to any person employed by the State;
- Employees in the OTP are prohibited from conducting business with an organ of the state;

- Employees are required to make a formal application to render any remunerative work outside their employment in the Public Service; and
- There is a Gifts Register where employees are required to declare gifts received in the scope and course of employment.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with accordingly in line with the provisions of the Disciplinary Code and Procedure.

5. CODE OF CONDUCT

The Code of Conduct guides employees on what is expected of them from an ethical point of view, in their individual conduct, relationship with others and the State as the Employer. Compliance with the Code of Conduct enhances professionalism and ensures confidence in the Public Service and the promotion of exemplary conduct. Notwithstanding this, any contravention of the Code of Conduct constitutes misconduct and may be dealt with in accordance with PSCBC Resolution 1 of 2003 (applicable to employees on salary levels 1 to 12 and the SMS Handbook (applicable to employees on salary levels 13 to 16).

The OTP acknowledges the Public Service Code of Conduct as its value system. The Public Service Code guides the conduct and behaviour of employees in the OTP. Management in the OTP displays and promotes a high standard of professional ethics. Awareness workshops are conducted annually for new and existing employees in the OTP on the Code of Conduct. All employees are expected to understand and abide by the Code of Conduct.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with accordingly in line with the provisions of the Disciplinary Code and Procedure, as set out below.

PROCESSES FOLLOWED FOR THE BREACH OF CONDUCT OF CONDUCT IN TERMS OF RESOLUTION 1 OF 2003 AND CHAPTER SEVEN OF THE SMS HANDBOOK

INFORMAL ENQUIRY (FOR LESS SERIOUS MISCONDUCT)

In the case of an informal enquiry the manager of the employee must bring:

(a) The misconduct to the employee's attention;
(b) Determine the reasons for the misconduct and give the employee an opportunity to respond to the allegations;
(c) Seek to get agreement on how to remedy the conduct; and
(d) Take steps to implement the agreed upon course of action.

FORMAL ENQUIRY (FOR MORE SERIOUS FORMS OF MISCONDUCT)

In the case of a formal enquiry the employer must appoint an employee as a representative who as far as possible should be the manager of the employee to initiate the enquiry.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The OTP has a legal obligation in accordance with section 8 of the OHSA, 1993, where reasonably practicable, to provide and maintain a safe, healthy work environment that is without risk to employees.

The OTP has a Transversal Unit (Transversal Human Resource Management Services), which is responsible for monitoring the implementation of the Employee Health and Wellness Programmes, including Occupational Health and Safety Programmes, across the Mpumalanga Provincial Government. Furthermore, there is an Internal EHW Unit within its ranks.

The OTP is in the process of appointing a service provider to assist in conducting the Risk assessment exercise as a control measure to mitigate, eradicate or manage health risks.

7. PORTFOLIO COMMITTEES

Matters raised by the Portfolio Committee and how the OTP addressed these matters

Date	Subject	Action taken to address issue	Progress
26 May 2022	Consideration of the 2022/23 4th Quarterly Performance Report and Progress Reports in respect of the implementation of House Resolutions for the 2022/23 3rd Quarter Performance Reports	The OTP noted the matters raised by the Committee	The OTP responded to the matters raised by the Committee
	Consideration of the 2023/24 Budget and Annual Performance Plan and Progress Reports in respect of the implementation of House Resolutions for the 2022/23 Budget and Annual Performance Plan		
22 August 2023	Consideration of the 2023/24 1st Quarter Performance Report and Progress Reports in respect of the implementation of House Resolutions for the 2022/23 4th Quarter Performance Reports		
17 November 2023	Consideration of the 2022/23 2nd Quarter Performance Report and Progress Reports in respect of the implementation of House Resolutions for the 2022/23 1st Quarter Performance Reports		
3 November	Consideration of the 2022/23 Annual Report and Progress reports for the		

Date	Subject	Action taken to address issue	Progress
2023	implementation of House Resolutions in respect of the 2021/22 Annual Report		
14 March 2024	Consideration of the 2023/24 3rd Quarter Performance Report and Progress Reports for the implementation of House Resolutions in respect of the 2023/24 2nd Quarter Performance Reports		

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
	AG Action Plan	The Accounting Officer must fully address the 2020/21 and 2021/22 findings of the Auditor-General and submit the updated Remedial Audit Action Plan to the Committee.	The OTP has managed the findings from the Auditor-General through a responsive Audit Action plan with the exception of those deemed to be ongoing.	Yes
	Legal review for payment of service provider CAJV	The Accounting Officer must ensure that the legal review of the investigation report into the R21 130 000.00 payment to the service provider, CAJV is finalised and that appropriate steps are taken to implement the recommendations thereof, especially the reimbursement of R7 637 400.00 by CAJV.	The review of the investigation report into the R21 130,000.00 paid to CAJV was concluded in the 2022/23 FY. A legal team was appointed to institute and recover all monies owed to the OTP, which will hopefully conclude this matter and render this House resolution to be closed.	Yes
		The Department must desist to do further business with the CAJV due to the negative impact the multi-year contract has had on the Department's audit outcomes.	The OTP is no longer doing any business with CAJV and furthermore, the service provider was asked to vacate office space in the OTP, which it had occupied the since inception of the contract.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
	Management of Audit processes	The Accounting Officer (AO) must ensure that communication and co-operation with the AG is improved, to ensure an efficient and credible audit process that can benefit the Department.	The AO ensured that prior year audit issues were incorporated into the Remedial Action Plan and processes. Furthermore the AO ensured that regular meetings between the AG and OTP were held during the 2022/23 audit cycle in order to address audit issues and ensure effective management of the audit process.	Yes
	Internal Controls	The Accounting Officer must monitor the effectiveness of the internal controls put in place in the procurement of Goods and Services in particular the Information Technology (IT) Unit.	The OTP reported that it is now mandatory for all IT related procurement to be certified and confirmed by the IT Unit. Hence, no procurement of IT related goods and service is done without the involvement of the IT Unit.	Yes
		The Accounting Officer must strengthen the internal controls to prevent recurrence of accruals and to ensure that the Annual Financial Statements (AFS) are error-free when they are being prepared.	The OTP reported that the internal controls were strengthened. All accruals owed as at 31 March 2023 were disclosed in the accrual listing and the AFS. The service providers were engaged to ensure that invoices emanating in a Financial Year are paid within the same Financial Year. The OTP ensured that provisions were disclosed as soon as the recognition criteria was met to ensure credible sets of AFS.	Yes
	Irregular expenditure	The Accounting Officer must take appropriate steps to prevent further irregular	The OTP reported that the Finance Committee was established to oversee procurement processes in an effort to prevent incurring	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		expenditure as required by Section 38(1) (c) (ii)(iii) of the PFMA and Treasury Regulation 9.1.1.	more irregular expenditure. Check OTP status on irregular expenditure as at 31 March 2023.	
		The Accounting Officer must implement a plan to reduce the overall balance of irregular expenditure from previous years, which includes finalising the condonement request.	To date, OTP received condonation amounting to R152 800,000.00 from the Provincial Treasury, which significantly reduced the overall balance of irregular expenditure from prior years. The OTP is implementing recommendations of the Provincial Treasury to ensure that the remaining balance of irregular expenditure is condoned accordingly.	Yes
	Procurement and contract management	The Accounting Officer must ensure that due diligence is done to adhere to proper procedures and processes in relation to procurement and contract management, in compliance with key legislative prescripts.	The OTP reported that the Finance Committee, headed by the Acting CFO, was established to oversee procurement processes within the OTP.	Yes
	Internal control on financial and performance management, risk management, in line with Section 38(a)(i)(ii) of the PFMA.	The Accounting Officer (AO) must furnish the Committee with a report on the steps that have been taken to maintain and monitor effective, efficient and transparent systems of internal control on financial and performance	The OTP reported that systems of internal control on financial and performance management, and risk management were in place, as required by PFMA Section 38(1)(a)(i)(ii), which included a functional Audit Committee and an Internal Audit unit to ensure implementation of the Remedial Audit Action Plan. Whilst the OTP was not able	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		management, risk management, in line with Section 38(a)(i)(ii) of the PFMA.	to fully capacitate the Internal Audit unit in the 2022/23 FY, an interim measure was put in place to appoint six Interns in the Internal Audit to ensure that the Unit remains functional. The Risk Management and the Compliance Management units were functional.	
	2021/22 Remedial Audit Action Plan	The Accounting Officer must ensure that the 2021/22 Remedial Audit Action Plan is fully implemented to avoid recurring findings. It is expected that the Department should obtain a clean audit opinion in the 2022/23 Financial Year and be exemplary to other Departments in terms of financial management, compliance monitoring and reporting.	The OTP implemented a remedial Audit Action Plan. The following controls were put in place to improve the Audit outcome: i) Establishment of an AFS Review Team to ensure that AFS are free from material errors. ii) Establishment of the Finance Committee to oversee financial processes within the OTP.	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial Year in which it first arose	Progress made in clearing / resolving the matter
None	N/A	N/A

10. INTERNAL CONTROL UNIT

The OTP does not have an Internal Control Unit.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1 Internal Audit

The Office of the Premier established, in terms of Section 38(1)(a)(ii) of the PFMA, an Internal Audit function under the control and direction of the Audit Committee. Pursuant to a previously made determination, the Internal Audit function and the two clustered Shared Audit Committees located within the Office of the Premier are a shared services responsible for the following five cluster Departments:

- Office of the Premier;
- Department of Community Safety, Security and Liaison;
- Department of Co-operative Governance and Traditional Affairs;
- Department of Culture, Sport and Recreation; and
- Department of Human Settlements.

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

In keeping with its primary mandate, the shared Internal Audit supports the Director-General and Head of the Departments in various Cluster Departments, through evaluating and contributing to improving the effectiveness of risk management, control and governance processes. In addition, it also facilitates the functioning of the clustered shared Audit Committees.

Treasury Regulation 3.2.6, requires that Internal Audit must be in accordance with the Standards. During the year under review, the shared Internal Audit function ensured that its operations were aligned with the Standards for the Professional Practice of Internal Auditing (“Standards”).

The shared Internal Audit function also operated within an approved Internal Audit Charter and in accordance with the requirements of the PFMA, Treasury Regulations and the

International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

During the year under review, the shared Internal Audit function developed the rolling three-year Strategic Internal Audit Plans and Annual Internal Audit Coverage/Operational Plans based on the results of the annual risk assessment. In consultation with Management, the plans were supported by the Director-General and Head of the Departments in the five cluster Departments and approved by the clustered shared Audit Committees in March 2023.

The Annual Internal Audit Coverage/Operational Plans identified different audit engagements and the shared Internal Audit function performed these as such. The respective reports were issued to Management communicating identified control weaknesses, recommendations for improvement(s), and also incorporated agreed management action plans to implement corrective action.

In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the identified control weaknesses were also communicated and tabled in the meetings of the Audit Committee to allow for effective monitoring and oversight. The following is the summary of the audit work done by the shared Internal Audit function during the year under review as per the approved plan of the Office of the Premier.

Assurance services

- Monitoring and tracking of audit findings as previously reported by both AGSA and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed Audit Action Plans.
- Follow-up reviews were performed on both the AGSA and Internal Audit findings to evaluate the effectiveness and improvements to the internal control environment;
- Review of the Departmental Performance Information;
- Review of the Draft Annual Report inclusive of Annual Financial Statements for 2022/23;
- Review of Interim Financial Statements for the period ended 30 September 2023;
- Ethics and Risk Management;
- Financial Management;
- Supply Chain Management;
- Transfer Payments;

- Performance Audit on Premier's Youth Development Fund;
- ICT General and Application Controls Review;
- Ad-hoc Review: Review of Auditor-General (SA) Action Plan for 2022/23;
- Ad-hoc Review: Verification of Calculations for Payment of Acting Allowance; and
- Ad-hoc Review: Procurement of Service Delivery Monitoring Tool

Consulting services

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

The shared internal audit unit continued to provide independent assurance that the Cluster Department's risk management, governance and internal control processes are operating effectively. Based on the analysis of audit reports issued in the 5 Cluster Departments, the system on internal controls for the period under review was not entirely adequate and effective.

11.2 AUDIT COMMITTEE

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

The Shared Audit Committee is constituted to ensure its independence and comprises of external non- official members (appointed from outside the Public Service). It operates in terms of a formally documented and approved terms of reference referred to as the Audit Committee Charter, which deals with matters such as its membership, authority and responsibilities. The said "terms of reference" is reviewed annually, and in accordance with the requirements set by the PFMA and its Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Accounting Officer, Senior Management, the Provincial Treasury, Shared Internal Audit Function and AGSA.

Attendance of Audit Committee meetings by the Audit Committee Members

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

The Shared Audit Committee is constituted to ensure its independence and comprises of ex-ternal non- official members (appointed from outside the Public Service). It operates in terms of a formally documented and approved terms of reference referred to as the Audit Commit-tee Charter, which deals with matters such as its membership, authority and responsibilities. The said "terms of reference" is reviewed annually, and in accordance with the requirements set by the PFMA and its Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Accounting Officer, Senior Management, the Provincial Treasury, Shared Internal Audit Function and AGSA. .

The Audit Committee meetings held were attended as follows:

Name	Qualifications	Internal or External	Date appointed	End of term	No of meetings attended
Ms. TH Mbatha CA(SA) **Chairperson**	Master's Degree in Business Leadership (UNISA) BCompt. Honours Accounting Science (UNISA) BComm Accounting Degree (UNISA) CA(SA)	External	01 Nov 2021 Reappointed 01 Nov 2023	31 Oct 2023 31 Oct 2024	10
Mr. M Sebeelo **Member**	B-Tech Internal Auditing (UNISA) Nat Diploma Internal Auditing (TUT) Advanced Programme Project Management (UNISA)	External	01 Nov 2021 Reappointed 01 Nov 2023	31 Oct 2023 31 Oct 2024	12
Dr. C Motau **Member**	BComm (VISTA) Higher Diploma in Computer Auditing (WITS) Certificate in Executive Leadership (Regenesys Business School) Certificate in Human Resource Management (Regenesys Business School) Master's Degree Business Leadership (UNISA) Master's Degree in Information Technology (UP) Doctorate in Business Information System	External	01 Nov 2021 Reappointed 01 Nov 2023	31 Oct 2023 31 Oct 2024	12

Mr. HK Masango **Member**	Master's Degree in Public Management (Regenesys) Postgraduate Diploma in Public Management (Regenesys) Bachelor Degree in Commerce (STADIO) Certificate in Public Management (Regenesys) Certificate Programme in Management Development for Municipal Finance (Univ. Witwatersrand Business School)	External	01 Nov 2021 Reappointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	12
Ms. SS Tshitlho **Member**	BTech - Internal Auditing (Cape Peninsula University) National Diploma – Internal Auditing (Cape Peninsula University) Certificate in Fraud & Forensic Investigation Audit (UNISA) Financial Management Certificate (Cape College)	External	01 Nov 2021 Reappointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	12

12. AUDIT COMMITTEE REPORT

We are pleased to present our draft Annual Report for the financial year ended 31 March 2024.

Audit Committee Responsibility

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

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

The effectiveness of internal control

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

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

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

Our analysis of audit reports and engagement with the Office shows that the system on internal controls for the period under review was not entirely adequate and effective.

Based on our interaction with the Office we conclude that the Office does have an adequate but not fully effective action plan management system to address Internal Audit and AGSA findings.

Risk Management:

The Audit Committee is also responsible for the oversight of risk management. The Risk Management Committee reports to the Audit Committee quarterly on the governance and management of risk. Based on the Audit Committee quarterly reviews of the reports from the Risk Management Committee, it can be concluded that the Office’s processes and

systems relating to fraud prevention and risk management is adequate and effective.

The following Internal Audit work was completed during the year under review:

- Monitoring and tracking of audit findings as previously reported by both AGSA and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed Audit Action Plans;
- Follow-up reviews were performed on both the Auditor-General and Internal Audit findings to evaluate the effectiveness and improvements to the internal control environment;
- Review of the Departmental Performance Information;
- Review of the Draft Annual Report inclusive of Annual Financial Statements for 2022/23;
- Review of Interim Financial Statements for the period ended 30 September 2023;
- Ethics and Risk Management;
- Financial Management;
- Supply Chain Management;
- Transfer Payments;
- Performance Audit on Premier's Youth Development Fund;
- ICT General and Application Controls Review;
- Ad-hoc Review: Review of Auditor-General (SA) Action Plan for 2022/23;
- Ad-hoc Review: Verification of Calculations for Payment of Acting Allowance; and
- Ad-hoc Review: Procurement of Service Delivery Monitoring Tool.

Consulting services

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

In-Year Management and Monthly Quarterly Report

The OTP has confirmed that they have reported to the Treasury as the PFMA requires.

Evaluation of the Annual Financial Statements

The Audit Committee has reviewed the draft Annual Financial Statements prepared by the Office and has advised the Accounting Officer to ensure that all the review notes and comments of the Internal Audit and the Audit Committee are fully addressed prior to submission of the Annual Financial Statements to the AGSA.

Subsequently the material misstatements identified during the external audit process

were also reviewed when the management report of the AGSA was discussed with the Audit Committee.

Evaluation of the reporting on predetermined objectives

The Audit Committee has reviewed the draft Annual Report prepared by the Office and has advised the Accounting Officer to ensure that all the Internal Audit and Audit Committee's review notes and comments are fully addressed before submission of the Annual Report to the AGSA.
The Audit Committee has discussed the external audit outcomes on the reporting on predetermined objectives to be included in the Annual Report with the AGSA and the Accounting Officer.

Compliance with laws and regulations

Throughout the year under review the Audit Committee has remained concerned with the status of compliance with all applicable laws and regulations. The Committee however, appreciates that the Office has established the Compliance Management and Strategic Reporting unit to deal with all compliance issues in the OTP and further noted that the Compliance Matrix has been developed to monitor the compliance issues in the Office, even though it had not been implemented yet.

Internal Audit

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

The Audit Committee noted with concern that some positions within the Internal Audit function remain vacant even after the resolution by the EXCO to lift the moratorium on filling of vacant positions.

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

Auditor-General's Report

We have reviewed the Office's Implementation Plan for audit issues raised in the previous year and we are not entirely satisfied that all the matters have been adequately resolved.

The Audit Committee is unaware of any unresolved issues with respect to the current audit.

The Audit Committee concurs and accepts the conclusions of the AGSA 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.

Conclusion

The Audit Committee strongly recommends that the OTP ensure adequate and effective implementation and frequent monitoring of the Audit Action Plans for internal and external audits to achieve a clean administration.

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

Signed on behalf of the Audit Committee by:

MS. TH MBATHA CA(SA)
CHAIRPERSON OF THE AUDIT COMMITTEE OFFICE OF THE PREMIER OF MPUMALANGA
DATE 31 JULY 2024

11. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

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 issuing licences, concessions or other authorisations regarding economic activity in terms of any law?	N/A	N/A
Developing and implementing a preferential procurement policy?	Yes	OTP has adopted and continues to implement the National Treasury Preferential Procurement Policy
Determining qualification criteria for the sale of state-owned enterprises?	N/A	N/A
Developing criteria for entering into partnerships with the private sector?	N/A	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	N/A

PART D
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

OTP has continued to embrace the evolving technological imperatives that fundamentally require that there be change and adaptation to new ways of carrying out work. Given the 4th fourth Industrial Revolution's rapid pace of change and broad impact on legislators and regulators, National and Provincial Departments, including the OTP remained challenged to an unprecedented degree. The OTP had therefore continued to streamline its Workplace Skills Plan based on the latest technological developments and innovations, in an effort to remain relevant. Several meetings, workshops, and sessions, including management committee sessions, provincial human resource fora, employee health and wellness, occupational health and safety committee meetings, etc. were conducted virtually to keep up with the technological pace.

In addition, the OTP kept positioning itself accordingly and consistently worked towards emphasizing the importance of keeping up with the latest human resource trends, aimed at improving effectiveness and efficiency within its ranks. The Chief Directorate: Strategic Human Resource Services played a pivotal role in providing support to all the line Units with the purpose of facilitating the achievements of the OTP's outcomes and outputs as outlined in the APP.

The OTP has a legal obligation in accordance with section 8 of the OHSA, 1993 to, where reasonably practicable, provide and maintain a safe, healthy work environment that is without risk to employees. Thus, the Transversal Unit (Transversal Human Resource Management Services) was entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programmes, including Occupational Health and Safety Programmes, across the Mpumalanga Provincial Government. Furthermore, the OTP had an Internal EHW Unit within its ranks.

The OTP has convened four quarterly meetings of the Occupational Health and Safety Committee and discussions on matters of Safety, Health and Environmental were held. Only seven IOD cases were reported during the year under review. The OTP further processed payments of medical costs for treatment by doctors and travelling expenses of officials registered for IOD.

Furthermore, the OTP had, regularly and or as and when required co-ordinated several bereavement programmes to honour officials who have passed on, as well as to support officials affected by bereavements in their private lives.

Human resource priorities for the year under review and the impact of these

The recruitment processes in the OTP were informed by legal prescripts such as the selection and recruitment policies, and the code of remuneration that must guide the process of identifying and acquiring relevant skills. In addition, the OTP was required to conduct competency assessments prior to filling posts of Managers and those within the Senior Management Services.

The OTP has advertised thirty-six (36) replacement posts, of which thirty- three (33) are graded at SL 2-12 and three (03) are SMS posts. Eleven (11) posts out of thirty-six (36) replacement posts were filled, of which three were filled through internal transfers and one SMS post was filled through re-instatement. The current occupancy rate, based on the PERSAL establishment stands at 81.4%, while the vacancy rate is 18.6%. Note must be taken that the vacancy rate is still high, based on the approved organogram throughout the year under review, i.e. 150 out of 384 (39.1%). Since the OTP has planned to fill several critical vacant funded posts, including the replacement posts in the following financial year, it is envisaged that the vacancy rate shall decrease sharply. When filling posts, the OTP has an obligation of ensuring that it does not exceed the 58% threshold concerning cost of employees versus goods and services.

It should be noted that during the year under review, 19 out of 20 Graduate-Interns were placed in various programmes on a 24 months' Internship Contract. 19 Student-Interns were received from the DoE's TVET Colleges for experiential learning on the Learnership Programme. The Learnership Programme was aimed at providing work environment exposure to the graduates and subsequently promote accelerated development and utilisation of available skills and qualified people for service delivery in the Public Service.

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

The OTP has an approved Human Resource Plan that had to be adjusted slightly to incorporate the provisions and requirements of the moratorium on the filling of posts. The HR Plan was reviewed and submitted to the Department of Public Service and Administration (DPSA) as per the applicable requirements. It outlines clearly the need and strategies to attract and recruit a skilled workforce. It also outlined the need to reduce the

period taken to fill vacant posts to at most six months and decrease the vacancy rate below the national norm of 10 percent. It further emphasized the need to meet all employment equity targets as reflected in the approved Employment Equity Plan of the OTP.

The OTP acknowledged that there was still a long way to go before all employment equity goals were realised, especially concerning the representation of women in the Senior Management Services level, which currently stands at 25.8%, i.e., 08 women out of 31 SMS members. However, the OTP will keep developing and implementing strategies aimed at achieving this crucial goal. To achieve ultimate equity in the OTP, additional measures such as policies, programmes and plans will be integrated and implemented in harmony. These policies, programmes, and plans will be developed in an interactive, participative, consultative and transparent manner. The Employment Equity Act, of 1998 and the OTP Employment Equity Policy placed an obligation upon the OTP to develop, implement, and monitor an employment equity plan. The OTP had, however, done well in terms of the representation of people with disabilities within its ranks, i.e. 09 out of 253 staff members (inclusive of 19 graduate interns), which is 3,5%. With regards to the representation of females in the various lower categories, the status is as follows: 42,5% women representation in the MMS levels, i.e. 23 females out of 54; 71,1% women representation in the Junior Management level levels, i.e. 32 females out of 45; and 73,5% women representation on post levels 2 to 8, i.e. 75 out 102; and Overall, the Office has 58,1% representation of females within its ranks, i.e. 147 out of 253 employees.

According to the Oversight Report, the OTP's occupancy rate stands at 81.4%, while the vacancy rate stands at 18.6 % on the PERSAL establishment. These figures are informed by the fact that most of those vacant unfunded posts were abolished, subject to them being resuscitated for filling after the recruitment and selection processes of the second round of advertisements had been concluded.

The vacant funded posts, in which appointed officials are acting, were kept on the PERSAL establishment in order to facilitate the payment of their acting allowances. It must be noted though that the vacancy rate based on the approved organogram has remained high throughout the Financial Year. The approved organogram has 384 posts, of which 234 (60.9%) are filled, which includes the Premier, and 150 (39.1%) are vacant and exclude 19 graduate interns.

Employee performance management

The OTP has shown a slight increase in relation to the implementation of the Performance Management and Development System (PMDS) in terms of the approved Performance

Management and Development Policy (PMDP), for officials on salary levels 2-12, i.e. 182 out of 205 (88,7%) compliance in terms of signing of Performance Undertakings. The signing of Performance Agreements by SMS members on or before the deadline as per Chapter 4 of the SMS Handbook has recorded an 81,8% compliance rate (27 SMS members out of 33), which is an increase in comparison to the previous Financial Year. There has been an increase in the assessment of SMS Members in this regard. It must also be noted that the OTP has dealt with the outstanding assessments for these SMS Members affected.

Employee Wellness Programmes

The OTP has a Transversal Unit (Transversal Human Resource Management Services), which is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programmes across the Mpumalanga Provincial Government. Furthermore, the OTP has an Internal EHW Unit within the ranks. The OTP has continued to implement most of the activities, contained in the employee health and wellness operational plan. During the year under review, the OTP has successfully hosted the Stress Management Workshop and Physical Fitness Session. It also managed to coordinate and convene Occupational Health and Safety sessions on a quarterly basis. Furthermore, the OTP coordinated and implemented several bereavement programmes to honour the departed officials, as well as to support officials affected by bereavement in their private lives.

Achievements by the OTP, as well as future human resource plans/goals

The following human resource achievements were recorded during the period under review:

- Availability of an approved comprehensive Human Resource Plan, which was submitted to the DPSA;
- Filling of eleven critical vacant funded posts, as per the EXCO approval;
- Finalizing of four selection processes for SMS Members, which are awaiting approval by EXCO.
- Availability of an approved comprehensive Human Resource Planning Implementation Report, which was submitted to DPSA;
- Availability of an approved Employment Equity Plan and Report, which were submitted to the DPSA and the Department of Employment and Labour;
- Representation of People with Disabilities, i.e. 3,5% (09 out 253) employees;
- Availability of approved human resource policies and frameworks, including Employee Health and Wellness policies;

- Availability of a fully functional Occupational Health and Safety Committee as well as Human Resource Forum; and
- Availability of an approved Occupational Health and Safety Policy.

Challenges

The following human resource challenges were experienced during the period under review:

- Non-achievement of 50% target on women representation at SMS level, i.e. 25,8,% (08 out of 31;
- Low representation of youth in the OTP, i.e. 39 out of 253 officials, which constitutes 15,4% against the 30% target, excluding 19 interns;
- Delays in finalising recruitment and selection processes;
- Too many vacant positions;
- Prolonged stakeholder consultation in finalising and implementing the reviewed organisational structure; and
- Poor employer-employee relations.

Future Human Resource Plans

- Development of a comprehensive Human Resource Plan;
- Development of a comprehensive Employment Equity Plan;
- Identification of critical vacant funded posts to be filled;
- Prioritisation of the filling of critical vacant funded SMS posts with females;
- Prioritisation of the filling of posts with Youth;
- Facilitation of the process of obtaining approval of the proposed organisational structure;
- Review of the organisational structure in alignment with the priorities of the seventh Administration;
- Monitoring of implementation of the Labour Summit resolutions;
- Review of internal human resource policies;
- Conducting of risk assessment, as per the Occupational Health and Safety requirements;
- Development and implementation the Workplace Skills Plan; and
- Implement Performance Management Development System, as per the approved PMDP.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 to 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	175 321	72 809	530	0	40.5	784
Institutional Development	98 569	61 870	1 316	0	56.9	600
Policy & Governance	224 148	48 545	132	0	26.1	1 011
Total as on Financial Systems (BAS)	**474 535**	**183 224**	**1 978**	**0**	**0**	**724**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 to 31 March 2024

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Lower skilled (Levels 1-2)	1667	0,91	8	208
02 Skilled (Levels 3-5)	10 587	5,78	29	365
03 Highly skilled production (Levels 6-8)	29 882	16,31	59	506
04 Highly skilled supervision (Levels 9-12)	83 089	45,35	93	893
05 Senior management (Levels > 13)	38 731	21,14	26	1 489
11 Contract (Levels 3-5)	469	0,26	3	156
12 Contract (Levels 6-8)	1 433	0,78	3	478
13 Contract (Levels 9-12)	3 774	2,06	5	761
14 Contract (Levels >13)	11 973	6,53	8	1 618
18 Contract Other	1 639	0,89	19	86
TOTAL	**183 224**	**100**	**253**	**724**

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	63 000	76.6	868	1.1	1 111	1.4	2 963	3.6
Institutional Development	47 886	78.1	712	1.2	1 197	2	2 684	4.4
Policy And Planning	41 264	77.9	37	0.1	631	1.2	1 981	3.7
Policy And Governance	1 761	73.8	74	3.1	40	1.7	77	3.2
TOTAL	**153 911**	**77.4**	**1 692**	**0.9**	**2 979**	**1.5**	**7 706**	**3.9**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 to 31 March 2024

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	1 129	67.4	28	1.7	160	9.5	217	12.9
02 Skilled (Levels 3-5)	7 597	68.9	316	2.9	609	5.5	960	8.7
03 Highly skilled production (Levels 6-8)	23 043	72.7	726	2.3	1 055	3.3	2 298	7.2

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
04 Highly skilled supervision (Levels 9-12)	70 099	78	583	0.6	904	1	3 185	3.5
05 Senior management (Levels >= 13)	33 531	81.9	0	0	150	0.4	727	1.8
11 Contract (Levels 3-5)	401	85.5	0	0	20	4.3	0	0
12 Contract (Levels 6-8)	1 071	73	0	0	43	2.9	197	13.4
13 Contract (Levels 9-12)	3 354	65.9	0	0	40	0.8	86	1.7
14 Contract (Levels >= 13)	12 088	80.9	0	0	0	0	36	0.2
18 Contract Other	1 598	89.9	39	2.2	0	0	0	0
TOTAL	**153 911**	**77.4**	**1692**	**0.9**	**2 979**	**1.5**	**7 706**	**3.9**

3.2 Employment and Vacancies

Table 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
Pr1: Administration*, Permanent	119	93	21.8	0
Pr2: Institutional Development*, Permanent	127	103	18.9	0
Pr3: Policy And Planning, Permanent	62	54	12.9	0
Programme 3:*Policy And Governance, Permanent	3	3	0	0
TOTAL	**311**	**253**	**18.6**	**0**

Table 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	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	8	8	0	0
02 Skilled (Levels 3-5), Permanent	40	29	27.5	0
03 Highly Skilled Production (Levels 6-8), Permanent	67	59	11.9	0
04 Highly Skilled Supervision (Levels 9-12), Permanent	119	93	21.8	0
05 Senior Management (Levels >= 13), Permanent	39	26	33.3	0
09 Other, Permanent	19	19	0	0
11 Contract (Levels 3-5), Permanent	3	3	0	0
12 Contract (Levels 6-8), Permanent	3	3	0	0
13 Contract (Levels 9-12), Permanent	5	5	0	0
14 Contract (Levels >13), Permanent	8	8	0	0
TOTAL	**311**	**253**	**18.6**	**0**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	15	15	0	0
Administrative and Governance Policy Manager, Permanent	5	5	0	0
Administrative Related, Permanent	6	6	0	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	1	1	0	0
Chartered Accountants, Permanent	1	1	0	0
Clerical Supplement. Workers not elsewhere classified, Permanent	5	5	0	0
Communication And Information Related, Permanent	1	1	0	0
Communication and Marketing Manager, Permanent	7	7	0	0
Communication coordinator, Permanent	2	2	0	0
Community Development Manager, Permanent	2	2	0	0
Computer Network and Systems Engineer, Permanent	2	2	0	0
Economic Analyst , Permanent	3	3	0	0
Economists, Permanent	8	8	0	0
Filing and Registry Clerk, Permanent	1	1	0	0
Finance Clerk, Permanent	8	8	0	0
Finance Accountant, Permanent	8	8	0	0
General Accountant, Permanent	11	11	0	0
Head Of Department/Chief Executive Officer, Permanent	3	3	0	0
Human Resource Manager, Permanent	1	1	0	0
Human Resource Practitioner,	3	3	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Permanent				
Human Resources & Organisat Developm & Relate Prof, Permanent	1	1	0	0
Human Resources Clerks, Permanent	20	20	0	0
Human Resources Related, Permanent	4	4	0	0
ICT Systems Analyst, Permanent	1	1	0	0
Interpreter, Permanent	2	2	0	0
Kitchen Hand, Permanent	1	1	0	0
Light Vehicle Driver, Permanent	1	1	0	0
Managers Not Elsewhere Classified, Permanent	8	8	0	0
Messengers, Permanent	1	1	0	0
Midd. Manager: Household/food & Laundry Services related, Permanent	1	1	0	0
Midd. Manager: Human Resource & Organisa. Devel, Related, Permanent	6	6	0	0
Middle. Manager: Administrative Related, Permanent	16	16	0	0
Middle. Manager: Finance and Economics Related, Permanent	3	3	0	0
Middle. Manager: Communication and Information Related, Permanent	3	3	0	0
Not Available, Permanent	58	0	100	0
Occupational/Job Analyst, Permanent	2	2	0	0
Office Cleaner, Permanent	13	13	0	0
Other Administrative and Related Clerks and Organisers, Permanent	3	3	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other Middle Manager, Permanent	25	25	0	0
Other Occupations, Permanent	2	2	0	0
Personal Assistant, permanent	3	3	0	0
Policy and Planning Managers, Permanent	7	7	0	0
Receptionist(General), Permanent	4	4	0	0
Registry and Mailing Clerks, Permanent	1	1	0	0
Risk Management and Security Services, Permanent	1	1	0	0
Risk Officer, Permanent	1	1	0	0
Secretaries and Other Keyboard Operating Clerks, Permanent	1	1	0	0
Secretaries(General), Permanent	14	14	0	0
Senior Managers, Permanent	5	5	0	0
State Law Advisors, Permanent	2	2	0	0
Strategy/ Monitoring and Evaluation Managers, Permanent	1	1	0	0
Supply Chain Clerk, Permanent	1	1	0	0
Systems Administrator, Permanent	1	1	0	0
Transport Clerk, Permanent	3	3	0	0
Warehouse Clerk, Permanent	1	1	0	0
Web Administrator, Permanent	1	1	0	0
TOTAL	**311**	**253**	**18.6**	**0**

3.3 Filling of SMS Posts

Table 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%	0	0%
Salary Level 15	3	3	100%	0	0%
Salary Level 14	10	7	70%	3	30%
Salary Level 13	29	22	75.9%	7	24.1%
Total	**43**	**33**	**76.7%**	**10**	**23.3%**

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0
Salary Level 15	3	2	66.7%	1	33.3%
Salary Level 14	10	7	70%	3	30%
Salary Level 13	29	23	79.3%	6	20.7%
Total	**43**	**33**	**76.7%**	**10**	**23.3%**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 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
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	1	0
Salary Level 14	0	0	0
Salary Level 13	2	0	0
Total	**3**	**1**	**0**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 to 31 March 2024

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within twelve months
The OTP could not finalise positions within the stipulated period owing to various operational reasons. i.e. disagreements / Postponement of Executive Council Sessions.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 to 31 March 2024

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within twelve months
None

3.4 Job Evaluation

Table 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 by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	8	0	0	0	0	0	0
02 Skilled (Levels 3-5)	40	0	0	1	0	0	0
03 Highly Skilled Production (Levels 6-8)	67	0	0	4	0	0	0
04 Highly Skilled Supervision (Levels 9-12)	119	0	0	0	0	0	0
05 Senior Management Service Band A	31	0	0	0	0	0	0
06 Senior Management Service Band B	6	0	0	0	0	0	0
07 Senior Management Service Band C	1	0	0	0	0	0	0
08 Senior Management Service Band D	1	0	0	0	0	0	0
09 Other	19	0	0	0	0	0	0
11 Contract (Levels 3-5)	3	0	0	0	0	0	0
12 Contract (Levels 6-8)	3	0	0	0	0	0	0
13 Contract (Levels 9-12)	5	0	0	0	0	0	0
14 Contract Band A	2	0	0	0	0	0	0
15 Contract Band B	3	0	0	0	0	0	0
16 Contract Band C	2	0	0	0	0	0	0
17 Contract Band D	1	0	0	0	0	0	0
TOTAL	**311**	**0**	**0**	**5**	**0**	**0**	**0**

Table 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**

Employees with a disability	**0**

Table 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
None	0	N/A	N/A	None
None	0	N/A	N/A	None
None	0	N/A	N/A	None
Total	0			
Total number of employees whose salaries exceeded the level determined by job evaluation				**0**
Percentage of total employed				**0**

Table 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	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0	0	0	0	0

Total number of Employees whose salaries exceeded the grades determined by job evaluation	0

3.5 Employment Changes

Table 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
01 Lower Skilled (Levels 1-2) Permanent	8	0	0	0
02 Skilled (Levels 3-5) Permanent	35	1	2	5.7
03 Highly Skilled Production (Levels 6-8) Permanent	55	1	0	0
04 Highly Skilled Supervision (Levels 9-12) Permanent	95	0	5	5.3
05 Senior Management Service Band A Permanent	22	0	2	9.1
06 Senior Management Service Band B Permanent	4	0	0	0
07 Senior Management Service Band B Permanent	1	0	0	0
08 Senior Management Service Band D Permanent	1	0	0	0
09 Other Permanent	16	4	2	12.5
11 Contract (Levels 3-5) Permanent	2	1	0	0
12 Contract (Levels 6-8) Permanent	4	0	1	25
13 Contract (Levels 9-12) Permanent	5	0	0	0
14 Contract Band A Permanent	3	0	1	33.3
15 Contract Band B Permanent	3	0	0	0
16 Contract Band C Permanent	1	0	0	0
17 Contract Band D Permanent	1	0	0	0
TOTAL	**256**	**7**	**13**	**5.1**

Table 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-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	57	0	4	7
Cleaners In Offices Workshops Hospitals Etc. Permanent	14	0	0	0
Client Inform Clerks(Switchb Recept Inform Clerks) Permanent	3	0	0	0
Communication And Information Related Permanent	14	1	1	7.1
Finance And Economics Related Permanent	10	0	0	0
Financial And Related Professionals Permanent	6	0	0	0
Financial Clerks And Credit Controllers Permanent	17	0	0	0
Food Services AIDS and Waiters, Permanent	0	1	0	0
Head Of Department/Chief Executive Officer Permanent	1	0	0	0
Household Food And Laundry Services Related Permanent	2	0	0	0
Human Resources & Organisat Developm & Relate Prof Permanent	9	0	0	0
Human Resources Clerks Permanent	19	4	2	10.5
Human Resources	14	0	0	0

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Related Permanent				
Information Technology Related, Permanent	2	0	0	0
Library Mail And Related Clerks Permanent	5	0	2	40
Motor Vehicle Drivers Permanent	2	0	0	0
Other Administrat & Related Clerks And Organisers Permanent	3	1	1	3.2
Other Occupations Permanent	2	0	0	0
Risk Management And Security Services Permanent	2	0	0	0
Secretaries & Other Keyboard Operating Clerks Permanent	16	0	1	6.3
Senior Managers Permanent	30	0	2	6.7
TOTAL	**256**	**7**	**13**	**5.1**

Table 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
Death, Permanent	3	23
Resignation, Permanent	5	38.5
Expiry of contract	0	0
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	7.7
Retirement	4	30.8
Transfer to other Public Service Departments	0	0
Other	0	0
Total	**13**	**100**
Total number of employees who left as a % of total employment	**13**	**100**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	57	2	3.5	26	45.6
Cleaners In Offices Workshops Hospitals Etc.	14	0	0	5	35.7
Client Inform Clerks (Switchb Recept Inform Clerks)	3	0	0	1	33.3
Communication And Information Related	14	2	14.3	7	50
Economists	0	0	0	1	0
Finance And Economics Related	10	0	0	8	80
Financial And Related Professionals	6	0	0	1	16.7
Financial Clerks And Credit Controllers	17	0	0	19	111.8
Head Of Department/Chief Executive Officer	1	0	0	0	0
Household Food And Laundry Services Related	2	0	0	0	0
Human Resources & Organisat Developm & Relate Prof	9	1	11.1	4	44.4
Human Resources Clerks	19	2	10.5	0	0
Human Resources Related	14	0	0	5	35.7
Information Technology	2	0	0	0	0

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Related, Permanent					
Library Mail And Related Clerks	5	0	0	2	40
Motor Vehicle Drivers	2	0	0	0	0
Other Administrat & Related Clerks And Organisers	31	0	0	27	87
Other Administrative Policy And Related Officers	0	0	0	4	0
Other Occupations	2	0	0	1	50
Risk Management And Security Services	2	0	0	2	100
Secretaries & Other Keyboard Operating Clerks	16	0	0	8	50
Senior Managers	30	0	0	3	10
TOTAL	**256**	**7**	**2.7**	**124**	**48.4**

Table 3.5.5 Promotions 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 a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2), Permanent	8	0	0	5	62.5
02 Skilled (Levels 3-5), Permanent	35	0	0	16	45.7
03 Highly Skilled Production (Levels 6-8), Permanent	55	0	0	40	72.7
04 Highly Skilled Supervision (Levels 9-12), Permanent	95	5	5.3	58	61.1
05 Senior Management (Levels >= 13), Permanent	28	0	0	3	10.7
09 Other, Permanent	16	2	12.5	0	0
11 Contract (Levels 3-5), Permanent	2	0	0	0	0
12 Contract (Levels 6-8), Permanent	4	0	0	1	25
13 Contract (Levels 9-12), Permanent	5	0	0	0	0
14 Contract (Levels >= 13), Permanent	8	0	0	1	12.5
TOTAL	**256**	**7**	**2.7**	**124**	**48.4**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - Senior Officials And Managers	13	0	0	3	9	0	0	0	25
02 - Professionals	28	1	1	1	24	1	0	0	56
03 - Technicians And Associate Professionals	21	0	0	1	27	0	0	1	50
04 - Clerks	31	0	0	0	66	3	0	0	100
05 - Service Shop And Market Sales Workers	1	0	0	0	2	0	0	0	3
08 - Plant And Machine Operators And Assemblers	2	0	0	0	0	0	0	0	2
09 - Labourers And Related Workers	2	0	0	0	15	0	0	0	17
Total	**98**	**1**	**1**	**5**	**143**	**4**	**0**	**1**	**253**
Employees With Disabilities	6	0	0	1	2	0	0	0	9

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	0	0	0	0	2	0	0	0	2
02 Senior Managem Permanent	15	0	0	3	6	0	0	0	24
03 Professionally qualified and experienced specialists and mid-management, Permanent	37	1	1	2	50	1	0	1	93
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	15	0	0	0	42	2	0	0	59
05 Semi-skilled and discretionary decision making, Permanent	10	0	0	0	18	1	0	0	29

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
06 Unskilled and defined decision making, Permanent	1	0	0	0	7	0	0	0	8
07 Not Available, Permanent	10	0	0	0	9	0	0	0	19
08 Contract (Top Management), Permanent	3	0	0	0	0	0	0	0	3
09 Contract (Senior Management), Permanent	4	0	0	0	1	0	0	0	5
10 Contract (Professionally Qualified), Permanent	2	0	0	0	3	0	0	0	5
11 Contract (Skilled Technical), Permanent	1	0	0	0	2	0	0	0	3
12 Contract (Semi-Skilled), Permanent	0	0	0	0	3	0	0	0	3
TOTAL	**98**	**1**	**1**	**5**	**143**	**4**	**0**	**1**	**253**

Table 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	
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	0	0	0	0	1	0	0	0	1
05 Semi Skilled and discretionary decision making, Permanent	0	0	0	0	1	0	0	0	1
07 Not Available, Permanent	2	0	0	0	2	0	0	0	4
12 Contract (semi-skilled), Permanent	0	0	0	0	1	0	0	0	1
TOTAL	**2**	**0**	**0**	**0**	**5**	**0**	**0**	**0**	**7**
Employees with disabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Table 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	
02 Senior Management, Permanent	2	0	0	0	1	0	0	0	3
03 Professionally qualified and experienced specialists and mid-management, Permanent	27	1	1	1	31	1	0	1	63
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	9	0	0	0	30	1	0	0	40
05 Semi-skilled and discretionary decision making, Permanent	6	0	0	0	10	0	0	0	16

06 unskilled and defined decision making, Permanent	0	0	0	0	5	0	0	0	5
07 Not Available, Permanent	1	0	0	0	1	0	0	0	2
08 Contract(Top Management), Contract	1	0	0	0	0	0	0	0	1
11 Contract (skilled technical), Permanent	0	0	0	0	1	0	0	0	1
TOTAL	**46**	**1**	**1**	**1**	**79**	**2**	**0**	**1**	**131**
Employees with disabilities	4	0	0	0	2	0	0	0	6

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, Permanent	0	0	0	0	2	0	0	0	2
03 Professionally qualified and experienced specialists and mid-management,	3	0	0	0	2	0	0	0	5

Permanent									
05 Semi-Skilled and discretionary decision making, Permanent	1	0	0	0	1	0	0	0	2
07 Not Available, Permanent	1	0	0	0	1	0	0	0	2
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
11 Contract (Semi-technical), Permanent	0	0	0	0	1	0	0	0	1
TOTAL	**6**	**0**	**0**	**0**	**7**	**0**	**0**	**0**	**13**
Employees with Disabilities	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**1**

Table 3.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Suspension	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2023 to 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - Senior Officials And Managers	13	0	0	1	10	0	0	0	24
02 – Professionals	15	1	1	1	19	0	0	1	38
03 - Technicians And Associate Professionals	11	0	0	0	41	1	0	0	53
04 - Clerks	48	0	0	0	69	1	0	0	118
05 Interns	12	0	0	0	19	0	0	0	31
TOTAL	**99**	**1**	**1**	**2**	**158**	**2**	**0**	**1**	**264**
Employees with disabilities	1	0	0	1	1	0	0	0	3

3.7 Performance Agreements

Table 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	01	01	0	0%
Salary Level 15	3	2	2	100%
Salary Level 14	10	7	3	9.5%
Salary Level 13	29	22	22	100%
Total	**43**	**33**	**27**	**81.8%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2024

Reasons
Non-compliance
Advisors to the Premier not required by law to sign performance Agreements.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2024

Reasons
None

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 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, Female	0	141	0	0	0
African, Male	0	92	0	0	0
Indian, Female	0	0	0	0	0
Indian, Male	0	1	0	0	0
Coloured, Female	0	4	0	0	0
Coloured, Male	0	1	0	0	0
Total Blacks, Female	**0**	**145**	**0**	**0**	**0**
Total Blacks, Male	**0**	**94**	**0**	**0**	**0**
White, Female	0	1	0	0	0
White, Male	1	4	25	107.83	107 830
Employees with a disability	0	9	0	0	0
TOTAL	**1**	**253**	**0.40**	**107.83**	**107 830**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
01 Lower Skilled (Levels 1-2)	0	8	0	0	0
02 Skilled (Levels 3-5)	0	29	0	0	0
03 Highly Skilled Production (Levels 6-8)	0	59	0	0	0
04 Highly Skilled Supervision (Levels 9-12)	0	93	0	0	0
09 Other	0	19	0	0	0
11 Contract (Levels 3-5)	0	3	0	0	0
12 Contract (Levels 6-8)	0	3	0	0	0
13 Contract (Levels 9-12)	0	5	0	0	0
TOTAL	**0**	**219**	**0**	**0**	**0**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 to 31 March 2024

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Human Resources Clerks	0	20	0	0	0
Messengers	0	1	0	0	0
Economics	0	8	0	0	0
Human Resources & Organisational Development & Related Professions	0	1	0	0	0
Registry and Mailing Clerk	0	1	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Management not elsewhere classified	0	8	0	0	0
Risk Management and Security Services	0	1	0	0	0
Middle Management: Communication & Information related	0	3	0	0	0
Other Administrat & Related Clerks and Organisers	0	3	0	0	0
ICT System analysist	0	1	0	0	0
Personal Assistant	0	3	0	0	0
Other Occupations	0	2	0	0	0
Light Vehicle Driver	0	1	0	0	0
Filing and Registry Clerk	0	1	0	0	0
Other Middle Manager	0	25	0	0	0
Kitchen Hand	0	1	0	0	0
Community Development Manager	0	2	0	0	0
Strategy/ Monitoring and Evaluation Manager	0	1	0	0	0
Administrative Related	0	6	0	0	0
Secretary (General)	0	14	0	0	0
Communication and Information related	0	1	0	0	0
Finance Clerk	0	8	0	0	0
Midd. Manager: Human Resource & Organisa. Devel. Rela	0	6	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Secretaries & Other Keyboard Operating Clerks	0	1	0	0	0
Transport Clerk	0	3	0	0	0
Human Resource Related	0	4	0	0	0
Communication and Marketing Manager	0	7	0	0	0
Middle Manager: Finance and Economics Related	0	3	0	0	0
Human Resource Manager	0	1	0	0	0
Caretaker/ Cleaner	0	1	0	0	0
Financial Accountant	0	8	0	0	0
Human Resource Practitioner	0	3	0	0	0
Administrative and Governance Policy Manager	0	5	0	0	0
Middle Manager: Administrative Related	0	16	0	0	0
Web Administrator	0	1	0	0	0
Supply Chain Clerk	0	1	0	0	0
Middle Manager: Household/Food and Laundry Services Rel	0	1	0	0	0
Charted Accountants	0	1	0	0	0
Warehouse Clerk	0	1	0	0	0
General Accountant	0	11	0	0	0
Senior Managers	1	5	20	107.83	107 830

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Head of Office of Premier	0	3	0	0	0
Systems Administrator	0	1	0	0	0
Communication Coordinator	0	2	0	0	0
Interpreter	0	2	0	0	0
Office Cleaner	0	13	0	0	0
Receptionist(General)	0	4	0	0	0
Administration Officer	0	15	0	0	0
Policy and Planning Managers	0	7	0	0	0
Clerical Suppleme. Workers not Elsewhere Classified	0	5	0	0	0
Computer Network and System Engineer	0	2	0	0	0
Risk Officer	0	1	0	0	0
Occupational /Job Analysis	0	2	0	0	0
State Law Advisor	0	2	0	0	0
Economic Analyst	0	3	0	0	0
TOTAL	**1**	**253**	**0.4**	**107.83**	**107 830**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditur	Personnel Cost SMS(R' 000
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee		
Band A	0	22	0	0	0	0	33 840
Band B	1	7	14.3	107.83	107 830	0.9	11 384.6
Band C	0	3	0	0	0	0	5 726.9
Band D	0	2	0	0	0	0	4 948.3
TOTAL	**1**	**34**	**2.9**	**107.83**	**107 830**	**0.2**	**55 899.96**

3.9 Foreign Workers

Table 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
None	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 to 31 March 2024

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
None	0	0	0	0	0	0

3.10 Leave utilisation

Table 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 Other	7	100	2	2	4	3
Highly skilled production (Levels 6-8)	204	86.8	27	26.7	8	372
Highly skilled supervision (Levels 9-12)	374	83.4	43	42.6	9	1 138
Lower Skilled(Levels 1-2)	39	94.9	4	4	10	25
Senior management (Levels 13-16)	39	92.3	7	6.9	6	194
Skilled (Levels 3-5	159	93.1	18	17.8	9	171
TOTAL	**822**	**87.2**	**101**	**100**	**8**	**1 902**

Table 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)
Highly skilled supervision (Levels 9-12)	43	100	1	33.3	43	128
Skilled (Levels 3-5	174	100	2	66.7	87	202
TOTAL	**217**	**100**	**3**	**100**	**72**	**330**

Table 3.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days taken	Average per employee	Number of Employees using annual leave
Contract (Levels 13-16)	10	10	1
Contract (Levels 6-8)	42	14	3
Contract(Level 9-12)	5	5	1
Contract Other	148	8	19
Highly skilled production (Levels 6-8)	1279	22	57
Highly skilled supervision (Levels 9-12)	2123	23	93
Lower skilled (Levels 1-2)	183	23	8
Senior management (Levels 13-16)	591	23	26
Skilled (Levels 3-5)	720	23	32
TOTAL	**5101**	**21**	**240**

Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2024

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024	Number of Employees using Capped Leave	Total Number of Capped Leave Available at End of Period	Number of Employee as at End of Period
Contract (Levels 13-16)	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract Other	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	38	0	762.02	20
Highly skilled supervision (Levels 9-12)	0	0	46	0	1 388.65	30
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	71	0	778.56	11
Skilled (Levels 3-5)	0	0	38	0	227.55	6
TOTAL	**0**	**0**	**47**	**0**	**3 156.78**	**67**

Table 3.10.5 Leave payouts for the period 1 April 2023 to 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual - Discounting With Resignation (Work Days)	193	3	64
Annual-Discounting: Unused Vacation Credits (Work Days)	235	1	235
Annual - Gratuity: Death/Retirement/Medical Retirement (Work Days)	453	7	65
Capped - Gratuity: Death/Retirement/Medical Retirement (Work Days)	996	5	199
TOTAL	**1 878**	**16**	**117**

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	None

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

<table>
<tr><th>Question</th><th>Yes</th><th>No</th><th>Details, if yes</th></tr>
<tr><td>1. Has the department designated a member of the SMS to implement the provisions contained in Part 3 of Chapter 4 of the Public Service Regulations, 2016? If so, provide her/his name and position.</td><td>X</td><td></td><td>Mr André Liebenberg

(A) Senior Manager: Transversal Human Resource Management Services</td></tr>
<tr><td>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.</td><td>X</td><td></td><td>The Transversal Human Resource Management Services Unit is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programme, including HCT campaigns across the Mpumalanga Provincial Government.

The team has five staff members, who facilitate the implementation of the Employee Health and Wellness (EH&W) Strategic Plan and Occupational Health and Safety Plan to ensure the employee wellness, safety in the workplace and co-ordination.

The budget for the Internal Employee Health and Wellness Programme is allocated within the Internal HRM and Development Unit – The budget is therefore not specifically allocated for the Internal Employee Health and Wellness Division.</td></tr>
<tr><td>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.</td><td>X</td><td></td><td>Stress Management Workshop, Physical Fitness Session. The Key elements of the Programme are: Wellness management; Safety Health Environment Risk and Quality Management; and Health Productivity Management in compliance with the National Policy Framework on Employee Health and Wellness.</td></tr>
<tr><td>4. Has the department</td><td></td><td></td><td><table><tr><th>NAME</th><th>POSITION</th></tr><tr><td>1. Mr PJ Jiyane</td><td>Chairperson</td></tr><tr><td>2. Mr JP Dlamini</td><td>Senior Manager: OD&JE</td></tr></table></td></tr>
</table>

<table>
<tr>
<td>established (a) committee(s) as contemplated in Part 3 of Chapter 4 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</td>
<td>X</td>
<td></td>
<td>
<table>
<tr><th>NAME</th><th>POSITION</th></tr>
<tr><td>3. Mr DP Nkambule</td><td>Manager: Office on the Status of Disabled Persons</td></tr>
<tr><td>4.Ms M Mhlongo</td><td>Manager: Executive Council Secretariat</td></tr>
<tr><td>5. Mr EJ Mkhonto</td><td>A) Manager: Security and Protocol Services</td></tr>
<tr><td>6. Mr RA Bellim</td><td>Manager: Monitoring and Evaluation</td></tr>
<tr><td>7. Ms YA Fakude</td><td>Manager: Risk Management</td></tr>
<tr><td>8. Mr AB Mashele</td><td>Office Manager: Institutional Development</td></tr>
<tr><td>9. Mr SA Shabangu</td><td>Assistant Manager: Budget</td></tr>
<tr><td>10.Mr VJ Mbuyane</td><td>Labour Union representative (NEHAWU)</td></tr>
<tr><td>11. Mr MM Myalezwa</td><td>Labour Union representative (PSA)</td></tr>
<tr><td>12. Ms MN Radebe</td><td>OHS Practitioner (Co-ordinator)</td></tr>
</table>
</td>
</tr>
<tr>
<td>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.</td>
<td>X</td>
<td></td>
<td>The OTP has continued to implement HIV/AIDS and TB Management Policy Framework, Wellness Management Policy and Bereavement policies. All the above policies have been approved by the Accounting Officer.</td>
</tr>
<tr>
<td>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.</td>
<td>X</td>
<td></td>
<td>The OTP ensures that during its quarterly Employee Health and Wellness Programmes, it provides awareness on condom usage and condom distribution. In addition, there are policies in place that can be used as educational tools on important issues relating to HIV/AIDS.</td>
</tr>
<tr>
<td>7. Does the department encourage its employees to undergo Voluntary</td>
<td>X</td>
<td></td>
<td>During the course of this Financial Year, no employee got tested through the OTP’s initiative or programme. It must however be noted that according to the OTP’s plans, during every Health and Wellness promotion event, employees are required to be provided with the opportunity to undergo</td>
</tr>
</table>

Counselling and Testing? If so, list the results that you have you achieved.			voluntarily counselling and testing including General and Physical Health assessment. To date 40 officials in the OTP, have undergone VCT.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators .	X		There are several Policies in place to guide the implementation of EH&W and the conduct of employees Quarterly Sick leave utilization profile; Reduction in absenteeism; behaviour and lifestyle modification; the levels of compliance to treatment and healthy lifestyles; and the improved level of attendance to EH&W Programmes and HCT campaigns. The Annual Operational Plan that talks to the four (4) Pillars being the Implementation and Operation of the EH&W Management system and EH&W evaluation, whilst the corrective and preventative action makes provision for the effective monitoring and evaluation of the EH&W Programme.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2023 to 31 March 2024

Subject matter	Date
Total number of collective agreement	0

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 to 31 March 2024

Outcomes of disciplinary hearings	Number	% of total
None	0	0%

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 to 31 March 2024

Type of misconduct	Number	% of total
None	0	0%

Table 3.12.4 Grievances logged for the period 1 April 2023 to 31 March 2024

Grievances	Number	% of Total
None	0	0%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2023 to 31 March 2024

Disputes	Number	% of Total
Dispute against unfair labour practice – promotion	1	100%

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

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2023 to 31 March 2024

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	366
Cost of suspension (R'000)	R1 454

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 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 /Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10		Essential Element for Internal Auditors(EEIA)	Women Empowerment Conference, Public Service Week	10
	Male	15		Executive Development Programme	Men's Seminar, Women Empowerment Conference, Public Service Week	15
Professionals	Female	20		EEIA, Executive Development Programme,	Secretaries Day, Women Empowerment Conference, Public Service Week	20
	Male	19		EEIA, Executive Development Programme, First Aid Level1, HIRA	Men's Seminar	19
Technicians and associate professionals	Female	43		EEIA, Management Development Programme, First Aid Level1, HIRA	Women Empowerment Conference, Public Service Week	43

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships /Internships	Skills Programmes & other short courses	Other forms of training	Total
	Male	11		EEIA, First Aid Level1, HIRA	Men's Seminar,	11
Clerks	Female	70	19	EEIP, Management Development Programme, First Aid Level1, HIRA, Compulsory Induction Programme	Secretaries Day, Women Empowerment Conference, Public Service Week	89
	Male	48	12	EEIA, Management Development Programme, First Aid Level1, HIRA, Compulsory Induction Programme	Secretaries Day, Men's Seminar,	60
Sub Total	**Male**	**143**	**19**			**162**
	Female	**93**	**12**			**105**
Total		**236**	**31**			**267**

Table 3.13.2 Training provided for the period 1 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/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10		Essential Element for Internal Auditors (EEIA)	Women Empowerment Conference, Public Service Week	10
	Male	15		Executive Development	Men's Seminar, Women	15

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
				Programme	Empowerment Conference, Public Service Week	
Professionals	Female	20		EEIA, Executive Development Programme,	Secretaries Day, Women Empowerment Conference, Public Service Week	20
	Male	19		EEIA, Executive Development Programme, First Aid Level1, HIRA	Men's Seminar	19
Technicians and associate professionals	Female	43		EEIA, Management Development Programme, First Aid Level1, HIRA	Women Empowerment Conference, Public Service Week	43
	Male	11		EEIA, First Aid Level1, HIRA	Men's Seminar,	11
Clerks	Female	70	19	EEIA, Management Development Programme, First Aid Level1, HIRA, Compulsory Induction Programme	Secretaries Day, Women Empowerment Conference, Public Service Week	89
	Male	48	12	EEIA, Management Development	Secretaries Day, Men's	60

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
				Programme, First Aid Level1, HIRA, Compulsory Induction Programme	Seminar,	
Sub Total	**Male**	**143**	**19**			**162**
	Female	**93**	**12**			**105**
Total		**236**	**31**			**267**

3.14 Injury on duty

Table 3.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	7	100%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**7**	**100%**

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 to 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	0	0	0

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 to 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	0	0	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 to 31 March 2024

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	0	0	0

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 to 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	0	0	0

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2023 to 31 March 2024

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

PART E
PFMA COMPLIANCE REPORT

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

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	319 511	472 130
Add: Irregular expenditure confirmed	19 927	202
Less: Irregular expenditure condoned	-	(152 821)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**339 438**	**319 511**

Not relevant

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	120
Irregular expenditure for the current year	19 927	82
Total	**19 927**	**202**

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	**339 236**	**319 511**
Total	**339 236**	**319 511**

Not relevant

b) Details of current and previous year irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	-	152 821
Total	**-**	**152 821**

Not relevant

c) 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	**-**	**-**

Not relevant

d) Details of current and previous year irregular expenditure recovered

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

Not relevant

e) 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	-	-

Not relevant

Additional disclosure relating to Inter-Institutional Arrangements

f) 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
N/A
Total

Not relevant

g) 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
None	-	-
Total	-	-

Not relevant

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

Disciplinary steps taken
N/A

Not relevant

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	11 418	**11 057**
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	1 654	361
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure written off	(1 339)	-
Closing balance	**11 733**	**11 418**

Not relevant

Reconciling notes

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

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

Description	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	1 654	361
Total	**1 654**	**381**

Not relevant

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 recoverable	-	-
Total	**-**	**-**

Not relevant

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	-	-

Not relevant

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

Disciplinary steps taken
N/A
Total

Not relevant

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
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 of	-	-
Closing balance	-	-

Not relevant

Reconciling notes

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

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

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

Not relevant

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	-	-

Not relevant

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
None	-	-
Total	-	-

Not relevant

c) Other material losses recovered

Nature of losses	2023/2024	2022/2023
	R'000	R'000
None	-	-
Total	-	-

Not relevant

d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
None	-	-
Total	-	-

Not relevant

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2 764	252 120
Invoices paid **within** 30 days or agreed period	2 764	252 120
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***)	27	15 074

Not relevant

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
None	N/A	N/A	N/A	-
Total				-

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
None	N/A	N/A	N/A	-	-	-
Total				-	-	-

PART F
FINANCIAL INFORMATION

Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no.1: Office of the Premier

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Office of the Premier set out on pages 181 to 217, which comprise the appropriation statement, statement financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Premier as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards of 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 Accountant's *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Statement of corresponding figures

7. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of errors in the financial statements of the department at, and for the year ended, 31 March 2024.

Irregular expenditure

8. As disclosed in note 22 to the financial statements, irregular expenditure of R19,9m was incurred.

Other Matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 218 and 222 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

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

12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

14. 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 177 to 179 forms part of my auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA0 and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

16. I selected the following programmes presented in the annual performance report for the year 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
Institutional \ development	54 to 65	To provide Institutional development services, advice, strategic support, coordination and development of policies to ensure operational efficiency, alignment and corporate compliance in order to improve the capacity of the Mpumalanga Provincial Government to deliver effective and efficient services.
Policy and governance	66 to 81	To provide effective macro policy advice, coordination and monitoring in the following key areas • Provincial planning • Monitoring the implementation of provincial programmes • Mainstreaming of gender, youth, persons with disabilities and older persons' issues • Regional and International cooperation • Research and Information management • Advisory services to the premier, exco committees and MPAC • Coordinate key strategic interventions to improve departmental performance

17. 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.

18. 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 prioritized 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 overachievement or underachievement of target/measures taken to improve performance

19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

20. I did not identify and material findings on the reported performance information for the selected programmes.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for overachievements or underachievements taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

23. 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 taken to improve performance are included in the annual performance report on Pages 70 to 81

Policy and governance

Targets achieved: 87,5% *Budget spent: 89,5%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Percentage of approved youth enterprises supported through Premier's Youth Development Fund	100%	84,14%

Report on compliance with legislation

24. 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.

25. 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 and assurance of opinion or conclusion.

26. Through an established AGSA process, I selected requirements in key legislation for colmpliance 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.
27. The material finding on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

28. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.

Other information in the annual report

29. 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.

30. 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.

31. 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.

32. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

33. 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.

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

35. The accounting officer submitted annual financial statements for audit purposes that were not adequately reviewed to ensure the accuracy thereof. This was evidenced by the material misstatements in the financial statements that were identified as a result of the audit piocess and this resulted in a material finding on compliance with legislation.

Material irregularities

36. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report

Status of previously reported material irregularities

Payment made for maintenance and support services that were not rendered on CiiMS system.

37. On 25 November 2020, a payment of R21 million was made for computer services related to the maintenance and support costs for the Cyber Incident Investigation Management System (CiiMS). However, there was no supporting evidence to show that the supplier provided the services as indicated in the invoice. The internal controls for payment approval and processing were not sufficient, resulting to the payment being made without evidence of the services rendered by the supplier which is non-compliance to Treasury Regulation 8.1.1. If proper processes were in place, the department would not have incurred a financial loss since the expenditure was made in vain.

38. The non-compliance is likely to result in a material financial loss for the Office of the Premier if the money is not recovered from the supplier as the payments were made for services that were not rendered.

39. The accounting officer was notified of this material irregularity on 5 July 2023 and was invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer responded with the actions taken to resolve the material irregularity. The following action have been taken to resolve the material irregularity:
    - In February 2023, the accounting officer appointed a consultant to investigate the irregular payment of R21million made by the Office of The Premier to a supplier during the 2020-21 financial year. The investigation was completed, and recommendations were made to the accounting officer, including a suggestion to review the procurement process for contract number PRE/040/14/MP and all related payments. Consequently, the accounting officer initiated a process to seek a court review of the contract. As of the date of this audit report, the review process was ongoing.
    - The accounting officer suspended two officials that were responsible for approval of the payment. One official resigned from government employment before the disciplinary proceedings began.
    - Furthermore, the accounting officer appointed a presiding officer to conduct disciplinary proceedings against the official responsible for approving the payment. These proceedings were concluded on 22 April 2024, resulting in the issuance of a warning to the official.
    - All payments to the service provider have been suspended until the outcome of the court review.
    - I will follow up on this legal proceeding during my next audit.

Auditor - General

Auditor - General

Mbombela

31 July 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor's-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:

- Identity 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 risks 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 infernal 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.

- Conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, bases 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 exist, 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 statement 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 1 of 1999	Section 38(1)(a)(iv); 38(1)(c);38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations, 2005	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d);5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 8.1..1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3(d); 16A8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
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

Legislation	Sections or regulations
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; 5.2; 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; 11.11; 11.12
Preferential and Combating of Corrup Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)

office of the premier

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 - OFFICE OF THE PREMIER VOTE No. 01

Appropriation Statement

Figures in Rand thousand		2023/2024							2022/2023	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per programme										
Programme										
Programme 1 Administration	1	170,383	-	5,013	175,396	175,321	75	99.96 %	156,666	156,606
Programme 2 Institutional Development	2	106,622	-	(8,034)	98,588	98,569	19	99.98 %	81,455	81,154
Programme 3 Policy and Governance	3	221,127	-	3,021	224,148	200,645	23,503	89.51 %	123,705	119,386
Programme subtotal		**498,132**	**-**	**-**	**498,132**	**474,535**	**23,597**	**95.26 %**	**361,826**	**357,146**
Total		**498,132**	**-**	**-**	**498,132**	**474,535**	**23,597**	**95.26 %**	**361,826**	**357,146**
Reconciliation with statement of financial performance										
Add:										
Add:										
Actual amounts per statement of financial performance (total expenditure)						**474,535**				**357,146**

OTP ANNUAL REPORT 2023/2024

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	162,464	-	(4,024)	158,440	158,424	16	99.99 %	149,325	149,056
Social contributions	25,071	-	(259)	24,812	24,800	12	99.95 %	21,943	21,889
	187,535	**-**	**(4,283)**	**183,252**	**183,224**	**28**	**99.98 %**	**171,268**	**170,945**
Goods and services									
Administrative fees	4,420	-	2,863	7,283	7,276	7	99.90 %	2,531	2,502
Advertising	8,230	-	(1,431)	6,799	6,799	-	100.00 %	5,289	5,288
Minor assets	177	-	(54)	123	123	-	100.00 %	544	544
Audit costs: External	6,512	-	(272)	6,240	6,240	-	100.00 %	6,392	6,392
Catering: Departmental activities	3,147	-	(498)	2,649	2,648	1	99.96 %	1,750	1,726
Communication	9,663	-	7,182	16,845	16,844	1	99.99 %	19,155	19,155
Computer services	2,043	-	(896)	1,147	1,146	1	99.91 %	1,991	1,991
Consultants: Business and advisory services	18,161	-	(10,781)	7,380	4,638	2,742	62.85 %	7,538	3,840
Legal services	9,093	-	2,192	11,285	11,285	-	100.00 %	4,822	4,822
Contractors	3,196	-	(795)	2,401	2,399	2	99.92 %	498	497
Fleet services	3,226	-	(382)	2,844	2,844	-	100.00 %	2,808	2,808
Consumable supplies	1,844	-	353	2,197	2,197	-	100.00 %	1,520	1,531
Consumable: Stationery, printing and office supplies	1,497	-	697	2,194	2,193	1	99.95 %	1,415	1,412
Operating leases	1,196	-	1,184	2,380	2,380	-	100.00 %	1,353	1,353
Property payments	5,760	-	75	5,835	5,835	-	100.00 %	6,767	6,767
Transport provided: Departmental activity	2,942	-	(2,631)	311	311	-	100.00 %	708	706
Travel and subsistence	31,293	-	8,991	40,284	40,090	194	99.52 %	35,132	35,014
Training and development	2,124	-	(146)	1,978	1,978	-	100.00 %	2,224	2,221
Operating payments	306	-	(35)	271	271	-	100.00 %	695	687
Venues and facilities	16,017	11,000	11,087	38,104	38,095	9	99.98 %	13,441	13,434

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)									
Rental and hiring	11,505	-	(11,454)	51	52	(1)	101.96 %	798	794
	142,352	**11,000**	**5,249**	**158,601**	**155,644**	**2,957**	**98.14 %**	**117,371**	**113,484**
Total current payments	**329,887**	**11,000**	**966**	**341,853**	**338,868**	**2,985**	**99.13 %**	**288,639**	**284,429**
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	40	-	(18)	22	21	1	95.45 %	23	23
Public corporations and private enterprises	112,000	-	-	112,000	110,461	1,539	98.63 %	62,000	61,546
Households									
Social benefits	18,836	-	(17,048)	1,788	1,778	10	99.44 %	1,509	1,507
Other transfers to households	3,399	-	16,068	19,467	19,466	1	99.99 %	1,346	1,345
	22,235	**-**	**(980)**	**21,255**	**21,244**	**11**	**99.95 %**	**2,855**	**2,852**
Total transfers and subsidies	**134,275**	**-**	**(998)**	**133,277**	**131,726**	**1,551**	**98.84 %**	**64,878**	**64,421**
Payments for capital assets									
Machinery and equipment									
Transport equipment	549	-	(549)	-	-	-	- %	-	-
Other machinery and equipment	3,421	-	563	3,984	3,923	61	98.47 %	8,255	8,243
	3,970	**-**	**14**	**3,984**	**3,923**	**61**	**98.47 %**	**8,255**	**8,243**
Software and other intangible assets	30,000	(11,000)	-	19,000	-	19,000	- %	54	53
Total payments for capital assets	**33,970**	**(11,000)**	**14**	**22,984**	**3,923**	**19,061**	**17.07 %**	**8,309**	**8,296**
Payments for financial assets	-	-	18	18	18	-	100.00 %	-	-
Total	**498,132**	**-**	**-**	**498,132**	**474,535**	**23,597**	**95.26 %**	**361,826**	**357,146**

OTP ANNUAL REPORT 2023/2024

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)									
Rental and hiring	11,505	-	(11,454)	51	52	(1)	101.96 %	798	794
	142,352	**11,000**	**5,249**	**158,601**	**155,644**	**2,957**	**98.14 %**	**117,371**	**113,484**
Total current payments	**329,887**	**11,000**	**966**	**341,853**	**338,868**	**2,985**	**99.13 %**	**288,639**	**284,429**
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	40	-	(18)	22	21	1	95.45 %	23	23
Public corporations and private enterprises	112,000	-	-	112,000	110,461	1,539	98.63 %	62,000	61,546
Households									
Social benefits	18,836	-	(17,048)	1,788	1,778	10	99.44 %	1,509	1,507
Other transfers to households	3,399	-	16,068	19,467	19,466	1	99.99 %	1,346	1,345
	22,235	**-**	**(980)**	**21,255**	**21,244**	**11**	**99.95 %**	**2,855**	**2,852**
Total transfers and subsidies	**134,275**	**-**	**(998)**	**133,277**	**131,726**	**1,551**	**98.84 %**	**64,878**	**64,421**
Payments for capital assets									
Machinery and equipment									
Transport equipment	549	-	(549)	-	-	-	- %	-	-
Other machinery and equipment	3,421	-	563	3,984	3,923	61	98.47 %	8,255	8,243
	3,970	**-**	**14**	**3,984**	**3,923**	**61**	**98.47 %**	**8,255**	**8,243**
Software and other intangible assets	30,000	(11,000)	-	19,000	-	19,000	- %	54	53
Total payments for capital assets	**33,970**	**(11,000)**	**14**	**22,984**	**3,923**	**19,061**	**17.07 %**	**8,309**	**8,296**
Payments for financial assets	-	-	18	18	18	-	100.00 %	-	-
Total	**498,132**	**-**	**-**	**498,132**	**474,535**	**23,597**	**95.26 %**	**361,826**	**357,146**

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. Programme 1 Administration									
Sub programme									
Premier Support	34,687	-	2,784	37,471	37,469	2	99.99 %	36,495	36,482
Executive Council Support	8,358	-	(171)	8,187	8,186	1	99.99 %	6,697	6,695
Director-General Support	73,662	-	(6,928)	66,734	66,725	9	99.99 %	45,018	44,995
Financial Support	53,676	-	9,328	63,004	62,941	63	99.90 %	68,456	68,434
Subtotal	**170,383**	**-**	**5,013**	**175,396**	**175,321**	**75**	**99.96 %**	**156,666**	**156,606**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	66,811	-	(3,282)	63,529	63,525	4	99.99 %	63,871	63,839
Social contributions	9,180	-	106	9,286	9,284	2	99.98 %	8,972	8,952
	75,991	**-**	**(3,176)**	**72,815**	**72,809**	**6**	**99.99 %**	**72,843**	**72,791**
Goods and services									
Administrative fees	1,663	-	(277)	1,386	1,384	2	99.86 %	722	721
Advertising	30	-	(15)	15	15	-	100.00 %	-	-
Minor assets	120	-	3	123	123	-	100.00 %	544	544
Audit costs: External	6,512	-	(272)	6,240	6,240	-	100.00 %	6,392	6,392
Catering: Departmental activities	1,248	-	571	1,819	1,819	-	100.00 %	711	711
Communication	9,588	-	7,051	16,639	16,639	-	100.00 %	18,899	18,899
Computer services	1,646	-	(722)	924	923	1	99.89 %	1,507	1,507
Consultants: Business and advisory services	6,938	-	(5,002)	1,936	1,936	-	100.00 %	2,507	2,506
Legal services	5,522	-	339	5,861	5,861	-	100.00 %	-	-
Contractors	3,001	-	(811)	2,190	2,189	1	99.95 %	416	416
Fleet services	3,226	-	(382)	2,844	2,844	-	100.00 %	2,808	2,808
Consumable supplies	1,638	-	231	1,869	1,870	(1)	100.05 %	1,166	1,182
Consumable: Stationery, printing and office supplies	544	-	667	1,211	1,211	-	100.00 %	1,011	1,010

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Operating leases	1,166	-	1,214	2,380	2,380	-	100.00 %	1,353	1,353
Property payments	5,760	-	75	5,835	5,835	-	100.00 %	6,767	6,767
Transport provided: Departmental activity	-	-	-	-	-	-	- %	137	137
Travel and subsistence	21,738	-	4,754	26,492	26,492	-	100.00 %	23,914	23,909
Training and development	550	-	(20)	530	530	-	100.00 %	660	660
Operating payments	304	-	(37)	267	266	1	99.63 %	219	219
Venues and facilities	2,034	-	840	2,874	2,873	1	99.97 %	5,273	5,272
Rental and hiring	5	-	(2)	3	3	-	100.00 %	346	345
	73,233	**-**	**8,205**	**81,438**	**81,433**	**5**	**99.99 %**	**75,352**	**75,358**
Total current payments	**149,224**	**-**	**5,029**	**154,253**	**154,242**	**11**	**99.99 %**	**148,195**	**148,149**
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	40	-	(18)	22	21	1	95.45 %	23	23
Households									
Social benefits	17,149	-	(17,001)	148	146	2	98.65 %	139	138
Other transfers to households	-	-	16,989	16,989	16,989	-	100.00 %	-	-
	17,149	**-**	**(12)**	**17,137**	**17,135**	**2**	**99.99 %**	**139**	**138**
Total transfers and subsidies	**17,189**	**-**	**(30)**	**17,159**	**17,156**	**3**	**99.98 %**	**162**	**161**
Payments for capital assets									
Machinery and equipment									
Transport equipment	549	-	(549)	-	-	-	- %	-	-
Other machinery and equipment	3,421	-	563	3,984	3,923	61	98.47 %	8,255	8,243
	3,970	**-**	**14**	**3,984**	**3,923**	**61**	**98.47 %**	**8,255**	**8,243**
Software and other intangible assets	-	-	-	-	-	-	- %	54	53
Total payments for capital assets	**3,970**	**-**	**14**	**3,984**	**3,923**	**61**	**98.47 %**	**8,309**	**8,296**

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total	**170,383**	**-**	**5,013**	**175,396**	**175,321**	**75**	**99.96 %**	**156,666**	**156,606**

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. Programme 2 Institutional Development									
Sub programme									
Strategic Human Resource	53,491	-	1,102	54,593	54,586	7	99.99 %	47,260	46,972
Information Communication Technology	3,608	-	(315)	3,293	3,288	5	99.85 %	2,927	2,925
Legal Services	3,557	-	(355)	3,202	3,201	1	99.97 %	3,009	3,006
Communication Services	43,056	-	(10,631)	32,425	32,419	6	99.98 %	24,739	24,732
Programme Support	2,910	-	2,165	5,075	5,075	-	100.00 %	3,520	3,519
Subtotal	**106,622**	**-**	**(8,034)**	**98,588**	**98,569**	**19**	**99.98 %**	**81,455**	**81,154**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	53,197	-	(268)	52,929	52,923	6	99.99 %	47,231	46,998
Social contributions	7,992	-	958	8,950	8,947	3	99.97 %	7,189	7,178
	61,189	**-**	**690**	**61,879**	**61,870**	**9**	**99.99 %**	**54,420**	**54,176**
Goods and services									
Administrative fees	1,519	-	272	1,791	1,791	-	100.00 %	963	960
Advertising	7,200	-	(416)	6,784	6,784	-	100.00 %	4,938	4,937
Catering: Departmental activities	842	-	(320)	522	522	-	100.00 %	401	399
Communication	35	-	126	161	160	1	99.38 %	192	192
Computer services	179	-	44	223	223	-	100.00 %	484	484
Consultants: Business and advisory services	2,219	-	(1,734)	485	483	2	99.59 %	676	662
Legal services	3,571	-	1,853	5,424	5,424	-	100.00 %	4,822	4,822
Contractors	10	-	199	209	209	-	100.00 %	80	79
Consumable supplies	202	-	117	319	318	1	99.69 %	332	327
Consumable: Stationery, printing and office supplies	953	-	27	980	979	1	99.90 %	396	395
Operating leases	30	-	(30)	-	-	-	- %	-	-

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transport provided: Departmental activity	2,000	-	(2,000)	-	-	-	- %	30	28
Travel and subsistence	3,397	-	2,438	5,835	5,835	-	100.00 %	4,344	4,331
Training and development	1,424	-	(108)	1,316	1,316	-	100.00 %	1,499	1,498
Operating payments	2	-	2	4	5	(1)	125.00 %	316	309
Venues and facilities	9,700	-	(176)	9,524	9,524	-	100.00 %	4,810	4,808
Rental and hiring	8,000	-	(7,999)	1	2	(1)	200.00 %	36	33
	41,283	**-**	**(7,705)**	**33,578**	**33,575**	**3**	**99.99 %**	**24,319**	**24,264**
Total current payments	**102,472**	**-**	**(7,015)**	**95,457**	**95,445**	**12**	**99.99 %**	**78,739**	**78,440**
Transfers and subsidies									
Households									
Social benefits	751	-	(98)	653	647	6	99.08 %	1,370	1,369
Other transfers to households	3,399	-	(921)	2,478	2,477	1	99.96 %	1,346	1,345
	4,150	**-**	**(1,019)**	**3,131**	**3,124**	**7**	**99.78 %**	**2,716**	**2,714**
Total	**106,622**	**-**	**(8,034)**	**98,588**	**98,569**	**19**	**99.98 %**	**81,455**	**81,154**

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3. Programme 3 Policy and Governance									
Sub programme									
Special Programmes	132,155	-	1,826	133,981	132,232	1,749	98.69 %	78,321	77,862
Intergovernmental Relations	10,396	-	(1,277)	9,119	9,118	1	99.99 %	8,747	8,657
Provincial & Policy Management	42,859	-	(383)	42,476	39,727	2,749	93.53 %	35,243	31,478
Programme Support	35,717	-	2,855	38,572	19,568	19,004	50.73 %	1,394	1,389
Subtotal	**221,127**	**-**	**3,021**	**224,148**	**200,645**	**23,503**	**89.51 %**	**123,705**	**119,386**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	42,456	-	(474)	41,982	41,976	6	99.99 %	38,223	38,219
Social contributions	7,899	-	(1,323)	6,576	6,569	7	99.89 %	5,782	5,759
	50,355	**-**	**(1,797)**	**48,558**	**48,545**	**13**	**99.97 %**	**44,005**	**43,978**
Goods and services									
Administrative fees	1,238	-	2,868	4,106	4,101	5	99.88 %	846	821
Advertising	1,000	-	(1,000)	-	-	-	- %	351	351
Minor assets	57	-	(57)	-	-	-	- %	-	-
Catering: Departmental activities	1,057	-	(749)	308	307	1	99.68 %	638	616
Communication	40	-	5	45	45	-	100.00 %	64	64
Computer services	218	-	(218)	-	-	-	- %	-	-
Consultants: Business and advisory services	9,004	-	(4,045)	4,959	2,219	2,740	44.75 %	4,355	672
Contractors	185	-	(183)	2	1	1	50.00 %	2	2
Consumable supplies	4	-	5	9	9	-	100.00 %	22	22
Consumable: Stationery, printing and office supplies	-	-	3	3	3	-	100.00 %	8	7
Transport provided: Departmental activity	942	-	(631)	311	311	-	100.00 %	541	541
Travel and subsistence	6,158	-	1,799	7,957	7,763	194	97.56 %	6,874	6,774

Appropriation Statement

Figures in Rand thousand	2023/2024							2022/2023	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Training and development	150	-	(18)	132	132	-	100.00 %	65	63
Operating payments	-	-	-	-	-	-	- %	160	159
Venues and facilities	4,283	11,000	10,423	25,706	25,698	8	99.97 %	3,358	3,354
Rental and hiring	3,500	-	(3,453)	47	47	-	100.00 %	416	416
	27,836	**11,000**	**4,749**	**43,585**	**40,636**	**2,949**	**93.23 %**	**17,700**	**13,862**
Total current payments	**78,191**	**11,000**	**2,952**	**92,143**	**89,181**	**2,962**	**96.79 %**	**61,705**	**57,840**
Transfers and subsidies									
Public corporations and private enterprises									
Public corporations									
Other transfers to public corporations	112,000	-	-	112,000	110,461	1,539	98.63 %	62,000	61,546
Households									
Social benefits	936	-	51	987	985	2	99.80 %	-	-
Total transfers and subsidies	**112,936**	**-**	**51**	**112,987**	**111,446**	**1,541**	**98.64 %**	**62,000**	**61,546**
Payments for capital assets									
Software and other intangible assets	30,000	(11,000)	-	19,000	-	19,000	- %	-	-
Payments for financial assets	-	-	18	18	18	-	100.00 %	-	-
Total	**221,127**	**-**	**3,021**	**224,148**	**200,645**	**23,503**	**89.51 %**	**123,705**	**119,386**

Notes to the Appropriation Statement

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

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

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

Detail of these transactions can be viewed in note 1 Annual appropriation to the annual financial statements.

3. Detail on payments for financial assets

Details of these transactions per programme can be viewed in the note on Payments for financial assets to the annual financial statements.

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

4.1 Per programme

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Programme 1 Administration	175,396	175,321	75	- %
Programme 2 Institutional Development	98,588	98,569	19	- %
Programme 3 Policy and Governance	224,148	200,645	23,503	10.5 %

Programme 1-The is no material variance under the programme.
Programme 2- The is no material variance under the programme.
Programme 3-The underspending under programme 3 is due to budget provided for the procurement of the Service Delivery Monitoring Tool which was not procured.

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	183,252	183,224	28	- %
Goods and services	158,601	155,644	2,957	2 %
Transfers and subsidies				
Provinces and municipalities	22	21	1	5 %
Public corporations and private enterprises	112,000	110,461	1,539	1 %
Households	21,255	21,244	11	- %
Payments for capital assets				
Machinery and equipment	3,984	3,923	61	2 %
Intangible assets	19,000	-	19,000	100 %
Payments for financial assets	18	18	-	- %

The underspending under payment of capital assets is due to budget provided for the procurement of the Service Delivery Monitoring Tool which was not procured.

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2023/2024	2022/2023 Restated*
Revenue			
Annual appropriation	1	498,132	361,826
Expenditure			
Current expenditure		338,868	284,429
Transfers and subsidies		131,726	64,421
Expenditure for capital assets		3,923	8,296
Payments for financial assets		18	-
Current expenditure			
Compensation of employees	3	183,224	170,945
Goods and services	4	155,644	113,484
Total current expenditure		**338,868**	**284,429**
Transfers and subsidies			
Transfers and subsidies	6	131,726	64,421
Expenditure for capital assets			
Tangible assets	7	3,923	8,243
Intangible assets	7	-	53
Total expenditure for capital assets		**3,923**	**8,296**
Payments for financial assets	5	18	-
Total current expenditure		338,868	284,429
Total transfers and subsidies		131,726	64,421
Total expenditure for capital assets		3,923	8,296
Total payments for financial assets		18	-
Total revenue fund expenditure		-	-
Total expenditure		**474,535**	**357,146**
Total revenue		498,132	361,826
Total expenditure		(474,535)	(357,146)
Surplus for the year		**23,597**	**4,680**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		23,597	4,680
		23,597	4,680
		23,597	**4,680**
Voted funds		23,597	4,680

Statement of Financial Position as at 31 March 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023 Restated*
Assets			
Current Assets			
Cash and cash equivalents	8	19,828	1,314
Prepayments and advances	9	-	42
Receivables	10	3,778	3,486
		23,606	**4,842**
Non-Current Assets		-	-
Current Assets		23,606	4,842
Total Assets		**23,606**	**4,842**
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	11	23,597	4,680
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	8	156
Payables	13	1	6
		23,606	**4,842**
Non-Current Liabilities		-	-
Current Liabilities		23,606	4,842
Total Liabilities		**23,606**	**4,842**
Assets		23,606	4,842
Liabilities		(23,606)	(4,842)
		-	-

Statement of Changes in Net Assets

Figures in Rand thousand	Note	2023/2024	2022/2023 Restated*
Capitalisation reserves			
Opening balance		-	-
Transfers:			
Movement in Equity		-	-
Movement in operational funds		-	-
Other movements		-	-
Closing balance		**-**	**-**
Recoverable revenue			
Opening balance		-	-
Transfers:			
Irrecoverable amounts written off	5.1	-	-
Debts revised		-	-
Debts recovered (incl in dept receipts)		-	-
Debts raised		-	-
Closing balance		**-**	**-**
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Utilised during the year		-	-
Other		-	-
Closing balance		**-**	**-**
Revaluation reserves			
Opening balance		-	-
Revaluation adjustement		-	-
Transfers		-	-
Other		-	-
Closing balance		**-**	**-**

Cash Flow Statement

Figures in Rand thousand	Note(s)	2023/2024	2022/2023 Restated*
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	498,132	361,826
Departmental revenue received	2	1,554	294
Interest received	2.2	1,138	1,099
		500,824	**363,219**
Net (increase)/ decrease in working capital		(255)	12
Surrendered to Revenue Fund		(7,520)	(5,166)
Current payments		(338,868)	(284,429)
Payments for financial assets		(18)	-
Transfers and subsidies paid		(131,726)	(64,421)
Total receipts		500,824	363,219
Total payments		(478,387)	(354,004)
Net cash flow available from operating activities	14	**22,437**	**9,215**
Cash flows from investing activities			
Payments for capital assets	7	(3,923)	(8,296)
Net increase/ (decrease) in cash and cash equivalents		18,514	919
Cash and cash equivalents at beginning of year		1,314	395
Cash and cash equivalents at the end of the year	15	**19,828**	**1,314**

Accounting Policies

Summary of significant accounting policies

The annual 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 annual 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 annual financial statements and to comply with the statutory requirements of the , and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

The annual financial statements have been prepared in accordance with the Modified Cash Standards.

2. Going concern

The annual 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 () 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 ('000 '000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand 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 annual financial statements. Where necessary figures included in the prior period annual 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 annual 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.

Accounting Policies

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.

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 annual 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 annual financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

Accounting Policies

8. Expenditure (continued)

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 annual 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 annual 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 annual financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the annual financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9. Aid assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the annual financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

Accounting Policies

10. Cash and cash equivalents (continued)

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

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 annual financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the annual 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 annual financial statements.

Accounting Policies

17. Provisions and contingents (continued)

17.3 Contingent assets

Contingent assets are recorded in the notes to the annual financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Capital commitments

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the annual financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the annual 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 expenditure incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the annual financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the annual financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

21. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Accounting Policies

21. Changes in accounting estimates and errors (continued)

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual 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 annual financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the annual financial statements where appropriate.

24. Departures from the MCS requirements

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

Related party transactions within the Mpumalanga Government Administration are recorded in the notes to the annual financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the annual financial statements.

28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

Accounting Policies

29. Public-Private Partnerships (continued)

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 annual financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note	2023/2024	2022/2023

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:

Figures in Rand thousand	2023/2024		2022/2023	
	Final budget	Actual funds received	Final budget	Appropriation received
Programmes				
Programme 1 Administration	175,396	175,396	156,666	156,666
Programme 2 Institutional Development	98,588	98,588	81,455	81,455
Programme 3 Policy and Governance	224,148	224,148	123,705	123,705
Total	**498,132**	**498,132**	**361,826**	**361,826**

2. Departmental revenue

Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	190	186
Interest, dividends and rent on land	2.2	1,138	1,099
Transactions in financial assets and liabilities	2.4	1,364	108
Total revenue collected		**2,692**	**1,393**
Less: Own revenue included in appropriation	12	2,692	1,393
Departmental revenue collected		**-**	**-**

2.1 Sales of goods and services other than capital assets

Sales by market establishment	93	91
Other sales	97	95
Sales of goods and services produced by the department	**190**	**186**

Other sales compromises of commission from insurance and garnshee.

2.2 Interest, dividends and rent on land

Interest	1,138	1,099

2.3 Sales of capital assets

2.4 Transactions in financial assets and liabilities

Receivables		12	10
Other receipts including recoverable revenue		1,352	98
Total	2	**1,364**	**108**

Other receipts including recoverable revenue compromises of receivables of previous years expenditure.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

3. Compensation of employees

3.1 Salaries and wages

Basic salary	125,433	113,952
Performance award	108	-
Service based	251	434
Compensative/circumstantial	5,960	6,198
Other non-pensionable allowances	26,671	28,472
Total	**158,423**	**149,056**

Other non-pensionable allowances compromises of capital remuneration, housing allowance, non-pensionable allowance and service bonus.

3.2 Social contributions

Employer contributions		
Pension	16,910	14,547
Medical	7,779	7,268
Bargaining council	31	27
Insurance	81	47
Total	**24,801**	**21,889**
Total compensation of employees	**183,224**	**170,945**
Average number of employees	253	258

Number of employees consists of 09 contracted workers, 19 interns and 225 permanent personnel.

4. Goods and services

Administrative fees		7,276	3,012
Advertising		6,799	5,311
Minor assets	4.1	123	544
Catering		2,649	1,676
Communication		16,844	19,155
Computer services	4.2	1,146	1,991
Consultants: Business and advisory services		4,638	3,817
Legal services		11,286	4,822
Contractors		2,399	497
Audit cost - external	4.3	6,240	6,392
Fleet services		2,844	2,808
Consumables	4.4	4,389	2,943
Operating leases		2,380	1,353
Property payments	4.5	5,835	6,767
Rental and hiring		52	786
Transport provided as part of the departmental activities		311	706
Travel and subsistence	4.6	40,090	35,014
Venues and facilities		38,095	12,982
Training and development		1,978	2,221
Other operating expenditure	4.7	270	687
Total		**155,644**	**113,484**

Other operating expenditure compromises of courier services, laundry services, non-life insurance, printing and publication, professional bodies and resettlement costs.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

4. Goods and services (continued)

4.1 Minor assets

Tangible assets			
Machinery and equipment		123	498
Intangible assets			
Software		-	47
Total	4	**123**	**544**

4.2 Computer services

SITA computer services		1,055	1,778
External computer service providers		91	213
Total	4	**1,146**	**1,991**

4.3 Audit cost - external

Regularity audits		6,240	6,392

4.4 Consumables

Uniform and clothing		627	323
Household supplies		1,391	680
Building material and supplies		5	246
IT consumables		125	120
Other consumables		48	162
Consumable supplies		**2,196**	**1,531**
Stationery, printing and office supplies		2,193	1,412
Total	4	**4,389**	**2,943**

Other consumables compromises of gifts and awards, medical supplies, bag and accessories.

4.5 Property payments

Municipal services		5,474	5,944
Other		361	823
Total	4	**5,835**	**6,767**

Other compromises of cleaning services.

4.6 Travel and subsistence

Local		33,038	28,939
Foreign		7,052	6,075
Total	4	**40,090**	**35,014**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

4. Goods and services (continued)

4.7 Other operating expenditure

Professional bodies, membership and subscription fees		153	181
Resettlement costs		-	221
Other		117	285
Total	4	**270**	**687**

Other compromises of laundry services, non-life insurance, courier and delivery.

5. Payments for financial assets

Debts written off	5.1	18	-

5.1 Debts written off

Nature of debts written off

Other debt written off

Debtors written off	18	-

6. Transfers and subsidies

Provinces and municipalities	29	21	23
Public corporations and private enterprises	Annexure 1D	110,461	61,546
Households	Annexure 1G	21,244	2,852
Total		**131,726**	**64,421**

The Office of the Premier has a contract with Mega for the disbursement of the Premier's Youth Development Fund. A total of R110 461 000 was transferred to Mega for the financial year 2023/24 and by year end an amount of R51 774 000 was not yet disbursed to beneficiaries.

6.1 Gifts, donations and sponsorships made in kind (not included in the main note)

Donations	-	2,546

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
7. Expenditure for capital assets			
Tangible assets			
Machinery and equipment	26	3,923	8,243
Intangible assets			
Software	27	-	53
Total		**3,923**	**8,296**

7.1 Analysis of funds utilised to acquire capital assets - 2023/2024

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Machinery and equipment	3,923	3,923

7.2 Analysis of funds utilised to acquire capital assets - 2022/2023

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Machinery and equipment	8,243	8,243
Intangible assets		
Software	53	53
Total	**8,296**	**8,296**

8. Cash and cash equivalents		
Consolidated paymaster general account	19,828	1,314
9. Prepayments and advances		
Travel and subsistence	-	42
Analysis of total prepayments and advances		
Current prepayments and advances	-	42

10. Receivables

Figures in Rand thousand		2023/2024		2022/2023	
	Note	Current	Total	Current	Total
Recoverable expenditure	10.1	1,882	1,882	1,625	1,625
Staff debt	10.2	1,475	1,475	1,440	1,440
Other receivables	10.3	421	421	421	421
Total		**3,778**	**3,778**	**3,486**	**3,486**

Other receivables compromises of supplier debtor.

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
10. Receivables (continued)			
10.1 Recoverable expenditure			
Sal:Income Tax		1,882	1,549
Sal: GEHS		-	76
Total	10	**1,882**	**1,625**
10.2 Staff debt			
Employees		21	42
Ex-employees		1,454	1,398
Total	10	**1,475**	**1,440**
10.3 Other receivables			
Supplier Debtors		421	421
11. Voted funds to be surrendered to the Revenue Fund			
Opening balance		4,680	1,796
Transferred from statement of financial performance (as restated)		23,597	4,680
Paid during the year		(4,680)	(1,796)
Closing balance		**23,597**	**4,680**
12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		156	2,133
Own revenue included in appropriation	2	2,692	1,393
Paid during the year		(2,840)	(3,370)
Closing balance		**8**	**156**
13. Payables - current			
Clearing accounts	13.1	1	6
13.1 Clearing accounts			
Sal: Pension Fund		1	6
14. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		23,597	4,680
Add back non cash/ cash movements not deemed operating activities			
(Increase)/ decrease in receivables		(292)	6
(Increase)/ decrease in prepayments and advances		42	-
Increase/ (decrease) in payables – current		(5)	6
Expenditure on capital assets		3,923	8,296
Surrenders to Revenue Fund		(7,520)	(5,166)
Own revenue included in appropriation		2,692	1,393
Net cash flow generated by operating activities		**22,437**	**9,215**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

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

Consolidated paymaster general account		19,828	1,314

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	Nature			
Claims against the department		Annexure 3B	171,970	50,492

The contigent liabilities consists of claims against the department by five(5) litigants which are currently before courts hence the Office its uncertain on how the courts will conclude on this matters on both amount and timing.Office of the Premier has a joint and severally liable litigation with Human Settlement amounting to R34 093 209.

17. Capital commitments

The Office does not have capital commitments to disclose for the current financial year.

18. Accruals and payables not recognised

18.1 Accruals

Figures in Rand thousand	2023/2024			2022/2023
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	7,248	7,993	15,241	8,696
Listed by programme level				
Programme 1 Administration			12,157	6,206
Programme 2 Institutional Development			1,701	1,320
Programme 3 Policy and Governance			1,383	1,170
Total			**15,241**	**8,696**

18.2 Payables not recognised

Figures in Rand thousand	2023/2024			2022/2023
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	25	15,029	15,054	32,109
Listed by programme level				
Programme 1 Administration			15,030	15,120
Programme 2 Institutional Development			17	16,989
Programme 3 Policy and Governance			7	-
Total			**15,054**	**32,109**

Included in the above totals are the following:			
Confirmed balances with other departments	Annexure 5	2,701	2,127

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

19. Employee benefits

Leave entitlement	12,218	35,937
Service bonus	4,783	4,324
Capped leave	6,701	7,291
Other	98	105
Total	**23,800**	**47,657**

Other compromises of long term service awards that are due to be paid in the 2024/25 financial year. At this stage the department is not able to reliably measure the long term portion of the long servie awards.

20. Lease commitments

20.1 Operating leases

2023/2024

Figures in Rand thousand	Machinery and equipment	Total
Not later than 1 year	2,005	2,005
Later than 1 year and not later than 5 years	4,319	4,319
Total lease commitments	**6,324**	**6,324**

2022/2023

Figures in Rand thousand	Machinery and equipment	Total
Not later than 1 year	1,363	1,363
Later than 1 year and not later than 5 years	3,537	3,537
Total lease commitments	**4,900**	**4,900**

The Service Level Agreements of the above lease commitments includes the option to extend at the end of the contracts.

21. Accrued departmental revenue

Sale of capital assets	110	-

These relates to motor vehicle that were auctioned in the current year, however cash is yet to be received by the Office.

21.1 Analysis of accrued departmental revenue

Opening balance	-	-
Add: Amounts recognised	110	-
Total	**110**	**-**

22. Unauthorised, Irregular and Fruitless and wasteful expenditure

Irregular expenditure	19,927	202
Fruitless and wasteful expenditure	1,654	361
Total	**21,581**	**563**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

23. Related party transactions

In kind goods and services provided/received

List in kind goods and services between the department and the related party		
Relationship	-	-
Free building accommodation - Department of Public W orks, Roads and Transport	-	-
Information Technology Services - Provincial Treasury	-	-
Audit Committee & Internal Audit Services - Department of Human Settlement; Department of Culture, Sports & Recreation; Department of Community Safety & Liason; and Department of Co-operative Governance & Traditional Affairs	-	-
Total	**-**	**-**

Relationships	Related party
There is no related party transaction within the Premier's portfolio however all Departments are related and the above is disclosed as an additional information inline with TR 21.2.4	

24. Key management personnel

Political office bearers (provide detail below)	2,463	2,396
Level 15 to 16	8,490	6,204
Level 14 (incl. CFO if at a lower level)	13,842	12,863
Other lower than level 14	4,231	3,344
Family members of key management personnel	1,497	937
Total	**30,523**	**25,744**

25. Provisions

Churchill Taxing Master	1,511	1,511
Sabalala Management Consulting	10,227	-
Total	**11,738**	**1,511**

The office is yet to pay on CM Churchill case as per the court verdict. Sabalala Management Consulting is a litigation that has been determined to be settled out of court.

25.1 Reconciliation of movement in provisions - 2023/2024

Figures in Rand thousand	Churchill Taxing Master	Sabalala Management Consulting	Total provisions
Opening balance	1,511	-	1,511
Increase in provision	-	10,227	10,227
Settlement of provision	-	-	-
Unused amount reversed	-	-	-
Reimbursement expected from third party	-	-	-
Change in provision due to change in estimation of inputs	-	-	-
Closing balance	**1,511**	**10,227**	**11,738**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

25. Provisions (continued)

25.2 Reconciliation of movement in provisions - 2022/2023

Figures in Rand thousand	Churchill Taxing Master	Total provisions
Opening balance	1,511	1,511
Settlement of provision	-	-
Unused amount reversed	-	-
Reimbursement expected from third party	-	-
Change in provision due to change in estimation of inputs	-	-
Closing balance	**1,511**	**1,511**

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

26. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2024

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	9,757	-	619	9,138
Computer equipment	26,192	2,171	-	28,363
Furniture and office equipment	14,828	634	-	15,462
Other machinery and equipment	5,902	1,118	817	6,203
	56,679	**3,923**	**1,436**	**59,166**

Other machinery and equipment compromises of kitchen appliances, photographic equipment and audio visual equipment.

Movable tangible capital assets under investigation

Figures in Rand thousand	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	5	179

26.1 Movement for 2022/2023

Movement in movable tangible capital assets per asset register for the year ended 31 March 2023

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	9,757	-	-	9,757
Computer equipment	23,027	4,759	1,594	26,192
Furniture and office equipment	11,993	3,081	246	14,828
Other machinery and equipment	5,796	403	297	5,902
	50,573	**8,243**	**2,137**	**56,679**

26.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2024

Figures in Rand thousand	Intangible assets	Machinery and equipment	Total
Opening balance	2	4,587	4,589
Additions	-	123	123
Total minor capital assets	**2**	**4,710**	**4,712**

Figures in Rand thousand	Machinery and equipment	Total
Number of minor assets at cost	3,541	3,541

Minor capital assets under investigation

Figures in Rand thousand	Number	Value

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

26. Movable tangible capital assets (continued)

Included in the above total of the minor capital asets per the asset register are assets that are under investigation:		
Machinery and equipment	27	61

Movement in minor capital assets per the asset register for the year ended as at 31 March 2023

Figures in Rand thousand	Intangible assets	Other machinery and equipment	Total
Opening balance	2	4,453	4,455
Additions	-	544	544
Disposals	-	410	410
Total minor capital assets	**2**	**4,587**	**4,589**

Figures in Rand thousand	Other machinery and equipment	Total
Number of minor assets at cost	3,514	3,514

27. Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2024

Figures in Rand thousand	Opening balance	Closing balance
Software	60,620	60,620

Intangible capital assets under investigation

Figures in Rand thousand	Number	Value
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Software	7	201

27.1 Movement for 2022/2023

Movement in intangible capital assets per asset register for the year ended 31 March 2023

Figures in Rand thousand	Opening balance	Additions	Closing balance
Software	60,478	142	60,620

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2023/2024	2022/2023

28. Prior period errors

28.1 Correction of prior period errors

Figures in Rand thousand	Note	Amount bef error correction	2022/2023 Prior period error	Restated amount
Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Accruals	18.1	8,141	555	8,696
Payables not recognised	18.2	32,064	45	32,109
Contigent liabilities-claim against the department	16.1	50,492	34,093	84,585
Related party transactions-payments made	23	61,546	(61,546)	-
Related party transactions-receivables from related parties	23	26,637	(26,637)	-
Net effect		**178,880**	**(53,490)**	**125,390**

The prior period error for Accruals & Payables not recognised was caused by ommiting previous years invoices from travel agencies, cleaning services and media service from a service providers.The prior error on contigent liabilities was caused by ommission of a jointly and several liable litigation with Human Settlement amounting to R34 093 209. Related party transactions-Monies transferred to Mega was mistakenly included on related party transaction including monies not yet transferred to beneficiaries by year end.

Notes to the Annual Financial Statements

Figures in Rand thousand

29. Statement of conditional grants paid to the provinces

Figures in Rand thousand	Grant allocation		Transfer	2022/2023	
Name of Grant	Division of Revenue Act	Total Available	Actual Transfer	Division of Revenue Act	Actual Transfer
Summary by province					
Mpumalanga	22	22	21	23	23
1. Name of grant - 1					
Mpumalanga	22	22	21	23	23

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

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Annexures to the Annual Financial Statements

Annexure 1D

Statement of transfers/ subsidies to public corporations and private enterprises

Figures in Rand thousand	Transfer allocation		Expenditure		2022/2023	
Name of public corporations/ private enterprise	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Public corporations						
Transfers						
Mpumalanga Economic Growth Agency	112,000	112,000	110,461	98.6 %	62,000	61,546

The Office of the Premier hasa contract with Mega for the disbursement of the Premier's Youth Development fund. A total amount of R110 461 000 was transferred to Mega for the financial year 2023/24 and by year end an amount of R51 774 000 was not yet disbursed to beneficiaries.

Annexures to the Annual Financial Statements

Annexure 1G

Statement of transfers to households

Figures in Rand thousand	Transfer allocation		Expenditure		2022/2023	
Households	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Transfers						
Injury on duty	35	35	35	100 %	112	112
Severance package	63	63	61	97 %	412	412
Leave gratuity	1,876	1,876	1,682	90 %	985	982
Bursaries non-employees	2,478	2,478	2,477	100 %	1,346	1,346
Claim against state	16,989	16,989	16,989	100 %	-	-
	21,441	**21,441**	**21,244**		**2,855**	**2,852**

Annexures to the Annual Financial Statements

Annexure 1J

Statement of gifts, donations and sponsorships made

Figures in Rand thousand	2023/2024	2022/2023
Nature of gifts, donations and sponsorships made		
Made in kind		
Donations		
Grootboom Primary School-Computer Equipment and Office Equipment	-	704
Mhlathi Primary School-Computer Equipment, Furniture & Office Equipment and Other Machinery and Equipment	-	599
Sibukosetfu High School-Computer Equipment, Furniture & Office equipment	-	350
Nelsville Combined School-Computer Equipment, Furniture & Office Equipment	-	126
Sethuthukile High School-Computer Equipment, Furniture & Office Equipment and Other Machinery & Equipment	-	767
Total donations	**-**	**2,546**

Annexures to the Annual Financial Statements

Annexure 3B

Statement of contingent liabilities as at 31 March 2024

Figures in Rand thousand	Opening balance 01 April 2023	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Closing balance 31 March 2024
Nature of liabilities				
Claims against the department				
Supplier	32	-	-	32
Employee: Department of Culture, Sports & Recreation	6,853	-	6,853	-
Ex-employee Office of the Premier	3,210	-	-	3,210
Ex-employee: Department of Social Development	40,397	-	40,397	-
Supplier vs Office of the Premier	-	21,018	-	21,018
Supplier vs Office of the Premier	-	113,617	-	113,617
Supplier vs Human Settlement & Office of the Premier	34,093	-	-	34,093
Subtotal	**84,585**	**134,635**	**47,250**	**171,970**

The cancelled litigation cases relates to the cases that are archived as per the state attorney's advice.

Annexures to the Annual Financial Statements

Annexure 4

Claims recoverable

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding	Total	
Figures in Rand thousand	2023/2024	2022/2023	2022/2023	2023/2024	2022/2023
Department					
Department of Economic Development and Tourism	-	104	-	-	104
Department of Public Works, Roads and Transport	583	-	861	583	861
The Presidency	-	290	-	-	290
Department of Military Veterans	-	-	381	-	381
Subtotal	**583**	**394**	**1,242**	**583**	**1,636**

PHYSICAL ADDRESS:
NO.7 GOVERNMENT BOULEVARD MAKHONJWA
BUILDING RIVERSIDE PARK
EXTENSION 2
NELSPRUIT
1200

POSTAL ADDRESS:
PRIVATE BAG X11291 NELSPRUIT
1200

013 766 2473
infootp@mpg.gov.za
www.mpumalanga.gov.za
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