Annual REPORT 2024/2025

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS



cogta

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

Contents

1. PART A: GENERAL INFORMATION ---- 4
1.1 DEPARTMENT GENERAL INFORMATION ---- 4
1.2 LIST OF ABBREVIATIONS/ACRONYMS ---- 5
1.3 FOREWORD BY THE MEC ---- 7
1.4 REPORT OF THE ACCOUNTING OFFICER ---- 9
1.5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT ---- 14
1.6 STRATEGIC OVERVIEW ---- 15
1.7 LEGISLATIVE AND OTHER MANDATES ---- 17
1.8 ORGANISATIONAL STRUCTURE ---- 18
1.9 ENTITIES REPORTING TO THE MINISTER/MEC ---- 19

2. PART B: INFORMATION ---- **21**
2.1 AUDITOR- GENERAL'S REPORT: PREDETERMINED OBJECTIVES ---- 21
2.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE ---- 21
2.3 ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES ---- 24
2.4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION ---- 28
2.5 TRANSFER PAYMENTS ---- 58
2.6 CONDITIONAL GRANTS ---- 59
2.7 EARMARKED FUNDS ---- 60
2.8 DONOR FUNDS ---- 60
2.9 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN ---- 60

3. PART C: GOVERNANCE ---- **62**
3.1 INTRODUCTION ---- 62
3.2 RISK MANAGEMENT ---- 62
3.3 FRAUD AND CORRUPTION ---- 63
3.4 MINIMISING CONFLICT OF INTEREST ---- 64
3.5 CODE OF CONDUCT ---- 64
3.6 HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES ---- 65
3.7 PORTFOLIO COMMITTEES ---- 65
3.8 SCOPA RESOLUTIONS ---- 72
3.9 PRIOR MODIFICATIONS TO AUDIT REPORTS ---- 72
3.10 INTERNAL CONTROL UNIT ---- 73
3.11 INTERNAL AUDIT AND AUDIT COMMITTEES ---- 73
3.12 AUDIT COMMITTEE REPORT ---- 78
3.13 B-BBEE COMPLIANCE PERFORMANCE REPORT ---- 82

PART D: HUMAN RESOURCE MANAGEMENT ----------

4. OVERVIEW OF HUMAN RESOURCES ---------- 85
5. HUMAN RESOURCE OVERSIGHT STATISTICS ---------- 86

PART E: PFMA COMPLIANCE REPORT ----------

6. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES ---------- 120
   - 6.1 Irregular expenditure ---------- 120
   - 6.2 Fruitless and wasteful expenditure ---------- 120
   - 6.3 Unauthorised expenditure ---------- 125
   - 6.4 Additional disclosure relating to material losses in terms of PFMA Section 40 (3)(b)(I) and (iii)) ---------- 126
   - 6.5 LAND AND/OR NON-PAYMET OF SUPPLIERS ---------- 127
7. SUPPLY CHAIN MANAGEMENT ---------- 127
   - 7.1 Procurement by other means ---------- 127
   - 7.2 Contract variations and expansions ---------- 127

PART F: FINANCIAL INFORMATION ---------- 123

8. REPORT OF AUDITOR GENERAL ---------- 129
9. ANNUAL FINANCIAL STATEMENTS ---------- 149

PART A

GENERAL INFORMATION

1.1 DEPARTMENT GENERAL INFORMATION

Physical Address	Post Address
3366 Bessemmer Street Telkom Building Industrial Site, Mafikeng, 2735	Private Bag X 2145 Mmabatho, 2735 Tel: +27 (0) 18 388 4824/5
Physical Address	**Post Address**
CCP BUILDING 27 James Watt Crescent Industrial Site, Mafikeng, 2735	Private Bag X 2145 Mmabatho, 2735 Tel: +27 (0) 18 388 4824/5
Click Map to view Location and get Directions	
Physical Address	Post Address
House No.1 Lowe Complex Old Parliament ,Mmabatho 2735	Chief Directorate: Traditional Affairs Private Bag X2005 Mmabatho, 2735 Tel: +27 (0)18 388 4494 Fax: +27 (0) 86 651 7885
Physical Address	**Post Address**
2nd Floor West Wing University Drive Garona Building	Private Bag X2145 Mmabatho 2735 Tel: +27 (0) 18 388 2892
WEBSITE ADDRESS :	https://cogta.nwpg.gov.za/

1.2 LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
CCP	Creditor Central Payment
CFO	Chief Financial Officer
COGTA	Department of Cooperative Governance and Traditional Affairs
DOE	Department of Education
DOH	Department of Health
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EAP	Employee Assistance Programme
EHW	Employee Health and Wellness Programme
EXCO	Executive Committee
FEED	Finance, Economic and Enterprise Development
GEMS	Government Employee Medical Scheme
HIV & AIDS	Human Immune Deficiency Virus & Acquired Immune Deficiency Syndrome
HOD	Head of Department
HRM	Human Resource Management
MEC	Member of Executive Council
HOD	Head of Department
IDP	Integrated Development Plan
IPDMF	Integrated Provincial Disaster Management Framework
LED	Local Economic Development
LG	Local Government
LIC	Labour Intense Methods of Construction
LM	Local Municipalities
MEC	Member of Executive Council
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MISS	Minimum Information Security Standards
MPAC	Municipal Public Audit Committee
MPRA	Municipal Property Rates Acts
MSA	Municipal System Act
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NACH	National Anti – Corruption Hotline
OHS	Organizational Health and Safety
PAAP	Post Audit Action Plan
PDMC	Provincial Disaster Management Centre

PFMA	Public Finance Management Act, Act 1 of 1999
PILIR	Procedure on Incapacity Leave and Ill – Health Retirement
PDMS	Performance Management and Development Strategy
PMS	Performance Management System
POE	Portfolio of Evidence
READ	Rural, Environmental and Agricultural Development
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SD	Service Delivery
SDBIP	Service Delivery and Budget Implementation Plan
SHERQ	Safety, Health, Environment, Risk and Quality
SMS	Senior Management Services
SPLUMA	Spatial Planning and Land Use Management
STI	Sexually Transmitted Infection
TB	Tuberculosis
TLGFA	Traditional Leadership and Governance Framework Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
UIF&W	Unauthorised, Irregular, Fruitless & Wastefu
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan
WSP	Workplace SkilsS Plan

1.3 FOREWORD BY THE MEC



It gives me great pleasure to table this Annual Report as a testament to our commitment towards ensuring that municipalities manage their own affairs, exercise their powers and perform their functions as directed by Section 154 of the Constitution.

Our goal is to realise an ideal state of municipalities across the province. We believe that an effective local government is the bedrock of service delivery and community development.

Accordingly, an ideal municipality

- Must be viable—be able to collect revenue
- Deliver basic services to communities
- Be accountable and responsive to the needs of communities
- Has capable, ethical, principled leaders in both council and administration
- Council exercises zero tolerance on corruption, maladministration, and nepotism

In the intervening period, we have performed well against policy priorities of set out in the 2019–2024 Medium Term Strategic Framework (MTSF) and achieved our departmental outcomes. As we take stock of our achievements, acknowledge our challenges, and look to the future, we do so with a steadfast commitment to building a capable, ethical, and developmental state that delivers quality services to our people.

Strategic Focus Over the Medium to Long Term

The timing of this report also carries great significance particularly noting the move towards the Medium-Term Development Plan (MTDP) under the Government of National Unity (GNU). The MTDP will focus on three priority areas:

- Firstly, to drive inclusive economic growth and create sustainable jobs;
- Second, to reduce poverty and address the rising cost of living.
- And third, to build a capable, ethical, and developmental state that serves the people with integrity and efficiency.

The upcoming Local Government Summit will be a step in the right direction to amongst others prepare for the upcoming cohort of councillor.

The desire to realise an idea state of municipalities remain a key drive for all initiative that we embark to change the face of local government in the province. We are hard at work closing leveraging on partnerships with key stakeholders such as the North West University (NWU).

To ensure the success of the District Development Model (DDM), the Provincial EXCO has resolved that moving the DDM must be integrated into the performance agreements of all Heads of Department, Municipal Managers, and Chief Executive Officers of State-Owned Entities (SOEs). We welcome the decision as a start to deal address silo planning and ensure efficient and effective service delivery.

The role of traditional leadership in our communities cannot be overemphasized. As such, CoGTA will continue to improve the support we provide to the institution of traditional leadership. Two policies are at an advance stage to address issues of funerals and coronation of Traditional Leaders. Our approach does not ignore the development of the handbook by the National Department of Cooperative Governance; However, it is a demonstration our commitment to the institution and ensure alignment and support the work underway.

We are working together with the office of the Premier to look into a standard traditional dispute resolution mechanism. It is our belief that the such an approach will address dispute which arise at the start of each administration.

Acknowledgements / Appreciation / Conclusion

To the National Department of CoGTA, North West Provincial Treasury, communities, and citizens — thank you for your continued engagement and support. Together, we are building a more responsive and people-centred administration.

We appreciate the valuable contribution by our strategic partners, such as Municipal Infrastructure Support Agent (MISA), South African Local Government Association (SALGA), National House of Traditional and Khoi-San leaders as well as various social partners.

Our commitment to make every municipality works will soon pay off. I express my sincere gratitude to the Premier and colleagues in the Executive Council, the Portfolio Committee and other Oversight Committees of the Legislature, as well as to Head of Department, management and all staff of CoGTA for their invaluable contribution to the strides attained during the reporting period. Truthfully local government is everyone's business.



Mr GO Molapisi (MPL)
Member of Executive Council
Cooperative Governance, Human Settlements and Traditional Affairs
Date : 28 August 2025

1.4 REPORT OF THE ACCOUNTING OFFICER

The annual report focuses on the overall performance of the North West Department of Cooperative Governance and Traditional Affairs for the fiscal year of 2024/2025.

During the reporting period, the department implemented the Local Government Turn Around Strategy in all 22 municipalities and deployed experts in the fields of engineering, finance, town planning and information technology in municipalities for hands-on support and on the job skills transfer to municipal officials.

To further strengthen the capacity of municipalities, the department entered into a Memorandum of Understanding (MoU) with the Manufacturing, Engineering, and Related Services Sector Education and Training Authority (merSETA) and deployed 44 graduates to municipalities for a period of three (03) years. The initiative will assist in supporting municipalities in critical areas such as infrastructure planning and development, water resource management and overall capacity building.

We completed the skills development audit for all officials in municipalities. The skills audit was necessary for the department to assess the current competencies and capabilities of the municipal workforce across all units per municipality and propose requisite interventions where necessary.

We developed improvement plans with all municipalities – with a special focus on the six Municipal Performance Assessment Tool (MPAT) pillars namely: Putting people first, delivering basic services, good governance, building capable local government and local economic development. This culminated into the signing of implementation protocols by all municipalities including various stakeholders i.e. South African LGA, Provincial Treasury and MISA.

Municipalities were assisted to develop post audit action plans and support plans to assist some of identified municipalities to achieve unqualified audit outcomes. The work included ensuring that municipalities develop and submit credible Annual Financial Statements (AFS) and Performance Reports as required by legislation.

We remain dedicated to improving municipal audit outcomes by ensuring compliance with section 131 of the Municipal Finance Management Act (MFMA).

Last year, the Minister of Cogta gazetted the regulations framing the institutionalization of the District Development Model (DDM) in line with the Intergovernmental Relations Framework Act. The regulations delineate the roles and responsibilities of all coordinating structures, with special focus on joint inter-governmental planning and project implementation.

The department implemented a decision taken by traditional leaders in 2019 to unbundle the D-Account to allow traditional councils to manage their own funds. All 56 traditional councils received their financial reports dating back to 1994.

For the reporting period, Traditional Leaders were provided with tools of trade including vehicles to enable them to carry out their responsibilities in a conducive working environment.

Departmental receipts

The table below outlines revenue collected in comparison to the estimated amount for the Revenue collection is at 124% against the target of 100%. Over collection is attributed to:

- Sale of cellphone scrap as per departmental policy on expired cellphone contract due for upgrade
- Increase in commission due to additional officials who authorized stop orders on their salaries.
- Revenue received from previous year's expenditure

	2024/25			2023/24		
Departmental Receipts	Estimate	Actual Amount Collected	(Over)Under collection	Estimate	Actual Amount Collected	(Over)Under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Revenue						
Sales of goods and services other than capital assets	370	485	-115	313	316	-3
Transfers received from:						
fines, penalties and forfeits						
Interest, Dividents and rent on land	0	0	0	22	35	-13
Sales of capital assets						
Transactions in financial assets and liabilities	180	197	-17	191	12 729	-12 538
TOTAL	**550**	**682**	**-132**	**526**	**13 080**	**-12 554**

Programme Expenditure

The table below outlines actual expenditure in comparison to the adjusted appropriation for the year under review and previous year:

	2024/25			2023/24		
	Final Appropriation	Actual Expenditure	(Over)under expenditure	Final Appropriation	Actual Expenditure	(Over)under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme						
ADMINISTRATION	196 548	196 457	91	187 938	187 755	183
LOCAL GOVERNANCE	247 140	247 010	130	226 957	226 917	40
DEVELOPMENT AND PLANNING	160 463	160 453	10	119 541	119 490	51
TRADITIONAL AFFAIRS	144 979	144 813	166	139 639	139 565	74
	749 130	748 733	397	674 075	673 727	348

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

Virements/Roll Overs

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

	2024/25						
Vote funds and Direct charges	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	% %
Programme							
ADMINISTRATION	181 989	-	14 559	196 548	196 457	91	100%
LOCAL GOVERNANCE	240 264	-	6 876	247 149	247 010	139	100%
DEVELOPMENT AND PLANNING	169 886	-	(9 423)	160 454	160 453	1	100%
TRADITIONAL AFFAIRS	156 991	-	(12 012)	144 979	144 813	166	100%
TOTAL	749 130	-	-	749 130	748 733	397	100%

Reasons for virements

- The Department was granted approval for virement of R9.423 million from the Development and Planning Programme, and R12.012 million from the Traditional Affairs Programme. These savings were utilised to defray over expenditure under the Administration Programme's Compensation of Employees, Goods & Services, Transfer Payments, Interest & Rent on Land, Capital Payments of R14.559 million and the Local Governance Programme's Compensation of Employees, Goods & Services at a cost of R6.876 million.
- There were no rollover's for the period under review.

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

- No unauthorised, fruitless and wasteful expenditure incurred in the period under review.

Public Private Partnerships

- Department has not entered into any Public Private Partnerships.

Provide a brief summary of progress on the PPP's reported in the previous financial year, as well as new PPPs entered into.

- The department had not entered into any Public Private Partnerships

Discontinued key activities / activities to be discontinued.

There are no activities that have been discontinued.

List activities discontinued/to be discontinued.

- No activities discontinued.

New or proposed key activities.

- None

List new/proposed activities.

- None

Supply Chain Management.

List all unsolicited bid proposals concluded for the year under review

- The department confirms that no unsolicited bid proposals were received, entertained, or concluded during the year under review.

Indicate whether SCM processes and systems are in place to prevent irregular expenditure.

- The department has continued to strengthen its implementation of, and adherence to, applicable Supply Chain Management (SCM) regulations to mitigate against the risk of irregular expenditure.
- Comprehensive SCM processes and systems are in place, supported by approved financial delegations, policies, and practice notes, which are periodically reviewed and updated to ensure effective, compliant, and transparent procurement practices.
- To further strengthen internal controls, the department maintains functional Bid Committees that operate in accordance with the Preferential Procurement Policy Framework Act (PPPFA), its associated Regulations, and relevant National and Provincial Instruction Notes. These committees promote transparency, fairness, and the segregation of duties throughout the procurement process. They also serve as critical control points for the early detection and proactive prevention of potential irregularities that could result in irregular expenditure.

Challenges experienced in SCM and how they were resolved

- During the year under review, the department experienced the following challenges in relation to Supply Chain Management (SCM):

1. Capacity Constraints –
   The department experienced capacity constraints within the Supply Chain Management (SCM) unit as a result of vacant posts. To address this challenge and enhance operational efficiency, the department has initiated recruitment and selection processes to fill all identified vacancies.
2. Bid Specification Challenges –
   The department occasionally encountered difficulties in drafting clear and consistent bid specifications, resulting in the cancellation of certain bids. As a corrective measure, all draft bid specifications are now subjected to review and scrutiny by the Bid Adjudication Committee before approval and publication to ensure completeness, accuracy, and compliance.
3. Difficulty in Obtaining Three Quotations –
   In certain instances, the department struggled to obtain the required minimum of three quotations due to market limitations. In such cases, deviations are processed in accordance with the SCM policy, and approvals are granted by the relevant delegated authority to ensure compliance and continuity of procurement processes.

Gifts and Donations received in kind from non-related parties

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

Exemptions and deviations received from the National Treasury

- During the year under review, the department did not apply for, nor receive, any exemptions or deviations from the National Treasury. Accordingly, there were no exemptions granted in terms of the Public Finance Management Act (PFMA) or Treasury Regulations.

Events after the reporting date

- None

Other

- None

Acknowledgement(s) or Appreciation

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

Conclusion

The department is committed in ensuring its operation are in line with regulations.



Ms. M. K. Mahlobo
Acting Head of Department
Department of Cooperative Governance and Traditional Affairs
Date : 28 August 2025

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

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

All information and amounts disclosed throughout the annual report are consistent. The annual report is complete, accurate and is free from any omissions. The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury – Annual Report Guide for National and Provincial Departments.

The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury. The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, human resources information, and annual financial statements. External auditors are engaged to express an independent opinion on the annual financial statements, compliance and on performance information.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of the department for the financial year ended 31 March 2025.

Yours faithfully



Ms. M. K. Mahlobo
Acting Head of Department
Department of Cooperative Governance and Traditional Affairs
Date: 28 August 2025

1.6 STRATEGIC OVERVIEW

Vision

- "Capable, Ethical and Developmental Local Government and Institution of Traditional Leadership".

Mission

- "To Effectively Monitor, Support and Promote Local Government and Institutions of Traditional Leadership"

Values and Principles

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

1.7 Legislations and other mandates

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

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

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

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

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

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

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

- To provide democratic and accountable government for local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote safe and healthy environment, and
- To encourage the involvement of communities and community organization in the matters of local government.

Section 154(1) states that the national government and provincial government, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

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

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

The department's mandate is also derived from Section 212 of the Constitution which stipulates that, " National legislation may provide for a role for traditional leadership as an institution at local level on matters affecting local communities. To deal with matters relating to traditional leadership, the role of traditional leaders, customary law and the customs of communities observing a system of customary law — national or provincial legislation may provide for the establishment of houses of traditional leaders; and national legislation may establish a council of traditional leaders".

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

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

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

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

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

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

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

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

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

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

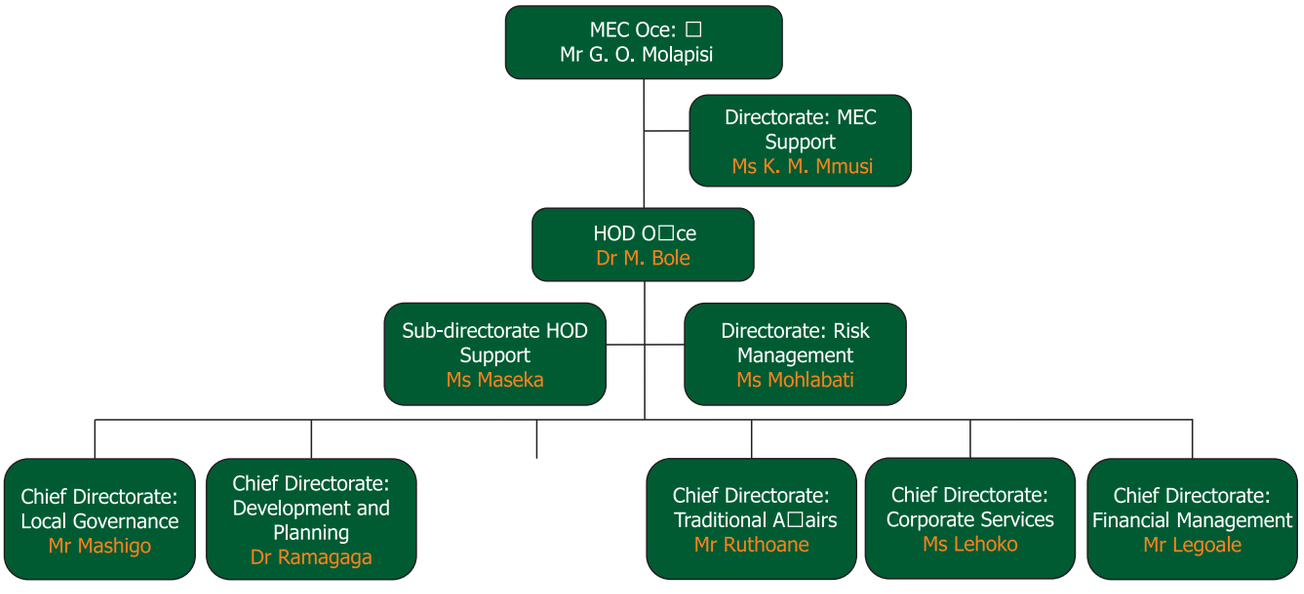
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act (Act 19 of 2002)

This Act provides for the promotion and protection of the rights of cultural, religious and Linguistic Communities, inclusive of traditional communities, khoisan and interfaith.

Municipal Structures Act (Act 117 of 1998)

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

1.8 ORGANISATIONAL STRUCTURE



1.9 ENTITIES REPORTING TO THE MEC

Department has no Entity reporting to it.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

PART B

PERFORMANCE INFORMATION

2. PART B : PERFORMANCE INFORMATION

2.1 AUDITOR- GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

2.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

Service Delivery Environment

The water infrastructure in the North West Province faces significant challenges despite the presence of sufficient water resources. The main issues stem from infrastructural problems, including a lack of capacity, skills shortages, budget constraints for operations and maintenance, illegal connections, incomplete projects, and vandalism of infrastructure within Water Service Authorities (WSAs) and municipal reticulation systems.

Key Aspects of Water Infrastructure in the North West Province:

- **Sources of Water:** The province relies on surface water, groundwater, imported water, and reusable effluent. Groundwater is particularly crucial, serving as the primary source for over 80% of rural communities. The Mooi River, with its dams (Klerkskraal, Boskop, and Potchefstroom), is a significant surface water source for areas like Potchefstroom.

Challenges:

- **Aging and Inadequate Infrastructure:** There are widespread issues with old and insufficient water infrastructure, leading to frequent disruptions and water losses.
- **Operational and Maintenance Deficiencies:** A lack of skills and budget for maintaining and operating water infrastructure contributes significantly to service delivery failures.
- **Illegal Connections and Vandalism:** These activities further strain the existing infrastructure and disrupt the supply of water to legitimate users.
- **Water Quality Concerns:** Pollution from mining activities and inadequate sanitation in some areas pose a threat to water quality. In areas like Mahikeng, the quality of groundwater from boreholes is variable, with concerns about high nitrate and salinity levels.
- **Drought and Climate Change:** As a largely semi-arid region, the North West Province is vulnerable to drought, exacerbated by climate change, putting additional pressure on water resources.
- **Institutional Issues:** Lack of coordination and cooperation between different water management bodies and municipalities can hinder effective water service delivery. Disputes over payment and responsibilities also contribute to interruptions.

Projects and Initiatives:

- Operation Bulela Metsi: This is a government initiative aimed at accelerating water provision in the North West Province. It involves projects like the construction of the Ikageng 25 megalitre ground reservoir in the JB Marks Local Municipality.

- **Regional Bulk Infrastructure Grant (RBIG):** The national Department of Water and Sanitation provides funding through this grant for bulk water infrastructure projects in the province.
- **Provincial Government Investments:** The North West Provincial Government has allocated significant funds (e.g., R935 million in February 2025) for water and sanitation projects across various municipalities. These projects include pipeline construction, refurbishment of boreholes, and provision of water tanks as temporary solutions.
- **Public-Private Partnerships:** Collaborations between the government and mining companies have been initiated to address water challenges in mining-dependent areas.
- **National Water and Sanitation Master Plan (NW&SMP):** This long-term plan aims to guide the water sector's development and investment in water resources and service delivery until 2030 and beyond.

Impact on Communities and Economy:

The unreliable water supply has severe consequences for communities, affecting basic human rights and daily life. It also impacts the province's economy, particularly sectors like agriculture, mining, tourism, construction, and manufacturing, which are heavily reliant on a stable water supply. The closure of businesses due to water insecurity, as seen with the Clover plant in Lichtenburg, highlights the economic risks associated with inadequate water infrastructure.

Addressing the water infrastructure challenges in the North West Province requires a multi-faceted approach involving infrastructure upgrades, improved maintenance, combating illegal activities, ensuring water quality, and fostering better collaboration among stakeholders. Initiatives like Operation Bulela Metsi and investments by the provincial government are steps in the right direction to ensure a reliable and sustainable water supply for the residents and the economy of the North West Province.

Service Delivery Improvement Plan

Departmental Service Deliver Improvement Plan 2025/2030 is still on the draft form. The SDIP was submitted to Department of Public Service and Administration for validation and quality assurance, prior approval by the Accounting Officer and authorization by the Executive Authority. Thereafter the plan will be implemented, monitored and evaluated to measure progress made against set targets and standards on the identified key service and progress will be reported annually.

Organisational environment

The organizational environment in any institution is inward looking in nature. The analysis intends to assess capacity in the delivery of the Departmental Strategic Plan and other plans at different levels. The department has an approved start-up organizational structure which comprises of nine hundred and thirty six (936) positions of which six hundred and thirty eight (638) are filled. Due to budget constraints, the department has developed a draft organizational structure composed of seven hundred and twenty-nine (729) posts. However, it is still not considered to be a fit for purpose structure.

The proposed organisational structure has been through consultation with the Office of the Premier, and submitted to Minister of Public Service and Administration for concurrence.

PROGRAMME	NUMBER OF FILLED POSTS	RATIO
Core	483	76%
Administration	155	24%
Total	**638**	**100%**

The above table reflect number of positions filled per programme. Out of 638 total number of positions filled, 76% filled positions are in core programmes which are Local Governance, Development and Planning and Traditional Institutional Management whereas, Administration i.e Corporate Services and Financial Management Chief Directorate has 24% of filled posts. The later data shows that the department is not complying with 70% for core programmes and 30% ratio for Administration.

Employment Equity

Equity is about redressing historical inequalities and imbalances in the workplace, particularly with regard to representation of historically disadvantaged individuals, by ensuring employees access the same opportunities, resources and treatment. The department is currently at 33% in terms of appointing women at senior management level, whilst males are at 67%, which is an oversupply. In order for the department to comply with employment equity national targets, it must ensure that positions at SMS level are ring-fenced for women.

The department is currently at 1.4% and has not yet reached Employment Equity national target of 2% in appointing people living with disabilities. In order to address the anomaly, the department has to comply by setting targets in terms of its approved Employment Equity Plan. The department is to prioritise appointing people with disabilities across all occupational levels with aim to achieve prescribed national targets.

Age analysis

The analysis of personnel in an organization based on age is critical in determining composition of different age groups. There is a low turnover in appointing youth. 22% of employees are about to exit the system either on early or statutory retirement. Data analysis reveals that the department has more middle-aged employees. The below table provides insight into CoGTA age group.

Age	Female	Male	Percentage (%)
24-35	38	26	10%
36-54	256	171	68%
55-64	71	72	22%

Filling of vacancy positions

The department has embarked on the serious process of filling positions over the years. Through this initiative the Department managed to reduce its vacancy rate significantly. The department must, in the MTDP cycle accelerate recruitment and selection to reach full capacity to discharge our constitutional mandate of monitoring and supporting municipalities and traditional councils.

In order to address the vacancy rate within the department, twenty-seven (27) positions were advertised, five (5) are filled and twenty-two (22) are in the process of being filled

Key policy developments and legislative changes

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

2.3 ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

In the beginning of the 6th Administration, the Department of Cooperative Governance and Traditional Affairs developed its 5-year Strategic Plan. This document is the blueprint of the Department and outlines outcome's and impacts to be pursued in order to realize the departmental mandate. As a results, the department developed and agreed on the following outcomes:

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

2.3.1 Improved viable and sustainable local government

Municipal Public Accounts Committee

Municipal Public Accounts Committees (MPACs) are council committees established in terms of section 79A of the Municipal Structures Act, as amended – entrusted with an oversight role on municipal financial and non-financial matters. The Department regularly monitors MPACs through forums, one-on-one engagements, and supports them through workshops and trainings on their oversight responsibility.

The Department, through the Municipal Finance Directorate, held one on one meetings with MPAC's to engage on matters ranging from: annual workplans; terms of reference to Council resolutions; Council adoption of oversight reports; compliance with section 132 of the MFMA i.e. submissions of annual reports and oversight reports to the provincial legislature; tools of trade; tracking of implementation of recommendation register; and progress on UIF&W expenditure.

The Department further Inducted newly elected MPAC members of Madibeng LM and Greater Taung LM on their roles and responsibilities; trained all councillors in Kgetleng LM and Tswaing LM on the roles and responsibilities of MPAC; supported Maquassi Hills LM to submit backlog of oversight reports from 2005/6

to 2020/21 financial years; supported the four district municipalities with UIF&W expenditure investigations – the rationale behind the target is to enhance capacity at the district level with intent to enable the district municipalities to better support local municipalities through the District Development Model (DDM); and assisted Moretele LM, Bojanala Platinum DM and City of Matlosana LM to develop UIF&W expenditure activity plan.

MPACs struggled to conduct public participation during oversight processes, this due to lack of budget dedicated to MPAC operations. The department observed general inadequate understanding of MPAC functions by council(s) and management which leads to lack of support to MPACs and ineffectiveness of MPACs. Training for Speakers and Council on roles and responsibilities of MPAC is still required and the department has is to conduct accordingly.

Municipal Monitoring and Reporting System: Dashboard

COGTA is developing a web-based early warning system for municipalities, with Releases One and Two complete and in use. The system automates MPAT for performance tracking and generates SLOG reports. It monitors progress on municipal improvement plans, sending alerts for deviations. Grant expenditure (initially MIG) is tracked with early warnings, expanding to other grants and KPAs like Eskom debt. Existing features include tracking UIF&W, audit outcomes, and senior manager vacancies. Release Three, due August 2026, will enhance current features, add more performance alerts, and integrate with other data sources for improved data credibility. This tool aims to proactively improve municipal performance and service delivery.

Deployment of Graduates

The department placed 44 unemployed youth graduates on a Candidacy Progamme in Electrical and Mechanical Engineering:

The following provide details of placement of Youth Graduates on Candidacy Programme:

Municipality	Qualification	Number of Graduates
Mahikeng LM	Mechanical Engineering	4
	Electrical Engineering	3
Madibeng LM	Mechanical Engineering	3
	Electrical Engineering	5
Rustenburg LM	Mechanical Engineering	5
	Electrical Engineering	3
Naledi LM	Mechanical Engineering	2
Greater Taung LM	Electrical Engineering	2
JB Marks LM	Electrical Engineering	4
City of Matlosana LM	Mechanical Engineering	1
	Electrical Engineering	3

Municipality	Qualification	Number of Graduates
Dr KK DM	Mechanical Engineering	1
	Electrical Engineering	4
Moses – Kotane LM	Mechanical Engineering	1
Kagisano Molopo LM	Electrical Engineering	2
Bojanala District	Electrical Engineering	1
Total Number of Graduates		44

The initial signed MoA was for forty-four unemployed Youth Graduates on Candidacy Programme of which five (5) resigned from the programme and now thirty-nine (39) graduates

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

DISASTER MANAGEMENT

The Disaster Management Act, 2002 (Act No 57 of 2002) as amended requires each sphere of province to establish, implement and maintain an integrated and coordinated disaster management policy that focuses on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, a rapid and effective response to disasters, and post-disaster recovery and rehabilitation.

SUPPORT TO MUNICIPALITIES ON DISASTER MANAGEMENT

The department through the Provincial Disaster Management Centre (PDMC) supported twenty-two (22) Municipalities with the implementation of the Disaster Management and Fire Service Legislations and Policies. The PDMC also supported district municipalities with the establishment and implementation of integrated disaster management information systems.

The **PDMC** also supported provincial departments with the implementation of disaster management plans as prescribed by Section 38 of the Disaster Management Act, 2002 (Act No 57 of 2002).

DISASTER RISK REDUCTION PROGRAMME

The **PDMC** has established an integrated disaster management capacity building structure for the purpose of public and organisational awareness on disaster management. During the period under review, the Provincial Disaster Management Centre with its partners conducted schools and community awareness campaigns focusing on multi-hazards such flood, fires, and drought

COMMEMORATION OF THE 2024 UNITED NATIONS INTERNATIONAL DAY FOR DISASTER RISK REDUCTION

The North West Province commemorated the United Nations International Day for Disaster Risk Reduction on the 17 October 2024 under the global theme, "The role of education in protecting and empowering youth for a disaster free future". The event was hosted by the JB Marks Local Municipality at Padi Primary School. The event was attended by the Department of Education, leaners, educators, SALGA, political leadership of the JB Marks LM, Matlosana LM, Rustenburg LM, Green Foundation and the Old Mutual Foundation. The commemoration was organized by the Provincial Disaster Management Centre in partnership with the Old Mutual Foundation.

CAPACITY BUILDING PROGRAMME

The Provincial Disaster Management Centre conducted a workshop on the development of integrated contingency plan for the summer rain fall. The workshop was held on the 19 September 2024. The aim of the workshop was to build disaster management capacity, clarify roles and responsibilities, as well as strengthening relationship between the Provincial Disaster Management Centre, Municipalities and Sector Departments.

AMENDMENT TO THE STRATEGIC PLAN

There were no amendments to the Departmental Strategic Plan

2.4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 01: ADMINISTRATION

Programme purpose.

To provide corporate support to the entire department as well as strategic administration and political direction through the Office of the Head of Department and the Executive Authority respectively.
Below are sub-programmes and their purpose within the Administration Programme:

Office of the MEC

- The Office of the MEC serve as a link between Department of Cooperative Governance and Traditional Affairs and the Provincial Legislature. This high office coordinates the political programme of the MEC that is in line with Department's mandate.

Corporate services

- Corporate Services coordinate's the administrative wing of the Department, it provides direction on matters relating to Human Resources, Communication, Information Technology and Legal Services, Gender and Disability programmes are coordinated from this sub-programme.

Below are the institutional outcomes that each programme contributes towards achieving the Annual Performance Plan:

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 1: ADMINISTRATION CORPORATE SERVICES								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Responsive, Accountable, effective, and efficient Local Government and Traditional Affairs in the North West Province	Departmental GBVF empowerment sessions	1. Number of Gender-based Violence and Femicide (GBVF) empowerment sessions held	Not part of the APP	Not part of the APP	2	2 Gender based Violence and Femicide (GBVF) empowerment sessions held	None	None

PROGRAMME 1: ADMINISTRATION FINANCIAL MANAGEMENT								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Responsive, Accountable, effective, and efficient Local Government and Traditional Affairs in the North West Province	Post Audit Action Plan developed	1. Number of Post Audit Action Plans produced	1 Post Audit Action Plan produced	1 Post Audit Action Plan produced.	1	1 Post Audit Action Plan produced.	0	None
	MTEF Budget developed	2. Number of MTEF budget documents produced	100% of the annual allocation has been spent (R 622 488)	1 Number of MTEF budget documents produced	1	1 MTEF budget documents produced	0	None

Strategy to overcome areas of under-performance

- There were no areas of underachievement in the programme.

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

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

Linking performance with the budget

Sub-Programme	2024/25			2023/24		
	Final Appropriation	Actual Expenditure	(Over)under expenditure	Final Appropriation	Actual Expenditure	(Over)under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	109 923	10 919	4	8 087	8 083	4
Corporate Services	185 625	185 538	87	179 851	179 672	179
TOTAL	**196 548**	**196 457**	**91**	**187 938**	**187 755**	**183**

Budget for compensation of employees had contributed to ensure that vacant funded positions are advertised and filled. Training of personnel which is key in personnel empowerment or development is funded from this programme. Necessary equipment's such as laptops, cartridges and office furnisher are purchased from this programme.

PROGRAMME 2: LOCAL GOVERNANCE

Programme Purpose

To promote and facilitate viable and sustainable local government

Below are sub-programmes and their purpose within this programme :

Municipal Administration

- To support municipalities on the implementation of the Municipal System Act's requirements. The sub – programme Municipal Administration supports municipalities on the appointment of senior managers in municipalities.

Municipal Finance

- To support municipalities on matters of implementation of the MFMA and monitor adherence to the requirements of the Act and others. Support municipalities to develop revenue initiatives with an aim to increase collection and ensure financial sustainability of the municipalities.

Municipal Performance, Monitoring and Evaluation

- The sub-programme exists to monitor the performance of the municipalities on different pillars of local governance. This sup programme supports the municipalities in establishing a Performance Management System and ensuring municipalities produce legislated performance information reports.

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

- Responsive, Accountable, Effective and Efficient Local Government and Traditional Affairs in the North West Province

PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported to comply with MSA regulations on the appointment of senior managers	1. Number of municipalities supported to comply with MSA regulations on the appointment of senior managers (Linked to MTSF 2019-2024, priority 1)	22 municipalities supported to comply with MSA regulations on the appointment of senior managers	22 municipalities supported to comply with MSA regulations on the appointment of senior managers	22	22 municipalities supported to comply with MSA regulations on the appointment of senior managers	0	None
	Municipalities monitored on the extent to which anti-corruption measures are implemented.	2.Number of municipalities monitored on the extent to which Anti-corruption measures are implemented (linked to MTSF 2019-	0	19 Dr RSM DM Naledi LM Kagisano Molopo LM Greater Taung LM Mamusa LM LekwaTeemane LM	22	22 municipalities monitored on the extent to which Anti-corruption measures are implemented	0	None

PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
		2024, priority 1)		Ngaka Modiri Molema DM Mafikeng LM Ditsobotla LM RamotshereMoiloa LM Tswaing LM Bojanala LM Rustenburg LM Moses Kotane LM Moretele LM Madibeng LM J B Marks Matlosana Maquassie Hills				
	Capacity building interventions conducted in municipalities.	3. Number of capacity building interventions conducted in municipalities (Linked to	2 capacity building intervention conducted in municipalities	2 capacity building intervention conducted in municipalities	2 interventions on good governance & sound administration	2 Capacity building intervention conducted in municipalities namely:	0	None

PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
		MTSF 2019-2024, priority 1) B2B Pillar 5)				• Good Governance • Sound Administration		
	Municipalities monitored on the implementation of GBVF responsive programme	4.Number of municipalities monitored on the implementation of GBVF responsive programmes (Final M&E plan for NSP on GBVF)(Pillar 2: Prevention and Restoration of Social Fabric)	1 municipality monitored on the implementation of GBVF responsive namely : • JB Marks	8 municipality monitored on the implementation of GBVF responsive namely: Naledi LM Kagisano Molopo Mafikeng LM Ramotshere Moiloa LM Kgetlengrivier LM Moretele LM Matlosana LM JB Marks LM	22	22 municipalities monitored on the implementation of GBVF responsive programmes	0	None

PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Municipalities supported to promote participation in community based local governance processes.	5 Number of municipalities supported to promote participation in community based local governance processes (Priority 1 : Capable, Ethical and Developmental state) (Priority 6 MTEF indicatory: Social cohesion and safer communities	4 municipalities supported to promote participation in community based local governance processes: • Lekwaa-Teemane LM • Mafikeng LM • Kgetleng Rivier LM • Maquassie Hills LM	3 municipalities supported to promote participation in community based local governance processes namely: Mamusa LM Mafikeng LM Tswaing LM	18	17 municipalities supported to promote participation in community based local governance processes namely: Greater Taung LM Naledi LM Mamusa LM Lekwa Teemane LM Kagisano Molopo LM Ramotshere Moiloa LM Mahikeng LM Ratlou LM Tswaing LM Moretele LM Madibeng LM Rustenburg LM Moses Kotane LM Kgetlengrivier LM JB Marks LM Matlosana LM	1 Ditsobotla LM	Ditsobotla LM could not be supported to promote participation in community based local governance processes because there has been a high turnover of official in the Office of the Speaker, as a result there was/is no official to engage with.

PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
						Maquassie Hills LM		
	Municipalities supported to respond to community concerns.	6. Number of municipalities supported to resolve community concerns.	8 municipalities supported to respond to community concerns namely : Kagiso Molopo LM Maquassi Hills Kgetleng Rivier Moretele LM Mafikeng LM Tswaing LM JB Marks Matlosana LM	8 municipalities supported to resolve community concerns namely: Kagisano Molopo LM Maquassie Hills LM Mafikeng LM Tswaing LM Moretele LM Kgetlengrivier LM J B Marks Matlosana LM	18	18 municipalities supported to resolve community concerns	0	None

PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL ADMINISTRATION								
Outcome	**Output**	**Output indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Municipalities supported to maintain functional ward committees	7. Number of municipalities supported to maintain functional ward committees (Linked to MTSF 2019-2024, Priority 1)	14 municipalities supported to maintain functional ward committees namely : Tswaing LM, Matlosana LM, Maquassie Hills LM, Lekwa-Teemane LM, Mafikeng LM, Kgetleng Rivier LM, Moretele LM, Mamusa LM, Ratlou LM, Madibeng LM, Naledi LM, Kagisano Molopo LM, Ramotshere Moiloa LM and Moses Kotane LM	12 municipalities supported to maintain functional ward committees namely: Mafikeng LM Ramotshere Moiloa LM Tswaing LM Kagisano Molopo LM Moretele LM Moses Kotane LM Kgetlengrivier LM J B Marks LM Matlosana LM Maquassie Hills LM Naledi LM Lekwa Teemane LM	18	18 municipalities supported to maintain functional ward committees	0	None

PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported with revenue enhancement management initiatives	1.Number of municipalities supported to enhance Revenue Management	17 Local Municipalities supported revenue enhancement management initiatives namely: Tswaing LM, Ditsobotla LM, Ratlou LM, Ramotshere Moilowa LM, Kgetleng Rivier LM, Moses Kotane LM, Moretele LM, Greater Taung LM, Lekwa Teemane LM, Mamusa LM, Kagisano Molopo LM, JB Marks LM, Maquassi Hills LM, Matlosana LM, Mahikeng LM, Naledi LM, Madibeng LM	18 local municipalities supported with revenue enhancement management initiatives	18	18 local municipalities supported with revenue enhancement management initiatives	0	None
	Municipal Post Audit Action Plan assessment report	2.Number of consolidated municipal post audit action plan assessment report submitted to Legislature	1 consolidated municipal post audit action plan assessment report produced.	1 consolidated municipal post audit action plan assessment report produced.	1	1 consolidated municipal post audit action plan assessment report produced.	0	None

PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Municipal Public Accounts Committees monitored on council oversight	3. Number of Municipal Public Account Committees monitored on council oversight.	10 Municipal Public Account Committees monitored on council oversight namely: Dr Kenneth Kaunda DM, Taung LM, Matlosana LM, Ngaka Modiri Molema DM, Rustenburg LM, Moses Kotane LM, Madibeng LM, Naledi LM, Moretele LM and Ramotshere Moiloa LM	22 municipal MPACs monitored on council oversight	22	22 Municipal Public Account Committees monitored on council oversight	0	None
	Municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure	4.Number of municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure (Linked to MTSF 2019-2024, priority 1)	4 municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure namely : Ngaka Modiri Molema DM, Bojanala DM, Dr Ruth Segomotsi Mompati and Dr Kenneth Kaunda	4 municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure namely: Ngaka Modiri Molema DM Bojanala DM Dr Ruth Segomotsi Mompati Dr Kenneth Kaunda	4	4 municipalities supported to reduce unauthorized, irregular, wasteful, and fruitless expenditure namely Ngaka Modiri Molema DM Bojanala DM Dr Kenneth Kaunda DM Dr Ruth Segomotsi Mompati DM	0	None

PROGRAMME 2 : LOCAL GOVERNANCE : MUNICIPAL FINANCE								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Municipalities guided to comply with Municipal Property Rates Act (MPRA)	5.Number of municipalities guided to comply with Municipal Property Rates Act (MPRA) (Linked to MTSF 2019-2024, Priority 1) (B2B pillar 4)	18 municipalities guided to comply with Municipal Property Rates Act	18 municipalities guided to comply with Municipal Property Rates Act	18	18 municipalities guided to comply with Municipal Property Rates Act	0	None

	PROGRAMME 2: LOCAL GOVERNANCE: MUNICIPAL PERFORMANCE MONITORING & EVALUATION							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Improved viable and sustainable local government	Municipalities supported to institutionalize the performance management systems	1.Number of Municipalities supported to institutionalize the performance management systems (PMS) (Linked to MTSF 2019 – 2024, Priority 1)	22 municipalities supported to institutionalize performance management systems	22 municipalities supported to institutionalize performance management systems	22	22 municipalities supported to institutionalize performance management systems	0	None
	Section 47 report as prescribed by MSA	2.Number of Section 47 reports compiled as prescribed by MSA (Linked to MTSF 2019 – 2024, Priority 1) (B2B Pillar 5)	1 Section 47 report produced as prescribed by MSA.	1 Section 47 report produced as prescribed by MSA.	1	1 Section 47 Report(s) compiled as prescribed by the MSA	0	None
	Section 105 (1) reports	3. Number of section (105) (1) reports compiled as prescribed by the MSA.	4 section (105) (1) reports compiled as prescribed by MSA.	4 section (105) (1) reports compiled as prescribed by MSA.	4	4 section (105) (1) reports compiled as prescribed by MSA	0	None

Strategy to overcome areas of underperformance

Department to engage with Office of the Speaker in Ditsobotla municipality to set up session where support will be provided.

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

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

LINKING PERFORMANCE WITH BUDGET

Voted funds and Direct charges	2024/25			2023/24		
	Final Appropriation	Actual Expenditure	(Over)under expenditure	Final Appropriation	Actual Expenditure	(Over)under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme						
Municipal Administration	168 377	167 436	941	158 816	159 686	(870)
Municipal Finance	21 568	21 562	6	28 007	28 002	5
Municipal Performance Monitoring, Reporting and Evaluation	57 195	58 012	(817)	40 134	40 114	20
TOTAL	**247 140**	**247 010**	**130**	**226 957**	**226 917**	**40**

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

Programme 03: Development and Planning

Programme Purpose

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

Below are sub-programmes and their purpose within this programme:

Municipal Development and Planning

- The sub programme support municipalities on the implementation of the Spatial Land Use Management Act (SPLUMA). Furthermore, it supports municipalities on the development of Integrated Development Plan's (IDPs).

Integrated Municipal infrastructure.

- The sub programme supports the municipalities on the implementation of the grants allocated to them. It further assist on the monitoring of infrastructure projects implemented by the municipalities.

Disaster Management

- Coordination of the disasters management in the province and supporting municipalities to establish disaster management in their respective municipal space.

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

- Responsive, Accountable, Effective and Efficient Local Government and Traditional Affairs in the North West Province.

PROGRAMME 3: DEVELOPMENT AND PLANNING: MUNICIPAL DEVELOPMENT AND PLANNING								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	Municipalities supported with the Implementation of SPLUMA	1. Number of municipalities supported with the implementation of SPLUMA	14 municipalities supported with the implementation of SPLUMA namely: Tswaing LM Ditsobotla LM Ratlou LM Ramotshere Moiloa LM Kgetleng Rivier LM Moses kotane LM Moretele LM Greater Taung LM Lekwa – Teemane LM Mamusa LM Kagisano - Molopo LM	14 municipalities supported with the implementation of SPLUMA namely: Tswaing LM Ditsobotla LM Ratlou LM Ramotshere Moiloa LM Kgetleng Rivier LM Moses kotane LM Moretele LM Greater Taung LM Lekwa – Teemane LM Mamusa LM	14 Tswaing LM Ratlou LM Ramotshere Moiloa LM Kgetleng Rivier LM Moses kotane LM Moretele LM Greater Taung LM Lekwa Teemane LM Mamusa LM Kagisano Molopo LM J.B Marks LM Maqussi hills LM Matlosana LM	14 municipalities supported with the implementation of SPLUMA namely: Tswaing LM Ditsobotla LM Ratlou LM Ramotshere Moiloa LM Kgetleng Rivier LM Moses Kotane LM Moretele LM Greater Taung LM Lekwa – Teemane LM Mamusa LM Kagisano - Molopo LM J.B Marks LM Maquassie hills LM Matlosana LM	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: MUNICIPAL DEVELOPMENT AND PLANNING								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Municipalities with legally compliant IDP	2. Number of municipalities with legally compliant IDPs	22 municipalities supported with legally compliant IDPs	22 municipalities supported with legally compliant IDPs	22	22 municipalities supported with legally compliant IDPs	0	None
	Work opportunities reported through Community Work Programme (CWP)	3. Number of Work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	22 190	20 987	21 200	14 918 Work opportunities reported through Community Work Programme	6 282	Recruitment on hold due to cost containment
	Municipalities supported to implement Local Economic Development programmes in line with the National LED Framework	4. Number of municipalities supported to implement 5% MIG towards LED projects.	5 municipalities supported to implement Local Economic Development programme namely : Madibeng LM JB Marks LM Matlosana LM Lekwa Teemane LM Rustenburg LM	4 municipalities supported to implement Local Economic Development programme namely: • Madibeng LM • JB Marks LM • Matlosana LM • Rustenburg LM	5 Madibeng Matlosana Lekwa Teemane JB Marks Rustenburg	5 municipalities supported to implement 5% MIG towards LED projects namely: Madibeng LM Matlosana LM Lekwa Teemane LM JB Marks LM Rustenburg LM	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: MUNICIPAL DEVELOPMENT AND PLANNING								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Districts/Metros monitored on the implementation of One Plans	5 Number of Districts/Metros monitored on the implementation of One Plans (MTSF 2019-2024, Priority 5: Spatial integration, human settlements and local government.	Not achieved	4 Number of Districts/Metro monitored on the implementation of One Plans namely: Ngaka Modiri Molema District DM Dr Kenneth Kanda DM Dr Ruth Segomotsi Mompati DM Bojanala DM	4 Ngaka Modiri Molema District DM Dr Kenneth Kanda DM Dr Ruth Segomotsi Mompati DM Bojanala Platinum DM	4 districts monitored on the implementation of One Plans namely: Dr Kenneth Kaunda DM Dr Ruth Segomotsi Mompati DM Bojanala DM Ngaka Modiri Molema DM	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: INTERGRATED MUNICIPAL INFRASTRUCTURE								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	Municipalities monitored on the implementation of infrastructure delivery programmes	1. Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, sub outcome 1)(B2B pillar 5)	18 local municipalities monitored on the implementation of infrastructure service delivery programmes	18 local municipalities monitored on the implementation of infrastructure service delivery programmes	18	18 municipalities monitored on the implementation of infrastructure delivery programmes	0	None
	District municipalities monitored on the utilization of national allocated grants for infrastructure programmes	2. Number of Districts monitored on spending of National Grants	4 Districts monitored on the spending of National Grants namely: • Dr Kenneth Kaunda DM • Ngaka Modiri Molema DM • Dr Ruth Segomotsi Mompati DM • Bojanala DM	4 Districts monitored on the spending of National Grants namely: • Dr Kenneth Kaunda DM • Ngaka Modiri Molema DM • Dr Ruth Segomotsi Mompati DM • Bojanala DM	4 Ngaka Modiri Molema DM Dr Kenneth Kaunda DM Dr Ruth Segomotsi Mompati DM Bojanala Platinum DM	4 Districts monitored on spending of National Grants namely: Ngaka Modiri Molema District DM Dr Kenneth Kaunda DM Dr Ruth Segomotsi Mompati DM Bojanala DM	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: INTERGRATED MUNICIPAL INFRASTRUCTURE								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Municipalities monitored on the implementation of indigent policies.	3.Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	16 local municipalities monitored on the implementation of indigent policies namely: • Tswaing LM, • Ratlou LM • Ramotshere Moiloa LM • Kgetleng Rivier LM • Moses kotane LM • Moretele LM • Greater Taung LM • Lekwa – Teemane LM • Mamusa LM • Kagisano - Molopo LM • J.B Marks LM • Maqussi hills LM • Matlosana LM • Rustenburg LM • Madibeng LM • Moretele LM	18 municipalities monitored on the implementation of indigent policies	18	18 municipalities monitored on the implementation of indigent policies.	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: DISASTER MANAGEMENT								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Responsive, Accountable, effective and efficient Local Government and Traditional Affairs in the North West Province	IGR Disaster management advisory forum coordinated	1.Number of Disaster management advisory forum coordinated	4 reports on the IGR Disaster management advisory forum coordinated.	4 reports on the IGR Disaster management advisory forum coordinated.	4	4 Disaster management advisory forums coordinated	0	None
	Municipalities supported to maintain functional disaster management centres	2. Number of municipalities supported to maintain functional disaster management centres	22 municipalities supported to maintain functional disaster management centers	22 municipalities supported to maintain functional disaster management centers	22	22 municipalities supported to maintain functional disaster management centres	0	None
	Municipalities supported with Fire Brigade Services.	3. Number of municipalities supported with Fire Brigade Services.	10 local municipalities supported with Fire Brigade Services namely : Ngaka Modiri Molema DM Mahikeng LM,Bojanala DM, Madibeng LM, Rustenburg	10 municipalities supported with Fire Brigade Services namely: Bojanala DM Madibeng LM Rustenburg LM Dr KK DM JB Marks LM Matlosana LM DR RSM DM	10	10 municipalities supported with Fire Brigade Services. Rustenburg LM Bojanala DM Madibeng LM Dr Kenneth Kaunda DM JB Marks LM Matlosana LM Dr RSM DM Naledi LM	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: DISASTER MANAGEMENT								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
			LM, Dr Kenneth Kaunda LM, JB Marks LM, Matlosana LM Dr Ruth Segomotsi Mompati DM.	Naledi LM Ngaka Modiri Molema DM Mahikeng LM		Ngaka Modiri Molema DM Mahikeng LM		
	Disaster management centers supported to implement Disaster management Information system	4. Number of Disaster management centres supported with the implementation of Disaster Management Information Systems.	4 Disaster Management Centre supported with the implementation of Disaster Management Information namely: Dr Kenneth Kaunda DM Dr Segomotsi Mompati DM Bojanala DM Ngaka Modiri Molema DM	4 Disaster Management Centre supported with the implementation of Disaster Management Information namely: Dr Kenneth Kaunda DM Dr Segomotsi Mompati DM Bojanala DM Ngaka Modiri Molema DM	4	4 Disaster management centres supported with the implementation of Disaster Management Information Systems namely: Dr Ruth Segomotsi Mompati DM Ngaka Modiri Molema DM Bojanala Platinum DM Dr Kenneth Kaunda DM	0	None

PROGRAMME 3: DEVELOPMENT AND PLANNING: DISASTER MANAGEMENT								
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Reports on the implementation of sector disaster management plan	5.Number of reports on the implementation of sector disaster management plan	3 reports on the implementation of the disaster management plan produced	4 reports on the implementation of the disaster management sector plan namely: Dr Kenneth Kaunda DM Dr Segomotsi Mompati DM Bojanala DM Ngaka Modiri Molema DM	4	4 reports on the implementation of sector disaster management plan	0	None
	District municipalities with disaster risk management plans	6.Number of district municipalities supported to enhance climate protection and reduce losses	Not part of the APP	4 district municipalities supported to enhance climate protection and reduce losses namely: Dr Kenneth Kaunda DM Dr Segomotsi Mompati DM Bojanala DM Ngaka Modiri Molema DM	4	4 district municipalities supported to enhance climate protection and reduce losses namely: Ngaka Modiri Molema DM Dr Ruth Segomotsi Mompati DM Dr Kenneth Kaunda DM Bojanala DM	0	None

Strategy to overcome areas of under performance

- DCOG has and continuously engaging the National Treasury to request additional funding for the CWP.

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

- There are standardized outputs and output indicators for this programme

Linking performance with budget

Voted funds and Direct charges	2024/25			2023/24		
	Final Appropriation	Actual Expenditure	(Over)under expenditure	Final Appropriation	Actual Expenditure	(Over)under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme						
Spatial Planning	3 842	3 853	(11)	4 278	4 275	3
LEDP	6 166	6 165	1	5 042	5 038	4
Municipal Infrastructure	132 187	132 172	15	88 775	88 743	32
Disaster Management	11 263	11 259	4	14 620	14 612	8
LDP	7 005	7 004	1	6 826	6 822	4
TOTAL	**160 463**	**160 453**	**10**	**119 541**	**119 490**	**51**

The budget allocated to this programme is mainly intended to address water and sanitation challenges affecting communities in different municipalities. Furthermore, the budget also contributed to the coordination of disaster management in the province.

PROGRAMME 04: TRADITIONAL AFFAIRS

Programme Purpose

To provide strategic support to the institutions of Traditional Leadership.

Below are sub-programmes and their purpose within this programme:
Traditional Leadership Support

- The sub programme provides support to Traditional leadership institution to performance their responsibilities.

Anthropological & Research Services

- This sub programme coordinates the traditional leadership disputes.

House of Traditional Leaders

- The sub programme provides administrative support to houses of traditional leaders.

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

- Responsive, Accountable, Effective and Efficient Local Government and Traditional Affairs in the North West.

	PROGRAMME 4: TRADITIONAL AFFAIRS TRADITIONAL AFFAIRS							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
Responsive, Accountable, effective, and efficient Local Government and Traditional Affairs in the North West Province	Traditional councils supported to perform their functions	1.Number of Traditional Councils supported to perform their functions.	92 traditional councils were supported to perform their functions.	92 traditional councils were supported to perform their functions.	92	93 traditional councils were supported to perform their functions.	1 Mantserre Traditional Council	Mantserre Traditional council was previously not supported by grant, and it is now supported
	Traditional leadership succession disputes processed	2.Percentage of Traditional Leadership succession disputes processed.	50% (10) of succession disputes/claims processed	50% (10) of succession disputes/claims processed.	30% (6)	15% (3) Bakubung Ba Ratheo, Banogeng; and Bakwena Ba Modimosana Ba Mmatau.	15% (3)	Delay in gazetting of section 59 Investigative committees by government printing
	Reports on functioning of houses of traditional leaders	3.Number of houses of Traditional & Khoisan leaders supported to perform their functions	4 reports on functioning of houses of Traditional leaders produced.	4 reports on functioning of houses of Traditional leaders produced.	4	4 houses of houses of Traditional Khoisan leaders supported to perform their functions	0	None
	Anti GBVF intervention/campaigns for traditional leaders.	4.Number of Anti of GBVF Intervention/campaigns for traditional leadership (Pillar 2: Prevention and Restoration of Social Fabric of the NSP)	3 Anti GBVF Intervention/campaigns for traditional leaders conducted.	3 Anti GBVF Intervention/campaigns for traditional leaders conducted.	3	3 Anti GBVF Intervention/campaigns for traditional leaders conducted.	0	None

	PROGRAMME 4: TRADITIONAL AFFAIRS TRADITIONAL AFFAIRS							
Outcome	**Outputs**	**Output Indicator**	**Audited Actual Performance 2022/23**	**Audited Actual Performance 2023/24**	**Planned Annual Targets Plan 2024/25**	**Actual Achievement 2024/25**	**Deviation from planned target to actual achievement for 2024/25**	**Reasons for Deviations**
	Reports on initiation schools complying with the Customary Initiation Act, 2021	5. Number of reports on initiation schools complying with the Customary Initiation Act ,2021(Act No.2 of 2021)	2 reports on Initiation School complying with the complying with the Customary Initiation Act produced	2 reports on Initiation School complying with the complying with the Customary Initiation Act produced	2	2 reports on Initiation School complying with the complying with the Customary Initiation Act produced	0	None

Strategy to overcome areas of underperformance

- The gazetting of section 59 Investigative committees by government printing commenced in April 2025.

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

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

Linking performance with budget

	2024/25			2023/24		
	Final Appropriation	Actual Expenditure	(Over)under expenditure	Final Appropriation	Actual Expenditure	(Over)under expenditure
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000
Traditional Affairs	144 979	144 813	166	139 565	139 565	74
TOTAL	**144 979**	**144 813**	**166**	**139 639**	**139 565**	**74**

Funds allocated to this programme contributed to payment of traditional leaders' operations and the Reconstitution of Traditional Council, Dikgosi fleet services and tribal intervention.

2.5 TRANSFER PAYMENTS

Transfer payment to Public Entities

- The table below relates to public entities who received funding from the Department:

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

Transfer payment to all organizations other than Public Entities

The table below reflects transfer payments made for the period 1 April 2024 to 31 March 2025:

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

Transfer payment which were budgeted for in the period 1 April 2024 to 31 March 2025, but no transfer payment was made.

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

2.6 CONDITIONAL GRANTS

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

The table below reflect the conditional grant received during the period of 1 April 2024 to 31 March 2025:

Department who transferred the grant	National Department of Public Works
Purpose of the grant	The Expanded Public Works Programme is a government programme aimed at the alleviation of poverty and unemployment
Expected outputs of the grant	The programme ensures the full engagement on Labour Intensive Methods of Construction (LIC) to contractors for skills development. The EPWP focuses at reducing unemployment by increasing economic growth by means of improving skills levels through education Training and improving the enabling environment for the industry to flourish
Actual outputs achieved	89 beneficiaries were recruited in this programme.
Amount received (R'000)	R2 284.000
Reasons if amount as per DORA was not received.	N/A
Amount spent by the department (R'000)	R2 275 000
Reasons for funds unspent by the department.	None
Reasons for deviation on performance	None
Measures taken to improve performance	• Enhanced proper planning • Regular monitoring of projects

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

2.7 Earmark fund paid

The department has not paid earmark funds to any institution**.**

2.8 Donor funds

No donor funds received in the period under review**.**

2.9 Capital investment, maintenance, and assets management plan

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

PART C

GOVERNANCE

3.1 Introduction

Governance entails the process of making and enforcing decisions within an organization. Effective governance is essential for maintaining order, achieving objectives, and addressing the needs of the members within the organization. The department has management structures at different levels to process various issues affecting the organization. These structures are responsible for choosing the right course of action among various actors involve in a collective problem. This leads to the creation, reinforcement, or reproduction of acceptable conduct and social order.

3.2 Risk management

3.2.1 Risk Management policy

The department has an approved risk management policy and strategy that has been adopted and approved by the Head of Department for implementation in the 2024/25 financial year. All the activities outlined in the Risk Management Plan have been successfully implemented.

3.2.2 Risk Assessment

The 2024/25 annual strategic risk assessments was conducted by the department from which the Departmental Strategic Risk Register was produced for monitoring the effectiveness of risk management and the planned mitigating strategies. Business Risk Assessments for the financial year 2024/25 were also conducted for all four Departmental Programmes.

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

3.2.3 Risk Management and Ethics Committee

An external independent chairperson of Risk Management and Ethics Committee has been appointed to strengthen the committee's performance and that of the department by ensuring that there are effective and efficient internal controls, mitigating strategies and quality reports. The Risk Management and Ethics Committee has been established and approved by the HOD. The committee, with its oversight role, is entrusted with the responsibility of Risk Management, Ethics and Fraud. Signed appointment letters by the Head of Department to the members outlining their responsibilities are structured in line with the Public Sector Risk Management Framework. The letters have been handed over and accepted by the Members of the Committee. The key tasks of the committee are to ensure that the departmental risks are effectively managed, mitigated and brought to an acceptable level.

3.2.4 Risk Management Oversight and Accountability

The Department is accountable to the Provincial Internal Audit Committee and as such, signed quarterly progress reports pertaining to the department's performance are presented by the Head of Department to the Audit Committee. The Audit Committee plays its pivotal oversight role independently and effectively by providing the department with appropriate advice, guidance, and by thoroughly engaging the reports presented by the department. This has been proved by the value they are adding and vigorous participation and commitment during their engagement with the Accounting Officers Report presented by the department.

3.2.5 Risk Maturity

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

3.2.6 Management Programme Performance

Programme	Risk identified	Planned action plans	Implemented	In Progress	Not Implemented	Overall Achievement
Administration	4	19	19	0	0	100%
Traditional affairs	2	14	7	0	7	50%
Local governance	2	11	11	0	0	100%
Development & planning	2	3	2	1	0	67%
TOTAL	**10**	**47**	**39**	**1**	**7**	**83%**

3.2.7 Disclosure of Financial Interest

All Senior Managers of the Department managed to successfully disclose their registrable financial interest in the 2024/25 financial year in line with Regulation 19 of the Public Service Regulation and the execution of fraud and corruption implementation plan.

3.3 Fraud and Corruption

The Departmental Fraud Prevention Policy and Plan has been revised and approved by the Head of Department for implementation in the 2024/25 financial year. The Plan outlined the activities to be

implemented in such a way that:

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

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

3.4 Minimising Conflict of Interest

In minimising conflict of interest, the following are the financial disclosure systems that the department has implemented to ensure that conflict of interest is minimised accordingly:

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

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

3.5 Code of Conduct

Code of Conduct act as guideline to employees as to what is expected of them from on an ethical point of view, both in their individual conduct and in their relationship with others. To enhance professionalism and help to ensure confidence in the public service. To give practical effect to the relevant constitutional provisions relating to the public service, all employees are expected to comply with the code of conduct.

An employee shall be guilty of misconduct in terms of section 20(t)of the Public Service Act and may be dealt with in accordance with the relevant sections (disciplinary action should be taken against an employee who breach Code of Conduct in line with Disciplinary Code and Procedures, PSCBC Resolution 1 of 2003 and SMS Handbook.

The code of conduct is an important pillar in the establishment of good governance and ethical conduct of public servants. It also raises such servants. It also raises such issues as respect for human rights, the rule of law, accountability, transparency in government, personal conduct and private interests.

3.6 Health Safety and Environmental issues

To comply with Health and Safety Act, the Department has appointed and trained health and safety representatives to identify potential major incidents at the workplace. Challenges that led to non-compliant at Telkom Building are toilets which were not in good condition have been replaced by the landlord and are now in good working conditions, Broken windows have been replaced and old light bulbs have been replaced.

There were no health and safety incidents reported for the year under review, due to non-compliance of occupational health and safety in the workplace. Only one minor case was reported which occurred during the football match.

3.7 Portfolio Committee

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

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
Presentation of 2024/25 Annual Performance Plan and budget, meeting held on the 18 July 2024	Decrease of Administration budget by R17 million in 2024/25	The decrease was due to the internal re-prioritisation of budget from Programme 1 to Programme 2 to fund the commitments for Municipal interventions
	How is the Department addressing Irregular Expenditure and its consequence management	The Departmental Irregular Expenditure register has a balance of R 501 293 million of prior years' irregular expenditure. For the past 3 financial year department has not incurred additional irregular expenditure.

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
		Majority of prior irregular expenditure belongs to the component of Human Settlement which was not transferred during reconfiguration processes. R465 180 (which is 93%) belong to Human Settlement. The Department has already dealt with R 469 214 million (94%) of the total irregular expenditure in line with the Irregular Expenditure framework from National Treasury. The department has appointed Irregular Expenditure Committee, the plan is to deal and clear all the prior year irregular expenditure before end of the financial year noting the processes of condonement. Provincial Treasury is also involved in assisting the department in dealing with these old cases of irregular and there has been a memorandum of agreement between the 3 departments (COGTA, Human Settlement AND Provincial Treasury) with the aim of resolving all the prior year irregular expenditure. Consequence management will be addressed by outcomes of each case as guided by the Irregular expenditure framework.

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
	Performance indicators and targets are not clearly defined	Department Annual Performance Plan for 2024/25 financial year, shows clear output indicators as well as annual targets and quarterly breakdown**.** Technical indicator description provides activities that will be implemented. Attached please refer to Annexure A for detail indicators, annual targets and quarterly targets per programme.
	What is the Departmental Revenue Strategy**?**	Section 96 of the Municipal Systems Act states that a municipality must collect all the money that is due and payable to it and for that purpose, must adopt, maintain, and implement a credit
		control and debt collection policy that is consistent with its rates and tariff policy. The department in supporting the municipality to realize the objective of section 96, is currently targeting 18 local municipalities to be supported with the following revenue management initiatives as its strategy: • Review and assess municipalities credit control and debt collection policy before adoption to ensure that their in line with applicable legislation (sec 97 MSA) and improve efficiency and effectiveness of its credit control and debt collection mechanisms, processes and procedures.

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
		• Monitor the adoption of credit control and debt collection policy & By-laws • Monitor and support municipalities with outstanding government debt facilitating the payments of municipal services. • Monitor the implementation of credit control and debt collection policy by municipalities to ensure prompt and consistent action such as disconnections and restrictions of services is undertaken by municipalities against the defaulting consumers to enforce payment of services. Advise on appropriate processes and procedures to support effective operational management of credit control and debt collection. All these efforts are a contribution by the Department towards an impactful Municipal Funding Plan and or Municipal Financial Recovery Plan.

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
	How the department provides support to municipalities on the implementation of SPLUM	The Department is responsible to support all Municipalities in the Province with the implementation of Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) hereafter referred to as SPLUMA. The Act seeks to address amongst other objectives, the spatial past and regulatory imbalances; promote greater consistency and uniformity in application procedure and decision making by authority responsible for land use decisions and development applications and to provide for the establishment, functions and operations of Municipal Planning Tribunals (MPT). The enactment of the Act in 2015 identified the component which local municipalities must development and implement including but not limited to delegations and categorization of land development applications; development of SPLUMA by-laws; appointment of Municipal Planning Tribunals, Authorized Official and Appeals Authority; determination of tariffs for land development applications and development/Review Land Use Scheme's and Spatial Development Frameworks.

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
		For the current financial year 2024/25, the Department has committed to support local municipalities with the following activities: • the review/development of Land Use Scheme's and Spatial development Framework's to comply with SPLUMA and aligned to Provincial SDF. • the assessment of town planning applications especially municipalities with low capacity on town planning. • the training and functionality of Municipal Planning Tribunals and Appeal Authorities • Assist municipalities with the implementation of National and Provincial SPLUMA, and also participation in the IGR structures of the District Development Models

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
	Develop a turnaround plan and put mechanisms in place to ensure strict compliance with legislation governing the local sphere	The Department of COGTA has established a team of specialists focusing on various pillars such as Governance and Institutional arrangements, Financial Management, service delivery and Engineering services in municipalities to strengthen on-going support on issues of compliance and performance. The Department has adopted a monitoring and evaluation system that provides real time data on performance and compliance levels of municipalities

3.8 SCOPA Resolution

Purpose & Date of the meeting	Matter raised by the Portfolio Committee	How department has addressed the matter
12 February 2025 PPAC meeting to process 2023/24 Annual report	Is there any Bid awarded for implementation during 2023/24 that was challenged in Court?	The Department confirms that no bid awarded for implementation during the 2023/24 financial year has been challenged in court.
		The procurement processes followed by the Department adhered to the Public Finance Management Act (PFMA), Treasury Regulations, and relevant procurement policies, ensuring transparency, fairness, and compliance with legal requirements
		The Department remains committed to upholding sound procurement practices and will continue to ensure that all awarded bids comply with applicable laws and regulations
	How much of your allocated budget for 2023/24 was spent on external service Providers for Disciplinary Cases involving Departmental Employees?	There were no legal practitioners utilised in the disciplinary cases for 2023/2024. The Department rather utilised Labour Relations Practitioners within the public service. Therefore, nil budget was spent on external service providers for disciplinary cases involving departmental employees.

3.9 Prior Modifications to Audit Reports.

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

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

3.10 Internal Control Unit

- Internal Control and Compliance Unit coordinates both Provincial Internal Audit ('PIA') and Auditor General South Africa ('AGSA') audits
- Ensure that agreed actions in the two (2) action plans are addressed and substantiated with the relevant POE's
- Conduct pre – audit before an order and post audit after payment

3.11 Internal Audit

Key activities and objectives of the internal audit

Purpose and mandate

Provincial Internal Audit (PIA) helps the Department accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Treasury Regulation (TR) 3.2 read with sections 38(1)(a)(ii) and 76(4)(d) of the Public Finance Management Act, Act No 1 of 1999 (PFMA) mandates PIA to assist the accounting officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

PIA reports functionally to the Provincial Audit Committee (AC) and administratively to the Accounting Officer of the Provincial Treasury and functions in compliance with the Internal Audit Charter endorsed by the Accounting Officer of the Provincial Treasury and approved by the AC.

Vision and strategy

PIA aspires to make a positive, impactful contribution to governance, risk management and internal control processes in the Department through effective and efficient internal audit assurance and advisory services. The internal audit strategy is aligned to support Departmental strategies.

Charter, methodology and internal audit plans

The internal audit charter, rolling 3-year strategic internal audit plan and annual plan for the first year of the rolling 3-year internal audit plan were reviewed and approved by the AC as prescribed by Treasury Regulation 3.2.7(a)-(c).

Independence and objectivity

Through the functional reporting line established by the Internal Audit and Audit Committee Charters, PIA achieves organisational independence and has operated freely in exercising its independence from the

Department. Internal audit services were also performed with objectivity as required by the Internal Audit Charter and the Internal Audit Standards (Standards) set by the Institute of Internal Auditors.

Internal audit modality

PIA is fully in-sourced (no consultants utilised) and was set up as a shared internal audit function of the North West Provincial Administration under sections 38(1) (a) (ii) and 76 of the PFMA and paragraph 3.2.3 of the Treasury Regulations.

Staffing

PIA has the collective knowledge, skills, and experience needed to perform its responsibilities. The function also has extensive training and development plans, and internal audit staff are fully supported to obtain professional certification.

The departmental audit team has an approved structure of sixteen (5) internal audit staff members of which one (1) position was vacant during the period under review. Budget permitting the vacant position will be filled during the 2025/26 financial year.

Quality assurance and improvement program

A Quality Assurance and Improvement Program with continuous internal assessment is in place. Furthermore, PIA also underwent the prescribed five (5) yearly external independent quality assurance assessment. The external assessment was concluded in December 2024. The assessment outcomes were, generally conforms and generally effective. This is the highest ratings that can be achieved, which means that PIA has a charter, policies, and processes, and the execution and results of these are judged to be in conformance with the Standards and effective. The assessment also considered feedback from key stakeholders on the performance and value-add of PIA.

Stakeholder relationships

PIA maintains relationships with various stakeholders. This includes the AC, oversight functions, management of the Department, the Provincial Treasury and other internal as well as external assurance providers. For the 2025/26 financial year a specific strategy has been determined to enhance the management of stakeholder interaction and expectations.

Specify a summary of audit work done
Planned and completed audits, roll-overs and ad-hoc projects

For the period under review the approved annual internal audit plan for the Department included fourteen (14) assurance engagements that were planned to be performed. All planned assignments were completed and reported on. In addition one (1) ad-hoc audit was initiated and completed. The ad-hoc assignment relates to the pre-award audit of supply chain management processes followed for bids with a

value in excess of R10 million.

Internal audit recommendations

Treasury Regulation 3.1.12 requires that the audit committee must report and make recommendations (inclusive of internal audit recommendations) to the accounting officer, but the accounting officer retains responsibility for implementing such recommendations.

For the year under review forty-six (46) internal audit recommendations were made by PIA.

Based on follow up audits performed by PIA the status of implementation of internal audit recommendations was twenty four (24%) percent of the recommendations due for implementation at the date of the follow up audit. The Department reported recommendation implementation rate, as at 31 March 2025, as forty six (46) percent.

This includes recommendations made during previous financial years.

Value add

The outcome of the independent external quality assurance assessment indicated that there is an appreciation from stakeholders of the contribution and value that PIA adds. PIA continuously reflect on its efficient and effective functioning and therefore at all times seek to improve the quality of the service that it renders.

Limitations

There were no limitations not already mentioned elsewhere (if applicable) that impacted the optimal performance of internal audit.

Key activities and objectives of the audit committee
Purpose and mandate

Refer to Part 1 of the Audit Committee Report.

Independence

Refer to Part 1 of the Audit Committee Report.

Protecting the independence of the internal audit function

The AC has reviewed the organisational positioning, and all aspects related to the independence of PIA, including safeguards in place to protect the independence of internal auditors and to protect PIA from threats and victimisation. Safeguards include the Internal Audit and Audit Committee Charters as well as

the functional reporting line of PIA to the AC. The AC confirms that there were no instances during the period under review, where the AC was required to protect internal auditors.

Performance against statutory duties

Refer to Part 1 of the Audit Committee Report.

Composition of the audit committee

Refer to Part 2 of the Audit Committee Report.

Meeting attendance

Refer to Part 2 of the Audit Committee Report.

Combined assurance

Refer to Part 3 of the Audit Committee Report.

Resolution of audit committee recommendations

Refer to Part 3 of the Audit Committee Report.

Audit committee performance evaluation

The AC has conducted an annual evaluation of its own performance and effectiveness for the period under review. The evaluation comprised of a self-evaluation and an evaluation performed by the accounting officers of the departments. The assessment outcomes was very positive.

Remuneration of audit committee members

Rates

Chairperson of the Provincial Audit Committee:	R2 557 per hour
Chairperson of the Cluster Audit Committee:	R2 307 per hour
Cluster Audit Committee Member:	R 2 007 per hour

The remuneration paid to audit committee members has been determined through the application of Treasury Regulation 3.1.6.

Remuneration of audit committee members who worked or are working for an organ of state

The table below discloses relevant information on the audit committee members

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 20YY/ZZ	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
Central Audit Committee									
Ms P. Mzizi	CA(SA)	SAICA	14 February 2022	31 October 2025	6	Yes	No	4	3
Mr P. Tjie	B.Com, PMD	IOD(SA)	14 February 2022	31 October 2025	6	Yes	No	2	2
Mr. L. Ally	CA(SA)	SAICA	14 February 2022	31 October 2025	6	Yes	No	1	3
Cluster Audit Committee									
Mr P. Tjie	B.Com, PMD	IOD(SA)	14 February 2022	31 October 2025	8	Yes	No	2	2
Ms H Masedi	M.Com	IODSA, SAIGA	14 February 2022	31 October 2025	8	Yes	No	3	1
Mr M. Terheyden	CA(SA)	SAICA	14 February 2022	31 October 2025	8	Yes	No	-	-
Mr T Boltman	CIA, CGAP, CCSA, Postgraduate Diploma in Internal Auditing, Certificate in Forensic Examination	CIAGOL, IIASA, ACFE, IRMSA	14 February 2022	31 October 2025	6	Yes	No	6	1

3.12 Audit Committee Report

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025

Part 1: Audit Committee Reflections

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

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged its responsibilities as contained therein. The Audit Committee has functioned without hindrance or limitations throughout the reporting period.

Part 2: Audit Committee Composition and Meeting Attendance

The Cluster Audit Committee consists of four external members. The committee is properly constituted, and independent and has a diverse and appropriate mix of qualifications, skills, and experience.

The Audit Committee meet at least four times per annum as the Central Audit Committee and also four times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year four (4) scheduled and two (2) special meetings were held by the Central Audit Committee and four (4) scheduled and three (3) special meetings were held by the Cluster Audit Committee.

Meeting attendance:

AC member	Scheduled	Special	Total
Mr M.P Tjie	4	3	7
Ms H Masedi	4	3	7
Mr M Terheyden	4	3	7
Mr T Boltman	3	3	6

The table above discloses relevant information on the audit committee members and meeting attendance.

Part 3: Audit Committee Focus Areas

Effectiveness of the internal control systems

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

From the various reports of the Internal Auditors, it was noted that matters were reported indicating material deficiencies in the system of internal controls pertaining to compliance with laws and regulations.

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

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

The Audit Committee remains concerned with the slow progress in the finalisation of irregular and fruitless and wasteful expenditure. The current status of the implementation of the guideline(s) and instruction(s) as issued by National Treasury to resolve irregular and fruitless wasteful expenditure is inadequate.

Effectiveness of risk management

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

In-Year Management and Quarterly Reporting

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

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

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

Evaluation of the Financial Statements

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

Evaluation of Performance Information

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

Compliance with laws and regulations

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

Internal Audit

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

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

The Audit Committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity and that as determined during the external quality assessment review concluded in December 2024, that a "generally conforms rating" for conformance with the mandatory elements of the International Professional Practice Framework (IPPF) and "generally effective rating" (core measurement from 2025 which will affect overall rating from that year as per the Global Internal Audit Standards (GIAS)) can be applied to the internal audit work.

Internal Audit has adopted the GIAS effective 9 January 2025 and the implementation thereof is in progress.

Auditor General South Africa

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

General

We would like to express our appreciation to the Executive Authority, the Accounting Officer for her leadership and support, the AGSA and to Internal Audit and management for their commitment.

Signed on behalf of the Cluster Audit Committee by:

M.P. TJIE

Chairperson of the
Cluster Audit Committee

.....

MP Tjie

12 August 2025

3.13 B-BBEE Compliance Performance Information

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

Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	This is not in the mandate of the department.
Acquired 2023 / 24 FY B-BBEE Compliance certificate?	Yes	Audited Annual Financial Statements report was submitted within a reasonable required time and subsequent to that, 2023/ 24 certificate is valid from 04/ 09 /2024 – 03/ 09/ 2025

PART D

HUMAN RESOURCE MANAGEMENT

4. OVERVIEW OF HUMAN RESOURCES

4.1 The status of human resources in the department.

The Department has a total number of 630 filled positions inclusive of senior management staff. The department has a total number of twenty (20) SMS positions filled and three (3) vacant positions. The department is currently in the process of filling all vacant advertised positions.

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

To have an approved Organisational Structure in order to achieve organisational goals, improve communication flow, enhance employees job satisfaction and also optimise resource allocation and workflow.

4.3 Workforce planning and key strategies to attract and recruit a skilledand capable workforce.

All vacant and funded positions are filled in line with the approved Human Resource Plan. In order to attract, recruit skilled and capable workforce, all positions are advertised on newspapers both national, local and on the DPSA Circular Vacancy.

4.4 Employee performance management.

To evaluate employee's performance, identify performance gaps and recommend relevant interventions to non-performers and reward good performance. The Department has approved Performance Management and Development Systems Policy. All employees have entered into a Performance Agreement.

4.5 Highlight achievements and challenges faces by the Department, as well as future human resource plan/goals

In the year under review, the department has made many strides in human resource management.

- Below are some of the achievements registered:Filled vacant positions.
- Submission of the proposed draft Organisational Structure to DPSA for concurrence or approval
- Twenty-nine (29) part - bursaries were awarded.
- Placement of forty-four (44) unemployed youth graduates on Candidacy Programme in Mechanical and Electrical Engineering

Every institution has a plan and priorities to pursue in the coming financial year, as a result CoGTA under Human Resource Management planned the following:

- To obtain concurrence for the Organisational Structure from the Minister of Public Service and Administration.
- PERSAL clean up
- To fill all vacant and funded positions.

5. HUMAN RESOURCE OVERSIGHT STATISTICS

Table 5.1 Personnel expenditure by programme for the period 1 April 2024 and 31 March 2025

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

Table 5.2 Personnel cots by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Personnel expenditure	% of total personnel cost	No. of Employees	Average personnel cost per employee
Lower skilled (Levels 1-2)	R3 592 656,05	1	14	R 256 618,00
Skilled (Levels 3-5)	R26 141 460,66	7	77	R 339 499,00
Highly skilled production (Levels 6-8)	R208 278 978,47	52	457	R 455 753,00
Highly skilled supervision (Levels 9-12)	R87 638 475,80	22	114	R 768 759,00
Senior and Top Management (Level 13-16)	R31 538 176,89	8	21	R 1 501 818,00
Non-Permanent Worker	R29 759 877,57	7	311	R 95 691,00
Total	**R386 949 625,44**	**97**	**994**	**R 389 677,00**

Table 5.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2024 and 31 March 2025

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical aid as a % of personnel costs
17000001 ADMINISTRATION	R 73 136 493,75	67	R 4 270 465,63	4	R 2 849 672,66	3	R 6 581 788,58	6
17000002 LOCAL GOVERNANCE	R 112 088 193,61	64	R 80 911,98	0	R 6 138 676,48	4	R 11 774 857,00	7
17000003 DEVELOPMENT AND PLANNING	R 22 122 419,03	70	R 179 285,82	1	R 684 369,23	2	R 1 768 881,79	6
17000004 DLG&TA : TRADITIONAL LEADERSHIP	R 46 193 667,37	66	R 55 559,54	0	R 1 476 065,99	2	R 3 268 349,50	5
Total	**R 253 540 773,76**	**66**	**R 4 586 222,97**	**1**	**R 11 148 784,36**	**3**	**R 23 393 876,87**	**6**

Table 5.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	R 2 026 884,15	56	R 175 988,83	5	R 274 663,00	8	R 657 471,50	18
Skilled (Levels 3-5)	R 17 402 254,06	67	R 745 268,80	3	R 1 302 011,85	5	R 2 543 724,50	10
Highly skilled production (Levels 6-8)	R 150 204 594,35	72	R 2 331 688,62	1	R 8 446 509,86	4	R 16 492 658,50	8
Highly skilled supervision (Levels 9-12)	R 63 190 357,94	72	R 1 333 276,72	2	R 1 082 710,73	1	R 3 536 485,29	4
Senior and Top Management (Level 13-16)	R 20 716 683,26	66		0	R 40 288,92	0	R 163 537,08	1
Non-Permanent Worker		0		0	R 2 600,00	0		0
Total	**R 253 540 773,76**	**66**	**R 4 586 222,97**	**1**	**R 11 148 784,36**	**3**	**R 23 393 876,87**	**6**

Table 5.5 Employment and vacancies by critical occupation as on 31 March 2025

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (including frozen posts)	Number of employees additional to the establishment
ADMINISTRATION CLERKS	155	89	43	
ADMINISTRATION OFFICER	461	324	30	
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER	3	2	33	
ANTHROPOLOGIST	2	0	100	
BUS AND HEAVY VEHICLE DRIVERS	1	1	0	
CHIEF FINANCIAL OFFICER	1	1	0	
COMMUNICATION AND MARKETING MANAGER	1	1	0	
COMMUNICATION COORDINATOR	1	1	0	
COMMUNITY DEVELOPMENT MANAGER	1	1	0	
COMMUNITY DEVELOPMENT WORKERS	1	0	100	
DISASTER MANAGEMENT MANAGER	2	1	50	
FACILITIES MANAGER	1	1	0	
FINANCE CLERK	4	0	100	
FINANCE MANAGER	1	1	0	
FINANCIAL ACCOUNTANT	22	18	18	
FOOD TRADE ASSISTANT	2	2	0	
GRAPHIC DESIGNER	1	1	0	
HUMAN RESOURCE CLERK	2	1	50	
HUMAN RESOURCE MANAGER	3	3	0	
HUMAN RESOURCE PRACTITIONER	18	12	33	
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	1	1	0	
ICT SYSTEMS ANALYST	1	1	0	

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (including frozen posts)	Number of employees additional to the establishment
INFORMATION TECHNOLOGY & SYSTEMS MANAGER	1	1	0	
INTERNAL AUDITOR	1	0	100	
LEGAL RELATED	1	1	0	
LEGAL RELATED MANAGER	2	1	50	
LIGHT VEHICLE DRIVER	32	10	69	
MANAGERS NOT ELSEWHERE CLASSIFIED	11	10	9	
MESSENGERS	5	3	40	
MESSENGERS PORTERS AND DELIVERERS	1	0	100	
MIDD.MANAGER:HUMAN RESOURCE & ORGANISA.DEVEL.RELA	2	2	0	
MIDDLE MANAGER: ADMINISTRATIVE RELATED	77	48	38	
MIDDLE MANAGER: EMERGENCY SERVICES RELATED	1	1	0	
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED	7	4	43	
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	1	1	0	
MIDDLE MANAGER: INTERNAL AUDIT RELATED	1	1	0	
MIDDLE MANAGER:COMMUNICATION & INFORMATION RELATED	1	1	0	
OFFICE CLEANER	46	17	63	
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	2	2	0	1
OTHER INFORMATION TECHNOLOGY PERSONNEL.	1	1	0	
OTHER MIDDLE MANAGER	39	28	28	
OTHER OCCUPATIONS	65	52	20	
PERSONAL ASSISTANT	12	10	17	
PROFESSIONALS NOT ELSEWHERE CLASSIFIED.	5	0	100	
PROGRAMME OR PROJECT MANAGER	1	0	100	
RECEPTIONIST (GENERAL)	2	1	50	
REGISTRY AND MAILING CLERK	6	1	83	
RISK AND INTEGRITY MANAGER	1	0	100	

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate (including frozen posts)	Number of employees additional to the establishment
RISK OFFICER	3	0	100	
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	1	1	0	1
SECRETARY (GENERAL)	18	15	17	
STRATEGY/MONITORING &EVALUATION MANAGER	1	1	0	
SUPPLY CHAIN MANAGER	1	1	0	
SUPPLY CHAIN PRACTITIONER	5	2	60	
TOWN PLANNING TECHNICIAN	4	4	0	
Total	**1042**	**691**	**35**	**2**

Table 5.6 SMS post information as on 31 March 2025

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department			0	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	5	5	100	0	0
Salary Level 13	14	14	100	0	0
Total	**20**	**20**	**100**	**0**	**0**

Table 5.7 SMS post information as on 3o September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department			0	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	5	5	100	0	0
Salary Level 13	15	15	100	0	0
Total	**21**	**21**	**100**	**0**	**0**

Table 5.8 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

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

Table 5.9 Reasons for not having complied with the filling of funded vacant SMS - Advertised within months and filled within 12 months after becoming vacant for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within twelve months

Table 5.10 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

Table 5.11 Job Evaluation by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	50		0		0		0
Skilled (Levels 3-5)	201		0		0		0
Highly skilled production (Levels 6-8)	601		0		0		0
Highly skilled supervision (Levels 9-12)	165		0		0		0
Senior Management Service Band A	18		0		0		0
Senior Management Service Band B	5		0		0		0
Senior Management Service Band C	1		0		0		0
Senior Management Service Band D			0		0		0
MEC	1		0		0		0
Total	**1042**	**0**	**0**	**0**	**0**	**0**	**0**

Table 5.12 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 and 31 March 2025

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

Table 5.13 Job Evaluation by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	50		0		0		0
Skilled (Levels 3-5)	201		0		0		0
Highly skilled production (Levels 6-8)	601		0		0		0
Highly skilled supervision (Levels 9-12)	165		0		0		0
Senior Management Service Band A	18		0		0		0
Senior Management Service Band B	5		0		0		0
Senior Management Service Band C	1		0		0		0
Senior Management Service Band D			0		0		0
MEC	1		0		0		0
Total	**1042**	**0**	**0**	**0**	**0**	**0**	**0**

Table 5.14 Profile of employees whose positions were upgraded due to their post being upgraded for the period 1 April 2024 and 31 March 2025

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

Employees with a disability	**0**

Table 5.15 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 and 31 March 2025

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation
Total number of employees whose salaries exceeded the level determined by job evaluation				**0**
Percentage of total employed				**0,00%**

Table 5.16 Annual turnover rates by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Number of employees at beginning of period - 1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	19	0	0	0
Skilled (Levels 3-5)	104	2	4	4
Highly skilled production (Levels 6-8)	436	3	15	3
Highly skilled supervision (Levels 9-12)	115	2	10	9
Senior Management Service Band A (Level 13)	14	0	3	21
Senior Management Service Band B (Level 14)	5	0	0	0
Senior Management Service Band C (Level 15)		0	0	0
MEC & Senior Management Service Band D (Level 16)	1	1	1	100
Contracts	5	14	5	100
Total	**699**	**22**	**38**	**5**

Table 5.17 Annual turnover rates by critical occupation for the period 1 April 2024 and 31 March 2025

Critical Occupation	Number of employees at beginning of period - 1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATION CLERKS	0	3	4	0
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER	0	2	0	0
ADMINISTRATIVE RELATED	120	0	5	4
ARCHITECTS TOWN AND TRAFFIC PLANNERS	4	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS	4	0	0	0
BUS AND HEAVY VEHICLE DRIVERS	11	0	1	9
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	13	0	0	0
COMMUNICATION AND INFORMATION RELATED	1	0	0	0
COMMUNITY DEVELOPMENT MANAGER	0	1	0	0
EMERGENCY SERVICES RELATED	1	0	0	0
ENGINEERING SCIENCES RELATED	2	0	1	50
FINANCE AND ECONOMICS RELATED	9	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	19	0	1	5
FINANCIAL CLERKS AND CREDIT CONTROLLERS	19	0	0	0
FOOD TRADE ASSISTANT	0	2	0	0
GRAPHIC DESIGNER	0	1	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	17	0	2	12
HUMAN RESOURCES CLERKS	11	1	1	9
HUMAN RESOURCES RELATED	8	0	0	0
INTERNAL AUDITOR	0	0	1	0
LEGAL RELATED	2	0	0	0
LIBRARY MAIL AND RELATED CLERKS	5	0	1	20
LIGHT VEHICLE DRIVER	0	2	1	0
LOGISTICAL SUPPORT PERSONNEL	3	0	0	0

Critical Occupation	Number of employees at beginning of period - 1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
MANAGERS NOT ELSEWHERE CLASSIFIED	0	0	1	0
MESSENGERS PORTERS AND DELIVERERS	1	0	0	0
MIDDLE MANAGER: ADMINISTRATIVE RELATED	0	3	4	0
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	0	1	0	0
MOTOR VEHICLE DRIVERS	1	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	315	0	1	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	29	0	3	10
OTHER CLERICAL SUPPORT WORKERS	0	0	1	0
OTHER INFORMATION TECHNOLOGY PERSONNEL.	3	0	1	33
OTHER MIDDLE MANAGER	0	1	0	0
OTHER OCCUPATIONS	50	3	3	6
PROGRAMME OR PROJECT MANAGER	0	0	1	0
RECEPTIONIST (GENERAL)	0	1	0	0
REGISTRY AND MAILING CLERK	0	1	0	0
RISK MANAGEMENT AND SECURITY SERVICES	4	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	24	0	3	13
SENIOR MANAGERS	23	0	2	9
Total	**699**	**22**	**38**	**5**

Table 5.18 Reasons why staff left the department for the period 1 April 2024 and 31 March 2025

Termination Type	Number	% of Total Resignations
Death	3	8
Resignation	13	34
Expiry of contract	6	16
Dismissal – operational changes		0
Dismissal – misconduct		0
Dismissal – inefficiency		0
Discharged due to ill-health	3	8
Retirement	9	24
Transfer to other Public Service Departments	4	11
Other		0
Total	**38**	**100**
Total number of employees who left as a % of total employment		**5**

Table 5.19 Promotion by critical occupation for the period 1 April 2024 and 31 March 2025

Occupation	Employees 1 April 2024	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
ADMINISTRATION CLERKS	0		0	65	0
ADMINISTRATION OFFICER	0		0	31	0
ADMINISTRATIVE RELATED	120		0	1	1
ARCHITECTS TOWN AND TRAFFIC PLANNERS	4		0		0
BUILDING AND OTHER PROPERTY CARETAKERS	4		0		0
BUS AND HEAVY VEHICLE DRIVERS	11		0		0

Occupation	Employees 1 April 2024	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
CARETAKER/ CLEANER	0		0	1	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	13		0		0
COMMUNICATION AND INFORMATION RELATED	1		0		0
COMMUNICATION AND MARKETING MANAGER	0		0	1	0
COMMUNICATION COORDINATOR	0		0	1	0
COMMUNITY DEVELOPMENT PRACTITIONER	0		0	21	0
DISASTER MANAGEMENT MANAGER	0		0	1	0
EMERGENCY SERVICES RELATED	1		0		0
ENGINEERING SCIENCES RELATED	2		0		0
FACILITIES MANAGER	0		0	1	0
FINANCE AND ECONOMICS RELATED	9		0		0
FINANCIAL ACCOUNTANT	0		0	7	0
FINANCIAL AND RELATED PROFESSIONALS	19		0		0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	19		0		0
HANDYPERSON	0		0	2	0
HUMAN RESOURCE CLERK	0		0	1	0
HUMAN RESOURCE MANAGER	0	1	0	3	0
HUMAN RESOURCE PRACTITIONER	0		0	2	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	17		0		0
HUMAN RESOURCES CLERKS	11		0		0
HUMAN RESOURCES RELATED	8		0		0
INFORMATION TECHNOLOGY & SYSTEMS MANAGER	0		0	1	0
INTERNAL AUDITOR	0		0	2	0
LEGAL RELATED	2		0		0

Occupation	Employees 1 April 2024	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
LEGAL RELATED MANAGER	0		0	1	0
LIBRARY MAIL AND RELATED CLERKS	5		0		0
LIGHT VEHICLE DRIVER	0		0	9	0
LOGISTICAL SUPPORT PERSONNEL	3		0		0
MANAGERS NOT ELSEWHERE CLASSIFIED	0		0	5	0
MESSENGERS PORTERS AND DELIVERERS	1		0		0
MIDDLE MANAGER: ADMINISTRATIVE RELATED	0	1	0	21	0
MIDDLE MANAGER: EMERGENCY SERVICES RELATED	0		0	3	0
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED	0		0	4	0
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	0		0	1	0
MIDDLE MANAGER: INTERNAL AUDIT RELATED	0		0	1	0
MIDDLE MANAGER:COMMUNICATION & INFORMATION RELATED	0		0	1	0
MOTOR VEHICLE DRIVERS	1		0		0
OFFICE CLEANER	0		0	12	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	315		0		0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	29		0		0
OTHER CLERICAL SUPPORT WORKERS	0		0	6	0
OTHER INFORMATION TECHNOLOGY PERSONNEL.	3		0		0
OTHER MIDDLE MANAGER	0		0	18	0
OTHER OCCUPATIONS	50		0	1	2
PERSONAL ASSISTANT	0		0	9	0
PROFESSIONALS NOT ELSEWHERE CLASSIFIED.	0		0	1	0
PROGRAMME OR PROJECT MANAGER	0		0	1	0
RECEPTIONIST (GENERAL)	0		0	1	0

Occupation	Employees 1 April 2024	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
RISK MANAGEMENT AND SECURITY SERVICES	4		0		0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	24		0		0
SECRETARY (GENERAL)	0		0	1	0
SENIOR MANAGERS	23	1	4		0
STRATEGY/MONITORING &EVALUATION MANAGER	0		0	1	0
SUPPLY CHAIN PRACTITIONER	0		0	1	0
TOWN PLANNING TECHNICIAN	0		0	1	0
Total	**699**	**3**	**0**	**240**	**34**

Table 5.20 Promotions by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Employees 1 April 2024	Promotions to another salary level	Salary band promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Lower skilled (Levels 1-2)	19		0	13	68
Skilled (Levels 3-5)	105		0	28	27
Highly skilled production (Levels 6-8)	436		0	133	31
Highly skilled supervision (Levels 9-12)	117	1	1	52	44
Senior management (Levels 13-16)	22	2	9	14	64
Total	**699**	**3**	**0**	**240**	**34**

Table 5.21 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
ELEMENTARY OCCUPATIONS	7				15				22
CLERICAL SUPPORT WORKERS	40				76	1			117
MANAGERS	58	2			50	1			111
PROFESSIONALS	14				19				33
PLANT, MACHINE OPERATORS AND ASSEMBLERS	10								10
PROTECTIVE AND RESCUE SERVICE WORKERS, SOCIAL AND HEALTH SCIENCES SUPPLEMENTARY AND SUPPORT PERSONNEL									
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS									
TECHNICIANS AND ASSOCIATE TECHNICAL OCCUPATIONS	128	2			199	1			330
SECURITY AND CUSTODIAL PERSONNEL									
OTHER	49				3				52
UNKNOWN	5				2				7
Total	**311**	**4**	**0**	**0**	**364**	**3**	**0**	**0**	**682**
Employees with disabilities	4				5				9

Table 5.22 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2								2
Senior Management	12				7				19
Professionally qualified and experienced specialists and mid-management	22	1			19				42
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	219	3			269	2			493
Semi-skilled and discretionary decision making	50				55	1			106
Unskilled and defined decision making	6				14				20
Total	**311**	**4**	**0**	**0**	**364**	**3**	**0**	**0**	**682**
Employees with disabilities	4				5				9

Table 5.23 Recruitment for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
EXCEPTION - POLITICAL OFFICE BEARERS	1								1
EXCEPTION - POLITICAL OFFICE BEARERS - TRADITIONAL LEADERS	2								2
Top Management									
Senior Management					1				1
Professionally qualified and experienced specialists and mid-management	2				3				5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1								1
Semi-skilled and discretionary decision making	4				3	1			8
Unskilled and defined decision making	1				1				2
Developmental Programmes (Interns & Learners)									
Total	**11**	**0**	**0**	**0**	**8**	**1**	**0**	**0**	**20**
Transfers to the Department					2				**2**
Total including transfers to the Department	**11**	**0**	**0**	**0**	**10**	**1**	**0**	**0**	**22**
Employees with disabilities									**0**

Table 5.24 Promotion for the period 1 April 2024 to 31 March 2025

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

Table 5.25 Terminations for the period 1 April 2024 and 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
EXCEPTION - POLITICAL OFFICE BEARERS	1								1
EXCEPTION - POLITICAL OFFICE BEARERS - TRADITIONAL LEADERS	2								2
Top Management									
Senior Management	3				1				4
Professionally qualified and experienced specialists and mid-management	2				6				8
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6				9				15
Semi-skilled and discretionary decision making	2				1				3
Unskilled and defined decision making	1								1
Total	**17**	**0**	**0**	**0**	**17**	**0**	**0**	**0**	**34**
Transfers out of the Department	2				2				4
Total including transfers out of the Department	**19**	**0**	**0**	**0**	**19**	**0**	**0**	**0**	**38**
Employees with Disabilities					1				**1**

Table 5.26 Disciplinary action for the period 1 April 2024 to 31 March 2025

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

Table 5.27 Skills development for the period 1 April 2024 to 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
ELEMENTARY OCCUPATIONS									0
CLERICAL SUPPORT WORKERS									0
MANAGERS									0
PROFESSIONALS									0
PLANT, MACHINE OPERATORS AND ASSEMBLERS									0
PROTECTIVE AND RESCUE SERVICE WORKERS; SOCIAL AND HEALTH SCIENCES SUPPLEMENTARY AND SUPPORT PERSONNEL									0
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS									0
TECHNICIANS AND ASSOCIATE TECHNICAL OCCUPATIONS									0
SECURITY AND CUSTODIAL PERSONNEL									0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Employees with disabilities									**0**

Table 5.28 Signing of Performance Agreement by SMS members as on 31 May 2024

SMS Level	Total number of funded SMS posts on 01 April 2024	Total number of SMS members on 01 April 2024	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				0
Salary Level 15	1	1		0
Salary Level 14	5	5		0
Salary Level 13	16	15		0
Total	**22**	**21**	**0**	**0**

Table 5.29 Reasons for not having concluded Performance Agreements for all SMS members as on 31 May 2024

Reasons
None

Table 5.30 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 May 2024

Reasons
None

Table 5.31 Performance rewards by race, gender and disability for the period 1 April 2024 to 31 March 2025

Race	Gender	Beneficiary Profile			Cost	
		No. of Beneficiaries	Number of employees	% of total within group	Cost	Average cost per employee
AFRICAN	FEMALE	0	364	0	R 0,00	R 0,00
	MALE	0	311	0	R 0,00	R 0,00
COLOURED	FEMALE	0	3	0	R 0,00	R 0,00
	MALE	0	4	0	R 0,00	R 0,00
INDIAN	FEMALE	0	0	0	R 0,00	R 0,00
	MALE	0	0	0	R 0,00	R 0,00
WHITE	FEMALE	0	0	0	R 0,00	R 0,00
	MALE	0	0	0	R 0,00	R 0,00
Total		**0**	**682**	**0**	**R 0,00**	**R 0,00**

Table 5.32 Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2024 to 31 March 2025

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	No. of Beneficiaries	Number of employees	% of total within salary bands	Total Cost	Average cost per employee	
Lower Skilled (Levels 1-2)	0	20	0	R 0,00	R 0,00	0
Skilled (level 3-5)	0	106	0	R 0,00	R 0,00	0
Highly skilled production (level 6-8)	0	424	0	R 0,00	R 0,00	0
Highly skilled supervision (level 9-12)	0	111	0	R 0,00	R 0,00	0
Total	**0**	**661**	**0**	**R 0,00**	**R 0,00**	**0**

Table 5.33 Performance rewards by critical occupation for the period 1 April 2024 to 31 March 2025

Critical Occupation	Beneficiary Profile			Cost	
	No. of Beneficiaries	Number of employees	% of total within occupation	Total Cost	Average Cost per employee
ADMINISTRATION CLERKS	0	89	0	R 0,00	R 0,00
ADMINISTRATION OFFICER	0	324	0	R 0,00	R 0,00
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER	0	2	0	R 0,00	R 0,00
BUS AND HEAVY VEHICLE DRIVERS	0	1	0	R 0,00	R 0,00
CHIEF FINANCIAL OFFICER	0	1	0	R 0,00	R 0,00
COMMUNICATION AND MARKETING MANAGER	0	1	0	R 0,00	R 0,00
COMMUNICATION COORDINATOR	0	1	0	R 0,00	R 0,00
COMMUNITY DEVELOPMENT MANAGER	0	1	0	R 0,00	R 0,00
DISASTER MANAGEMENT MANAGER	0	1	0	R 0,00	R 0,00
FACILITIES MANAGER	0	1	0	R 0,00	R 0,00
FINANCE MANAGER	0	1	0	R 0,00	R 0,00
FINANCIAL ACCOUNTANT	0	18	0	R 0,00	R 0,00
FOOD TRADE ASSISTANT	0	2	0	R 0,00	R 0,00
GRAPHIC DESIGNER	0	1	0	R 0,00	R 0,00
HUMAN RESOURCE CLERK	0	1	0	R 0,00	R 0,00
HUMAN RESOURCE MANAGER	0	3	0	R 0,00	R 0,00
HUMAN RESOURCE PRACTITIONER	0	12	0	R 0,00	R 0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	0	1	0	R 0,00	R 0,00
ICT SYSTEMS ANALYST	0	1	0	R 0,00	R 0,00
INFORMATION TECHNOLOGY & SYSTEMS MANAGER	0	1	0	R 0,00	R 0,00
LEGAL RELATED	0	1	0	R 0,00	R 0,00
LEGAL RELATED MANAGER	0	1	0	R 0,00	R 0,00
LIGHT VEHICLE DRIVER	0	10	0	R 0,00	R 0,00
MANAGERS NOT ELSEWHERE CLASSIFIED	0	10	0	R 0,00	R 0,00
MESSENGERS	0	3	0	R 0,00	R 0,00
MIDD.MANAGER:HUMAN RESOURCE & ORGANISA.DEVEL.RELA	0	2	0	R 0,00	R 0,00

Critical Occupation	Beneficiary Profile			Cost	
	No. of Beneficiaries	Number of employees	% of total within occupation	Total Cost	Average Cost per employee
MIDDLE MANAGER: ADMINISTRATIVE RELATED	0	48	0	R 0,00	R 0,00
MIDDLE MANAGER: EMERGENCY SERVICES RELATED	0	1	0	R 0,00	R 0,00
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED	0	4	0	R 0,00	R 0,00
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	0	1	0	R 0,00	R 0,00
MIDDLE MANAGER: INTERNAL AUDIT RELATED	0	1	0	R 0,00	R 0,00
MIDDLE MANAGER:COMMUNICATION & INFORMATION RELATED	0	1	0	R 0,00	R 0,00
OFFICE CLEANER	0	17	0	R 0,00	R 0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	0	2	0	R 0,00	R 0,00
OTHER INFORMATION TECHNOLOGY PERSONNEL.	0	1	0	R 0,00	R 0,00
OTHER MIDDLE MANAGER	0	28	0	R 0,00	R 0,00
OTHER OCCUPATIONS	0	52	0	R 0,00	R 0,00
PERSONAL ASSISTANT	0	10	0	R 0,00	R 0,00
RECEPTIONIST (GENERAL)	0	1	0	R 0,00	R 0,00
REGISTRY AND MAILING CLERK	0	1	0	R 0,00	R 0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	0	1	0	R 0,00	R 0,00
SECRETARY (GENERAL)	0	15	0	R 0,00	R 0,00
STRATEGY/MONITORING &EVALUATION MANAGER	0	1	0	R 0,00	R 0,00
SUPPLY CHAIN MANAGER	0	1	0	R 0,00	R 0,00
SUPPLY CHAIN PRACTITIONER	0	2	0	R 0,00	R 0,00
TOWN PLANNING TECHNICIAN	0	4	0	R 0,00	R 0,00
Total	**0**	**682**	**0**	**R 0,00**	**R 0,00**

Table 5.34 Performance related rewards (cash bonus) by salary band for Senior Management Services for the period 1 April 2024 to 31 March 2025

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	No. of Beneficiaries	Number of employees	% of total within salary bands	Total Cost	Average cost per employee	
Senior Management Service Band A (Level 13)	0	14	0	R 0,00	R 0,00	0
Senior Management Service Band B (Level 14)	0	5	0	R 0,00	R 0,00	0
Senior Management Service Band C (Level 15)	0	1	0	R 0,00	R 0,00	0
Senior Management Service Band D (Level 16)	0	1	0	R 0,00	R 0,00	0
Total	**0**	**21**	**0**	**R 0,00**	**R 0,00**	**0**

Table 5.35 Foreign workers by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Levels 1-2)		0		0	0	0
Skilled (Levels 3-5)		0		0	0	0
Highly skilled production (Levels 6-8)	1	100	1	100	0	0
Highly skilled supervision (Levels 9-12)		0		0	0	0
Senior Management (Level 13-16)		0		0	0	0
Contract (Levels 1-2)		0		0	0	0
Contract (Levels 3-5)		0		0	0	0
Contract (Levels 6-8)		0		0	0	0
Contract (Levels 9-12)		0		0	0	0
Contract (Levels 13-16)		0		0	0	0
Total	**1**	**100**	**1**	**100**	**0**	**0**

Table 5.36 Foreign workers by major occupation for the period 1 April 2024 and 31 March 2025

Major Occupation	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
FINANCIAL AND RELATED PROFESSIONALS	1	100	1	100	0	0
Total	**1**	**100**	**1**	**100**	**0**	**0**

Table 5.37 Sick leave for the period 1 April 2024 to 31 March 2025

Salary Band	Total days	% Days with medical certification	No. of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost
Lower skilled (Levels 1-2)	37	73	8	3	5	R 26 483,22
Skilled (Levels 3-5)	332	90	48	18	7	R 377 985,67
Highly skilled production (Levels 6-8)	1095	86	133	51	8	R 1 977 571,05
Highly skilled supervision (Levels 9-12)	410	81	59	23	7	R 1 206 631,32
Senior management (Levels 13-16)	91	90	14	5	7	R 454 851,83
Total	**1965**	**86**	**262**	**100**	**8**	**R 4 043 523,09**

Table 5.38 Disability leave (temporary and permanent) for the period 1 April 2024 to 31 March 2025

Salary Band	Total Days	% Days with medical certification	No. of employees using Disability Leave	% of total employees using Disability Leave	Average days per employee	Estimated Cost
Lower skilled (Levels 1-2)		0		0	0	
Skilled (Levels 3-5)	39	100	2	15	20	R 48 456,51
Highly skilled production (Levels 6-8)	469	100	7	54	67	R 801 432,49
Highly skilled supervision (Levels 9-12)	104	100	4	31	26	R 367 366,05
Senior management (Levels 13-16)		0		0	0	
Total	**612**	**100**	**13**	**100**	**47**	**R 1 217 255,05**

Table 5.39 Annual leave for the period 1 April 2024 to 31 March 2025

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	330	18	18
Skilled (Levels 3-5)	1425	79	18
Highly skilled production (Levels 6-8)	7007	430	16
Highly skilled supervision (Levels 9-12)	2319	100	23
Senior management (Levels 13-16)	321	20	16
Total	**11402**	**647**	**18**

Table 5.40 Capped leave for the period 1 April 2024 to 31 March 2025

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)			0	0
Skilled (Levels 3-5)	6	1	6	15
Highly skilled production (Levels 6-8)			0	12
Highly skilled supervision (Levels 9-12)	52	2	26	9
Senior management (Levels 13-16)			0	6
Total	**58**	**3**	**19**	**11**

Table 5.41 Leave payouts for the period 1 April 2024 and 31 March 2025

Reason	Total Amount	No. of Employees	Average payment per employee
Leave payout for 2023/24 due to non-utilisation of leave for the previous cycle [LEAVE DISCOUNTING (UNUSED LEAVE CR)]	R 0,00	0	R 0,00
Capped leave payouts on termination of service for 2023/24 (LEAVE GRATUITY)	R 0,00	0	R 0,00
Current leave payout on termination of service for 2023/24 [LEAVE DISCOUNTING \ GRATUITY (UNUSED LEAVE CR)]	R 2 532 466,28	30	R 84 416,00
Total	**R 2 532 466,28**	**30**	**R 84 416,00**

Table 5.42 Types of misconducts addressed at disciplinary hearings for the period 1 April 2024 and 31 March 2025

Type of misconduct	Number	% of total
Deemed Dismissal	1	20%
Misrepresentation	1	20%
Failure to ensure representative at National Forum	1	20%
Improper Conduct and unacceptable matter	2	40%
Total	**5**	**100%**

Table 5.43 Grievances logged for the period 1 April 2024 and 31 March 2025

Grievances	Number	% of Total
Number of grievances resolved	8	100%
Number of grievances not resolved	0	0%
Total number of grievances lodged	**8**	**100%**

Table 5.44 Disputes logged with councils for the period 1 April 2024 and 31 March 2025

Disputes	Number	% of Total
Number of disputes upheld	4	67%
Number of disputes dismissed	2	33%
Total number of disputes lodged	**6**	**100%**

Table 5.45 Strike actions for the period 1 April 2024 and 31 March 2025

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

Table 5.46 Precautionary suspensions for the period 1 April 2024 and 31 March 2025

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

Table 5.47 Training needs identified for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	1	0	Cyber Security	0	
	Male	**0**	0	**0**	0	
Professionals	Female	12	0	Project Management	0	
	Male	27	0	Project Management	0	
Technicians and associate professionals	Female	10	0	Advanced Management Development Programme	0	
	Male	10	0	Advanced Management Development Programme	0	
Clerks	Female	10	0	Report Writing	0	
	Male	10	0	Report Writing	0	
Service and sales workers	Female				0	
	Male	0	0	0	0	
Skilled agriculture and fishery workers	Female	0	0	0	0	
	Male	0	0	0	0	
Craft and related trades workers	Female	0	0	0	0	
	Male	0	0	0	0	
Plant and machine operators and assemblers	Female	1	0	Advanced Driving	0	
	Male	10	0	Advanced Driving	0	
Elementary occupations	Female	11	0	Facility Management	0	
	Male	5	0	Facility Management	0	
Sub Total	Female	0	0	**0**	0	
	Male	0	0	**0**	0	
Total		**107**	**0**		**0**	

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Sub Total	Female					
	Male					
Total						

Table 5.48Training provided for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
ELEMENTARY OCCUPATIONS	Female	13				0
	Male	5				0
CLERICAL SUPPORT WORKERS	Female	249				0
	Male	154				0
MANAGERS	Female					0
	Male					0
PROFESSIONALS	Female	110				0
	Male	106				0
PLANT, MACHINE OPERATORS AND ASSEMBLERS	Female	1				0
	Male	11				0
PROTECTIVE AND RESCUE SERVICE WORKERS; SOCIAL AND HEALTH SCIENCES SUPPLEMENTARY AND SUPPORT PERSONNEL	Female					0
	Male					0
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	Female					0
	Male					0
	Female					0

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
TECHNICIANS AND ASSOCIATE TECHNICAL OCCUPATIONS						
	Male					0
SECURITY AND CUSTODIAL PERSONNEL	Female					0
	Male					0
OTHER	Female	2				0
	Male	48				0
Sub Total	Female	**375**	**0**	**0**	**0**	**0**
	Male	**324**	**0**	**0**	**0**	**0**
Total		**699**	**0**	**0**	**0**	**0**

Table 5.49 Injury on duty for the period 1 April 2024 and 31 March 2025

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

Table 5.50 Report on consultant appointments using appropriated funds for the period 1 April 2024 and 31 March 2025

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

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

Table 5.51 Analysis of consultant appointment using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

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

Table 5.52 Report on consultant appointments using Donor funds for the period 1 April 2024 and 31 March 2025

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

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

Table 5.53 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged (HDIs) for the period 1 April 2024 and 31 March 2025

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

1.1 Severance Packages

Table 5.54 Granting of employee initiated severance packages for the period 1 April 2024 and 31 March

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)				
Skilled Levels 3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision (Levels 9-12)				
Senior management (Levels 13-16)				
Total	**0**	**0**	**0**	**0**

PART E

PFMA COMPLIANCE REPORT

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

6.1. Irregular expenditure

a) Reconciliation of irregular expenditure

	2024/2025	2023/2024
	R'000	R'000
Opening balance	395,930	501,293
Prior Period Errors (2019/20)	-	(106,158)
Prior Period Errors (2020/21)	-	(194)
As Restated	-	394,941
Add: Irregular expenditure confirmed	83,679	989
Less: Irregular expenditure condoned	(17,135)	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**462,474**	**395,930**

The Department has addressed 95% of the prior year's opening balance of irregular expenditure, amounting to R475,645m, as recorded in the irregular expenditure register.

The opening balance for the 2023/2024 financial year has been adjusted with a prior period error reduction of R106,158m reported in the 2019/20 financial year, which relates to the alleged unfair awarding of a contract. A further reduction of R194k was effected relating to the 2020/2021 financial year, where the irregular classification arose to the initial non-submission of a completed SBD4 form by the successful bidders.

As a result of these prior period corrections, the restated opening balance for the 2023/2024 financial year amounted to R394,941m. In 2023/2024, additional irregular expenditure of R989k was confirmed, Trelating to Boitumelo (R41k), Bluesky Travel (R2k), and Nyala Home Front (R946k).

During the 2024/2025 financial year, a total amount of R17,135m was condoned by the Provincial Treasury which relates to irregular expenditure incurred in prior years in respect of procurement processes and payments for leases under expired building contracts.

*Confirmed irregular Expenditure amounting to **R83 679 503.98 relates** to subjectivity evaluation criteria for the 3 tenders awarded in 2023/24 to Intellhub (R63 416 653.10), Bontle Motheo (R15 781 950.08) and linkages Consulting (R4 480 900.00), for support to Municipalities across the Province.*

The closing balance of irregular expenditure for the 2024/2025 Financial Year stands at R 462,474m.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment in 2023/24	83,679	989
Irregular expenditure that relates to 2022/23 and identified in 2023/24	-	-
Irregular expenditure for the current year	-	-
Total	**83,679**	**989**

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

Description[1]	2024/2025	2023/2024
	R'000	**R'000**
Irregular expenditure under assessment	9,624	30,913
Irregular expenditure under determination	989	-
Irregular expenditure under investigation	-	-
Total 2	**10,613**	**30,913**

The reported unconfirmed expenditure is currently under assessment and relates to the following projects: procurement of a fire engine (R6,632m), Telkom services (R666k), vehicle insurance (R1,538m), Inyanga (R314k), and Higher Grade (R474k).

The reported confirmed expenditure, which is currently under determination, relates to the following projects: Boitumelo (R41k), Bluesky Travel (R2k), and Nyala Home Front (R946k).

b) Details of current and previous year irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	**R'000**
Irregular expenditure condoned	17,135	-
Total	17,135	-

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure removed – (not condoned)	-	-
Total	-	-

e) Details of current and previous year irregular expenditure recovered

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

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

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

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

Description	2024/2025	2023/2024
	R'000	R'000
	-	-
	-	-
	-	-
Total	-	-

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

Disciplinary steps taken
None

6.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expediture

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	1,604	1,604
Add: Fruitless and wasteful expenditure confirmed	17	13
Less: Fruitless and wasteful expenditure written off	(17)	(13)
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	**1,604**	**1,604**

The opening balance of R1,604m relates to a payment previously linked to milestones, which are no longer traceable or exist. The confirmed fruitless and wasteful expenditure of R17k pertains to interest paid on Eskom accounts and has been written off by the Accounting Officer.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	-	-
Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2023/24	-	-
Fruitless and wasteful expenditure for the current year	17	13
Total	**17**	**13**

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

Description[1]	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total[2]	**-**	**-**

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	**-**	**-**

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	17	13
Total	**17**	**13**
The expenditure relates to interest paid on Eskom and Telkom accounts.		

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

Disciplinary steps taken
None
Total 0

6.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off[3]	-	-
Closing balance	-	-

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure that was under assessment in 2022/23	-	-
Unauthorised expenditure that relates to 2022/23 and identified in 2023/24	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

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

Description[4]	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total[5]	-	-

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

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

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
(*Group major categories, but list material items)*	-	-
	-	-
Total	-	-

c) Other material losses recovered

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(*Group major categories, but list material items)*	-	-
	-	-
Total	-	-

d) Other material losses written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(*Group major categories, but list material items)*	-	-
	-	-
Total	-	-

6.5 LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2,779	352,080
Invoices paid **within** 30 days or agreed period	2,753	349,486
Invoices paid **after** 30 days or agreed period	26	2,594
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	-	-
Invoices older than 30 days or agreed period (***unpaid and in dispute***)	1	10,148

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

7. SUPPLY CHAIN MANAGEMENT

7.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of a service provider for the completion of the Reconstitution of the Traditional Councils Project.	Africore Advisory (Pty) Ltd	Urgent Case/Situations	COGTA 01/2014/NW	4,715
				-
				-
Total				**4,715**

7.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
				-	-	-
				-	-	-
				-	-	-
Total				-	-	-

PART F

FINANCIAL INFORMATION

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Cooperative Governance and Traditional Affairs set out on pages xx to xx, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Cooperative Governance and Traditional Affairs as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) as prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for opinion

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

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matter

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

Irregular expenditure

7. As disclosed in note 31 to the financial statements, irregular expenditure of R83 679 000 was incurred, as a proper tender process was not followed.

Payables not recognised

8. As disclosed in note 27.2 to the financial statements, payables of R10 462 000 exceeded the payment term of 30 days, as required by treasury regulation 8.2.3. This amount, in turn, exceeded the R397 000 of voted funds to be surrendered by R10 065 000 as per the statement of financial position. The amount of R10 065 000 would therefore have constituted unauthorised expenditure had the amounts due been paid on time.

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 xx to xx does not form part of financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion thereon.

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 the MCS prescribed by National Treasury and requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 xx, 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 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

16. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 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.

Programmes	Page numbers	Purpose
Programme 2: local governance	xx	Promote and facilitate viable and sustainable local government in the province
Programme 3: development and planning	xx	Guide inter-spherical planning for development and access to basic services, improved systems and structures for disaster risk management across the province with the view of ensuring safe and disaster-resilient communities. To reduce levels of unemployment through Community Works Programme (CWP) and enhance local economic development across the Province.

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 prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be

delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any underachievement of targets

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 any 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 under achievements

23. The tables that follow provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages xx to xx.

Programme 2: local governance

Targets achieved: 93% *Budget spent: 100%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of municipalities supported to promote participation in community based local governance process	18	17

Programme 3: development and planning

Targets achieved: 93% *Budget spent: 100%*		
Key indicator not achieved	**Planned target**	**Reported achievement**

Targets achieved: 93% *Budget spent: 100%*		
Number of work opportunities reported through community work programme	21 200	14 918

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 an assurance opinion or conclusion.

26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

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

Consequence management

28. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because some of the assessment and determination reports were not adequately supported.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. Other information 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 and my reports on the audit of the annual performance report and 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. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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 compliance with legislation included in this report.

35. Controls over daily, weekly and monthly review processes were not adequately implemented resulting in material misstatement identified on the completeness of irregular expenditure.

Other reports

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

37. The Directorate for Priority Crime Investigation (Hawks) is investigating payments for work not done during the 2016-17 financial year. At the date of this report, the investigation was still in progress.

Auditor General

Rustenburg

30 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)
National Health Act 61 of 2003	Section 13
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
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. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)

Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

ACCOUNTING POLICIES

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

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

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

7.1	**Appropriated funds** Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8.	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	**Finance leases** Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. At commencement of the finance lease term, finance lease assets acquired are recorded and measured at: the fair value of the leased asset; or if lower, the present value of the minimum lease payments. Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.
9.	**Aid assistance**
9.1	**Aid assistance received** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. CARA Funds are recognised when receivable and measured at the amounts receivable. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	**Aid assistance paid**

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

	Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10.	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11.	**Prepayments and advances** Prepayments and advances 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. Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.
12.	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13.	**Investments** Investments are recognised in the statement of financial position at cost.
14.	**Financial assets**
14.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15.	**Payables** Payables recognised in the statement of financial position are recognised at cost.

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

16.	**Capital assets**
16.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	**Intangible capital assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
16.4	**Project costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

	Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17.	**Provisions and contingents**
17.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
17.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
17.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
18.	**Unauthorised expenditure** Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprise of • unauthorised expenditure that was under assessment in the previous financial year;

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

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

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

	The department is party to a principal-agent arrangement for [*include details here*]. In terms of the arrangement the department is the [*principal / agent*] and is responsible for [*include details here*]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24.	**Departures from the MCS requirements** [*Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]*
25.	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26.	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27.	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
28.	**Inventories** ***(Effective from date determined by the Accountant-General)*** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29.	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

VOTE 09

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the year ended 31 March 2025

	concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30.	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
31.	**Transfer of functions** Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32.	**Mergers** Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NORTH WEST: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
Appropriation Statement
for the year ended 31 March 2025

Appropriation per programme	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Voted funds and Direct charges	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Programme									
1. ADMINISTRATION	181 989	-	14 559	196 548	196 457	91	100,0%	187 938	187 755
2. LOCAL GOVERNANCE	240 264	-	6 876	247 140	247 010	130	99,9%	226 957	226 917
3. DEVELOPMENT AND PLANNING	169 886	-	(9 423)	160 463	160 453	10	100,0%	119 541	119 490
4. TRADITIONAL INSTITUTIONAL MANAGEMENT	156 991	-	(12 012)	144 979	144 813	166	99,9%	139 639	139 565
Programme sub total	**749 130**	**-**	**-**	**749 130**	**748 733**	**397**	**99,9%**	**674 075**	**673 727**
Statutory Appropriation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**749 130**	**-**	**-**	**749 130**	**748 733**	**397**	**99,9%**	**674 075**	**673 727**
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				132				12 554	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per Statement of Financial Performance (Total revenue)				**749 262**				**686 629**	
Add: Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance (Total expenditure)					**748 733**				**673 727**

Appropriation per economic classification									
	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**566 721**	**(2 115)**	**(236)**	**564 370**	**564 124**	**246**	**100,0%**	**509 621**	**513 222**
Compensation of employees	370 588	(2)	(3 285)	367 301	367 105	196	99,9%	345 176	345 026
Salaries and wages	319 552	(3 961)	(2 495)	313 096	312 961	135	100,0%	295 699	295 555
Social contributions	51 036	3 959	(790)	54 205	54 144	61	99,9%	49 477	49 471
Goods and services	196 120	(2 113)	3 045	197 052	197 002	50	100,0%	164 433	168 183
Administrative fees	1 575	266	(54)	1 787	1 786	1	99,9%	1 481	1 473
Advertising	1 215	296	-	1 511	1 511	-	100,0%	1 954	1 953
Minor assets	387	(234)	-	153	153	-	100,0%	4	343
Audit costs: External	4 986	107	-	5 093	5 093	-	100,0%	5 128	5 128
Bursaries: Employees	1 537	(8)	5	1 534	1 534	-	100,0%	379	379
Catering: Departmental activities	3 659	(208)	(298)	3 153	3 152	1	100,0%	3 576	3 570
Communication (G&S)	7 135	(1 014)	(146)	5 975	5 974	1	100,0%	2 090	5 584
Computer services	1 892	126	-	2 018	2 018	-	100,0%	2 230	2 230
Consultants: Business and advisory services	62 787	(2 096)	2 369	63 060	63 043	17	100,0%	26 290	31 202
Legal services	3 488	(149)	-	3 339	3 339	-	100,0%	10 886	5 967
Contractors	1 708	(856)	(61)	791	791	-	100,0%	230	229
Agency and support / outsourced services	33 069	296	945	34 310	34 300	10	100,0%	36 397	36 394
Fleet services (including government motor transport	13 423	423	-	13 846	13 838	8	99,9%	8 977	8 976
Consumable supplies	2 743	(83)	(267)	2 393	2 392	1	100,0%	2 262	2 254
Consumable: Stationery, printing and office supplies	2 158	232	-	2 390	2 387	3	99,9%	2 879	2 879
Operating leases	21 343	(871)	2 980	23 452	23 451	1	100,0%	21 215	21 182
Property payments	8 449	2 757	-	11 206	11 204	2	100,0%	11 841	11 841
Transport provided: Departmental activity	150	(112)	-	38	37	1	97,4%	240	238
Travel and subsistence	18 036	1 151	(2 267)	16 920	16 932	(12)	100,1%	18 506	18 501
Training and development	3 291	(1 000)	-	2 291	2 291	-	100,0%	5 070	5 069
Operating payments	922	(272)	-	650	650	-	100,0%	1 300	1 299
Venues and facilities	2 029	(839)	(161)	1 029	1 013	16	98,4%	1 308	1 303
Rental and hiring	138	(25)	-	113	113	-	100,0%	190	189
Interest and rent on land	13	-	4	17	17	-	100,0%	12	13
Interest (Incl. interest on unitary payments (PPP))	13	-	4	17	17	-	100,0%	12	13
Transfers and subsidies	**158 602**	**261**	**11**	**158 874**	**158 822**	**52**	**100,0%**	**111 778**	**111 672**
Provinces and municipalities	120 885	-	-	120 885	120 884	1	100,0%	75 945	75 944
Municipalities	120 885	-	-	120 885	120 884	1	100,0%	75 945	75 944
Municipal bank accounts	120 885	-	-	120 885	120 884	1	100,0%	75 945	75 944
Non-profit institutions	34 842	300	-	35 142	35 132	10	100,0%	33 937	33 937
Households	2 875	(39)	11	2 847	2 806	41	98,6%	1 896	1 791
Social benefits	2 875	(49)	11	2 837	2 796	41	98,6%	1 896	1 791
Other transfers to households	-	10	-	10	10	-	100,0%	-	-
Payments for capital assets	**23 807**	**1 854**	**225**	**25 886**	**25 787**	**99**	**99,6%**	**40 737**	**36 894**
Buildings and other fixed structures	-	-	-	-	-	-	-	493	492
Buildings	-	-	-	-	-	-	-	493	492
Machinery and equipment	23 807	1 854	225	25 886	25 787	99	99,6%	40 244	36 402
Transport equipment	10 903	(40)	-	10 863	10 862	1	100,0%	15 426	15 426
Other machinery and equipment	12 904	1 894	225	15 023	14 925	98	99,3%	24 818	20 976
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11 939**	**11 939**
TOTAL	**749 130**	**-**	**-**	**749 130**	**748 733**	**397**	**99,9%**	**674 075**	**673 727**

Programme 1: ADMINISTRATION

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. **OFFICE OF THE MEC**	12 064	(1 228)	87	10 923	10 919	4	100,0%	8 087	8 083
2. **CORPORATE SERVICES**	169 925	1 228	14 472	185 625	185 538	87	100,0%	179 851	179 672
TOTAL	**181 989**	**-**	**14 559**	**196 548**	**196 457**	**91**	**100,0%**	**187 938**	**187 755**
Economic classification									
Current payments	**170 917**	**(115)**	**13 458**	**184 260**	**184 171**	**89**	**100,0%**	**170 125**	**173 451**
Compensation of employees	99 417	(2)	10 382	109 797	109 709	88	99,9%	102 421	102 360
Salaries and wages	85 891	(2 504)	10 382	93 769	93 731	38	100,0%	88 131	88 071
Social contributions	13 526	2 502	-	16 028	15 978	50	99,7%	14 290	14 289
Goods and services	71 487	(113)	3 072	74 446	74 445	1	100,0%	67 692	71 078
Administrative fees	1 098	123	-	1 221	1 221	-	100,0%	731	726
Advertising	1 215	296	-	1 511	1 511	-	100,0%	1 556	1 555
Minor assets	260	(107)	-	153	153	-	100,0%	4	343
Audit costs: External	4 986	107	-	5 093	5 093	-	100,0%	5 128	5 128
Bursaries: Employees	1 537	(8)	5	1 534	1 534	-	100,0%	379	379
Catering: Departmental activities	1 444	219	-	1 663	1 663	-	100,0%	1 436	1 435
Communication (G&S)	6 908	(1 123)	-	5 785	5 785	-	100,0%	1 904	5 002
Computer services	1 892	126	-	2 018	2 018	-	100,0%	2 230	2 230
Consultants: Business and advisory services	275	(5)	-	270	269	1	99,6%	365	364
Legal services	1 746	1 593	-	3 339	3 339	-	100,0%	5 052	5 051
Contractors	950	(167)	-	783	783	-	100,0%	230	229
Fleet services (including government motor transport	7 421	(3 280)	-	4 141	4 141	-	100,0%	4 528	4 527
Consumable supplies	1 677	(139)	-	1 538	1 539	(1)	100,1%	1 261	1 260
Consumable: Stationery, printing and office supplies	1 695	(105)	-	1 590	1 590	-	100,0%	2 835	2 835
Operating leases	20 825	(1 150)	2 980	22 655	22 655	-	100,0%	20 649	20 616
Property payments	7 187	3 002	-	10 189	10 189	-	100,0%	8 702	8 702
Transport provided: Departmental activity	40	(5)	-	35	35	-	100,0%	158	157
Travel and subsistence	5 269	1 885	87	7 241	7 239	2	100,0%	6 842	6 840
Training and development	2 991	(700)	-	2 291	2 291	-	100,0%	1 909	1 908
Operating payments	922	(304)	-	618	618	-	100,0%	1 300	1 299
Venues and facilities	1 021	(292)	-	729	730	(1)	100,1%	481	480
Rental and hiring	128	(79)	-	49	49	-	100,0%	12	12
Interest and rent on land	13	-	4	17	17	-	100,0%	12	13
Interest (Incl. interest on unitary payments (PPP))	13	-	4	17	17	-	100,0%	12	13
Transfers and subsidies	**1 465**	**1**	**11**	**1 477**	**1 476**	**1**	**99,9%**	**1 259**	**1 188**
Households	1 465	1	11	1 477	1 476	1	99,9%	1 259	1 188
Social benefits	1 465	1	11	1 477	1 476	1	99,9%	1 259	1 188
Payments for capital assets	**9 607**	**114**	**1 090**	**10 811**	**10 810**	**1**	**100,0%**	**16 458**	**13 020**
Machinery and equipment	9 607	114	1 090	10 811	10 810	1	100,0%	16 458	13 020
Transport equipment	3 903	-	-	3 903	3 902	1	100,0%	3 636	3 636
Other machinery and equipment	5 704	114	1 090	6 908	6 908	-	100,0%	12 822	9 384
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**96**	**96**
Total	**181 989**	**-**	**14 559**	**196 548**	**196 457**	**91**	**100,0%**	**187 938**	**187 755**

Programme 2: LOCAL GOVERNANCE

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. MUNICIPAL ADMINISTRATION	166 347	1 790	240	168 377	167 436	941	99,4%	158 816	158 801
2. MUNICIPAL FINANCE	24 854	(4 653)	1 367	21 568	21 562	6	100,0%	28 007	28 002
3. MUNICIPAL PERFORMANCE MONITORING, REPORTING AND EVALUATION	49 063	2 863	5 269	57 195	58 012	(817)	101,4%	40 134	40 114
	240 264	**-**	**6 876**	**247 140**	**247 010**	**130**	**99,9%**	**226 957**	**226 917**
Economic classification									
Current payments	**235 144**	**-**	**7 741**	**242 885**	**242 881**	**4**	**100,0%**	**206 905**	**206 874**
Compensation of employees	154 882	-	807	155 689	155 689	-	100,0%	143 070	143 049
Salaries and wages	129 631	(1 180)	807	129 258	129 263	(5)	100,0%	118 780	118 760
Social contributions	25 251	1 180	-	26 431	26 426	5	100,0%	24 290	24 289
Goods and services	80 262	-	6 934	87 196	87 192	4	100,0%	63 835	63 825
Administrative fees	67	11	-	78	77	1	98,7%	232	230
Advertising	-	-	-	-	-	-	-	347	347
Catering: Departmental activities	852	(466)	-	386	385	1	99,7%	643	641
Consultants: Business and advisory services	45 773	2 361	5 140	53 274	53 274	-	100,0%	25 925	25 925
Agency and support / outsourced services	28 216	529	1 367	30 112	30 112	-	100,0%	29 397	29 396
Consumable supplies	26	(6)	-	20	19	1	95,0%	22	22
Consumable: Stationery, printing and office supplies	331	(46)	-	285	283	2	99,3%	13	13
Transport provided: Departmental activity	100	(97)	-	3	2	1	66,7%	82	81
Travel and subsistence	4 476	(1 904)	427	2 999	3 018	(19)	100,6%	3 695	3 693
Training and development	-	-	-	-	-	-	-	3 161	3 161
Venues and facilities	421	(382)	-	39	22	17	56,4%	318	316
Transfers and subsidies	**120**	**-**	**-**	**120**	**84**	**36**	**70,0%**	**174**	**167**
Households	120	-	-	120	84	36	70,0%	174	167
Social benefits	120	-	-	120	84	36	70,0%	174	167
Payments for capital assets	**5 000**	**-**	**(865)**	**4 135**	**4 045**	**90**	**97,8%**	**8 035**	**8 033**
Machinery and equipment	5 000	-	(865)	4 135	4 045	90	97,8%	8 035	8 033
Other machinery and equipment	5 000	-	(865)	4 135	4 045	90	97,8%	8 035	8 033
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11 843**	**11 843**
	240 264	**-**	**6 876**	**247 140**	**247 010**	**130**	**99,9%**	**226 957**	**226 917**

Programme 3: DEVELOPMENT AND PLANNING

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. **SPATIAL PLANNING**	4 016	257	(431)	3 842	3 853	(11)	100,3%	4 278	4 275
2. **LOCAL ECONOMIC DEVELOPMENT (LED)**	6 668	(13)	(489)	6 166	6 165	1	100,0%	5 042	5 038
3. **MUNICIPAL INFRASTRUCTURE**	136 074	3	(3 890)	132 187	132 172	15	100,0%	88 775	88 743
4. **DISASTER MANAGEMENT**	15 318	(246)	(3 809)	11 263	11 259	4	100,0%	14 620	14 612
5. **IDP COORDINATION**	7 810	(1)	(804)	7 005	7 004	1	100,0%	6 826	6 822
	169 886	**-**	**(9 423)**	**160 463**	**160 453**	**10**	**100,0%**	**119 541**	**119 490**
Economic classification									
Current payments	**49 001**	**-**	**(9 423)**	**39 578**	**39 569**	**9**	**100,0%**	**42 216**	**42 169**
Compensation of employees	36 981	-	(5 233)	31 748	31 747	1	100,0%	30 354	30 322
Salaries and wages	31 521	(74)	(4 443)	27 004	27 006	(2)	100,0%	25 924	25 896
Social contributions	5 460	74	(790)	4 744	4 741	3	99,9%	4 430	4 426
Goods and services	12 020	-	(4 190)	7 830	7 822	8	99,9%	11 862	11 847
Administrative fees	166	25	(54)	137	137	-	100,0%	116	116
Catering: Departmental activities	911	(40)	(298)	573	573	-	100,0%	938	935
Communication (G&S)	146	-	(146)	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	901	900
Contractors	61	-	(61)	-	-	-	-	-	-
Agency and support / outsourced services	2 706	-	(422)	2 284	2 275	9	99,6%	4 275	4 273
Consumable supplies	992	(30)	(267)	695	695	-	100,0%	956	950
Property payments	897	14	-	911	911	-	100,0%	-	-
Travel and subsistence	5 652	136	(2 781)	3 007	3 008	(1)	100,0%	4 212	4 211
Venues and facilities	489	(105)	(161)	223	223	-	100,0%	384	383
Rental and hiring	-	-	-	-	-	-	-	80	79
Transfers and subsidies	**120 885**	**-**	**-**	**120 885**	**120 884**	**1**	**100,0%**	**75 945**	**75 944**
Provinces and municipalities	120 885	-	-	120 885	120 884	1	100,0%	75 945	75 944
Municipalities	120 885	-	-	120 885	120 884	1	100,0%	75 945	75 944
Municipal bank accounts	120 885	-	-	120 885	120 884	1	100,0%	75 945	75 944
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 380**	**1 377**
Machinery and equipment	-	-	-	-	-	-	-	1 380	1 377
Other machinery and equipment	-	-	-	-	-	-	-	1 380	1 377
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	169 886	**-**	**(9 423)**	**160 463**	**160 453**	**10**	**100,0%**	**119 541**	**119 490**

Programme 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. **TRADITIONAL INSTITUTIONAL ADMINISTRATION**	156 991	-	(12 012)	144 979	144 813	166	99,9%	139 639	139 565
	156 991	**-**	**(12 012)**	**144 979**	**144 813**	**166**	**99,9%**	**139 639**	**139 565**
Economic classification									
Current payments	**111 659**	**(2 000)**	**(12 012)**	**97 647**	**97 503**	**144**	**99,9%**	**90 375**	**90 728**
Compensation of employees	79 308	-	(9 241)	70 067	69 960	107	99,8%	69 331	69 295
Salaries and wages	72 509	(203)	(9 241)	63 065	62 961	104	99,8%	62 864	62 828
Social contributions	6 799	203	-	7 002	6 999	3	100,0%	6 467	6 467
Goods and services	32 351	(2 000)	(2 771)	27 580	27 543	37	99,9%	21 044	21 433
Administrative fees	244	107	-	351	351	-	100,0%	402	401
Advertising	-	-	-	-	-	-	-	51	51
Minor assets	127	(127)	-	-	-	-	-	-	-
Catering: Departmental activities	452	79	-	531	531	-	100,0%	559	559
Communication (G&S)	81	109	-	190	189	1	99,5%	186	582
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	16 739	(4 452)	(2 771)	9 516	9 500	16	99,8%	-	4 913
Legal services	1 742	(1 742)	-	-	-	-	-	4 933	16
Contractors	697	(689)	-	8	8	-	100,0%	-	-
Agency and support / outsourced services	2 147	(233)	-	1 914	1 913	1	99,9%	2 725	2 725
Fleet services (including government motor transport	6 002	3 703	-	9 705	9 697	8	99,9%	4 449	4 449
Consumable supplies	48	92	-	140	139	1	99,3%	23	22
Consumable: Stationery, printing and office supplies	132	383	-	515	514	1	99,8%	31	31
Operating leases	518	279	-	797	796	1	99,9%	566	566
Property payments	365	(259)	-	106	104	2	98,1%	3 139	3 139
Transport provided: Departmental activity	10	(10)	-	-	-	-	-	-	-
Travel and subsistence	2 639	1 034	-	3 673	3 667	6	99,8%	3 757	3 757
Training and development	300	(300)	-	-	-	-	-	-	-
Operating payments	-	32	-	32	32	-	100,0%	-	-
Venues and facilities	98	(60)	-	38	38	-	100,0%	125	124
Rental and hiring	10	54	-	64	64	-	100,0%	98	98
Transfers and subsidies	**36 132**	**260**	**-**	**36 392**	**36 378**	**14**	**100,0%**	**34 400**	**34 373**
Non-profit institutions	34 842	300	-	35 142	35 132	10	100,0%	33 937	33 937
Households	1 290	(40)	-	1 250	1 246	4	99,7%	463	436
Social benefits	1 290	(50)	-	1 240	1 236	4	99,7%	463	436
Other transfers to households	-	10	-	10	10	-	100,0%	-	-
Payments for capital assets	**9 200**	**1 740**	**-**	**10 940**	**10 932**	**8**	**99,9%**	**14 864**	**14 464**
Buildings and other fixed structures	-	-	-	-	-	-	-	493	492
Buildings	-	-	-	-	-	-	-	493	492
Machinery and equipment	9 200	1 740	-	10 940	10 932	8	99,9%	14 371	13 972
Transport equipment	7 000	(40)	-	6 960	6 960	-	100,0%	11 790	11 790
Other machinery and equipment	2 200	1 780	-	3 980	3 972	8	99,8%	2 581	2 182
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	156 991	**-**	**(12 012)**	**144 979**	**144 813**	**166**	**99,9%**	**139 639**	**139 565**

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

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

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

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

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

3 **Detail on payments for financial assets**

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

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

4,1 **Per programme:**

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	196 548	196 457	91	0%

100% spending achieved.

Local Governance	247 140	247 010	130	0%

100% spending achieved.

Development and Planning	160 463	160 453	10	0%

100% spending achieved.

Traditional Institutional Management	144 979	144 813	166	0%

100% spending achieved.

4,2 **Per economic classification:**

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	367 301	367 105	196	0,1%
Goods and services	197 052	197 002	50	0,0%
Interest and rent on land	17	17	-	0,0%
Transfers and subsidies				
Provinces and municipalities	120 885	120 884	1	0%
Non-profit institutions	35 142	35 132	10	0%
Households	2 847	2 806	41	1%
Payments for capital assets				
Machinery and equipment	25 886	25 787	99	0%
Payments for financial assets	-	-	-	-

Interest paid on overdue accounts relates to Eskom.

4,3 **Per conditional grant**

	Final Budget	Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Expanded Public Works Programme	2 284	2 275	9	0%

100% spending achieved.

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

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	1	749 130	674 075
Statutory appropriation		-	-
Departmental revenue	2	132	12 554
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		**749 262**	**686 629**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	367 105	345 026
Goods and services	4	197 002	168 183
Interest and rent on land	5	17	13
Aid assistance		-	-
Total current expenditure		**564 124**	**513 222**
Transfers and subsidies			
Transfers and subsidies	7	158 822	111 672
Aid assistance		-	-
Total transfers and subsidies		**158 822**	**111 672**
Expenditure for capital assets			
Tangible assets	8	25 787	36 894
Intangible assets		-	-
Total expenditure for capital assets		**25 787**	**36 894**
Unauthorised expenditure approved without funding		**-**	**-**
Payments for financial assets	6	-	11 939
TOTAL EXPENDITURE		**748 733**	**673 727**
SURPLUS/(DEFICIT) FOR THE YEAR		**529**	**12 902**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		397	348
Annual appropriation		388	348
Statutory Appropriation		-	-
Conditional grants		9	-
Departmental revenue and NRF Receipts	13	132	12 554
Aid assistance		-	-
Capitalisation reserve			-
SURPLUS/(DEFICIT) FOR THE YEAR		**529**	**12 902**

NORTH WEST: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Statement of Financial Position

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current Assets		**901**	**847**
Cash and cash equivalents	9	611	188
Other financial assets		-	-
Prepayments and advances	10	-	-
Receivables	11	290	659
Loans		-	-
Voted funds receivable		-	-
Statutory Appropriation receivable		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-Current Assets		**507**	**339**
Investments		-	-
Prepayments and advances		-	-
Receivables	11	507	339
Loans		-	-
Other financial assets		-	-
TOTAL ASSETS		**1 408**	**1 186**
LIABILITIES			
Current Liabilities		**1 103**	**822**
Voted funds to be surrendered to the Revenue Fund	12	397	348
Statutory Appropriation to be surrendered to the Revenue Fund		-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	38	86
Bank overdraft		-	-
Payables	14	668	388
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-Current Liabilities			
Payables	14	-	-
TOTAL LIABILITIES		**1 103**	**822**
NET ASSETS		**305**	**364**
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		305	364
Retained funds		-	-
Revaluation reserves		-	-
Unauthorised expenditure		-	-
TOTAL		**305**	**364**

NORTH WEST: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Cash Flow Statement

	Note	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**749 812**	**687 155**
Annual appropriated funds received	1,1	749 130	674 075
Statutory appropriated funds received		-	-
Departmental revenue received	2	682	13 045
Interest received	2,3	-	35
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/ decrease in working capital		481	91
Surrendered to Revenue Fund		-1 078	-41 612
Surrendered to RDP Fund/Donor		-	-
Current payments		-564 107	-513 209
Interest paid	5	-17	-13
Payments for financial assets	6	-	-11 939
Transfers and subsidies paid		-158 822	-111 672
Net cash flow available from operating activities	15	**26 269**	**8 801**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	8	-25 787	-36 894
Proceeds from sale of capital assets		-	-
(Increase)/ decrease in loans		-	-
(Increase)/ decrease in investments		-	-
(Increase)/ decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables			11 829
(Increase)/decrease in non-current prepayments and advances			-
Net cash flows from investing activities		**-25 787**	**-25 065**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		-59	-11 792
Increase/ (decrease) in non-current payables		-	-
Net cash flows from financing activities		**-59**	**-11 792**
Net increase/ (decrease) in cash and cash equivalents		423	-28 056
Cash and cash equivalents at beginning of period		188	28 244
Unrealised gains and losses within cash and cash equivalents			-
Cash and cash equivalents at end of period	16	**611**	**188**

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

NET ASSETS	Note	2024/25 R'000	2023/24 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:			
Movement in Equity			-
Movement in Operational Funds			-
Other movements			-
Closing balance		**-**	**-**
Recoverable revenue			
Opening balance		364	12 156
Transfers		**-59**	**-11 792**
Recoverable revenue written off	8,3		-
Debts revised			-
Debts recovered (included in departmental revenue)		-59	-11 939
Debts raised		-	147
Closing balance		**305**	**364**
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)			-
Utilised during the year			-
Other			-
Closing balance		**-**	**-**
Revaluation Reserves			
Opening balance		-	-
Revaluation adjustment (Housing departments)			-
Transfers			-
Other			-
Closing balance		**-**	**-**
Unauthorised expenditure			
Opening balance		-	-
Unauthorised expenditure - current year		-	-
Relating to overspending of the vote or main division within the vote			-
Incurred not in accordance with the purpose of the vote or main division			-
Less: Amounts approved by Parliament/Legislature with funding			-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current			-
Capital			-
Transfers and subsidies			-
Less: Amounts recoverable			-
Less: Amounts written off			-
Closing balance		**-**	**-**
TOTAL		**305**	**364**

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

1

1,1 **Annual Appropriation**

		2024/25			2023/24		
		Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation Received	Funds not requested/ not received
	Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
1)	ADMINISTRATION	196 548	196 548	-	187 938	187 938	-
2)	LOCAL GOVERNANCE	247 140	247 140	-	226 957	226 957	-
3)	DEVELOPMENT AND PLANNING	160 463	160 463	-	119 541	119 541	-
4)	TRADITIONAL INSTITUTIONAL MANAGEMENT	144 979	144 979	-	139 639	139 639	-
	Total	**749 130**	**749 130**	**-**	**674 075**	**674 075**	**-**

Cash Flow is requested on a monthly basis throughout the financial year.

		Note	2024/25 R'000	2023/24 R'000
1,2	**Conditional grants****			
	Total grants received	30	2 284	1 956
	Provincial grants included in Total Grants received			-

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

		Note	2024/25 R'000	2023/24 R'000
2	**Departmental Revenue**			
	Sales of goods and services other than capital assets	2,1	485	316
	Interest, dividends and rent on land	2,2	-	35
	Transactions in financial assets and liabilities	2,3	197	12 729
	Total revenue collected		**682**	**13 080**
	Less: Own revenue included in appropriation	13	550	526
	Departmental revenue collected		**132**	**12 554**

The Department has over collected revenue with an amount of R132 thousands.

		Note	2024/25 R'000	2023/24 R'000
2,1	**Sales of goods and services other than capital assets**	2		
	Sales of goods and services produced by the department		327	307
	Other sales		327	307
	Sales of scrap, waste and other used current goods		158	9
	Total		**485**	**316**

R327 thousand relates to commission for the garnishes and R158 thousand is for sale of cellphones etc.

		Note	2024/25 R'000	2023/24 R'000
2,2	**Interest, dividends and rent on land**	2		
	Interest		-	35
	Total		**-**	**35**

		Note	2024/25 R'000	2023/24 R'000
2,3	**Transactions in financial assets and liabilities**	2		
	Other Receipts including Recoverable Revenue		197	12 729
	Total		**197**	**12 729**

Transaction in Financial Assets and Liabilities comprised of previous year expenditure.

			Note	2024/25 R'000	2023/24 R'000
3	**Compensation of Employees**				
	3,1	**Salaries and wages**			
		Basic salary		252 962	237 194
		Performance award		-	57
		Service Based		174	487
		Compensative/circumstantial		6 198	4 378
		Other non-pensionable allowances		53 627	53 439
		Total		**312 961**	**295 555**

Cumulative payment made to departmental personnel for the reporting period.

			Note	2024/25 R'000	2023/24 R'000
	3,2	**Social Contributions**			
		Employer contributions			
		Pension		30 263	28 092
		Medical		23 383	21 126
		UIF		3	1
		Bargaining council		81	79
		Insurance		414	173
		Total		**54 144**	**49 471**
		Total compensation of employees		**367 105**	**345 026**
		Average number of employees		778	798

Only employees who received Salaries & Wages during this period are included in the headcount.

		Note	2024/25 R'000	2023/24 R'000
4	**Goods and services**			
	Administrative fees		1 786	1 473
	Advertising		1 511	1 953
	Minor assets	4,1	153	343
	Bursaries (employees)		1 534	379
	Catering		3 152	3 570
	Communication		5 974	5 584
	Computer services	4,2	2 018	2 230
	Consultants: Business and advisory services		63 042	31 202
	Legal services		3 339	5 967
	Contractors		791	229
	Agency and support / outsourced services		34 300	36 394
	Audit cost – external	4,3	5 093	5 128
	Fleet services		13 838	8 976
	Consumables	4,4	4 779	5 133
	Operating leases		23 452	21 182
	Property payments	4,5	11 204	11 841
	Rental and hiring		113	189
	Transport provided as part of the departmental activities		37	238
	Travel and subsistence	4,6	16 932	18 501
	Venues and facilities		1 013	1 303
	Training and development		2 291	5 069
	Other operating expenditure	4,7	650	1 299
	Total		**197 002**	**168 183**

Payment of Business and Advisory includes Turn Around Stratergy, Skills Audit and Data Cleaning at municipalities.

		Note	2024/25 R'000	2023/24 R'000
4,1	**Minor assets**	4		
	Tangible capital assets		**153**	**343**
	Machinery and equipment		153	343
	Total		**153**	**343**

		Note	2024/25 R'000	2023/24 R'000
4,2	**Computer services**	4		
	SITA computer services		146	185
	External computer service providers		1 872	2 045
	Total		**2 018**	**2 230**

Payments to SITA for usage of BAS and Office of the Premier for Microsoft Licence.

		Note	2024/25 R'000	2023/24 R'000
4,3	**Audit cost – external**	4		
	Regularity audits		5 093	5 128
	Total		**5 093**	**5 128**

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

		Note	2024/25 R'000	2023/24 R'000
4,4	**Consumables**	4		
	Consumable supplies		2 392	2 256
	Uniform and clothing		528	606
	Household supplies		374	482
	IT consumables		1 038	244
	Other consumables		452	924
	Stationery, printing and office supplies		2 387	2 877
	Total		**4 779**	**5 133**

Detailed breakdown of consumables is disclosed.

		Note	2024/25 R'000	2023/24 R'000
4,5	**Property payments**	4		
	Other		11 204	11 841
	Total		**11 204**	**11 841**

Property payments are inclusive of Security Services.

		Note	2024/25 R'000	2023/24 R'000
4,6	**Travel and subsistence**	4		
	Local		16 875	18 501
	Foreign		57	-
	Total		**16 932**	**18 501**

Travelling costs reduced due cost containment measures.

		Note	2024/25 R'000	2023/24 R'000
4,7	**Other operating expenditure**	4		
	Professional bodies, membership and subscription fees		-	-
	Resettlement costs		32	236
	Other		618	1 063
	Total		**650**	**1 299**

		2024/25 R'000	2023/24 R'000
4,8	**Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)**		
	(Treasury Regulation 20.2.4)		
	Name of Commission / Committee of inquiry		
	Commission of Equiry (Bahurutshe Ba Gopane)	4 784	4 877
	Investigation Committee (Bahaurutshe Ba Ga Moiloa Traditional Community)	-	36
	Total	**4 784**	**4 913**

Remuneration paid to members of Commission of Inquiry for Bahurutshe Ba Gopane on traditional disputes and claims within Bokone Bophirima and remuneration of members of Investigation Committee at Bahurutshe Ba Ga Moiloa for traditonal disputes.

		Note	2024/25 R'000	2023/24 R'000
5	**Interest and Rent on Land**			
	Interest paid		17	13
	Rent on land		-	-
	Total		**17**	**13**

Interest paid on overdue accounts. Reconciliation against Note 31 is attached.

		Note	2024/25 R'000	2023/24 R'000
6	**Payments for financial assets**			
	Debts written off	6	-	11 939
	Total		**-**	**11 939**

		Note	2024/25 R'000	2023/24 R'000
6,1	**Debts written off**	6		
	Nature of debts written off			
	Recoverable revenue written off			
	Staff Debt			96
				-
	Total		-	96
	Other debt written off			
	Fruitless and Wasteful Expenditure			11 843
				-
				-
	Total		-	11 843
	Total debt written off		**-**	**11 939**

		Note	2024/25 R'000	2023/24 R'000
7	**Transfers and Subsidies**			
	Provinces and municipalities	31	120 885	75 944
	Non-profit institutions	ANNEXURE 1F	35 132	33 937
	Households	ANNEXURE 1G	2 805	1 791
	Total		**158 822**	**111 672**

Increase in Province and Municipalities is due to additional funding received in the financial year under review.

		Note	2024/25 R'000	2023/24 R'000
7,1	**Gifts, donations and sponsorships made in kind (not included in the main note)**	ANNEXURE 1J		
	Gifts		-	-
	Donations		4 568	-
	Sponsorships		-	-
	Total		4 568	-

14 vehicles to the value of R4 403 539,98 were donated to Traditional Councils and Furniture and Office Equipment amounting to R164 094,98 were donated to Kgosi Masibi Wa Batlharo Ba Ga Masibi.

		Note	2024/25 R'000	2023/24 R'000
8	**Expenditure for capital assets**			
	Tangible capital assets		**25 787**	**36 894**
	Buildings and other fixed structures		-	492
	Machinery and equipment		25 787	36 402
	Total		**25 787**	**36 894**

Payment made for machinery and equipment including finance leased assets and procurement of motor vehicles.

		Voted Funds R'000	Aid assistance R'000	TOTAL R'000
8,1	**Analysis of funds utilised to acquire capital assets - 2024/25**			
	Tangible capital assets	**25 787**	**-**	**25 787**
	Machinery and equipment	25 787		**25 787**
	Total	**25 787**	**-**	**25 787**

Payment made for machinery and equipment including finance leased assets and procurement of motor vehicles.

8,2 Analysis of funds utilised to acquire capital assets - 2023/24

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible capital assets	**36 894**	**-**	**36 894**
Buildings and other fixed structures	492	-	**492**
Machinery and equipment	36 402	-	**36 402**
Total	**36 894**	**-**	**36 894**

8,3 Finance lease expenditure included in Expenditure for capital assets	2024/25 R'000	2023/24 R'000
Tangible capital assets	6 208	5 773
Machinery and equipment	6 208	5 773
Total	**6 208**	**5 773**

Finance Lease relates to rental of laptops.

	Note	2024/25 R'000	2023/24 R'000
9 Cash and Cash Equivalents			
Consolidated Paymaster General Account		611	204
Disbursements		-	-16
Total		**611**	**188**

Reconciliation of Cash and Cash Equivalent For Cashflow Purposes.

	Note	2024/25 R'000	2023/24 R'000
10 Prepayments and Advances			

10,1 Prepayments (Expensed) *("prepayments expensed" not permitted from 1 April 2024)*

	Balance as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Listed by economic classification				
Goods and services	9	-9		-
Total	**9**	**-9**	**-**	**-**

Service for Opening prepayment amounting to R9 thousand that was made to Multichoice for DSTV subscription has been received.

	Balance as at 1 April 2023	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2024
Prepayments (Expensed)	R'000	R'000	R'000	R'000	R'000
Listed by economic classification					
Goods and services	1 437	-1 437	-	9	9
Total	**1 437**	**-1 437**	**-**	**9**	**9**

10,2 Advances paid (Expensed) *("advances expensed" not permitted from 1 April 2024)*

	Balance as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Provincial departments	511	-511		-
Public entities	6	-6		-
Total	**517**	**-517**	**-**	**-**

Advance payment made to Office of the Premier for Microsoft Licence and SABC for TV Licence has been reduced for services rendered.

Advances paid (Expensed)	Balance as at 1 April 2023 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year advances R'000	Amount as at 31 March 2024 R'000
Provincial departments	-	-	-	511	511
Public entities	-	-	-	6	6
Total	**-**	**-**	**-**	**517**	**517**

Advance payment made to Office of the Premier for Microsoft Licence and SABC for TV Licence.

		Note	2024/25 Current R'000	2024/25 Non-current R'000	2024/25 Total R'000	2023/24 Current R'000	2023/24 Non-current R'000	2023/24 Total R'000
11	**Receivables**							
	Claims recoverable	11,1	224		224	415	-	415
	Recoverable expenditure	11,2	-		-	1	-	1
	Staff debt	11,3	66	507	573	243	339	582
	Total		**290**	**507**	**797**	**659**	**339**	**998**

Receivables relates to staff debt and salary recoverable for seconded officials.

		Note	2024/25 R'000	2023/24 R'000
11,1	**Claims recoverable**	11		
	Provincial departments		224	415
	Total		**224**	**415**

Amount owed by Department of Public Works for secondment of officials. Inter departmental claims identified after end of reporting period are disclosed on Annexure 4.

		Note	2024/25 R'000	2023/24 R'000
11,2	**Recoverable expenditure**	11		
	Sal:Tax Debt		-	1
	Total		**-**	**1**

Amount owed by former employee for tax debt

		Note	2024/25 R'000	2023/24 R'000
11,3	**Staff debt**	11		
	Debt Account		573	582
	Total		**573**	**582**

An amount of R573 thousands is a sum of current and non-current assets.

		Note	2024/25 R'000	2023/24 R'000
11,4	**Impairment of receivables**			
	Estimate of impairment of receivables		18	-
	Total		**18**	**-**

Impairment Assessment has been performed and an amount of R18 057.85, which is uneconomical to recover, has been impaired.

		Note	2024/25 R'000	2023/24 R'000
12	**Voted Funds to be surrendered to the Revenue Fund**			
	Opening balance		348	349
	Prior period error			
	As restated		348	349
	Transfer from statement of financial performance (as restated)		397	348
	Add: Unauthorised expenditure for current year			-
	Voted funds not requested/not received	1,1	-	-
	Transferred to retained revenue to defray excess expenditure			-
	Paid during the year		-348	-349
	Closing balance		**397**	**348**

Surrender of the previous financial year has been paid to the Revenue Fund.

			2024/25	2023/24
12,1	**Reconciliation of unspent conditional grants**	***Note***	**R'000**	**R'000**
	Opening balance		-	-
	Total conditional grants received	1,2	2 284	1 956
	Total conditional grants spent		-2 275	-1 956
	Unspent conditional grants to be surrendered		9	-
	Less: Paid to the Provincial Revenue Fund by Provincial department		-	
	Approved for rollover			
	Not approved for rollover			
	Closing balance		**9**	**-**

Conditional Grant received relates to Expanded Public Works Programme. Cashflow is received from Public Works in tranches.

			2024/25	2023/24
		Note	**R'000**	**R'000**
13	**Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**			
	Opening balance		86	28 269
	Prior period error			
	As restated		86	28 269
	Transfer from Statement of Financial Performance (as restated)		132	12 554
	Own revenue included in appropriation		550	526
	Transfer from aid assistance			-
	Transfer to voted funds to defray expenditure (Parliament/Legislatures			-
	Paid during the year		-730	-41 263
	Closing balance		**38**	**86**

An amount of R38 thousand for revenue collected in March is yet to be surrendered to the Provincial Revenue Fund.

			2024/25	2023/24
		Note	**R'000**	**R'000**
14	**Payables - current**			
	Clearing accounts	14,1	275	199
	Other payables	14,2	393	189
	Total		**668**	**388**

Amount owed by the deparment.

			2024/25	2023/24
		Note	**R'000**	**R'000**
14,1	**Clearing accounts**	14		
	(Identify major categories, but list material amounts)			
	Sal:Income Tax:CL		121	23
	Sal:GEHS Refund Control Acc:CL		154	172
	SAL:UIF:CL		-	4
	Total		**275**	**199**

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

			2024/25	2023/24
		Note	**R'000**	**R'000**
14,2	**Other payables**	14		
	(Identify major categories, but list material amounts)			
	Cell Phone Refund (Former Employee)		1	8
	Tax Debt Refund (Former employee)			1
	Tax Debt Refund (Former employee)			1
	Unpaid Salary		-	168
	Office of the Premier		390	-
	Department of Public Works		2	11
	Total		**393**	**189**

Payables relates to rental collected on behalf of the Department of Public Works and Roads and amount owed to Office of the Premier for secondment of Officials.

		Note	2024/25 R'000	2023/24 R'000
15	**Net cash flow available from operating activities**			
	Net surplus/(deficit) as per Statement of Financial Performance		529	12 902
	Add back non cash/cash movements not deemed operating activities		25 740	-4 101
	(Increase)/decrease in receivables		201	-91
	(Increase)/decrease in prepayments and advances		-	-
	(Increase)/decrease in other current assets			-
	Increase/(decrease) in payables – current		280	182
	Proceeds from sale of capital assets			-
	Proceeds from sale of investments			-
	(Increase)/decrease in other financial assets		-	-
	Expenditure on capital assets		25 787	36 894
	Surrenders to Revenue Fund		-1 078	-41 612
	Surrenders to RDP Fund/Donor			-
	Voted funds not requested/not received			-
	Statutory Appropriation not requested/not received			-
	Own revenue included in appropriation		550	526
	Other non-cash items			-
	Net cash flow generated by operating activities		**26 269**	**8 801**

Net cashflow generated by operating activities registered R26.269 million.

		Note	2024/25 R'000	2023/24 R'000
16	**Reconciliation of cash and cash equivalents for cash flow purposes**			
	Consolidated Paymaster General account		611	204
	Disbursements		-	-16
	Total		**611**	**188**

Reconciliation of Cash and Cash Equivalent For Cashflow Purposes.

			Note	2024/25 R'000	2023/24 R'000
17	**Contingent liabilities and contingent assets**				
	17,1 **Contingent liabilities**				
	Liable to	**Nature**			
	Claims against the department		Annex 3B	30 928	30 427
	Total			**30 928**	**30 427**

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

The department is unable to establish the possibility of any reimbursement.

The information and breakdown of the departmental litigation register is available on the Audit File.

		Note	2024/25 R'000	2023/24 R'000
17.2	**Contingent assets**			
	Nature of contingent asset			
	State Attorney to recover salary overpayment from two employees of the department.			213
	Total		**-**	**213**

Previous financial year error was corrected to include the above total that was ommitted. The information and breakdown of the departmental contingent assets is available on the Audit File.

		Note	2024/25 R'000	2023/24 R'000
18	**Capital commitments**			
	Buildings and other fixed structures		1 090	1 090
	Total		**1 090**	**1 090**

Commitment of R1,090m for Ba ga Shuping Construction of Traditional Offices.

					2024/25 R'000	2023/24 R'000
19	**Accruals and payables not recognised**					
	19,1 **Accruals**					
	Listed by economic classification	**30 days**	**30+ days**	**Total**	**Total**	
	Goods and services	3 029	27 406	30 435	23 720	
	Transfers and subsidies	1 791		1 791	11 204	
	Total	**4 820**	**27 406**	**32 226**	**34 924**	

Listed by programme level	Note	2024/25 R'000	2023/24 R'000
Administration		3 109	5 320
Local Governance		25 700	18 171
Development and Planning		2 003	8 531
Traditional Affairs		1 414	2 902
Total		**32 226**	**34 924**

Invoices received after reporting period for service rendered during the financial year. Service providers delayed to submit invoices despite follow ups made post delivery. Correction were made to correct Prior Year Error Omissions.

19,2 Payables not recognised

Listed by economic classification	30 days R'000	2024/25 30+ days R'000	Total R'000	2023/24 Total R'000
Goods and services		314	314	361
Other		10 148	10 148	10 148
Total	**-**	**10 462**	**10 462**	**10 509**

Listed by programme level	Note	2024/25 R'000	2023/24 R'000
Administration		213	173
Local Governance		10 247	10 148
Traditional Affairs		2	188
Total		**10 462**	**10 509**

The initial debt was R18,521 million. An amount of R8 million was paid in 2022/23. There are other figures recently added to the statement and a balance of R10,148 million is based on the outstanding invoices as per the last statement received from SIU. The Department could not process the payments as there were queries raised. The queries included inter alia accounting for the R6 million paid at the beginning of the project; the investigations done outside the timelines stipulated in the SLA; and the claimed amount which seemingly exceeded the agreed project cost. Efforts were made to acquire the reconciliations and reach amicable grounds, but there has not been cooperation from the SIU. Correction were made to correct Prior Year Error Omissions.

***Included** in the above totals are the following:*	Note	2024/25 R'000	2023/24 R'000
Confirmed balances with departments	Annex 5	958	1 320
Total		**958**	**1 320**

Confirmed Inter-departmental balances with Department of Community Safety.

	Note	2024/25 R'000	2023/24 R'000
20 Employee benefits			
Leave entitlement		26 713	26 020
Service bonus		9 988	9 760
Capped leave		9 996	10 754
Other		210	373
Total		**46 907**	**46 907**

At this stage the department is not able to reliably measure the long term portion of the long service awards. The amount of leave entitlement includes negative leave balances amounting to -R52 901,48. The reason for the negative leave are twofold. Firstly, the timing difference in the cut-off of the leave cycle which runs 01 January to 31 December, whereas the Financial Statements are prepared at 31 March.Secondly, employees receive their annual vacation credits pro-rata in January at the beginning of the cycle. These credits may be utilised immediately when available with no restriction on the number of days taken up to the limit of available credits. It means that an employee may take more than the accrual for Jan - March (AFS),or the period for IFS.Days taken in excess of the accrual are reflected as negative credits.Had the negative leave balances been disclosed separately,the leave entitlement would have been disclosed at an amount of R27 499 443,03. Included in Other Employee Benefits is Long Service awards and overtime accruals.

21 Lease commitments

21,1 Operating leases

2024/25	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			22 220	1 693	23 913
Later than 1 year and not later than 5 years			-	1 258	1 258
Later than five years			-	-	-
Total lease commitments	**-**	**-**	**22 220**	**2 951**	**25 171**

2023/24	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	20 445	2 517	22 962
Later than 1 year and not later than	-	-	-	2 951	2 951
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**20 445**	**5 468**	**25 913**

The Department has five buildings that have been leased and herein the potential lease commitment is disclosed.

The Department does not have any assets that are sub-leased. There is no escalation for the photocopying machines leased, but the number of leased machines increased. Escalation for leased buildings ranges from 6% to 20%.

21,2 Finance leases **

2024/25	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year				2 009	2 009
Later than 1 year and not later than 5 years				-	-
Later than five years				-	-
Total lease commitments	**-**	**-**	**-**	**2 009**	**2 009**

2023/24	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	6 297	6 297
Later than 1 year and not later than	-	-	-	2 009	2 009
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**8 306**	**8 306**

The department has finance lease with ENR for laptops.

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

	Note	2024/25 R'000	2023/24 R'000
22 Unauthorised, Irregular and Fruitless and wasteful expenditure			
Unauthorised expenditure		-	-
Irregular expenditure		83 679	989
Fruitless and wasteful expenditure		-	-
Total		**83 679**	**989**

The department incurred Fruitless and Wasteful Expenditure to the value of R16 719,47 relating to interest paid on overdue accounts which has been condoned by the Accouting Officer. (Refer to Part E of Annual Report) Irregular expenditure of R989 000.00 relating to prior year 2023/24 has been confirmed in the current financial year. The Department has addressed 95% of the prior year's opening balance of irregular expenditure as disclosed in PART E of the Annual Report, amounting to R475,645m. Current year Irregular Expenditure amounting to R83 679 503.98 relates to subjectivity evaluation criteria for the 3 tenders awarded in 2023/24 to Intellhub, Bontle Motheo and Linkages.

23 Related party transactions

	Note	2024/25 R'000	2023/24 R'000
In-kind goods and services (provided)/received			
List in kind goods and services between department and related party			
The department of Cooperative Governance and Traditional Affairs is providing in-kind goods and services for office accomodation to the Department of Human Settlements Employees. The Department could not measure the rental amount, security, electricity and water consumption by the department of Human Settlements Employees.			-
Total		**-**	**-**

List related party relationships and the nature thereof

All entities in the provincial sphere of government are related parties, as a result all provincial departments, trading entities,schedule 3C and 3D public entities as well as the provincial legislature are related parties to the department."

	2024/25 R'000	2023/24 R'000
24 Key management personnel		
Political office bearers (provide detail below)	2 258	2 080
Officials:	1 364	1 247
Level 15 (HoD)	1 916	1 830
Level 14 (Chief Directors)	7 707	7 298
Level 13 (Directors)	19 243	17 995
Family members of key management personnel	1 160	1 059
Total	**33 648**	**31 509**

Key Management Personnel disclosed are responsible for planning, directing, and controlling activities of the Department. Key management Personnel includes Deputy Directors acting as Directors. 2 officials are related to key management personnel as per the register.

		Note	2024/25 R'000	2023/24 R'000
25	**Provisions**			
	Construction of Bahurutshe ba ga Shuping Traditional Council Offices		2 022	2 022
				-
	Total		**2 022**	**2 022**

The disclosed amount relates to retention.

25,1 Reconciliation of movement in provisions - 2024/25

	Provision 1 R'000	Provision 2 R'000	Ba Ga Shuping R'000	Provision 4 R'000	Total provisions R'000
Opening balance			2 022		2 022
Increase in provision					-
Settlement of provision					-
Unused amount reversed					-
third party					-
in estimation of inputs					-
Closing balance	**-**	**-**	**2 022**	**-**	**2 022**

Reconciliation of movement in provisions - 2023/24

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	-	-	2 022	-	2 022
Increase in provision	-	-	-	-	-
Settlement of provision	-	-	-	-	-
Unused amount reversed	-	-	-	-	-
third party	-	-	-	-	-
in estimation of inputs	-	-	-	-	-
Closing balance	**-**	**-**	**2 022**	**-**	**2 022**

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

26 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	86 323		19 631	6 246	99 708
Transport assets	39 205		10 862	4 404	45 663
Computer equipment	26 151		3 877	1 486	28 542
Furniture and office equipment	7 312		-	192	7 120
Other machinery and equipment	13 655		4 892	164	18 383
FINANCE LEASE ASSETS	16 534		-	-	16 534
Finance lease assets	16 534				16 534
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**102 857**	**-**	**19 631**	**6 246**	**116 242**

Opening Balance of 102.857 million is inclusing of the following balances Asset Register R85.218 million, Finance lease Manual Listing Assets to the value of R19.631 Million were procured in financial year under review which is inclusive of cellphones to the value of R3.475 million. A separate Manual Listing of the current year cellphones additions has been included as part of the Audit File. There is a difference of R50 979,85 between Manual Assets listing Additions and the Trial Balance Cellular phones expenditure due to misallocation that was identified. Assets amounting to R6.426 million were disposed of which R1.677m was written off and assets amounting to R4.568m were donated. Opening balance of Finance leased laptops amounting to R16 533 725,79 which were previously disclosed under Computer Equipment in the previous financial year has been classified under Finance Lease Assets due to change in the AFS Template. Opening balance Finance lease(Laptops) and Cellphones are not included in the BAM Asset Register, a manual register has been submitted as part of the Audit File.

Movable Tangible Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		**R'000**
Heritage assets		
Machinery and equipment	176	2 835
Specialised military assets		
Biological assets		

176 Capital assets to the Value of R2.835m are currently under investigation. During physical verification all these assets could not be found on the floor.

26,1 Movement for 2023/24

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

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	52 674	-	35 781	2 132	86 323
Transport assets	19 944		20 507	1 246	39 205
Computer equipment	19 070		7 797	716	26 151
Furniture and office equipment	6 954		425	67	7 312
Other machinery and equipment	6 706		7 052	103	13 655
FINANCE LEASE ASSETS	16 534	-	-	-	16 534
Finance lease assets	16 534		-	-	16 534
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**69 208**	**-**	**35 781**	**2 132**	**102 857**

26,2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	7 116	-	-	7 116
Value adjustments							-
Additions				153			153
Disposals				510			510
TOTAL MINOR CAPITAL ASSETS	**-**	**-**	**-**	**6 759**	**-**	**-**	**6 759**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets				74			74
Number of minor assets at cost				2 829			2 829
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**2 903**	**-**	**-**	**2 903**

Minor Capital Assets under investigation

	Number	Value
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		R'000
Machinery and equipment	201	400
Biological assets		

201 Minor assets to the Value of R400 thousands are currently under investigation. During physical verification all this assets could not be found on the floor. Cellphones are not included in the BAM Asset Register, a manual register has been submitted as part of the Audit File.

Minor assets

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	7 035	-	-	7 035
Prior period error	-	-	-	-	-	-	-
Additions	-	-	-	342	-	-	342
Disposals	-	-	-	261	-	-	261
TOTAL MINOR CAPITAL ASSETS	**-**	**-**	**-**	**7 116**	**-**	**-**	**7 116**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	-	-	-	82	-	-	82
Number of minor assets at cost	-	-	-	3 055	-	-	3 055
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**3 137**	**-**	**-**	**3 137**

26,3 **Movable capital assets written off**

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off				1 677			1 677
TOTAL MOVABLE ASSETS WRITTEN OFF	**-**	**-**	**-**	**1 677**	**-**	**-**	**1 677**

Capital Assets to the value of R1.677 were written off for the financial year under review.

27 **Immovable Tangible Capital Assets**

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	154 317	32 633	-	186 950
Dwellings	-			-
Non-residential buildings	154 317	32 633		186 950
Other fixed structures	-			-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	154 317	32 633	-	186 950

Construction of Bahurutshe Ba Ga Shuping Traditional Offices has been moved to assets ready for use as Practical Completion Certificate has been issued to the department.

Movement for 2023/24

27,1 **MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024**

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	154 317	-	-	-	154 317
Dwellings	-		-	-	-
Non-residential buildings	154 317		-	-	154 317
Other fixed structures	-		-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**154 317**	**-**	**-**	**-**	**154 317**

Immovable tangible capital assets: Capital Work-in-progress

27,2 **CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2025**

	Note Annexure 7	Opening Balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2025
		R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-
Buildings and other fixed structures		34 295	-	32 633	1 662
Land and subsoil assets		-	-	-	-
TOTAL		**34 295**	**-**	**32 633**	**1 662**

Construction of Bahurutshe Ba Ga Shuping Traditional Offices has been moved to assets ready for use as Practical Completion Certificate has been issued to the department.Expenditure incurred for Ba Ga Molefe relates to professional servies as the main contractor of the building has not yet been appointed.

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2024

	Note Annexure 7	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2024
		R'000	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-	-
Buildings and other fixed structures		33 803	-	492	-	34 295
Land and subsoil assets		-	-	-	-	-
TOTAL		**33 803**	**-**	**492**	**-**	**34 295**

Construction of Bahurutshe Ba Ga Shuping Traditional Offices and Ba Ga Molefe Traditional Council Offices.

28 Changes in accounting estimates and Changes in accounting policies

28,1 Changes in accounting policies

Nature of change in accounting policy	Note	Opening Balance before the change 1 April 2023	Adjustment to opening balance	Restated opening Balance after the change 1 April 2023	Adjustment for 2023/24	Restated closing Balance 31 March 2024
		R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible Capital Assets	*26*	16 534		16 534		16 534

Included in the opening balances for 2024/25 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases - Computer Equipment Laptops are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively as the assets were acquired during 2022/23 financial year.

29 Prior period errors

			2023/24		
		Note	Amount bef error correction	Prior period error	Restated amount
29,1	**Correction of prior period errors**		R'000	R'000	R'000
	Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
	Contigent Assets	**17.2**	-	213	213
					-
	Net effect		**-**	**213**	**213**

Previous financial year error was corrected to include the above total summons issued against employees of the department.

	Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
	Accruals	**19.1**	31 982	2 942	34 924
	Payables	**19.2**	10 321	188	10 509
	Net effect		**42 303**	**3 130**	**45 433**

Correction of Prior Year Omissions

	Other: (e.g. Unauthorised expenditure, Irregular expenditure, fruitless and wasteful expenditure, etc.)				
	Irregular Expenditure	**22**	-	989	989
					-
	Net effect		**-**	**989**	**989**

Irregular expenditure of R989 000.00 relating to prior year 2023/24 has been confirmed in the current financial year.

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

30 STATEMENT OF CONDITIONAL GRANTS RECEIVED

	GRANT ALLOCATION					SPENT				2023/24	
NAME OF GRANT	Division of Revenue Act / Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act / Provincial Grants	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EXPANDED PUBLIC WORKS PROGRAMME	2 284	-	-	-	2 284	2 284	2 275	9	99,6%	1 956	1 956
					-			-			
					-			-			
	2 284	-	-	-	2 284	2 284	2 275	9		1 956	1 956

31 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
MORETELE LOCAL MUNICIPALITY	4 000	-	(4 000)	-	-			298	298
RUSTENBURG LOCAL MUNICIPALITY	4 500	-	(4 500)	-	-			-	-
KGETLENG RIVER LOCAL MUNICIPALITY	8 000	-	895	8 895	8 895			11 050	9 649
MOSES KOTANE LOCAL MUNICIPALITY	1 500	-	(1 500)	-	-			-	-
BOJANALA PLATINUM DISTRISCT MUNICIPALITY	-	-	285	285	284			600	1 282
TSWAING LOCAL MUNICIPALITY	13 000	-	3 776	16 776	16 775			21 564	23 277
MAFIKENG LOCAL MUNICIPALITY	7 000	-	(5 373)	1 627	1 627			9 252	5 356
DITSOBOTLA LOCAL MUNICIPALITY	8 000	-	773	8 773	8 774			-	-
RAMOTSHERE MOILOA LOCAL MUNICIPALITY	7 000	-	26	7 026	7 026			-	-
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	-	-	-	-	-			600	-
NALEDI LOCAL MUNICIPALITY	-	-	-	-	-			230	1 714
MAMUSA LOCAL MUNICIPALITY	-	-	-	-	-			201	-
GREATER TAUNG LOCAL MUNICIPALITY	-	-	-	-	-			250	-
LEKWA-TEEMANE LOCAL MUNICIPALITY	7 000	-	5 640	12 640	12 641			30 700	33 768
DR RUTH SEGOMOTSI MOMPATI DISTRICT MUNICIPALITY	-	-	5 100	5 100	2 453			600	-
MAQUASSI LOCAL MUNICIPALITY	-	-	-	-	-			-	-
DR KENNETH KAUNDA DISTRICT MUNICIPALITY	-	-	8 200	8 200	10 847			600	300
MATLOSANA LOCAL MUNICIPALITY	-	-	11 563	11 563	-				300
NW: WHOLE PROVINCE	40 000	-		40 000	51 563				
				-					
	100 000	-	20 885	120 885	120 885	-	-	75 945	75 944

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

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2023/24	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
MORETELE LOCAL MUNICIPALITY	4 000	-	(4 000)	-	-			-	-			298	298
RUSTENBURG LOCAL MUNICIPALITY	4 500	-	(4 500)	-	-			-	-			-	-
KGETLENG RIVER LOCAL MUNICIPALITY	8 000	-	895	8 895	8 895			8 895	8 895			9 649	9 649
MOSES KOTANE LOCAL MUNICIPALITY	1 500	-	(1 500)	-	-			-	-			-	-
BOJANALA PLATINUM DISTRISCT MUNICIPALITY	-	-	285	285	284			-	-			1 282	1 282
TSWAING LOCAL MUNICIPALITY	13 000	-	3 776	16 776	16 775			12 141	12 141			23 277	23 277
MAFIKENG LOCAL MUNICIPALITY	7 000	-	(5 373)	1 627	1 627			1 174	1 174			5 357	5 356
DITSOBOTLA LOCAL MUNICIPALITY	8 000	-	773	8 773	8 774			8 128	8 128			-	-
RAMOTSHERE MOILOA LOCAL MUNICIPALITY	7 000	-	26	7 026	7 026			7 026	7 026			-	-
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	-	-	-	-	-			-	-			-	-
NALEDI LOCAL MUNICIPALITY	-	-	-	-	-			-	-			1 714	1 714
MAMUSA LOCAL MUNICIPALITY	-	-	-	-	-			-	-			-	-
GREATER TAUNG LOCAL MUNICIPALITY	-	-	-	-	-			-	-			-	-
LEKWA-TEEMANE LOCAL MUNICIPALITY	7 000	-	5 640	12 640	12 641			12 640	12 640			33 768	33 768
KAGISANO MOLOPO LOCAL MUNICIPALITY	-	-	-	-	-			-	-			-	-
DR RUTH SEGOMOTSI MOMPATI DISTRICT MUNICIPALITY	-	-	5 100	5 100	2 453			-	-			-	-
MAQUASSI LOCAL MUNICIPALITY	-	-	-	-	-			-	-			-	-
DR KENNETH KAUNDA DISTRICT MUNICIPALITY	-	-	8 200	8 200	10 847			-	-			600	600
NW: WHOLE PROVINCE	40 000	-	11 563	51 563	51 563			51 563	51 563				
				-									
Total	100 000	-	20 885	120 885	120 885	-	-	101 567	101 567	-		75 945	75 944

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

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2023/24	
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Tribal and Trust Fund	34 842			34 842	35 132	100,8%	33 937	33 937
				-				
				-				
	34 842	-	-	34 842	35 132		33 937	33 937
Subsidies								
				-				
	-	-	-	-	-		-	-
Total	34 842	-	-	34 842	35 132		33 937	33 937

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

ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2023/24	
HOUSEHOLDS	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Social Benefits	2 875		(10)	2 865	2 795	97,6%	1 896	1 791
Other Transfers(Cash)	-		10	10	10	100,0%		
				-				
				-				
	2 875	-	-	2 875	2 805		1 896	1 791
Subsidies								
				-				
	-	-	-	-	-		-	-
Total	2 875	-	-	2 875	2 805		1 896	1 791

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

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2024/25 R'000	2023/24 R'000
Made in kind		
Gifts		
Total gifts	**-**	**-**
Donations		
Transport Equipment	4 404	
Machinery and Equipment	164	
Total donations	**4 568**	**-**
Sponsorships		
Total sponsorships	**-**	**-**
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	**4 568**	**-**

14 vehicles to the value of R4 403 539,98 were donated to Traditional Councils and Machinery and Equipment amounting to R164 094,98 were donated to Kgosi Masibi Wa Batlharo Ba Ga Masibi.

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

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

NATURE OF LIABILITY	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Summons issued for services rendered	16 511				16 511
Summons for payment for the Supply of Tent, Podium and Sound System	69				69
Summons for damages (car accident)	53				53
The Plaintiff issued summons against an employee at COGTA for cost incurred as a result of motor vehicle accident	8				8
An application for an order against the Department to pay an amount for a contract for emergency water and sanitation project.	13 773				13 773
Summons for motor vehicle accicident	13				13
Summons - Payment of damages suffered as a result of an unlawful arrest and malicious prosecution.		500			500
					-
					-
					-
Subtotal	30 427	500	-	-	30 927
Environmental liability					
					-
					-
Subtotal	-	-	-	-	-
Other					
					-
Subtotal	-	-	-	-	-
TOTAL	30 427	500	-	-	30 927

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

ANNEXURE 4
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance		Unconfirmed balance		Total	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Office of the Premier		80			-	80
Department of Human Settlements		1			-	1
Department of Education		345			-	345
Department of Finance		1			-	1
Department of Social Development		12			-	12
Department of Public Works	224				224	-
					-	-
	224	439	-	-	224	439
OTHER GOVERNMENT ENTITIES						
					-	-
					-	-
	-	-	-	-	-	-
Total	224	439	-	-	224	439

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

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Community Safety and Transport	958	929			958	929
Office of the Premier	390	352			390	352
Departmental of Public Woks	2	11			2	11
Department of Social Development		28			-	28
Department of Justice and Constitutional Development	23				23	-
Department of Education	40				40	-
Subtotal	1 413	1 320	-	-	1 413	1 320
Total Departments	1 413	1 320	-	-	1 413	1 320
OTHER GOVERNMENT ENTITY						
Current						
State Information Technology Agency	23			17	23	17
Eskom	94				94	-
South African Broad Casting	15				15	-
Subtotal	132	-	-	17	132	17
Non-current						
Special Investigating Unit			10 148	10 148	10 148	10 148
Subtotal	-	-	10 148	10 148	10 148	10 148
Total Other Government Entities	132	-	10 148	10 165	10 280	10 165
TOTAL INTERGOVERNMENTAL PAYABLES	1 545	1 320	10 148	10 165	11 693	11 485

Community Safety confirmation is disclosed under Note 27 Accruals.
Inter- Departmental Confirmation for Office of The Premier and Public Works are disclosed as part of Note 21 Payables.
Confirmation for Deparment of Education and Department of Justice and Constitutional Development relates to Compensation of Employees, there are not included in Note 21 as the department became aware of them after end end system closure.

ANNEXURE 7
Movement in Capital Work-in-Progress
MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	34 295	-	32 633	1 662
Dwellings				-
Non-residential buildings	34 295		32 633	1 662
Other fixed structures			-	-
TOTAL	34 295	-	32 633	1 662

Construction of Bahurutshe Ba Ga Shuping Traditional Offices has been moved to assets ready for use as Practical Completion Certificate has been issued to the department.Expenditure incurred for Ba Ga Molefe relates to professional fees as contractor of the building has not yet been appointed.

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	33 803	-	492	-	34 295
Dwellings					-
Non-residential buildings	33 803		492		34 295
Other fixed structures					-
TOTAL	33 803	-	492	-	34 295

Construction of Bahurutshe Ba Ga Shuping Traditional Offices. Current year WIP relates to construction of Barolong Ba Ga Molefe Traditional Council Offices. An amount of R1,170m for Ba Ga Molefe Traditional Council which was transferred to Register of terminated projects during 2020/21 financial year has been included in the opening balance as the project has been resuscitated.

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

ANNEXURE 12
ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2.1 AND 13.1 TO 13.4)

Name of Entity	Sector of the entity	Description of goods, services, and/or capital assets paid for	Classification categories	Contract reference number	Total contract value	Contract commencement date	Contract end date	Frequency of the prepayment or advance	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add / (Less): Other	Balance outstanding as at 31 March 2025	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
					R'000				R'000	R'000	R'000	R'000	R'000	
Prepayments														
Multichoice	Private	DSTV Subscription	Goods and services		55	01/06/2023	31/05/2024	Yearly	9		(9)		-	Yearly Work Essential Subscription the contact end on 31 May 2024.
Multichoice	Private	DSTV Subscription	Goods and services		61	01/11/2024	31/10/2025	Yearly		46	(10)		36	Yearly Work Essential Subscription the contact end on 31 October 2025.
TOTAL PREPAYMENTS									9	46	(19)	-	36	
Advances														
Office of the Premier	Government	Microsoft Licence	Provincial departments		2 045	01/07/2023	30/06/2024	Yearly	511		(511)		-	Agreeement commenced on the 01 July 2023 - 30 June 2024
South African Broadcasting Corporation	Entity	TV Licence	Public entities		13	01/09/2023	31/08/2024	Yearly	6		(6)		-	Yearly TV Licence fees renewal period ends on the 31 August 2024
Office of the Premier	Government	Microsoft Licence	Provincial departments		1 872	01/07/2023	30/06/2025	Yearly		1 092	(624)		468	Agreeement commenced on the 01 July 2023 and Office of the Premier pays fixed monthly licence on a yearly basis. The department pays Office of the Premier for usage.
TOTAL ADVANCES									517	1 092	(1 141)	-	468	
TOTAL PREPAYMENTS AND ADVANCES									526	1 138	(1 160)	-	504	

Annual **REPORT** 2024/2025

Department of Cooperative Governance and Traditional Affairs



cogta

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





