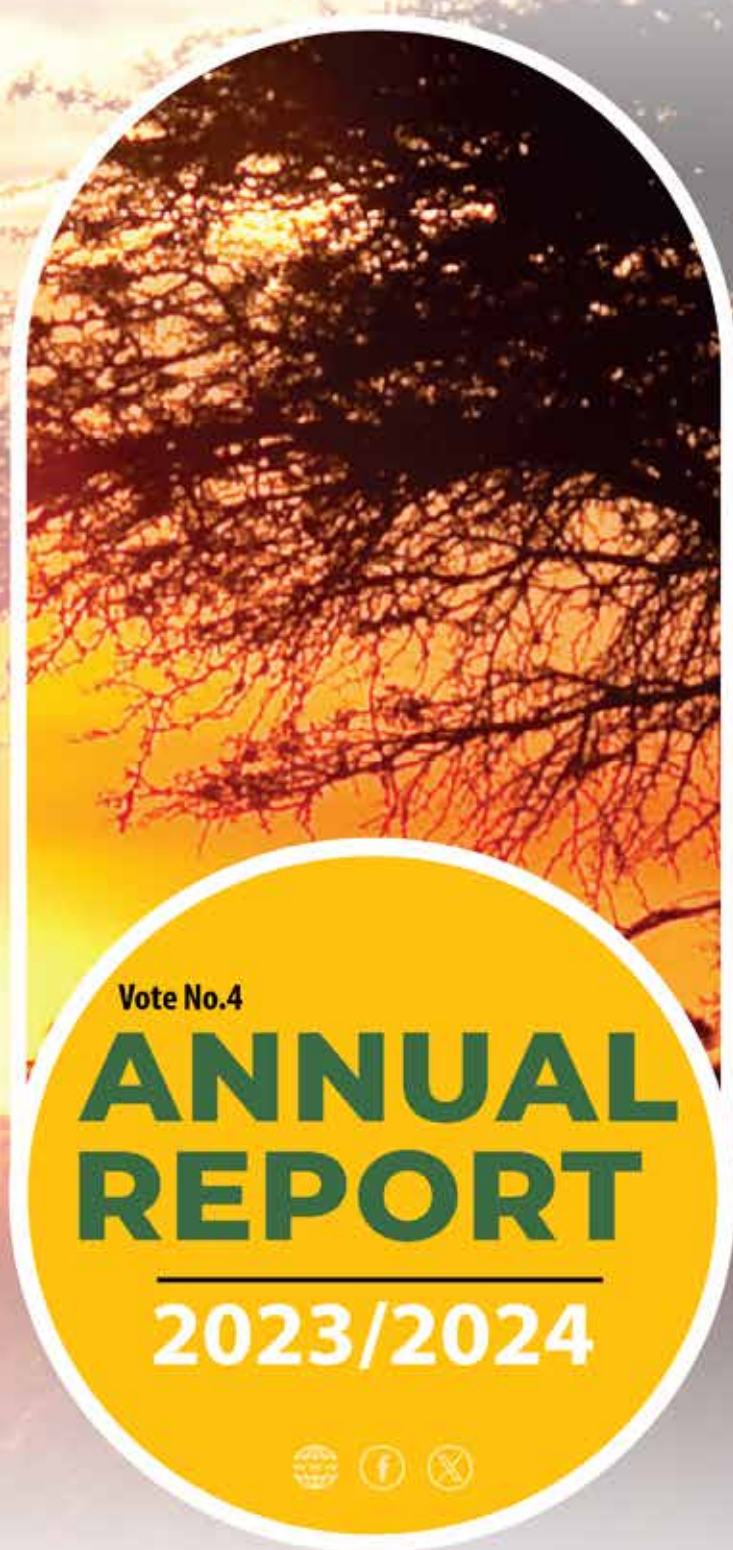




co-operative governance
& traditional affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



Vote No.4

ANNUAL REPORT

2023/2024





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**PART A:
GENERAL INFORMATION**

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

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

3. EXECUTIVE AUTHORITY STATEMENT



HON. SK MASHILO (MPL)
MEC: CO-OPERATIVE GOVERNANCE
AND TRADITIONAL AFFAIRS

It is with great pleasure and pride that I present the 2023/24 annual report for the Department of Co-operative Governance and Traditional Affairs, following 30 years of democracy in our beloved country. This report provides an overview of the department's achievements and challenges while also highlighting the impact and contributions made towards service delivery, governance and community development.

As we reflect on the final year of the 6th administration, it is evident that great strides were made in promoting good governance, increasing capability and creating a capable, ethical Municipalities whilst on course towards a developmental state, free of corruption and other ills. However, we also recognize that there is still much work to be done.

One of the key achievements has been the successful implementation of the District Development Model (DDM). This innovative approach to governance has improved coordination and collaboration between different spheres of government, resulting in more efficient service delivery and better outcomes for our citizens. Through the DDM, we have been able to make progress in key areas such as infrastructure development, job creation and social welfare.

We have also strengthened our partnerships with local municipalities, traditional leaders and civil society organisations. This model has allowed us to prioritise the needs of communities and streamline our efforts to address them in a more coordinated and integrated manner. It has already shown promising results in several District Municipalities, and we are confident that it will continue to make a positive impact in the years to come.

Despite these achievements, it is important to also acknowledge that our municipalities continue to face a number of challenges. Many of our municipalities are still struggling with issues such as financial constraints, capacity constraints and governance issues. It is important that we continue to work together with all stakeholders to address these challenges and ensure the sustainable development of our municipalities.

The Department, working together with municipalities, has also been instrumental in driving efforts to build a capable, ethical, and developmental state. This was achieved through the implementation of several training programmes and capacity-building initiatives, as well as ensuring that only qualified people are appointed to senior positions. Furthermore, we have worked tirelessly to ensure that municipal officials are equipped with the skills and knowledge they need to effectively serve the public and uphold the values of transparency, accountability and integrity.

The Department has also successfully completed a number of construction and renovations of Traditional Councils' offices that have enhanced access to government services in rural communities. The impact of these infrastructure projects has not only improved the quality of life for our residents but has also created much-needed job opportunities, boosted local businesses, and stimulated economic growth in the Province.

This is a testament to the government's commitment to improving infrastructure in rural communities and to recognising the importance of Traditional Councils in promoting good governance and community development.

As we look ahead to the coming year, we are committed to building on the achievements of the sixth administration and continuing our efforts to create a more responsive, accountable, and effective government. We remain dedicated that the progress we have made over the past year will serve as a solid foundation for promoting good governance, fighting corruption, and upholding the principles of transparency and accountability in all that we do.

Lastly, I would like to express my gratitude to the dedicated staff at CoGTA, as well as our partners and stakeholders, for their hard work and commitment to our shared goals. Together, we can continue to make a positive impact on the lives of all citizens and ensure that our democracy thrives for years to come. Like our leader, Nelson Rholihlahla Mandela I say, it is in our hands, to make a better world for all who live in it. I hope that this annual report serves as a testament to our achievements and a roadmap for the future.

A handwritten signature in black ink, appearing to read 'S.K. Mashilo', written over a horizontal line.

Mr S.K Mashilo (MPL)
Acting MEC of the Department of Co-operative Governance
and Traditional Affairs
Date: 30/08/2024

4. REPORT OF THE ACCOUNTING OFFICER



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

Overview of the operations of the department

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

- In the 2023/24 financial year, the department supported municipalities such as Lekwa, Nkomazi, Chief Albert Luthuli, Dipaleseng and Thaba Chweu with a procurement of Fire Response and Rescue vehicles at the cost of R8,2 million. This is part of improving municipal capacity to efficiently respond to fire incidences and these vehicles were handed over to the beneficiary municipalities in the 2023/2024 financial year.
- Monitored 3 District municipalities on the implementation of the economic recovery plan.
- All seventeen (17) Local Municipalities were supported to respond to community concerns on issues of service delivery.
- The Department has acquired a Municipal Monitoring and Support System (MMSS) for municipalities in the province. The system will provide a dashboard to allow the department to monitor and assess the performance of municipalities. It will also assist the department to have access to information required to identify the areas where municipalities need assistance.
- The MMSS further caters for Livi Lemphakatsi Mobile Application which is a hybrid cloud infrastructure positioned to redefine citizen engagement with local municipalities.
- The department supported 3 municipalities which are Lekwa Local Municipality, Emakhazeni Local Municipality and City of Mbombela Local Municipality in conducting skills audit as per the Municipal staff regulations in order to improve service delivery in municipalities.
- The Department supported municipalities to coordinate basic infrastructure in voting stations for the 2024 National and Provincial Elections.
- Through processes of subdivision of erven in towns, the department created 20 erven (stands) through the subdivision of 3 erven in Msukaligwa, Thaba Chweu and Emalaheni Municipalities.

- Implemented the Expanded Public Works Program (EPWP) Youth Waste Management Project and in the process created 190 full time equivalent jobs.
- The Community Works Programme (CWP) is currently creating 26 964 work opportunities in all the local municipalities in the Province except the three (3) Districts.
- In restoring the dignity of the Traditional Leadership, the Department constructed 21 Traditional Council offices, renovated 18 Traditional Council offices and procured office furniture for 21 Traditional Council offices.
- Lastly, the Department has achieved 98% of planned targets in the year under review. The unachieved targets are from programme 4 (The unachieved targets in the period under review are in relation to the reconstitution of Traditional Councils and 21 of 23 Traditional Council offices constructed).

Challenges

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

- The support provided to municipalities has not addressed some of the ongoing challenges such as:
 - ✓ Water supply system ranging from inadequate water sources versus high and growing demand, ageing infrastructure requiring large immediate investments, and treatment work operating beyond capacity levels and other operational issues.
 - ✓ Lack of operations and maintenance plans in municipalities.
 - ✓ Majority of the substations and the electrical networks are operating above their designed capacity, scourge of illegal connections and electrical infrastructure theft and High Eskom debts.
 - ✓ Non-collection of waste removal mainly in rural areas due to limited fleet.
- Inconsistent attendance of Traditional Leaders in Municipal Council sittings
- Failure to reconstitute Traditional Councils due to disagreement of formula by Senior Traditional Leaders which resulted in the delay of the re-election of Traditional Councils country wide
- Regress of audit outcomes by some municipalities (Thaba Chweu and Steve Tshwete).

The Department has developed remedial actions which aim to address identified challenges and these have been incorporated into the 2024/25 Annual Performance Plan. The Department will be working in collaboration with Provincial Treasury to assist municipalities in improving audit outcomes.

Overview of the financial results of the department:

Departmental receipts

Table 1: Departmental Receipts

Departmental receipts	2023/2024			2022/2023		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	251	412	(161)	257	392	(135)
Interest, dividends and rent on land	450	2 229	(1 779)	471	1 974	(1 503)
Sale of capital assets	40	196	(156)	40	53	(13)
Financial transactions in assets and liabilities	11	328	(317)	11	9	2
Total	752	3 165	(2 413)	779	2 428	(1 649)

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

Programme Expenditure

Table 1.1: Programme Expenditure

Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	168 788	168 780	8	151 939	151 939	-
Local Governance	295 578	295 467	111	250 205	250 089	116
Development and Planning	93 428	93 404	24	115 660	115 655	5
Traditional Institutional Management	282 579	282 571	8	155 762	155 564	198
The House of Traditional Leaders	26 197	26 193	4	20 911	20 910	1
Total	866 570	866 415	155	694 477	694 157	320

The Department's main appropriation for 2023/24 was **R 800.808 million** and was adjusted to **R 866.570 million**, through the final adjustment process in November 2023.

The Department has spent **R 866.415 million** or 100 percent of the final budget as at 31 March 2024 compared to **R 694.157 million** or 100 percent in 2022/23. The underspending amounts to **R 0.155 million** compared with R 0.320 million in 2022/23. As reported in note 17 of the Annual financial statements, the Department has recorded accruals and payables not recognised to the value of **R 4.572 million** for 2023/24 Financial Year.

Programme 1

Main appropriation was **R 168.480 million** and the final adjusted budget was **R 168.788 million**. The programme spent **R 168.780 million** or 100 per cent compared with **R 151.939 million** or 100 per cent in 2022/23 financial year.

Programme 2

Main appropriation was **R 287.525 million** and the final adjusted budget is **R 295.578 million**. The programme spent **R 295.467 million** or 100 per cent compared with **R 250.089 million** or 100 percent in 2022/23 financial year.

Programme 3

Main appropriation was **R 66.415 million** and final adjusted budget is **R 93.428 million**. The programme spent **R 93.404 million** or 100 per cent compared with **R 115.655 million** or 100 per cent in 2022/23 financial year.

Programme 4

Main appropriation was **R 255.783 million** and final adjusted budget is **R 282.579 million**. The programme spent **R 282.571 million** or 100 per cent compared with **R 155.564 million** or 99.9 per cent in 2022/23 financial year.

Programme 5

Main appropriation was **R 22.605 million** and final adjusted budget is **R 26.197 million**. The programme spent R 26.193 million or 100 per cent compared with **R 20.910 million** or 100 per cent in 2022/23 financial year.

Virement / rollovers

During the 2023/24 financial year, one (1) Budget Adjustments was implemented as follows:

Budget Adjustments

The department received a net amount of **R 65.762 million** from the provincial revenue fund as follows.

Programme 3

- The EPWP Grant was reduced from was **R 2.446 million** to **R 2.208 million** through the 2023/24 budget process.
- The programme received an additional amount of **R30.000 million**.

Programme 4

- The programme received an additional amount of **R36.000 million**.

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

Table 1.2: Adjustment budget

DESCRIPTION	AMOUNT R'000	PROGRAMME
EPWP Grant	(238)	Development and Planning
Disaster Relief Material	30.000	Development and Planning
Cultural Ceremonies (Ummemo)	3.000	Traditional Institutional Management
Traditional Councils Boundaries (fencing and paving)	33.000	Traditional Institutional Management
TOTAL	65.762	

Virements

Post Adjustment Virement

Programme 1: Administration

The programme is receiving an amount of **R 0.327 million** additional funding through virement, also an amount excludes the **R 0.019 million** virement to Programme 02: Local Governance from compensation of employees to the same economic classification as follows.

Programme 3: Development and Planning (Goods and Services);

The programme is receiving **R 0.327 million** from Goods and Services to defray expenditure incurred on goods and services due to unavoidable expenditure on legal fees.

Programme 2: Local Governance

The programme is receiving **R10.168 million** additional funding through virements as follows.

Programme 3: Development and Planning (Compensation of Employees)

The programme is receiving **R 1.557 million** from Goods and Services under Programme 3: Development and Planning to defray expenditure incurred on payment Compensation of Employees that were unavoidable.

Programme 4: Traditional Institutional Management (Compensation of Employees)

The programme is receiving **R 2.018 million** from Compensation of Employees to defray expenditure incurred on payment Compensation of Employees that were unavoidable.

Programme 1: Administration (Compensation of Employees)

The programme is receiving **R 0.019 million** from Compensation of Employees to defray expenditure incurred on payment Compensation of Employees that were unavoidable.

Programme 3: Development and Planning (Payment for capital Assets)

The programme is receiving **R 2.328 million** from Payment for capital Assets to defray expenditure incurred on payment for Development of the Municipal Monitoring and Support System.

Programme 4: Traditional Institutional Management (Payment for capital Assets)

The programme is receiving **R 4.246 million** from Goods and Services to defray expenditure incurred on payment for Development of the Municipal Monitoring and Support System.

Programme 5: The House of Traditional Leaders

The programme is receiving **R 1.592 million** additional funding through virement as follows;

Programme 3: Development and Planning (Goods and Services)

The programme is receiving **R 0.799 million** to augment the expenditure under this classification in order to defray over expenditure on Compensation of Employees. The above virement was implemented to defray possible over expenditure on Compensation of Employees.

Programme 4: Traditional Institutional Management (Goods and Services)

The programme is receiving **R 0.532 million** from Goods and Services to augment the expenditure under the same classification to defray over expenditure on goods and services on operational expenditure that was unavoidable.

Programme 2: Local Governance (Goods and Services)

The programme is receiving **R 0.261 million** from Goods and Services to augment the expenditure under the same classification to defray over expenditure on goods and services on operational expenditure that was unavoidable.

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

Unauthorised, Irregular and Fruitless & Wasteful Expenditure

The Department has incurred fruitless & Wasteful Expenditure amounting to **R 0.145 million (One Hundred and forty-five thousand rands only)** which still under investigation, any other expenditure incurred during the financial year 2023/24 has been recovered.

Strategic focus over the short to medium term period

In terms of service delivery, the department must continue implementing interventions to address the challenges. As stated in the challenges on the overview of the operations of the Department, there is lack of operation and maintenance plans in municipalities which result in dilapidated infrastructure for service delivery. The Department will support municipalities to set aside 10% of the MIG as per the revised MIG Framework for repairs and maintenance of serviced delivery infrastructure. In addressing the water challenges, the Department will support municipalities to improve water conservation management and monitor the replacement of asbestos pipes projects. The Department will continue to monitor the spending of the Municipal Infrastructure Grant by municipalities in attempt of delivering services to the people.

The Department will assist municipalities with subdividing land parcels to promote densification within the existing town and settlements in support of integrated human settlements. In addition, the Department will oversee and coordinate Nkosi City's development in accordance with the Mpumalanga Spatial Development Framework

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

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

The Department will provide tools of trade to Traditional Councils in the form of vehicles and office furniture. Moreover, the Department has identified Traditional Council offices to be renovated as well as offices to be constructed.

Public Private Partnerships

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

Discontinued key activities / activities to be discontinued

No discontinued activities

Supply Chain Management

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

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

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

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

Gifts and Donations received in kind from non-related parties

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

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

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

Exemptions and deviations received from the National Treasury

The Department did not have any exemptions and deviations received from the National Treasury.

Events after the reporting date

The Department will process the payment of accruals and payables amounting to **R 4.572 million** relating to the 2023/24 financial year during the first quarter of the new financial year 2024/25. The accruals and payables will be funded within the 2024/25 financial year without any negative impact on the 2024/25 Annual Performance Plan.

Other

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

Acknowledgement/s or Appreciation

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

Conclusion

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

Approval and sign off

The Accounting Officer has approved the Annual Financial Statement as set out in pages 108 to 146.



Mr S. Ngubane
Accounting Officer
Department of Co-operative Governance and Traditional Affairs
Date: DATE: 30/08/2024

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

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

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

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

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

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

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

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

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

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

Yours faithfully



Mr S. Ngubane

Accounting Officer

Department of Co-operative Governance and Traditional Affairs

DATE: 30/08/2024

6. STRATEGIC OVERVIEW

6.1 Vision

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

6.2 Mission

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

6.3 Values

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

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

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandate

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

7.2 The Constitution of the Republic of South Africa, 1996

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

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

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

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

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

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

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

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

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

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

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

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

The Act empowers the MEC to establish Municipalities in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the type of municipality that may be established within each category; to provide for an appropriate division of functions and powers between

categories of municipality; to regulate the internal systems, structures and office-bearers of Municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part I: Provincial Disaster Management Framework:

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

(2) A Provincial disaster management framework must be consistent with the provisions of this Act and National Disaster Management Framework.

(3) (a) Provincial disaster management framework, or any amendment thereto, must be published in the Provincial Gazette.

(b) Before establishing or amending a Provincial disaster management framework, particulars of the proposed framework or amendment must be published in the Provincial Gazette for public comment.

Part 2: Provincial Disaster Management Centres

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7.3 Other legislation that also impact on the Department includes:

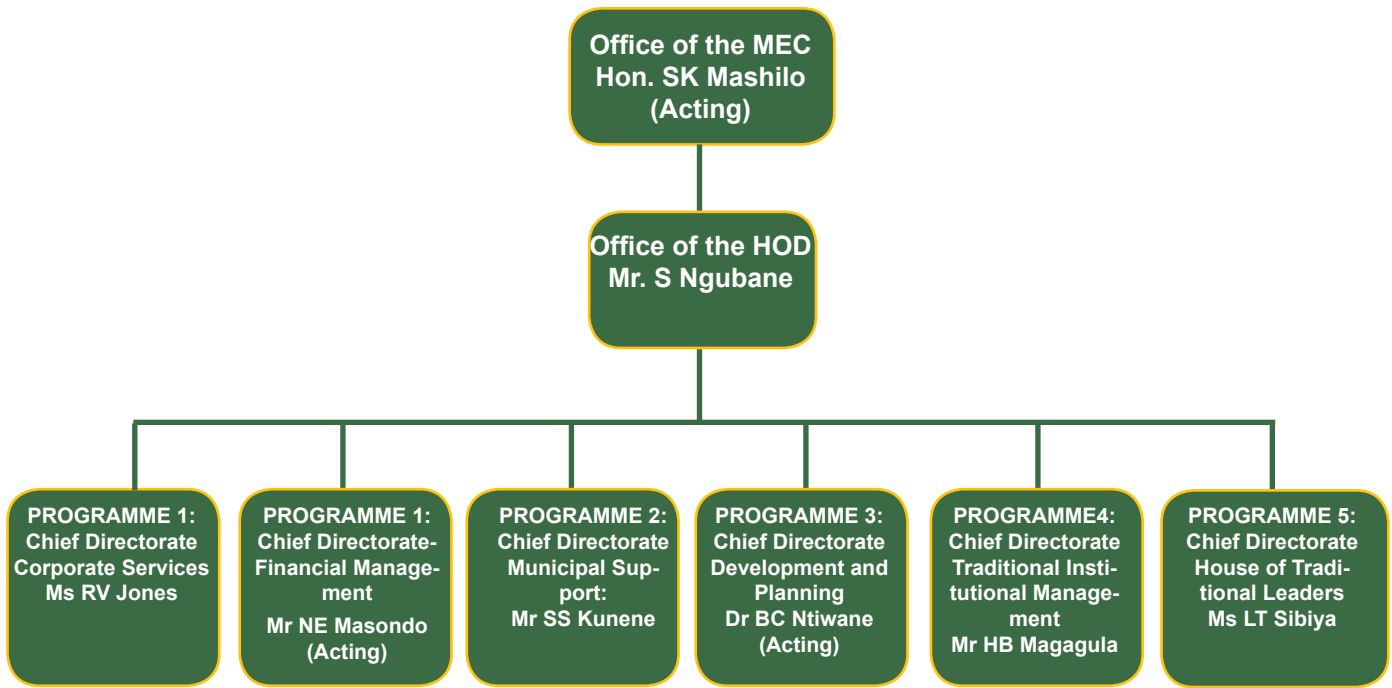
- Regulations for the Election of the 40% Members of Traditional Councils, 2007
- Mpumalanga Commissions of Inquiry Act, 1998 (Act No. 11 of 1998)
- Public Finance Management Act, 1999 (Act No. 1 of 1999)
- Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998)
- Other enabling legislation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

7.4 UPDATES TO THE RELEVANT COURT RULINGS

Constance Mogale and 3 others vs President and Others (CCT 73/22) [2023] ZACC 14

- On 30 May 2023, the Constitutional Court of South Africa handed down judgment in the matter of the constitutional validity of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) (TKLA). This application was brought by Constance Mogale and 3 Others (Applicants) against the Speaker of the National Assembly and 15 Others (Respondents) in terms of section 167(4) (e) of the Constitution of the Republic of South Africa, 1996 for an order declaring that the National Assembly, the National Council of Provinces (NCOP) and the nine provincial legislatures have failed to fulfil their constitutional obligations to reasonably facilitate public involvement in the passing of the TKLA.
- The Constitutional Court emphasised that, regardless of the process Parliament chooses to adopt, it must ensure that “a reasonable opportunity is offered to members of the public and all interested parties to know about the issues and to have an adequate say”. A reasonable opportunity to participate in legislative affairs “must be an opportunity capable of influencing the decision to be taken”. The Constitutional Court noted that it is clear from the evidence that Parliament failed to fulfil its constitutional obligation to reasonably facilitate public involvement in the legislative process leading to the enactment of the TKLA.
- The following order was made:
 - (a) It is declared that Parliament has failed to comply with its constitutional obligation to facilitate public involvement before passing the Traditional and Khoi-San Leadership Act 3 of 2019 (TKLA).
 - (b) The TKLA was, as a consequence, adopted in a manner that is inconsistent with the Constitution and is therefore declared invalid.
 - (c) The order declaring the TKLA invalid is suspended for a period of 24 months to enable Parliament to re-enact the statute in a manner that is consistent with the Constitution or to pass another statute in a manner that is consistent with the Constitution.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC of COGTA.

**PART B:
PERFORMANCE INFORMATION**

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 104 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

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

In terms of 2022/23 audit outcomes out of the twenty (20) municipalities,

- ✓ Two (2) Municipalities received clean audit outcomes (i.e. Ehlanzeni and Nkangala Districts)
- ✓ Seven (7) Municipalities received unqualified with findings (Bushbuckridge, City of Mbombela, Nkomazi, Dr Pixley Ka Isaka Seme, Mkhondo, Gert Sibande and Thembisile Hani).
- ✓ Ten (10) Municipalities received qualified with findings (Thaba Chweu, Steve Tshwete, Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Lekwa, Msukaligwa, Dr JS Moroka, Emalahleni and Victor Khanye).
- ✓ One (1) received adverse outcome with findings (Emakhazeni).

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

The population of the Province has grown from 1 075 488 households as stated in the 2011 Census Report to 1 421 721 as stated in the 2022 Census report, therefore an increased demand of basic services such as access to water, sanitation, electricity and refuse removal was inevitable. In meeting the required demand, the Department monitored service delivery programmes implemented by municipalities to provide access to such basic services. The Department supported the implementation of MIG programme. As at the end of 2022/23 municipal financial year ending 30 June 2023, the municipalities within the province recorded an expenditure of **R2.10 billion (99%)** against the allocation of **R2.12 billion**. At the end of February 2024 in the period under review, the municipalities recorded an expenditure of **R1.34 billion (67%)** of the **R2.00 billion** of the MIG allocation.

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

The Department supported twenty (20) Municipalities with GIS implementation in line with the SDI Act provisions and further supported all 20 Municipalities with Spatial Development Framework (SDF) implementation. The Department evaluated forty-three (43) applications for Land Development and rendered one hundred and seventy seven (177) Surveys services in order to assist Municipalities in addressing land boundary disputes, identifying stand boundaries for allocation of stands and pointing out boundaries of properties for construction of low cost housing. The Department further supported all twenty (20) Municipalities in the implementation of SPLUMA on Land Use Management (LUM) during the period under review. Three (3) Municipalities were supported to review their LED Strategies (Nkomazi, Mkhondo and Govan Mbeki), and further established three (3) (Badplaas Forever Resort; National Department of Co-operative Governance, NYDA and Transport Education Training Agency; and TWK-AGRI). All seventeen (17) Local Municipalities were supported to implement the disaster risk reduction strategies and further supported them on the implementation of Fire Prevention strategies.

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

- Renovation of eighteen (18) Traditional Councils offices
- Construction of twenty-one (21) Traditional Councils offices
- Resolving Traditional disputes, complaints claim and Land cases
- Conducting research on genealogy to reduce Traditional leadership succession disputes
- Funding the day to day administration and cultural functions of the Traditional Council offices

2.2 Service Delivery Improvement Plan

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

Main services and standards

Table 1.3 Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Local Governance	Local Municipalities District Municipalities SALGA	Municipalities supported to institutionalize performance management system (PMS)	20 Municipalities supported to institutionalize performance management system	20 Municipalities supported to institutionalize performance management system (PMS) (All municipalities in the province)
Development and Planning	Local Municipalities District Municipalities Sector Departments SALGA	Municipalities with reviewed IDPs	20 Municipalities supported with the review of IDPs	20 Municipalities supported with the review of IDPs
Traditional Institutional Management	Traditional Councils Senior Traditional Leaders	Tools of trade provided to Traditional Councils verified	61 Traditional Councils' tools of trade verified	61 Traditional Councils' tools of trade verified
House of Traditional Leaders	Local Houses Traditional communities	Provincial House Committees and Local Houses functional	5 Provincial House Committees and 3 Local Houses functional	5 Provincial House Committees and 3 Local Houses functional

Table 1.3.1 Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Public hearings	The Department obtains information about service delivery needs from Public hearings	Information gathered and community needs identified
Community Meetings and Electronic media platforms	The Department obtains information about service delivery needs through community meetings and electronic media platforms	Information sharing and decision making on service delivery issues

Table 1.3.2 Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Media (Print and Electronic)	To communicate Departmental projects and programmes to the public utilising different communication platforms/ tools	Departmental Newsletters Facebook, WhatsApp
	To communicate the activities of the Department to the public with Communication tools	Communication materials: Booklets

Table 1.3.3 Complaints mechanism

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

2.3 Organisational environment

During the 2023/2024 financial year, there were no changes in the executive leadership of the department; MEC MJ Msibi led the Department since his appointment on 7 October 2022. However, the Department is currently led by Acting MEC SK Mashilo.

The process to review the organisational structure is at the advanced stage, staff members and organised labour were consulted, and the consultation request was submitted to the honourable Premier for support and concurrence with the Minister of Public Service and Administration. The Department appointed sixty-three (63) suitably qualified employees in all the programmes, forty one (41) new appointments and twenty two (22) Promotions. The appointments assisted the Department to continue to discharge its mandate of supporting Local Municipalities and Traditional Councils.

The recruitment of all advertised posts was not finalised due to the Directives from DPSA and National Treasury on implementation of control measures aimed at assisting Executive Authorities in managing fiscal sustainability during the process of creating and filling of posts.

The Organisational Functionality Assessment was conducted in line with the provisions of regulation 35 of the Public Service Regulations; 2016. This exercise provided the Department with an opportunity to assess the effectiveness of its internal systems and processes and served as an input to organisational development and review processes.

2.4 Key policy developments and legislative changes

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

- The Constitutional Court Judgment Mogale and Others vs Speaker of National Assembly and others (CCT73/22) [2023] ZACC 14; 2023 (9) BCLR 1099 (CC); 2023 (6) SA 58 (CC) delivered on 30 May 2023.
- The National Gazette No 50161 regarding the Traditional and Khoi-San Leadership Act, 2019: Formula for Determination of Number of Members of a Traditional Council published on 22 February 2024.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department's Impact is as follows:

Spatially transformed local municipalities and traditional communities.

The Department's Outcomes are summarized as follows:

Outcome 1: Efficient and effective administrative support provided to the Department

- ✓ Clean Audit Outcome sustained from 2019/20 to 2022/23 financial year as compared to the five year target of clean Audit Outcome from 2019/20 to 2023/24 as stipulated in the 2020-2025 Strategic Plan of the Department.

Outcome 2: Improved governance and performance in municipalities

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

Outcome 3: Improved planning, development coordination and access to basic services

- ✓ 20 Municipalities supported with SDF alignment to the SPLUMA provisions
- ✓ 20 Municipalities supported in the implementation of SPLUMA on LUM
- ✓ 20 Municipalities monitored on the functionality of LED stakeholder Forums
- ✓ 3 Municipalities supported to review LED Strategies
- ✓ 26 964 Work opportunities reported through the Community Work Programme
- ✓ 190 Work opportunities created through EPWP (Youth Waste Management project)
- ✓ 3 Municipalities supported to maintain functional Disaster Management Centres
- ✓ 1 238 051 households have access to basic water (municipal data)
- ✓ 1 362 708 households have access to basic sanitation (municipal data)
- ✓ 1 333 296 households have access to basic electricity (municipal data)
- ✓ 807 201 households have access to waste removal (municipal data)

Outcome 4: Improved performance of Traditional Councils

- ✓ 61 Traditional Councils supported to perform their functions by monitoring their operations and financial management
- ✓ 52 Traditional/ Kings Councils supported on the holding of cultural ceremonies
- ✓ 58 Traditional Councils supported to participate in Ward Committees

Outcome 5: Developed communities in areas of traditional leadership

- ✓ 19 Agricultural Projects monitored in Traditional Communities (Mogane, Mashilane, Matsamo, Moletete, Moreipuso Siboshwa, Enkhabela, Somcuba Bhevela, Bakgatla Ba Maloka, Manala Mgibe, Mnisi, Ndundza Mabhoko, 2 Manala Mbongo, Bakgatla Ba Mocha Ba Moepi Ndlela, Madlamakhulu, Ebutsini and Efumbeni).
- ✓ 3 Local Houses participating in District Development Model meetings
- ✓ 3 DDM projects monitored in Traditional Communities (Mkhulu Agri-Hub (Hoxane), Lusushwana Water Treatment Plant – Betty'sgoed (Duma) and Loskop Bulk Water Scheme – Verena (Manala Mgibe))

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose of the Programme

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

List of Sub-programmes

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

Outcomes for the financial year under review

- ✓ Efficient and effective administrative support provided to the Department

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

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

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

Programme / Sub-programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 1: Administration Sub-Programmes Office of the MEC, Finance, and Corporate Services with sub-sub programmes of Human Resource Management, Legal services, Security Management, Planning and Programme Management and Communication and IT Services. All the indicators as reflected on table 1.4.4.2 were indicators on the originally tabled 2023/24 Annual Performance Plan.									

Table 1.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the originally tabled Annual Performance Plan

Programme: Administration Sub-programme: Office of the MEC									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	
Efficient and effective administrative support provided to the Department	Political guidance provided to Executive Mayors of municipalities	Number of MUNIMEC Forum held	2 MUNIMEC forum held	2 MUNIMEC forum held	2	Achieved 2	None	None	

Programme: Administration Sub-programme: Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Efficient and effective administrative support provided to the Department	Invoices paid within 30 days	Percentage of invoices paid within 30 days	100% Invoices paid within 30 days	100% Invoices paid within 30 days of receipt	100%	Achieved 100%	None	None
	Risk management reports approved	Number of risk management reports approved	4 Risk management reports approved	4 Risk management reports approved	5	Achieved 5	None	None

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Human Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Efficient and effective administrative support provided to the Department	Compliance to applicable prescripts	Percentage of compliance to applicable prescripts	-	-	100%(4)	Achieved 100%(4)	None	None

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Security Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Efficient and effective administrative support provided to the Department	Security assessments conducted	Number of security assessments conducted	-	8 Security assessments conducted	8	Achieved 16 (Louisville, Mbangwane, Casteel, Verena, Klarinet, Tholulwazi, Marapyane, Wonderfontein, Mpuluzi, MEC's Office, Siyathemba, Daggakraal, Moremele, Morgenzon, Driefontein and Vakasha)	8 Additional Security assessments conducted	Request from SDI necessitated more security assessments

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Planning and Programme Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Efficient and effective administrative support provided to the Department	Performance reports approved	Number of performance reports approved	-	-	7	Achieved 7	None	None

Programme: Administration Sub-programme: Corporate Services Sub-sub programme: Communication and IT Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Efficient and effective administrative support provided to the Department	Departmental publications designed	Number of Departmental publications designed	-	17 Departmental publications designed	17	Achieved 17 (12 Internal newsletters, APP, Departmental folders, Annual report, Departmental Calendars and Section 47 Report)	None	None
	Departmental Talk-shows coordinated	Number of Talk-shows coordinated	-	12 Departmental Talk-shows coordinated	12	Achieved 29 (5 Rise FM, 9 Ligwalagwala FM, 6 Ikwewezi FM, 4 SABC TV, 3 Capricorn FM, 1 Lokuhle FM and 1 Mkhondo FM)	17 Additional Talk-shows coordinated	Received requests from the media that necessitated the coordination of additional talk-shows
	Departmental Disaster Management Plan Developed	Number of Departmental Disaster Management Plan Developed	-	-	1	Achieved 1	None	None
	Assessment reports on the functionality of the disaster management integrated information system	Number of assessment reports on the functionality of the disaster management integrated information system	-	-	4	Achieved 4	None	None

Linking performance with budgets

The final budget allocation for the Programme **R 151.939 million** has increased by **11.1 percent** or **R 16.849 million** in 2022/23 compared to **R 168.788 million** in 2023/24. This is due to the escalation in the operational cost of the department.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	9 838	9 837	1	10 922	10 922	-
Corporate Services	158 950	158 943	7	141 017	141 017	-
Total	168 788	168 780	8	151 939	151 939	-

Strategy to overcome areas of under performance

None.

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

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

4.2 Programme 2: Local Governance

Purpose of the Programme

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

List of the sub-programmes

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

Outcomes for the financial year under review

- ✓ Improved governance and performance in municipalities

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

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

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

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 2: Local Governance Sub-Programmes: Municipal Administration, IGR, Municipal Finance, Public Participation, Capacity Building, Municipal Performance Monitoring Reporting and Evaluation and Service Delivery Improvement Unit. All the indicators as reflected on table 2.4.4.2 were indicators on the originally tabled 2023/24 Annual Performance Plan.									

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

Programme: Local Governance Sub-programme: Municipal Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	
Improved governance and performance in municipalities	Municipal Senior Management with signed Performance Agreements	Number of municipalities assessed on signed Senior Management Performance Agreements	20 Municipalities assessed on signed Senior Management Performance Agreements (All municipalities in the Province)	20 Municipalities assessed on signed Senior Management Performance Agreements (All municipalities in the Province)	20	Achieved 20 (All municipalities in the Province)	None	None	
	Municipalities implementing systems and procedures for personnel administration in line with S67 of MSA	Number of municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA	20 Municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA (All municipalities in the Province)	20 Municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA (All municipalities in the Province)	20	Achieved 20 (All municipalities in the Province)	None	None	

Programme: Local Governance								
Sub-programme: Municipal Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Municipalities with effective S79&S80 committees	Number of municipalities monitored on effectiveness of S79&S80 committees	20 Municipalities monitored on effectiveness of S79,S80 committees &LLF (All municipalities in the Province)	20 Municipalities monitored on effectiveness of S79, S80 committees & LLF (All municipalities in the Province)	20	Achieved 20 (All municipalities in the Province)	None	None
	Municipalities with effective LLFs	Number of municipalities monitored on effectiveness of LLFs			20	Achieved 20 (All municipalities in the Province)	None	None
	Municipalities with effective Troikas	Number of municipalities monitored on effectiveness of the municipal TROIKA in executing its functions	20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions (All municipalities in the Province)	20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions (All municipalities in the Province)	20	Achieved 20 (All municipalities in the Province)	None	None
	Municipalities complying with chapter 2 of the municipal Staff Regulations on the Organisational Structure	Number of municipalities supported to comply with chapter 2 of the municipal Staff Regulations on the Organisational Structure	-	-	20	Achieved 20 (All municipalities in the Province)	None	None
	Municipalities with reviewed By-Laws	Number of municipalities supported to review municipal By-Laws	9 Municipalities supported to review Municipal By-laws (Dipaleseng, Emalahleni, Victor Khanye, Dr Pixley Ka Isaka Seme, Dr JS Moroka, Nkomazi, Emakhazeni, Msukaligwa and Chief Albert Luthuli)	12 Municipalities supported to review Municipal By-Laws (Dipaleseng, Emalahleni, Thembisile Hani, Victor Khanye, Dr Pixley ka Isaka Seme, Dr JS Moroka, Nkomazi, Emakhazeni, Mkhondo, Msukaligwa, Chief Albert Luthuli and Thaba Chweu)	14	Achieved 14 (Dipaleseng, Ehlanzeni, Emalahleni, Thembisile Hani, Victor Khanye, Dr Pixley Ka Isaka Seme, Dr JS Moroka, Nkomazi, Emakhazeni, Mkhondo, Msukaligwa, Govan Mbeki, Chief Albert Luthuli and Thaba Chweu)	None	None
	Municipalities cascading PMDS to staff below senior managers	Number of municipalities monitored on cascading PMDS to staff below senior managers in terms of chapter 4 of the Municipal Staff Regulations	-	5 Municipalities monitored on cascading PMDS to managers in terms of chapter 3 of the Regulations on municipal staff (Thaba Chweu, Chief Albert Luthuli, Msukaligwa, Emakhazeni and Victor Khanye)	5	Achieved 5 (Ehlanzeni, Gert Sibande, Nkangala, Victor Khanye and Steve Tshwete)	None	None
	Municipalities complying with MSA Regulations on the appointment of senior managers	Number of municipalities supported to comply with MSA Regulations on the appointment of senior managers	20 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (All municipalities in the Province)	20 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (All municipalities in the Province)	5	Achieved 9 (Mkhondo, Dipaleseng, Bushbuckridge, Steve Tshwete, City of Mbombela, Ehlanzeni, Thaba Chweu, Dr JS Moroka, and Nkomazi)	4 Additional municipalities were also supported to comply with MSA Regulations on the appointment of senior managers	The municipalities requested the Department to support their recruitment and selection processes and the MEC to concur with the selected candidates

Programme: Local Governance								
Sub-sub programme: Inter Governmental Relations								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved governance and performance in municipalities	Functional IGR structures at District level	Number of district municipalities monitored on the functionality of IGR structures	-	-	3	Achieved 3 (Gert Sibande, Nkangala and Ehlanzeni)	None	None
	Municipalities with basic infrastructure in voting stations for National and Provincial Elections	Number of municipalities monitored on basic infrastructure in voting stations for National and Provincial Elections	-	-	17	Achieved 17 (All local municipalities in the Province)	None	None
	Responses on petitions	Percentage of responses on petitions	-	2 Reports on petitions responses coordinated	100%	Achieved 100%	None	None

Programme: Local Governance								
Sub-programme: Municipal Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved governance and performance in municipalities	Municipalities with reduced audit findings	Number of municipalities supported to reduce audit findings	-	20 Municipalities supported on the implementation of audit action plans	20	Achieved 20 (All municipalities in the province)	None	None
	Revenue enhancement plans on property rates and taxes implemented in municipalities	Number of municipalities monitored on the implementation of revenue enhancement plans (property rates and taxes)	-	17 Municipalities monitored on the implementation of revenue enhancement strategies (property rates and taxes) (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the province)	None	None
	Municipalities complying with the MPRA	Number of municipalities guided to comply with the MPRA	17 Municipalities guided to comply with the MPRA (All local municipalities in the Province)	17 Municipalities guided to comply with the MPRA (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the province)	None	None
	Municipalities implementing anti-corruption measures	Number of municipalities monitored on the extent to which anti-corruption measures are implemented	20 Municipalities monitored on the extent to which anti-corruption Measures are implemented (All municipalities in the Province)	20 Municipalities monitored on the extent to which anti-corruption measures are implemented (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Reduced Unauthorised, Irregular, Fruitless and Wasteful expenditure in municipalities	Number of municipalities supported to reduce Unauthorised, Irregular, Fruitless and Wasteful expenditure	4 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure (Dipaleseng, Msukaligwa, Dr Pixley Ka Isaka Seme and Dr JS Moroka)	20 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None

Programme: Local Governance								
Sub-programme: Public Participation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved governance and performance in municipalities	District municipalities participating in community based local governance processes	Number of municipalities supported to promote participation in community based local governance processes	3 District municipalities supported to promote participation in community based local governance processes (Nkangala, Gert Sibande and Ehlanzeni)	3 District municipalities supported to promote participation in community based local governance processes (Ehlanzeni, Gert Sibande and Nkangala)	3	Achieved 3 (Gert Sibande, Nkangala and Ehlanzeni)	None	None
	Functional Ward Committees	Number of municipalities supported to maintain functional ward committees	17 Municipalities supported to maintain functional ward committees (All local municipalities in the Province)	17 Municipalities supported to maintain functional ward committees (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the province)	None	None
	Feedback on resolved community concerns	Number of municipalities supported to resolve community concerns	17 Municipalities supported to resolve community concerns (All local municipalities in the Province)	17 Municipalities supported to resolve community concerns (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the province)	None	None

Programme: Local Governance								
Sub-programme: Capacity Building								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved governance and performance in municipalities	Workplace skills plans implemented in municipalities	Number of municipalities monitored on the implementation of WSPs	20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Skills Audit implemented in municipalities	Number of municipalities monitored on the implementation of the Skills Audit in line with the Local Government Municipal Staff Regulations	-	-	20	Achieved 20 (All municipalities in the Province)	None	None
	Capacity building interventions conducted in municipalities	Number of capacity building interventions conducted in municipalities	3 Capacity Building interventions conducted in municipalities (Fire and Rescue Operations for Fire Fighters; Leadership Development programme for Councillors and Revenue Management and Enhancement for Councillors)	4 Capacity building interventions conducted in municipalities (Municipal Public Accounts Committees and Approaches, Methods for Public Participation for Public Participation Coordinators, training for Councillors on IDP and LED and Training for middle Managers on cash and expenditure management)	4	Achieved 4 (Financial Management, Project management, Supply Chain management for Councilors and Municipal Governance)	None	None

Programme: Local Governance								
Sub-programme: Municipal Performance Monitoring Reporting and Evaluation Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved governance and performance in municipalities	Municipal support plans monitored	Number of municipal support plans monitored	-	-	1	Achieved 1	None	None
	Feedback on assessment of the alignment of municipal SDBIPs to IDPs	Number of municipalities supported to align SDBIPs with IDPs	-	-	20	Achieved 20 (All municipalities in the province)	None	None
	Feedback on the assessment of Municipal Annual Reports in line with MFMA Circular No. 63	Number of municipal Annual Reports assessed in line with MFMA Circular No. 63	-	-	20	Achieved 20 (All municipalities in the province)	None	None
	Municipal Monitoring and Support System developed	Number of Municipal Monitoring and Support Systems developed	-	-	1	Achieved 1	None	None
	Section 47 report compiled as prescribed by the MSA	Number of Section 47 reports compiled as prescribed by the MSA	1 Section 47 report compiled as prescribed by the MSA	1 Section 47 report compiled as prescribed by the MSA	1	Achieved 1	None	None
	Feedback to municipalities on the institutionalization of the performance management system (PMS)	Number of municipalities supported to institutionalize the performance management system (PMS)	20 Municipalities supported to institutionalize performance management system (PMS) (All municipalities in the Province)	20 Municipalities supported to institutionalize the performance management system (PMS) (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Municipalities monitored on the implementation of GBVF responsive programmes	Number of municipalities monitored on the implementation of GBVF responsive programmes	17 Municipalities monitored on the implementation of GBVF responsive programmes (All local municipalities in the Province)	20 Municipalities monitored on the implementation of GBVF responsive programmes (All Municipalities in the province)	20	Achieved 20 (All municipalities in the province)	None	None

Programme: Local Governance								
Sub-programme: Service Delivery Improvement Unit								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved governance and performance in municipalities	Functional Thusong Service Centres	Number of functional Thusong Service Centres	24 TSCs monitored on functionality (Mbangwane, Wonderfontein, Mpuluzi, Marapyane, Daggakraal, Ogies, Matsamo, Verena, Louisville, Casteel, Klarinet, Tholulwazi, Umjindi, Victor Khanye, Siyathemba, Ximungwe, Breyton, Adelaide Tambo, Saul Mkhize, Sakhile, Thuthukani, Morgenzon, Doornkop, Mashishing)	23 TSCs monitored on functionality (Casteel, Louisville, Tholulwazi, Siyathemba, Ximhungwe, Mashishing, Breyton, Doornkop, Adelaide Tambo, Thuthukani, Daggakraal, Wonderfontein, Morgenzon, Verena, Sakhile, Marapyane, Mbangwane, Saul Mkhize, Mpuluzi, Victor Khanye, Matsamo and Klarinet)	23	Achieved 23 (Casteel, Louisville, Tholulwazi, Siyathemba, Ximhungwe, Mashishing, Breyton, Morgenzon, Thuthukani, Adelaide Tambo, Thuthukani, Daggakraal, Doornkop, Daggakraal, Ogies, Verena, Sakhile, Marapyane, Mbangwane, Saul Mkhize, Mpuluzi, Victor Khanye, Matsamo and Klarinet)	None	None
	Batho Pele institutionalized in municipalities	Number of municipalities supported to institutionalize Batho Pele	17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the Province)	17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Municipalities monitored on the implementation of community satisfaction survey recommendations	Number of municipalities monitored on the implementation of community satisfaction survey recommendations	-	-	17	Achieved 17 (All local municipalities in the province)	None	None

Linking performance with budgets

The budget for the programme has increased by **18.1 percent** or **R 45.353 million** from **R 250.205 million** in 2022/23 compared to **R 295.578 million** in 2023/24. This is due to the development of the Municipal Support Systems that has started in 2022/23 Financial Year. The programme has managed to spend **100 percent** of the final budget and all planned targets were achieved.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Support	2 162	2 161	1	1 881	1 881	-
Municipal Administration	12 052	12 052	-	30 822	30 821	1
Municipal Finance	-	-	-	-	-	-
Public participation	184 154	184 134	20	175 723	175 722	1
Capacity Development	6 265	6 263	2	4 863	4 863	-
Municipal Performance Reporting and Evaluation	90 945	90 857	88	36 916	36 802	114
Total	295 578	295 467	111	250 205	250 089	116

Strategy to overcome areas of under performance

None

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

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

4.3 Programme 3: Development and Planning

Purpose of the Programme

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

List of the sub-programmes

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

Outcome for the financial year under review

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

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

Programme / Sub-programme: Development and Planning									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 <u>until date of re-tabling</u>	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 3: Development and Planning Sub-Programmes: Strategy Development, Research, Policy and Planning (IDP Coordination), Spatial Planning, Land Use Management, Local Economic Development, Municipal Infrastructure, Water Services and Disaster Management. All the indicators as reflected on table 3.4.4.2 were indicators on the originally tabled 2023/24 Annual Performance Plan.									

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

Programme: Development and Planning								
Sub-programme: Strategy Development, Research, Policy and Planning (IDP Coordination)								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	Municipalities monitored on the prescribed IDP process	Number of municipalities monitored on the prescribed IDP process	20 Municipalities monitored on the prescribed IDP process (All municipalities in the Province)	20 Municipalities monitored on the prescribed IDP process (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Legally compliant IDPs	Number of municipalities with legally compliant IDPs	20 Municipalities with legally compliant IDPs (All municipalities in the Province)	20 Municipalities with legally compliant IDPs (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Districts monitored on the implementation of One Plans	Number of Districts/Metros monitored on the implementation of One Plans	3 Districts supported to develop One Plans (Ehlanzeni, Gert Sibande and Nkangala)	3 Districts monitored on the implementation of One Plans (Ehlanzeni, Gert Sibande and Nkangala)	3	Achieved 3 (Gert Sibande, Nkangala and Ehlanzeni)	None	None

Programme: Development and Planning								
Sub-programme: Spatial Planning								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	Municipal SDFs compliant with SPLUMA provisions	Number of municipalities supported with SDF alignment to the SPLUMA provisions	20 Municipalities supported with SDF alignment to the SPLUMA provisions (All municipalities in the Province)	20 Municipalities supported with SDF alignment to the SPLUMA provisions (All municipalities in the Province)	1	Achieved 20 (All municipalities in the Province)	19 Additional municipalities supported with SDF alignment to the SPLUMA provisions	There was a need to support the other municipalities on SDF alignment to SPLUMA provisions
	Municipal GIS compliant with SDI Act provisions	Number of municipalities supported with GIS implementation in line with the SDI Act provisions	12 Municipalities supported with GIS implementation in line with the SDI Act provisions (Nkomazi, Steve Tshwete, Govan Mbeki, Lekwa, Nkangala, Thembisile Hani, Bushbuckridge, Msukaligwa, Dr Pixley Ka Isaka Seme, Gert Sibande, Thaba Chweu and Ehlanzeni)	16 Municipalities supported with GIS implementation in line with the SDI Act provisions (Nkomazi, Steve Tshwete, Govan Mbeki, Lekwa, Thembisile Hani, Nkangala, Bushbuckridge, Msukaligwa, Dr Pixley Ka Isaka Seme, Gert Sibande, Dr JS Moroka, Emakhazeni, Thaba Chweu, Emalahleni, City of Mbombela and Ehlanzeni)	20	Achieved 20 (All municipalities in the province)	None	None
	Municipal SDFs implemented	Number of municipalities supported with SDF implementation	20 Municipalities supported with SDF implementation (All municipalities in the Province)	20 Municipalities supported with SDF implementation (All municipalities in the Province)	20	Achieved 20 (All municipalities in the province)	None	None
	Provincial Spatial Development Framework (PSDF) projects monitored	Number of PSDF projects monitored	2 Provincial Spatial Development Framework (PSDF) projects monitored (Sustainable Human Settlements Master Plan and Regional Spatial Development Framework)	3 PSDF projects monitored (RSDF, PSHDA and Nkosi City)	4	Achieved 4 (Nkosi City development, Mpumalanga (Eastern Escarpment) RSDF, District Rural Development Sector Plans and the compilation of development plans for PSHDAs)	None	None

Programme: Development and Planning								
Sub-programme: Land Use Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	Land developments evaluated	Number of land developments evaluated	36 Planning evaluations conducted	41 Planning evaluations conducted	30	Achieved 43	13 Additional Planning evaluations conducted	More requests for land developments received
	Surveyed land in the province	Number of survey services rendered in the Province	219 Survey services rendered in the Province	164 Survey services rendered in the Province	150	Achieved 177	27 Additional survey services rendered in the Province	More requests for survey services received
	Processed SPLUMA matters implemented on land use management	Number of municipalities supported in the implementation of SPLUMA on LUM	20 Municipalities supported in the implementation of SPLUMA on LUM (All municipalities in the Province)	20 Municipalities supported in the implementation of SPLUMA on LUM (All municipalities in the Province)	20	Achieved 20 (All municipalities in the Province)	None	None
	Erven (stands) created for human settlements	Number of municipalities assisted with subdivision of land parcels to create erven for human settlements	-	3 Municipalities assisted with subdivision of land parcels (Thaba Chweu, Thembisile Hani and Msukaligwa)	3	Achieved 3 (Msukaligwa, Thaba Chweu and Emalahleni)	None	None

Programme: Development and Planning								
Sub-programme: Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	Initiatives from LED strategies implemented in municipalities	Number of municipalities supported on the implementation of LED strategies	-	-	20	Achieved 20 (All municipalities in the Province)	None	None
	Reviewed LED strategies	Number of municipalities supported to review LED strategies	3 Municipalities supported to review LED Strategies (Dr Pixley Ka Isaka Seme, Msukaligwa and Victor Khanye)	3 Municipalities supported to review LED strategies (Bushbuckridge, Dipaleseng and Thembisile Hani)	3	Achieved 3 (Nkomazi, Mkhondo and Govan Mbeki)	None	None

Programme: Development and Planning								
Sub-programme: Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Established partnerships to implement Anti-Poverty Strategy	Number of partnerships established to implement Anti-Poverty Strategy	3 Partnerships established to implement Anti-Poverty Strategy 1. Old Mutual Partnership on provision of school uniform to 90 needy students of Violet Jiyane School 2. Standerton Oil Mills to supplied water tanks to CWP in Lekwa Local Municipality 3. Partnered with Old Mutual to provide sewing machines to women in Traditional Communities	3 Partnerships established to implement the Anti-Poverty Strategy (Old Mutual Mpumalanga, Umuntu Ngebantú Social Programme and TWK – AGRI (PTY))	3	Achieved 3 1. Badplaas Forever Resort 2. National Department of Cooperative Governance, NYDA and Transport Education Training Agency 3. TWK-AGRI	None	None
	Work Opportunities created through the EPWP Youth Waste Management Project	Number of work Opportunities created through EPWP Youth Waste Management Project	140 Work Opportunities created through EPWP (YWMP)	140 Work opportunities created-through EPWP (YWMP)	190	Achieved 190	None	None
	Districts monitored on the implementation of Economic Recovery Plans	Number of municipalities monitored on the implementation of the Economic Recovery Plans	3 District Municipalities monitored in the implementation of Economic Recovery Plans (Ehlanzeni, Gert Sibande and Nkangala)	3 District municipalities monitored on the implementation of the Economic Recovery Plans (Ehlanzeni, Gert Sibande and Nkangala)	3	Achieved 3 (Ehlanzeni, Nkangala and Gert Sibande)	None	None
	Municipal Youth Desks established	Number of municipal youth desks established	-	-	9	Achieved 9 (Govan Mbeki, Dr JS Moroka, Thaba Chweu, Chief Albert Luthuli, Dipaleseng, Emakhazeni, Thembisile Hani, City of Mbombela and Msukaligwa)	None	None
	Work opportunities reported through Community Works Programme	Number of work opportunities reported through Community Works Programme	27 436 Work Opportunities reported through Community Works Programme	28 546 Work opportunities reported through Community Works Programme	26 000	Achieved 26 964	964 Additional Work opportunities reported through Community Works Programme	10% additional participants allowed in terms of the CWP Policy

Programme: Development and Planning								
Sub-programme: Municipal Infrastructure								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	DBSA funded programmes implemented	Number of programmes implemented by the PPMU	3 Programmes Implemented by PPMU (Asset Care, Master Planning and Project Preparation)	3 Programmes implemented by PPMU (Asset Care, Master Planning and Project preparation)	3	Achieved 3 (Asset care, Master Planning and Project preparation)	None	None
	MIG programme implemented in municipalities	Number of municipalities monitored on the implementation of MIG programme	16 Municipalities monitored on the implementation of MIG programme (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Msukaligwa, Victor Khanye and Dr JS Moroka) An expenditure of R1.26 billion (66%) of the revised MIG allocation of R1.90 billion has been reported as at end of March 2022 including the additional funding of R45.74 million allocated to Lekwa, Dipaleseng, Mkhondo and Nkomazi municipalities	16 Municipalities monitored on the implementation of MIG programme. (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Msukaligwa, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Victor Khanye and Dr JS Moroka)	16	Achieved 16 (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Msukaligwa, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Victor Khanye and Dr JS Moroka)	None	None

Programme: Development and Planning								
Sub-programme: Municipal Infrastructure								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Feedback on assessed PMU on the performance of MIG programme	Number of PMUs in municipalities assessed on MIG performance	16 PMUs in municipalities assessed on MIG performance (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Msukaligwa, Victor Khanye and Dr JS Moroka)	16 PMUs in municipalities assessed on MIG performance (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Msukaligwa, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Victor Khanye and Dr JS Moroka)	16	Achieved 16 (Nkomazi, Bushbuckridge, Dr Pixley ka Isaka Seme, Mkhondo, Thaba Chweu, Thembisile Hani, Emalahleni, Emakhazeni, Msukaligwa, Dipaleseng, Govan Mbeki, City of Mbombela, Chief Albert Luthuli, Lekwa, Victor Khanye and Dr JS Moroka)	None	None
	Replacement of asbestos pipes projects implemented in municipalities	Number of municipalities monitored on the replacement of asbestos pipes projects	-	-	4	Achieved 4 (Dr JS Moroka, Emalahleni, Govan Mbeki and Chief Albert Luthuli)	None	None
	Districts expenditure on National grants	Number of districts monitored on the spending of National Grants	3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP, IUDG) (Ehlanzeni, Gert Sibande and Nkangala)	3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP and IUDG)	3	Achieved 3 (Gert Sibande, Nkangala and Ehlanzeni)	None	None
	Implementation of infrastructure delivery programme monitored in municipalities (Water, Sanitation, Electricity and Refuse Removal)	Number of municipalities monitored on the implementation of infrastructure delivery programmes	17 Municipalities monitored on the implementation of infrastructure delivery programmes (Water, Sanitation, Electricity and Refuse removal) (All local municipalities in the Province)	17 Municipalities monitored on the implementation of infrastructure delivery programmes (Water, Sanitation, Electricity and Refuse Removal) (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the province)	None	None

Programme: Development and Planning								
Sub-programme: Water Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	Feedback on remedial measures recommended on the monitored operations of Water Treatment Plants in municipalities	Number of municipalities monitored on the operations of Water Treatment Plants	17 Municipalities monitored on the functionality of Water Treatment Plants (All local municipalities in the Province)	17 Municipalities monitored on the functionality of Water Treatment Plants (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the Province)	None	None
	Feedback on remedial measures recommended on the monitored operations of Waste Water Treatment Plants in municipalities	Number of municipalities monitored on the operations of Waste Water Treatment Plants	17 Municipalities monitored on the functionality of Waste Water Treatment Plants (All local municipalities in the Province)	17 Municipalities monitored on the functionality of Waste Water Treatment Plants (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the Province)	None	None
	Development of Regional Dam monitored in municipalities	Number of municipalities monitored on the development of regional dam	-	1 Regional dam development monitored	1	Achieved 1 (City of Mbombela -Mbombela Regional Dam)	None	None
	Feedback on early warning to monitored municipalities on water quality produced in Water Treatment Plants	Number of municipalities monitored on Water quality produced in Water Treatment Plants	-	-	17	Achieved 17 (All local municipalities in the Province)	None	None
	Feedback on early warning to monitored municipalities on the quality of effluent in Waste Water Treatment Plants	Number of municipalities monitored on the quality of effluent in Waste Water Treatment Plants	-	-	17	Achieved 17 (All local municipalities in the Province)	None	None
	Indigent policies implemented in municipalities	Number of municipalities monitored on the implementation of indigent policies	17 Municipalities monitored on the implementation of indigent policies (All local municipalities in the Province)	17 Municipalities monitored on the implementation of Indigent Policies (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the Province)	None	None

Programme: Development and Planning Sub-programme: Disaster Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved planning, development coordination and access to basic services	Disaster risk reduction awareness campaigns conducted	Number of disaster risk reduction awareness campaigns conducted	17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the Province)	None	None
	Disaster relief provided on implemented disaster response plans	Number of districts supported on the implementation of disaster response plans	-	-	3	Achieved 3 (Gert Sibande, Nkangala and Ehlanzeni)	None	None
	Reviewed Disaster management plans	Number of sectors supported on the review of disaster management plans	-	-	25	Achieved 25 (Ehlanzeni, Gert Sibande, Nkangala, PWRT, DARDLEA, City of Mbombela, DoH, Steve Tshwete, Victor Khanye, DoE, DCSR, Lekwa, Emalaheni, Govan Mbeki, Msukaligwa, Thaba Chweu, Dr JS Moroka, Mkhondo, Nkomazi, Chief Albert Luthuli, Bushbuckridge, Emakhazeni, Dipaleseng, Thembisile Hani and Dr Pixley Ka Isaka Seme)	None	None
	Municipalities supported on Fire Brigade Services	Number of municipalities supported on Fire Brigade Services	17 Municipalities supported on Fire Brigade Services (All local municipalities in the Province)	17 Municipalities supported on Fire Brigade Services (All local municipalities in the Province)	17	Achieved 17 (All local municipalities in the Province)	None	None
	Functional Disaster Management Centres	Number of municipalities supported to maintain Functional Disaster Management Centres	3 Municipalities supported to maintain functional Disaster Management Centres (Nkangala, Ehlanzeni and Gert Sibande District Municipalities)	3 Municipalities supported to maintain functional Disaster Management Centres (Nkangala, Ehlanzeni and Gert Sibande)	3	Achieved 3 (Ehlanzeni, Gert Sibande and Nkangala)	None	None

Linking performance with budgets

The final budget for the programme amounts to **R 93.428 million in the 2023/24 financial year** has decreased by **19.0 percent** or **R 22.232 million** from **R 115.660 million** in 2022/23 financial year. The programme has managed to spend **100 percent** of the final allocation and has in turn achieved 100 per cent of the planned targets for the financial year.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Support	185	164	21	32	32	-
Integrated Development Planning (Strategy Development, Research and Policy)	4 073	4 072	1	3 399	3 399	-
Spatial Planning	4 105	4 105	-	2 640	2 640	-
Land Use Management	12 580	12 580	-	12 596	12 596	-
Local Economic Development	12 374	12 373	1	9 407	9 407	-
Municipal Infrastructure	12 044	12 043	1	7 917	7 917	-
Disaster Management	48 067	48 067	-	79 669	79 664	5
Total	93 428	93 404	24	115 660	115 655	5

Strategy to overcome areas of under performance

None.

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

The Programme had eight (8) standardized output indicators that were achieved during the period under review as reflected on table 3.4.4.2. The standardized output indicators were planned under the following sub-programmes:

- (i) Strategy development, research policy and planning (IDP Coordination) had two (2) namely:
 - Number of municipalities with legally compliant IDPs
 - Number of Districts/Metros monitored on the implementation of one plans
- (ii) Local Economic Development had one (1) namely:
 - Number of Work Opportunities reported through the Community Works Programme
- (iii) Municipal Infrastructure had two (2) namely:
 - Number of Districts monitored on the spending of National Grants
 - Number of municipalities monitored on the implementation of infrastructure delivery programmes
- (iv) Water Services had one (1) namely:
 - Number of municipalities monitored on the implementation of indigent policies
- (v) Disaster Management had two (2) namely:
 - Number of municipalities monitored on fire brigade services
 - Number of municipalities supported to maintain functional Disaster Management Centres

4.4 Programme 4: Traditional Institutional Management

Purpose of the Programme

The programme aims at strengthening the institution of Traditional Leadership in order to fulfil its mandates through sound financial and administrative management of Traditional Councils.

List of the sub-programmes

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

Outcome for the financial year under review

- ✓ Improved performance of Traditional Councils

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

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

Programme / Sub-programme: Traditional Institutional Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 <u>until date of re-tabling</u>	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 4: Traditional Institutional Management: Traditional Institutional Administration, Traditional Resource Administration, Rural Development Facilitation and Traditional Land Administration. All the indicators as reflected on table 4.4.4.2 were indicators on the originally tabled 2023/24 Annual Performance Plan.									

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

Programme: Traditional Institutional Management									
Sub-programme: Traditional Institutional Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	
Improved performance of Traditional Councils	Capacity building programmes implemented for Traditional Councils	Number of capacity building programmes implemented for Traditional Councils	2 Capacity building programmes implemented for Traditional Councils (Legislative prescripts and Financial Management) (Ehlanzeni, Nkangala and Gert Sibande)	2 Capacity building programme implemented for Traditional Councils (Legislative prescripts and Financial Management)	2	Achieved 2 (Legislative Prescripts and Financial Management)	None	None	
	Traditional Leadership claims processed	Percentage of Traditional Leadership claims processed	-	100% (6) Traditional Leadership claims processed (Matsamo recognition of Senior Traditional Leader, Mnisi Chieftancy claim, Matsamo removal of Senior Traditional Leader, recognition of Mhlanga, Sukazi Chieftancy and Shongwe of Mdladla Chieftainship)	100% (4)	Achieved 125% (5) (Moukaungwe claimants, Nkuna claimants, Mabena claimants, Magwazidili (Dladla) claimants and Ndzundza Hlanga claimants)	1 Additional Traditional Leadership claims processed	More Traditional Leadership claims received	

Programme: Traditional Institutional Management								
Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Traditional Leadership succession processed	Percentage of Traditional Leadership succession processed	133% (8) Traditional Leadership succession claims/disputes received and processed 1. Babina Tshwene 2. Thabethe 3. Mawewe state of Affairs 4. Mnisi – Mantjolo 5. Recognition of Masibekela Traditional community 6. Recognition of a Senior Traditional Leader Mandlamakhulu TC. 7. Recognition of Senior Traditional Leader Amashangana TC 8. Ndzundza Mabusa	133% (4) Traditional Leadership succession disputes processed (Hoxane TC, Chiloane Rooi – Moletele TC, Mashilane TC dispute and Matsane and Mathibela dispute)	100% (1)	Achieved 100% (1) (Thabakgolo-succession)	None	None

Programme: Traditional Institutional Management								
Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Traditional Councils supported to perform their functions	Number of Traditional Councils supported to perform their functions	60 Traditional Councils supported to perform their functions (All Traditional Councils in the Province)	60 Traditional Councils supported to perform their functions (All Traditional Councils in the Province)	61	Achieved 61 1. Amashangana 2. Bakgatla ba Mmakau 3. Bakgatla Ba Mocha Ba Maloka 4. Bakgatla Ba Mocha Ba Moepi 5. Bakgatla ba Seabe 6. Barolong ba Lefifi 7. Duma 8. Ebutcini 9. Embhuleni 10. Emfumbeni 11. Emjindini 12. Enikwakuyengwa 13. Enkhaba 14. Gutshwa 15. Hhoyi 16. Hoxane 17. Jongilanga 18. Kgarudi 19. Kwandwalaza 20. Lekgoetla 21. Lomshiyo 22. Lugedlane 23. Madabukela 24. Madlangampisi 25. Mahlaphahlapha 26. Malele 27. Manala Makerana 28. Manala Mbhongo 29. Manala Mgibe 30. Mandlamakhulu 31. Mantjolo 32. Mashilane 33. Masoyi 34. Mathibela 35. Matsamo 36. Mawewe 37. Mbuyane 38. Mdluli 39. Mhlaba 40. Mlambo 41. Mnisi 42. Mogane 43. Mohlala Morudi 44. Moletele 45. Moreipuso 46. Mpakeni 47. Mpsikazi 48. Msogwaba 49. Ndebele Kingdom 50. Ndlela 51. Ndzundza Fene 52. Ndzundza Mab-hoko 53. Ndzundza Mabusa 54. Ndzundza Pun-gutjha 55. Ndzundza Som-phalali 56. Nkambeni 57. Ogenyaneni 58. Sethlare 59. Siboshwa 60. Somcuba Bhevula 61. Thabakgolo	None	None

Programme: Traditional Institutional Management								
Sub-programme: Traditional Resource Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved performance of Traditional Councils	Tools of trade provided to Traditional councils verified	Number of Traditional Councils' tools of trade verified	60 Traditional Councils' tools of trade verified (All Traditional Councils in the Province)	60 Traditional Councils tools of trade verified (All Traditional Councils in the Province)	61	Achieved	None	None
						61		
						1. Amashangane		
						2. Bakgatla ba Mmakau		
						3. Bakgatla Ba Mocha Ba Maloka		
						4. Bakgatla Ba Mocha Ba Moepi		
						5. Bakgatla ba Seabe		
						6. Barolong ba Lefifi		
						7. Duma		
						8. Ebutsini		
						9. Embhuleni		
						10. Emfumbeni		
						11. Emjindini		
						12. Enikwakuyengwa		
						13. Enkhaba		
						14. Gutshwa		
						15. Hhoyi		
						16. Hoxane		
						17. Jongilanga		
						18. Kgarudi		
						19. Kwandwalaza		
						20. Lekgoetla		
						21. Lomshiyo		
						22. Lugedlane		
						23. Madabukela		
						24. Madlangampisi		
						25. Mahlaphahlapha		
						26. Malele		
						27. Manala Makerana		
						28. Manala Mbhongo		
						29. Manala Mgibe		
						30. Mandlamakhulu		
						31. Mantjolo		
						32. Mashilane		
						33. Masoyi		
						34. Mathibela		
						35. Matsamo		
						36. Mawewe		
						37. Mbuyane		
						38. Mdluli		
						39. Mhlaba		
						40. Mlambo		
						41. Mnisi		
						42. Mogane		
						43. Mohlala Morudi		
						44. Moletele		
						45. Moreipuso		
						46. Mpakeni		
						47. Mpsikazi		
						48. Msogwaba		
						49. Ndebele Kingdom		
						50. Ndlela		
						51. Ndzundza Fene		
						52. Ndzundza Mabhoko Kingship		
						53. Ndzundza Mabusu		
						54. Ndzundza Pungutjha		
						55. Ndzundza Somphalali		
						56. Nkambeni		
						57. Ogenyaneni		
						58. Sethlare		
						59. Siboshwa		
						60. Somcuba Bhevula		
61. Thabakgolo								

Programme: Traditional Institutional Management								
Sub-programme: Traditional Resource Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Traditional/ Kings' Councils supported on the holding of cultural ceremonies	Number of Traditional/ Kings Councils supported on the holding of cultural ceremonies	-	45 Traditional/ Kings Councils supported on the holding of cultural ceremonies 1. Manala Mbhongo 2. Emjindini 3. Mnisi 4. Mahlaphahlapha 5. Madlangampisi 6. Madabukela 7. Mandlamakhulu 8. Ebutsini 9. Ndzundza Somphalali 10. Lekgoetla 11. Enkhaba 12. Ndlela 13. Mpakeni 14. Jongilanga 15. Somcuba Bhevula 16. Malele 17. Moletele 18. Mpsikazi 19. Manala Mgibe 20. Ndzundza Pungutsha 21. Mogane 22. Msogwaba 23. Lomshiyo 24. Siboshwa 25. Mbuyane 26. Hhoyi 27. Kgarudi 28. Duma 29. Enikwakuyengwa 30. Nkambeni 31. Bakgatla Ba Seabe 32. Bakgatla Ba Mmakau 33. Mhlaba 34. Manala Mbongo KC 35. Gutshwa 36. Embhuleni 37. Mlambo 38. Ndzundza Mabhoko KC 39. Lugedlane 40. Masoyi 41. Ndundza Mabhoko 42. Emfumbeni 43. Mohlala 44. Manala Makerana 45. Mashilane	52	Achieved 52 1. Bakgatla ba Mmakau 2. Bakgatla Ba Mocha Ba Maloka 3. Bakgatla ba Mocha Ba Moepi 4. Bakgatla ba Seabe 5. Duma 6. Ebutsini 7. Embhuleni 8. Emfumbeni 9. Emjindini 10. Enikwakuyengwa 11. Enkhaba 12. Gutshwa 13. Hhoyi 14. Jongilanga 15. Kwandwalaza 16. Lekgoetla 17. Lomshiyo 18. Lugedlane 19. Madabukela 20. Madlangampisi 21. Mahlaphahlapha 22. Malele 23. Manala Makerana 24. Manala Mbhongo 25. Manala Mgibe 26. Mandlamakhulu 27. Mantjolo 28. Mashilane 29. Masoyi 30. Mathibela 31. Matsamo 32. Mawewe 33. Mbuyane 34. Mdluli 35. Mhlaba 36. Mlambo 37. Mogane 38. Moletele 39. Moreipuso 40. Mpakeni 41. Mpsikazi 42. Msogwaba 43. Ndebele Kingdom 44. Ndlela 45. Ndzundza Fene 46. Ndzundza Mabhoko 47. Ndzundza Somphalali 48. Nkambeni 49. Ogenyaneni 50. Sethlare 51. Siboshwa 52. Somcuba Bhevula	None	None

Programme: Traditional Institutional Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved performance of Traditional Councils	Traditional councils participating in IDP processes	Number of Traditional Councils supported to participate in IDP processes	58 Traditional Councils supported to participate in IDP processes 1. Enikwakuyengwa 2. Mandlamakhulu 3. Madlangampisi 4. Emfumbeni 5. Madabukela 6. Mahlaphahlapha 7. Duma 8. Mantjolo 9. Ebutsini 10. Mpsikazi 11. Enkhamba 12. Ndlela 13. Kwa-Ndwalaza 14. Ogenyaneni 15. Embhuleni 16. Somcuba Bhevula 17. Matsamo 18. Nkambeni 19. Mogane 20. Kwa-Lugedlane 21. Masoyi 22. Gutshwa 23. Mhlaba 24. Thabakgolo 25. Msogwaba 26. Emjindini 27. Lomshiyoy 28. Mlambo 29. Hoxane 30. Malele 31. Mnisi 32. Moletele 33. Mathibela 34. Amashangana 35. Mdluli 36. Mawewe 37. Mbuyane 38. Jongilanga 39. Kgarudi 40. Mashilane 41. Mohlala Morudi 42. Siboshwa 43. Hhoyi 44. Sethlare 45. Moreipuso 46. Manala Mbhongo 47. Ndzundza Mabhoko 48. Manala Mgibe 49. Manala Makerana 50. Ndzundza Fene 51. Ndzundza Somphalali 52. Ndzundza Mabusa 53. Bakgatla Ba Mocha Ba Maloka 54. Bakgatla Ba Mocha Ba Moepi 55. Bakgatla Ba Seabe 56. Bakgatla Ba Mmakau 57. Barolong Ba Lefifi 58. Ndzundza Pungutsha	60 Traditional Councils supported to participate in IDP processes (All Traditional Councils in the Province)	58	Achieved 58 1. Amashangana 2. Bakgatla Ba Mocha Ba Maloka 3. Bakgatla Ba Seabe 4. Bakgatla Ba Mmakau 5. Bakgatla Ba Mocha Ba Moepi 6. Barolong Ba Le Fifi 7. Duma 8. Ebutsini 9. Embhuleni 10. Emfumbeni 11. Emjindini 12. Enikwakuyengwa 13. Enkhamba 14. Gutshwa 15. Hhoyi 16. Hoxane 17. Jongilanga 18. Kgarudi 19. Kwalugedlane 20. Kwandwalaza 21. Lekgoetla 22. Lomshiyoy 23. Madabukela 24. Mahlaphahlapha 25. Malele 26. Manala Makerana 27. Manala Mbhongo 28. Manala Mgibe 29. Mandlamakhulu 30. Madlangampisi 31. Mantjolo 32. Mashilane 33. Masoyi 34. Mathibela 35. Matsamo 36. Mawewe 37. Mbuyane 38. Mdluli 39. Mhlaba 40. Mlambo 41. Mnisi 42. Mogane 43. Moletele 44. Moreipuso 45. Mpakeni 46. Mpsikazi 47. Msogwaba 48. Ndlela 49. Ndzundza Somphalali 50. Ndzundza Fene 51. Ndzundza Mabusa 52. Ndzundza Punguntjha 53. Nkambeni 54. Ogenyaneni 55. Sethlare 56. Siboshwa 57. Somcuba Bhevula 58. Thabakgolo	None	None

Programme: Traditional Institutional Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Traditional Councils participating in Ward Committees	Number of Traditional Councils supported to participate in Ward Committees	45 Traditional Councils supported to participate in ward committees 1. Ndzundza Mabusa 2. Bakgatla Ba Mocha Ba Moloka 3. Ndlela 4. Ndzundza-Somphalali 5. Ndzundza-Pungutsha 6. Mnisi 7. Barolong Ba Lefifi 8. Emfumbeni 9. Malele 10. Ebutsini 11. Msogwaba 12. Mandlangampisi 13. Thabakgolo 14. Embhuleni 15. Jongilanga 16. Manala-Mbhongo 17. Ndzundza-Mabhoko 18. Ogenyaneni 19. Kwandwalaza 20. Enikakuyengwa 21. Mathibela 22. Sethlare 23. Duma 24. Emjindini 25. Moletele 26. Mpisikazi 27. Mahlaphahlapha 28. Mhlaba 29. Lugedlane 30. Manala Mgibe, 31. Hhoyi 32. Nkaba 33. Lekgoetla 34. Hoxane 35. Masoyi 36. Mbuyane 37. Nkambeni 38. Moreipuso 39. Somcuba Bhevula 40. Mandlamakhulu 41. Mpakeni 42. Ndzundza Fene 43. Mashilane 44. Mdluli 45. Mogane	50 Traditional Councils supported to participate in Ward Committees 1. Manala Mbongo 2. Ndzundza Mabhoko 3. Manala Mgibe 4. Manala Makerane 5. Ndzundza Fene 6. Ndzundza Somphalali 7. Ndzundza Mabusa 8. Bakgatla Ba Mocha Ba Maloka 9. Enikwakuyengwa 10. Lekgoetla 11. Mandlamakhulu 12. Mandlangampisi 13. Matsamo 14. Nkambeni 15. Mogane 16. Lugedlane 17. Masoyi 18. Gutshwa 19. Mhlaba 20. Thabakgolo 21. Msogwaba 22. Emjindini 23. Mpakeni 24. Lomshiyo 25. Mlambo 26. Hoxane 27. Malele 28. Mnisi 29. Moletele 30. Mathibela 31. Amashangana 32. Mdluli 33. Mawewe 34. Mbuyane 35. Jongilanga 36. Kgarudi 37. Mashilane 38. Mohlala 39. Siboshwa 40. Hhoyi 41. Emfumbeni 42. Madabukela 43. Mahlaphahlapha 44. Duma 45. Mantjolo 46. Ebutsini 47. Mpisikazi 48. Enkhoba 49. Ndlela 50. Kwandwalaza	58	Achieved 58 1. Amashangana 2. Bakgatla Ba Mmakau 3. Bakgatla Ba Mocha Ba Maloka 4. Bakgatla Ba Mocha Ba Moepi 5. Bakgatla Ba Seabe 6. Duma 7. Ebutsini 8. Embhuleni 9. Emfumbeni 10. Emjindini 11. Empakeni 12. Enikwakuyengwa 13. Enkhoba 14. Gutshwa 15. Hhoyi 16. Hoxane 17. Jongilanga 18. Kgarudi 19. Kwalugedlane 20. Kwandwalaza 21. Lekgoetla 22. Lomshiyo 23. Madabukela 24. Mahlaphahlapha, 25. Malele 26. Manala Makerana 27. Manala Mbongo 28. Manala Mgibe 29. Mandlamakhulu 30. Mandlangampisi 31. Mantjolo 32. Mashilane 33. Masoyi 34. Mathibela 35. Matsamo 36. Mawewe 37. Mbuyane 38. Mdluli 39. Mhlaba 40. Mlambo 41. Mnisi 42. Mogane 43. Mohlala Morudi 44. Moletele 45. Moreipuso 46. Mpisikazi 47. Msogwaba 48. Ndlela 49. Ndzundza Fene 50. Ndzundza Mabhoko 51. Ndzundza Mabusa 52. Ndzundza Pungutsha 53. Ndzundza Somphalali 54. Nkambeni 55. Ogenyaneni 56. Siboshwa 57. Somcuba Bhevula 58. Thabakgolo	None	None

Programme: Traditional Institutional Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Partnership Agreements that exist between Traditional Councils and PPPs	Number of partnership agreements that exist between Traditional Councils and PPPs	-	-	4	Achieved 4 1. Lease agreement between Vodacom (Pty) Ltd and Ndzundza Mabusa Traditional Council. 2. Lease agreement between Vodacom (Pty) Ltd and Ndzundza Somphalali Traditional Council 3. Lease agreement between Vodacom (Pty) Ltd and Matsamo Traditional Council. 4. Lease agreement between ATC South Africa Wireless Infrastructure (Pty) Ltd and Matsamo Traditional Council	None	None
	Traditional Councils reconstituted	Number of Traditional Councils reconstituted	-	0	50	Not Achieved 0	50 Traditional councils not reconstituted	The project was stalled by the Mpumalanga House of Traditional and Khoi-San Leaders due to unresolved concerns raised
	Traditional councils offices constructed	Number of Traditional Councils offices constructed	-	0	23	Not Achieved 21 1. Bakgatla Ba Makau 2. Bakgatla Ba Mocha Ba Maloka 3. Bakgatla Ba Seabe 4. Barolong Ba Leffi 5. Duma 6. Hoxane 7. Jongilanga 8. Madabukela 9. Manala Makerana 10. Manala Mbhongo 11. Manala Mgibe 12. Mashilane 13. Mathibela 14. Mogane 15. Mohlala Morudi 16. Ndzundza Mabusa 17. Ndzundza Pungutsha 18. Ndzundza Somphalali 19. Sethlare 20. Somcuba Bhevuva 21. Thabakgolo	2 Traditional Council offices not constructed (Ndzundza Fene – 70% complete and Ndzundza Mabhoko -not constructed)	Ndzundza Fene Traditional Council office could not be completed due to slow progress on site Ndzundza Mabhoko Traditional Council office could not be constructed due to challenges encountered during site identification

Programme: Traditional Institutional Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Traditional Councils offices renovated	Number of Traditional Councils offices renovated	-	0	18	Achieved 18 1. Embhuleni 2. Emfumbeni 3. Enkhaba 4. Gutshwa 5. Hhoyi 6. Lomshiyo 7. Mandlamakhulu 8. Mandlangampisi 9. Masoyi 10. Mawewe 11. Mbuyane 12. Mhlababa 13. Mnisi 14. Moletele 15. Mpisikazi 16. Ndebele Kingdom (Kings Cluster 1 st phase) 17. Ndlela 18. Siboshwa	None	None

Programme: Traditional Institutional Management								
Sub-programme: Traditional Land Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved performance of Traditional Councils	Traditional land cases resolved	Number of Traditional land cases resolved within two months of receipt	<p>18 Traditional land cases resolved within 2 months of receipt</p> <ol style="list-style-type: none"> 1. Site dispute between Mr W Hlungana and Sethlare TC, 2. Site dispute between Mr K Chiloane and Mr S Hlatshwayo, 3. Ancestral land dispute between families of Sengwayo, Leyane, Ngwenyama and Mdluli TC, 4. Stand/house dispute between Mr Mthembu and Ms Arrone (Msogwaba TC), 5. Conflict of interest in ward 16 at Vlaklagte 2 also known as Buhlebesizwe, a settlement under Ndzundza Mabhoko traditional council area of jurisdiction in Thembisile Hani local municipality, 6. Site dispute between Mrs Nobela and Masoyi Traditional Council, 7. Land dispute between Dube Family and Mpsikazi Traditional Council 8. Illegal land invasion and land selling at Msogwaba Traditional Council area of jurisdiction 9. Land dispute between Ikhwezi Vegetable and Poultry v/s Group Two (Matsamo Traditional Council) 10. Report on the investigation pertaining to the perimeters of the area of jurisdiction of the Manala Mbongo Traditional Council around the Moloto area 11. Ngodini community forum and Mpsikazi Traditional Council: Illegal Sand Mining 12. Mining challenges between Sambane AJT Mining and Logistics (PTY) LTD and the community of Enikwakuyengwa Traditional Council 13. Land dispute between Ematjeni Primary School and Siboshwa Traditional Council and 14. Report on referral of petition: Mmotoaneng community against Kwamanala Traditional Authority, Thembisile Hani local municipality for land invasion: (Kwamhlanga) – (Ref: MPL) 15. Land dispute between Jerusalem High School and Two Families (Mlamo and Maphosa) 16. Land dispute between Gutshwa Traditional Council and Mr Andrew Chiloane 17. Land dispute between Farmers and Nkambeni Traditional Council 18. Boundary dispute between Moletele and Mnisi Traditional Councils 	<p>17 Traditional land cases resolved within two months of receipt</p> <ol style="list-style-type: none"> 1. Land dispute between Matume family and Mhaule family 2. Land dispute between Doris Sambo and other Family Members 3. Report on a complaint about a church stand: Bhuga 4. Land dispute between Msogwaba TC & Ms Mdluli 5. Land dispute: Marcia Sihlongonyane and Charity Mhlanga (neighbours) V/S Lomshiyi TC over forceful removal from their sites 6. Land invasion at Jerusalem: Masoyi Traditional Council 7. Mosebese Balemirui Live Stock Farmers Project (Dr. JS Moroka) 8. Complaint about land compensation Mpakeni Traditional Council 9. Land dispute between Greater Manyeleti Farmers Association and Dr. Monareng 10. Stand dispute between Ms Abigail Mndawe and Mr Khonza Ngobeni at Swalala village (Masoyi Traditional Council) 11. Report on a land dispute by Sambo family against Nkambeni traditional council 12. Land dispute between Nkuna Family and Sifundza and Londanda Families 13. Site dispute between Nkambeni TC and Shabalala Family 14. Stand dispute between Shakwane and Magagula (Mpakeni Traditional Council) 15. Land dispute Gutshwa Traditional Council, Eskom v/s Sambo and Ngwenyama families 16. Stand dispute Msogwaba Traditional Council v/s Mr S Gama 17. Land dispute between Mr DD Milanzi and Ms E Mtshali (Mpsikazi Traditional Council) 	18	<p>Achieved</p> <p>18</p> <ol style="list-style-type: none"> 1. Land dispute between Mdluli Family and Mbuyane Traditional Council 2. Land dispute between Mr. Ngoma and Mbuyane Traditional Council 3. Land dispute between Maphanga Family and Mbuyane Traditional Council. 4. Business site dispute: Raphalalala vs M Khumalo 5. Land Dispute Mnisi family vs Induna Sion Chiloane 6. Land dispute between Ngubane Family and Matsamo TC 7. Land dispute between Mgwenya Family and Gutshwa Traditional Council 8. Land dispute between Mr SS Gama and Msogwaba Traditional Council 9. Land dispute between Mbuyane TC and Mr S Mabaso 10. Land Dispute between Malope family and Nkambeni TC 11. Stand dispute between Mr. Moema and Bakgatla BaMoepe. 12. Stand dispute between Mr. Nungu and Mpakeni TC 13. Land dispute between Emjindini TC and Banele Ndlovu 14. Land Dispute between Moreiposo TC and Mr. S Mohlala 15. Land dispute between Mr B Zwane and Ingogo Farmers association at Ebutsini Traditional Council 16. Land invasion at Barolong Ba Leffi 17. Land dispute between Nkosi Family and Mr Jele (Embhuleni TC) 18. Land jurisdiction for Ebutsini Traditional Council 	None	None

Programme: Traditional Institutional Management								
Sub-programme: Traditional Land Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Traditional Councils participating in Land Use Planning	Number of Traditional Councils supported to participate in Land Use Planning	55 Traditional councils supported to participate in Land Use Planning 1. Moreipuso 2. Mogane 3. Thabagolo 4. Malele 5. Hoxane 6. Moletele 7. Mathibela 8. Amashangana 9. Sethlare 10. Jongilanga 11. Mpakeni 12. Gutshwa 13. Hhoyi 14. Lomshiyi 15. Masoyi 16. Mhlaba 17. Msogwaba 18. Mbuyane 19. Mlambo 20. Emjindini 21. Nkambeni 22. Luggedlane 23. Kgarudi 24. Matsamo 25. Mawewe 26. Mnisi 27. Ndlela 28. Lekgoetla 29. Mandlamakhulu 30. Ebutsini 31. Embhuleni 32. Enikakuyengwa 33. Ogenyaneni 34. Madabukela 35. Kwandwalaza 36. Mhlahlapha 37. Duma 38. Emfumbeni 39. Somcuba Bhevula 40. Enkaba 41. Mpsikazi 42. Mandlangampisi 43. Mantjolo 44. Bakgatla Ba Mocha Ba Moepi 45. Ndzundza-Fene 46. Manala-Mgibe 47. Borolong Ba Lefifi 48. Ndzundza-Mabhoko 49. Manala Makerane 50. Ndzundza-Somphalali 51. Bakgatla Ba Mmakua 52. Ndzundza-Mabusa 53. Manala-Mbhongo 54. Bakgatla Ba Moloka 55. Bakgatla Ba Seabe	60 Traditional Councils supported to participate in Land Use Planning (All Traditional Councils in the Province)	40	Achieved 40 1. Amashangana 2. Bakgatla Ba Makau 3. Bakgatla Ba Mocha Ba Maloka 4. Bakgatla Ba Mocha Ba Moepi 5. Bakgatla Ba Seabe 6. Barolong Ba Lefifi 7. Duma 8. Embuleni 9. Enikwakuyengwa 10. Enkhaba 11. Gutshwa 12. Hhoyi 13. Hoxane 14. Jongilanga 15. Luggedlane 16. Malele 17. Manala Makerana 18. Manala Mbhongo 19. Manala Mgiba 20. Mandlangampisi 21. Mantjolo 22. Mashilane 23. Masoyi 24. Mawewe 25. Mbuyane 26. Mdululi 27. Mhlaba 28. Mlambo 29. Mogane 30. Mohlala Morudi 31. Moreipuso 32. Mpsikazi 33. Msogwaba 34. Ndlela 35. Ndzundza Somphalali 36. Ndzundza Fene 37. Ndzundza Mabhoko 38. Ndzundza Mabusa 39. Ndzundza Pungutjha 40. Thabagolo	None	None

Linking performance with budgets

The budget for the programme had increased by **R 126.817 million** or 81.4 per cent from **R 155.762 million** in 2022/23 to **R 289.579 million** in 2023/24. This increase is due to construction of the Traditional Councils Offices that has started in 2022/2023 Financial Year. The programme has managed to spend **100 percent**, however not all planned targets were achieved.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Support	2 116	2 115	1	1 395	1 395	-
Traditional Institution Administration	15 735	15 735	-	13 979	13 978	1
Traditional Resource Administration	116 786	116 785	1	95 507	95 310	197
Rural Development Facilitation	143 783	143 782	1	41 392	41 392	-
Traditional Land Administration	4 159	4 154	5	3 489	3 489	-
Total	282 579	282 571	8	155 762	155 564	198

Strategy to overcome areas of under performance

- On reconstitution of Traditional Councils, the matter was referred to COGTA National and this project will continue after National Elections.
- Ndzundza Fene will be completed by the 30th of April 2024.
- Ndzundza Mabhoko TC offices will be renovated in the 2024/25 financial year as per the request of the Traditional Council.

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

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

4.5 Programme 5: House of Traditional Leaders

Purpose of the Programme

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

List of the sub-programmes

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

Outcome for the financial year under review

- ✓ Developed communities in areas of traditional leadership

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

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

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024 until date of re-tabling	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
There were no revisions made to the outputs, output indicators and targets of Programme 5: House of Traditional Leaders Sub-Programmes: Administration of the House of Traditional Leaders and Committees and Local Houses of Traditional Leaders. All the indicators as reflected in table 5.4.4.2 were indicators on the originally tabled 2023/24 Annual Performance Plan.									

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

Programme: House of Traditional Leaders								
Sub-programme: Administration of the House of Traditional Leaders (Business Support)								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Developed Communities in areas of traditional leadership	Matters affecting the business of the HTL processed	Number of matters affecting the business of the HTL processed	1 Matter affecting the business of the HTL processed (Agrarian project)	1 Matter affecting the business of the HTL processed (Agrarian project)	4	Achieved 4 (Succession disputes, land invasion, Agricultural project and Agrarian: Greenhouses)	None	None
	Approved research report on Genealogy	Number of approved research reports on genealogy	6 Approved Research reports on Genealogy	6 Approved research reports on genealogy	4	Achieved 4 (Duma, Madlangampisi, Moletete and Sethlare)	None	None
	Legal services impacting on the institution of Traditional and Khoi-San Leadership rendered	Number of Legal services impacting on the institution of Traditional and Khoi-San Leadership rendered	8 Legal services impacting on the institution of Traditional Leadership rendered	8 Legal services impacting on the institution of Traditional Leadership rendered	8	Achieved 8 1. Legal opinion on withdrawal of resignation by a member of the Mpumalanga Provincial House of Traditional and Khoi-San Leadership 2. MOU between Commission for Gender Equality and MPHTKL 3. Traditional Khoi-San Leadership Act (Act No.3 of 2019) 4. Expropriation bill, 5. Rules and Orders (Rule 84) 6. Municipal Structures Act 7. Preservation and development of Agriculture Land bill 8. Marriage Bill	None	None
	Initiation schools complying with Customary Initiation Act	Number of initiation schools complying with Customary Initiation Act	-	39 Initiation schools that comply with the Ingoma Act	230	Achieved 230	None	None
	Traditional Councils implementing Rural Invest program	Number of Traditional Councils monitored on the implementation of Rural Invest program	-	-	4	Achieved 4 (Lugedlane, Mdluli, Ndundza Somphalali and Madlangampisi)	None	None

Programme: House of Traditional Leaders Sub-programme: Provincial Committees								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Developed Communities in areas of traditional leadership	Functional Provincial House Committees	Number of functional Provincial House Committees	5 Provincial House Committees functional	5 Provincial House Committees functional (Justice and Land Committees, Social Development Committee, Traditional, Culture and Customs committee, Traditional Leadership claims and disputes committee and Target group committee)	5	Achieved 5 1. Land and Justice committee 2. Social Development Committee 3. Traditional Leadership Claims and Disputes committee 4. Traditions, Customs and Culture committee 5. Target group committee	None	None
	Anti GBVF interventions/campaigns for traditional leadership	Number of Anti GBVF interventions/campaigns for traditional leadership	4 Anti GBVF interventions/campaigns for traditional leadership	4 Anti GBVF interventions/campaigns for traditional leadership	4	Achieved 6 1. Mdluli 2. Lekgoetla 3. Bakgatla Ba Mocha Ba Moepi 4. Traditional leadership within Gert Sibande – 30 August 2023 5. Workshop on GBVF (Gert Sibande District-28 November 2023) 6. Mawewe	2 Additional GBVF campaigns from Traditional Leadership	There was a higher demand of GBVF campaigns from Traditional leadership

Programme: House of Traditional Leaders								
Sub-programme: Local House of Traditional Leaders								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Developed Communities in areas of traditional leadership	Functional Local Houses	Number of functional Local Houses	3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	3	Achieved 3 (Ehlanzeni, Gert Sibande and Nkangala)	None	None
	Agrarian projects implemented in Traditional communities	Number of agrarian projects monitored in Traditional councils within the 3 districts	7 Agricultural projects monitored in Traditional communities (Moreipuso TC, Bakgatla Ba Maloka TC, Duma TC, Lekgoetla TC, Thabakgolo TC, Ndzundza Fene TC and Mpisikazi TC)	13 Agrarian projects monitored in Traditional councils within the 3 districts (Ehlanzeni: Matsamo, Moletele, Moreipuso, Siboshwa and Mnisi Nkangala: Ndundza Mabhoko, 2 Manala Mbongo and Bakgatla Ba Mocha Ba Moepi Gert Sibande: Ndlela, Madlamakhulu, Ebutsini and Efumbeni)	6	Achieved 6 Ehlanzeni: Mogane, Mashilane Nkangala: Bakgatla Ba Maloka, Manala Mgibe Gert Sibande: Enkhaba, Somcuba Bhevula	None	None
	DDM projects in traditional communities	Number of District Development Model projects monitored in traditional communities	3 District Development Model Projects monitored in Traditional communities	3 District Development Model projects monitored in Traditional communities (Ehlanzeni: Mlambo Gert Sibande: Mpisikazi Nkangala: Manala Mgibe)	3	Achieved 3 Ehlanzeni: Mkhuhlu Agri-Hub (Hoxane) Traditional Council Gert Sibande: Lusushwana Water Treatment Plant – Betty'sgoed (Duma) Nkangala: Loskop Bulk Water Scheme – Verena (Manala Mgibe)	None	None
	Local houses participating in DDM structures	Number of Local houses participating in DDM structures	-	-	3	Achieved 3 (Ehlanzeni, Gert Sibande and Nkangala)	None	None

Linking performance with budgets

The final budget for the programme has increased by **R 5.286 million** or 25.2 percent from **R 20.911 million** in 2022/23 to **R 26.197 million** in 2023/24. This is due to the limited budget within the department. The programme has managed to spend 100 percent of the final allocation and has achieved 100 percent of the planned targets.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Admin of House Traditional Leaders	11 986	11 983	3	7 847	7 847	-
Committees and Local Houses of Traditional Leaders	14 211	14 210	1	13 064	13 063	1
Total	26 197	26 193	4	20 911	20 910	1

Strategy to overcome areas of under performance

None.

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

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

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

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

5.2 Transfer payments to all organisations other than public entities

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

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Amashangane	Traditional Council	Operational Grant	Yes	314	314	N/A
		Cultural Function	Yes	250	250	N/A
Bakgatla Ba Mmakau	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Bakgatla Ba Mocha Moepi	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Bakgatla Ba Maloka	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Bakgatla Ba Seabe	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Barolong Ba Lefifi	Traditional Council	Operational Grant	Yes	350	350	N/A
Duma	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Ebutsini	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Embhuleni	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Emfumbeni	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Emjindini	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Enikwakuyengwa	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Enkhaba	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Gutshwa	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Hhoyi	Traditional Council	Operational Grant	Yes	175	175	N/A
		Cultural Function	Yes	250	250	N/A
Hoxane	Traditional Council	Operational Grant	Yes	350	350	N/A
Jongilanga	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Kgarudi	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Kwadwalaza	Traditional Council	Operational Grant	Yes	344	344	N/A
		Cultural Function	Yes	250	250	N/A
Legoetla	Traditional Council	Operational Grant	Yes	336	336	N/A
		Cultural Function	Yes	250	250	N/A
Lomshiyo	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Lugedlane	Traditional Council	Operational Grant	Yes	280	280	N/A
		Cultural Function	Yes	250	250	N/A
Madabukela	Traditional Council	Operational Grant	Yes	310	310	N/A
		Cultural Function	Yes	250	250	N/A
Madlamakhulu	Traditional Council	Operational Grant	Yes	348	348	N/A
		Cultural Function	Yes	250	250	N/A
Madlangampisi	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mahlaphahlapha	Traditional Council	Operational Grant	Yes	341	341	N/A
		Cultural Function	Yes	250	250	N/A
Malele	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Manala Makerane	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Manala Mbhongo	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Manala Mgibe	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mantjolo	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mashilane	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Masoyi	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mathibela	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Matsamo	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mawewe	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mbuyane	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mdluli	Traditional Council	Operational Grant	Yes	335	335	N/A
		Cultural Function	Yes	250	250	N/A
Mhlaba	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mlambo	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mnisi	Traditional Council	Operational Grant	Yes	350	350	N/A
Mogane	Traditional Council	Operational Grant	Yes	300	300	N/A
		Cultural Function	Yes	250	250	N/A
Moletele	Traditional Council	Operational Grant	Yes	331	331	N/A
		Cultural Function	Yes	250	250	N/A
Moreiposo	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Mpakeni	Traditional Council	Operational Grant	Yes	346	346	N/A
		Cultural Function	Yes	250	250	N/A
Mpisikazi	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Msogwaba	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Ndebele Kingdom	King Council	Operational Grant	Yes	1 000	1 000	N/A
		Cultural Function	Yes	450	450	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Ndlela	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Ndzundza Fene	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Ndzundza Mabhoko Kingship	King Council	Operational Grant	Yes	1 000	1 000	N/A
		Cultural Function	Yes	450	450	N/A
Nzundza Mabhoko	Traditional Council	Operational Grant	Yes	350	350	N/A
Ndzundza Mabuse	Traditional Council	Operational Grant	Yes	350	350	N/A
Ndzundza Pungutjha	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Ndzundza Somphalala	Traditional Council	Operational Grant	Yes	349	349	N/A
		Cultural Function	Yes	250	250	N/A
Nkambeni	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Ogenyaneni	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Sethlare	Traditional Council	Operational Grant	Yes	350	350	N/A
		Cultural Function	Yes	250	250	N/A
Siboshwa	Traditional Council	Operational Grant	Yes	297	297	N/A
		Cultural Function	Yes	250	250	N/A
Somcuba	Traditional Council	Operational Grant	Yes	280	280	N/A
		Cultural Function	Yes	207	207	N/A
Thabakgolo	Traditional Council	Operational Grant	Yes	329	329	N/A
Total				36 172	36 172	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2023 to 31 March 2024, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Barolong Ba Lefifi	Cultural Function	250	-	Cultural function not held
Hoxane	Cultural Function	250	-	Cultural function not held
Mnisi	Cultural Function	250	-	Cultural function not held
Mohlala	Operational Grants	350	-	Non-compliance to sec 38 (1) (j) PFMA
	Cultural Function	250	-	Cultural function not held
Ndzundza Mabhoko	Cultural Function	250	-	Cultural function not held
Ndzundza Mabuse	Cultural Function	250	-	Cultural function not held
Thabakgolo	Cultural Function	250	-	Cultural function not held
TOTAL		2 100	-	

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The Department has spent earmarked funds as follows;

- R 14.965 million** for the reconstitution of Traditional Councils.
- R 111.831 million** for the construction of Traditional Council Offices within the province.
- R 84.904 million** for the Development of the IT Municipal Monitoring and Reporting System Support within the Municipalities.
- R 1.710 million** for the Municipal Audit Turn Around Initiatives
- R 30.003 million** Disaster Relief Materials
- R 36.172 million** Transfers to Traditional Councils
- R 8.050 million** Fire Brigade Services Vehicles

6.2 Conditional grants and earmarked funds received.

The Department received a conditional grant for the implementation of the Youth Waste Management Project through the Expanded Public Works Programme amounting to **R 2.208 million** of which **R 2.208 million** or 100 percent was spent in the year under review.

The funds were received through the Provincial Treasury. The Department was able had planned to maintain 190 work opportunities and this target was successfully achieved.

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2023 to 31 March 2024.

Conditional Grant 1: Expanded Public Works Programme

Department who transferred the grant	National Department of Public Works
Purpose of the grant	Youth Waste Management Project
Expected outputs of the grant	190 work opportunities created
Actual outputs achieved	190 work opportunities created
Amount per amended DORA	R2.208 million
Amount received (R'000)	R2.208 million
Reasons if amount as per DORA was not received	Not Applicable
Amount spent by the department (R'000)	R2.208 million
Reasons for the funds unspent by the entity	Not Applicable
Reasons for deviations on performance	Not Applicable
Measures taken to improve performance	Not Applicable
Monitoring mechanism by the receiving department	Monthly In-Year Monitoring (IYM) Reports in line with the PFMA S(40) for expenditure and attendance registers.

7. DONOR FUNDS

7.1 Donor Funds Received

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

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

The following capital infrastructure projects (Construction of Traditional Council Offices) were implemented during the 2022/23 Financial Year, however, completion was in 2023/24 Financial Year. These projects were funded through a roll-over of unspent funds from 2022/23 Financial Year:

1. Mogane Traditional Council Offices
2. Mathibela Traditional Council Offices
3. Mohlala Morudi Traditional Council Offices
4. Jongilanga Traditional Council Offices
5. Hoxane Traditional Council Offices
6. Duma Traditional Council Offices
7. Somcuba Bhevula Traditional Council Offices
8. Madabukela Traditional Council Offices
9. Ndzundza Mabusa Traditional Council Offices
10. Ndzundza Pungutjha Traditional Council Offices
11. Bakgatla Ba Mmakau Traditional Council Offices
12. Manala Mbongo Traditional Council Offices
13. Bakgatla Ba Seabe Traditional Council Offices
14. Bakgatla Ba Mocha Ba Maloka Traditional Council Offices

The following capital infrastructure projects (Construction of Traditional Council Offices) were implemented and completed during the 2023/24 Financial Year.

1. Thabakgolo Traditional Council Offices
2. Barolong Ba Lefifii Traditional Council Offices
3. Manala Makerane Traditional Council Offices
4. Manala Mgibe Traditional Council Offices
5. Ndzundza Somphalali Traditional Council Offices
6. Mashilane Traditional Council Offices
7. Sethlare Traditional Council Offices

The following capital infrastructure project (Construction of Traditional Council Office) was implemented however, it was still in progress as at 31 March 2024.

1. Ndzundza Fene Traditional Council Offices

The following capital infrastructure projects (renovation of Traditional Council Offices) were completed during the 2023/24 Financial Year. However, payments for capital projects were still outstanding as at 31 March 2024.

1. Renovation of Hhoyi Traditional Council
2. Renovation of Masoyi Traditional Council
3. Renovation of Embhuleni Traditional Council
4. Renovation of Gutshwa Traditional Council
5. Renovation of Mawewe Traditional Council
6. Renovation of Nkaba Traditional Council
7. Renovation of Emfumbeni Traditional Council
8. Renovation of Mbuyane Traditional Council
9. Renovation of Mandlamakhulu Traditional Council
10. Renovation of Lomshiyo Traditional Council
11. Renovation of Siboshwa Traditional Council
12. Renovation of Mpsikazi Traditional Council
13. Renovation of Mhlaba Traditional Council
14. Renovation of Ndlela Traditional Council
15. Renovation of Moletele Traditional Council
16. Renovation of Mnisi Traditional Council
17. Renovation of Madlangampisi Traditional Council
18. Renovation of Ndebele Kingdom (Kings Cluster 1st phase)

The following capital infrastructure project (renovation of Traditional Council Office) was planned however, not completed during the 2023/24 Financial Year due to Poor relationship between the Traditional Council and contractor and the contract was terminated by the Department.

The project is expected to be completed by the end of May 2024:

1. Renovation of Enikwakuyengwa Traditional Council

There were major changes in the asset register for the period under review as renovation and construction projects were implemented by the Department. The register is monitored and maintained through a dedicated asset management unit. The Department performs monthly reconciliations and quarterly physical asset verifications to ensure existence of assets and completeness of the asset components.

Infrastructure projects	2023/2024			2022/2023		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	73 420	73 420	-	24 676	24 676	-
Existing infrastructure assets	-	-	-	-	-	-
- Upgrades and additions	-	-	-	-	-	-
- Rehabilitation, renovations and refurbishments	40 473	40 473	-	12 014	12 013	1
- Maintenance and repairs	2 237	2 236	1	1 025	1 023	2
Infrastructure transfer	-	-	-	-	-	-
- Current	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
Total	116 130	116 129	1	37 715	37 712	3

**PART C:
GOVERNANCE**

1. INTRODUCTION

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

2. RISK MANAGEMENT

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

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

3. FRAUD AND CORRUPTION

- The department's fraud prevention plan is in place.
- Fraud awareness conducted through Departmental newsletters.
- Fraud and corruption is monitored and reported to Integrity Management Unit in the Office of the Premier for further processing and progress reports are being compiled.
- To date there are no cases reported to the Department.

4. MINIMISING CONFLICT OF INTEREST

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

5. CODE OF CONDUCT

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

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

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

7. PORTFOLIO COMMITTEES

The Department report to the Portfolio Committee on Co-operative Governance and Human Settlements. This is a political structure formed by the legislature to perform an oversight function to the Department. The committee review the Department's Strategic Plan, Annual Performance Plans and budgets annually before they get approved for implementation. Once approved, the implementation

of the plans and budget are monitored on monthly and quarterly basis and this is achieved through analysis of our implementation progress reports.

The Department appeared before the portfolio committee on the following dates:

- 26 May 2023 for tabling 2022/23 4th quarter performance report and 2023/24 Annual Performance Plan.
- 24 August 2023 tabling of the 2023/24 1st quarter performance report
- 3 November 2023 tabled 2022/24 Annual Report
- 24 November 2023 tabled the 2023/24 2nd quarter performance report and 2021/22 Section 47 report.
- 4 March 2024 tabled the 2023/24 3rd quarter performance.

The Department is regularly required to submit responses to questions raised on the plans and performance reports. The latest progress provided on house resolutions made by the portfolio committee on Human Settlements, Co-operative Governance and Traditional Affairs was in relation to the 2023/24 3rd quarterly report of the department as follows:

NO.	FINDING	RECOMMENDATION	PROGRESS
1.	The department underspent by 4.2% (70.8%) which is not in line with the National Treasury benchmark of 75%.	Ensure compliance with the National Treasury Regulations benchmark when spending the budget and strengthen the monitoring system to prevent underspending in the subsequent quarters.	The Department will strengthen the monitoring of financial and non-financial expenditure against budget through the following: a) The appointment of Project Steering Committees to receive performance reports on all ongoing projects and make recommendations for improvements where necessary. b) Monthly budget and expenditure review sessions will be conducted by Management Accounting to assist responsibility managers on timely warnings on under or over spending and possible remedial actions. c) Quarterly Departmental Performance Review Session to monitor both financial and non-financial performance with the view to identify over or under performance and possible remedial actions.
2.	The Department had an unachieved target from programme 4, in relation to Traditional council offices renovated. Contractors were only appointed in November 2023, all sites were handed over and the renovations are in progress. Renovations of the eighteen (18) Traditional Council offices are anticipated to be completed by February 2024.	Provide a detail progress report on the progress made on the renovations of the eighteen (18) Traditional Council Offices as the expected completion date was February 2024	Eighteen (18) (Hhoyi, Siboshwa, Mawewe, Mhlaba, Mnisi, Moletele, Masoyi, Lomshiyo, Gutshwa, Mbuyane, Madlangampisi, Mandlamakhulu, Embhuleni, Mpsikazi, Ndlela Emfumbeni, Nkhaba and Manala Mbongo Kingship Cluster) Traditional councils offices renovations have been completed.
3.	The Department conducted forty-eight (48) survey services in order to assist municipalities in addressing land boundary disputes, identifying stand boundaries for allocation of stands and point boundaries of properties for construction of low cost housing.	Provide a detail report on the forty-eight (48) Survey services that were conducted to assist municipalities in addressing land boundary, identifying stand boundaries for allocation of properties for construction of low-cost housing. A progress report to be submitted on a quarterly basis on whether it is yielding positive results.	The forty eight (48) survey services were rendered in towns within the Province. These services are provided in-house therefore saving the Department, Traditional Councils and Municipalities from incurring costs to appoint service providers to conduct such services.
4.	A total of R2.1 billion which was allocated for Municipal Infrastructure Grant (MIG) projects has been reduced by R140 000 000.00 to R1.9 billion.	Provide progress report on the municipalities that failed to spend their Municipal Infrastructure Grant (MIG) as it has been reduced by R 140 000 000.00 to R 1.9 billion. Including measures that have been put in place to prevent the reoccurrence of such in the next financial year and provide progress reports on a quarterly basis.	Municipalities have not failed to spend the R140 million on the MIG programme. However, in the country, there was a total downward adjustment of R1.2 billion on MIG allocation as per the Division of Revenue Amendment Bill that was published on 24 October 2023. On the R1.2 billion nationwide downward MIG adjustment, Mpumalanga's MIG allocation was adjusted by R140 million. The adjusted amount of R1.2 billion was added to the municipal disaster recovery grant to fund the reconstruction and rehabilitation of municipal infrastructure damaged by the floods that occurred between February and March 2023. The MIG expenditure as of the end of February is R1.3 billion, (68%) of the MIG allocation of R1.9 billion.

NO.	FINDING	RECOMMENDATION	PROGRESS
5.	The Department monitored four (4) Provincial Spatial Development Framework (PSDF) projects (Nkosi City development, Mpumalanga (Eastern escarpment) Regional Spatial Development Framework (RSDF), District Rural Development Sector Plans and the compilation of development plans for Priority Human Settlement and Housing Development Areas (PHSHDAs).	Provide a detail progress report on the monitored Provincial Spatial Development Framework (PSDF) project (Nkosi City development, Mpumalanga (eastern Escarpment) Regional Spatial Development Framework (RSDF), District Rural Development Sector Plans and the compilation of development plans for priority Human settlement and Housing Development Areas (PHSHDAs)	<p>The Department co-ordinated the implementation of the four (4) PSDF Projects (Nkosi City, RSDF, Rural Development Sector Plans, PHSHDA) and the 3rd Quarter progress is follows:</p> <p>Nkosi City Development Project:</p> <p>The Department has co-ordinated the Nkosi City Project Steering Committee meeting on Tuesday, 21 November 2023. As directed by the PSC, the Department convened a meeting between the City of Mbombela, Infrastructure South Africa, National and Provincial Treasury, Nkosi City Development Pty Ltd (NCD/CAPIC), DPWRT on Friday, 1 December 2023 to determine the status of the Budget Infrastructure Facility (BFI) application.</p> <ul style="list-style-type: none"> The township establishment process is nearing completion, with the approval of the General Plan expected in April 2024. Nkosi City Development (NCD) and Nkosi City Communal Property Association (NCCPA) agreed that the transfer of land will be postponed until township proclamation. The Department, City of Mbombela (COM), NCD/NCCPA, Department of Human Settlements (DHS), Provincial Treasury and Infrastructure South Africa (ISA) is finalising the BFI-application for re-submission in the next window-period. The Department, as directed by the Provincial Management Committee, has requested sector departments/institutions to review/re-assess their financial commitment towards Nkosi City. The NCCPA is finalising the list of beneficiaries to be trained through the NARYSEC programme and for the registration of co-ops. <p>Mpumalanga Eastern Escarpment RSDF:</p> <p>The Department has presented progress on the draft RSDF to the EXCO Committee on 30 November 2022, requesting approval of the proposed demarcated region and submission thereof to the Minister of Department of Agriculture Land Reform and Rural Development. The item was supported for submission to the EXCO. The necessary memorandum and presentation were prepared for submission to EXCO.</p> <p>District Rural Development Sector Plans:</p> <p>The three (3) District Rural Development Sector Plans for Gert Sibande, Ehlanzeni and Nkangala were finalised by the Service Provider and approved by the Project Steering Committee on 9 October 2023.</p> <p>Development Plans for the PHSHDAs:</p> <p>The final Development Plans were presented to the PSC on 6-7 June 2023 and approved, with minor amendments. These plans will be submitted to the respective Municipal Councils for adoption and implementation. The status of Development Plans is indicated below:</p> <ol style="list-style-type: none"> Acornhoek PDA - Council Adopted Bushbuckridge Town PDA - Council Adopted Thulamahashe PDA - Council Adopted Siyabuswa Development Area PDA - Council Adopted KwaMhlanga Development Area PDA - Council Adopted Verena Node PDA - Council Adopted Nelspruit Urban Node PDA - Council Adopted White River Development Area PDA - Council Adopted Tekwane Urban Hub PDA - Council Adopted Mashishing/Lydenburg PDA – Council Resolution outstanding Bethal/Secunda/Leandra Development Corridor PDA – Council Resolution outstanding.

NO.	FINDING	RECOMMENDATION	PROGRESS
6.	Twenty three (23) out of fifty two (52) Traditional Councils supported the holding of cultural functions.	Provide a detailed progress report on the outstanding twenty-nine Traditional Councils not supported the holding of cultural functions.	The Department has achieved the annual target of providing support to fifty two (52) Traditional Councils in holding of cultural ceremonies. The fifty two (52) Traditional Councils are as follows: 1. Bakgatla ba Mmakau 2. Bakgatla Ba Mocha Ba Maloka 3. Bakgatla ba Mocha Ba Moepi 4. Bakgatla ba Seabe 5. Duma 6. Ebutcini 7. Embhuleni 8. Emfumbeni 9. Emjindini 10. Enikwakuyengwa 11. Enkhaba 12. Gutshwa 13. Hhoyi 14. Jongilanga 15. Kwandwalaza 16. Lekgoetla 17. Lomshiyo 18. Luggedlane 19. Madabukela 20. Madlangampisi 21. Mahlaphahlapha 22. Malele 23. Manala Makerana 24. Manala Mbhongo 25. Ndebele Kingdom 26. Manala Mgibe 27. Mandlamakhulu 28. Mantjolo 29. Mashilane 30. Masoyi 31. Mathibela 32. Matsamo 33. Mawewe 34. Mbuyane 35. Mdluli 36. Mhlaba 37. Mlambo 38. Mogane 39. Moletele 40. Moreipuso 41. Mpakeni 42. Mpsikazi 43. Msogwaba 44. Ndlela 45. Ndzundza Fene 46. Ndzundza Mabhoko 47. Ndzundza Somphalali 48. Nkambeni 49. Ogenyaneni 50. Sethlare 51. Siboshwa 52. Somcuba Bhevula

NO.	FINDING	RECOMMENDATION	PROGRESS
7.	The Department has put in place the action plan to address the challenges faced by the three (3) municipalities which are Nkomazi, Emakhazeni and Mkhondo to review their municipal By-Laws.	Strengthen the monitoring system in ensuring that mechanisms put in place to assist Nkomazi, Emakhazeni and Mkhondo municipalities to review their municipal by-Laws is implemented. A progress report to be submitted on a quarterly basis.	<p>The Department has an action plan to address challenges encountered by identified municipalities in order to be able to review their municipal by-laws. Some of the mechanisms put in place by the Department to assist these municipalities include:</p> <ul style="list-style-type: none"> • Mobilising experts from other relevant stakeholders for engagement sessions with these municipalities; • Promulgate finalised and approved by-laws on behalf of municipalities upon request; • Register budget pressure with Provincial Treasury in instances where there is insufficient funding for gazetting. <p>With respect to Nkomazi, Emakhazeni and Mkhondo, these mechanisms have yielded the following outcomes:</p> <p>Nkomazi</p> <ul style="list-style-type: none"> • Draft Integrated Waste Management by-law was approved by Council to undergo Public Participation processes; • The municipality is in the process of engaging with Department of Water and Sanitation to finalise the Water Services by-laws; • Financial by-laws of the municipality namely: Credit Control and Debt Collection, Property Rates and Tariff have since been gazetted to enhance effective enforcement. <p>Emakhazeni</p> <ul style="list-style-type: none"> • Land Invasion by-law was approved by Council as draft, needs to undergo Public Participation processes; • The two by-law enforcers were trained as peace officers by the Nelson Mandela University through financial support from the Nkangala District Municipality. The only requirement that is still outstanding is the municipality or the district to facilitate for them to be certified as peace officers by the Office of the Magistrate and or Prosecutor. <p>Mkhondo</p> <ul style="list-style-type: none"> • Draft Water and Waste Water by-laws were presented to both Management and Councillors and will subsequently be tabled in the next Council sitting before its goes for public participation processes.
8.	The Department reported that the recruitment process, in as far as shortlisting, interviews and where applicable, competency assessments has been concluded on advertised funded posts.	Provide a detailed progress report and a list of the advertised funded positions which were concluded by the Department.	A list of the advertised funded positions which were concluded by the Department has been provided to the portfolio committee.
9.	Municipalities have improved their revenue collection between the years 2022 and 2023, except for Chief Albert Luthuli Local Municipality due to a reduction in grant and subsidies as well as using wrong tariffs rates to bill consumers.	Ensure that Chief Albert Luthuli Local Municipality is assisted with its challenges so that communities are provided with correct tariff rates.	<p>The municipality has been supported and monitored on the review of draft rates tariffs, the draft rates by-law and rates policy. They are in line with the new valuation roll compiled for implementation 1st July 2024.</p> <p>DBSA team has identified Chief Albert Luthuli Local Municipality for assistance in terms of lending grant for revenue enhancement under Gert Sibande District partner at district programme.</p> <p>Mpumalanga Provincial Treasury (MPT) has also assisted Chief Albert Luthuli Local Municipality with data cleansing amounting to R10.0 million.</p>

NO.	FINDING	RECOMMENDATION	PROGRESS
10	All municipalities are struggling to increase their revenue, however, in terms of Municipal Property Rates Act, the MEC is responsible for monitoring compliance with the provisions of Municipal Property Rates Act and provides hands on support.	Strengthen its monitoring system in ensuring that all municipalities that are struggling to increase their revenue are assisted as a matter of urgency.	<p>Continuous support and monitoring have been provided to municipalities to comply with Municipal Property Rates Act.</p> <ul style="list-style-type: none"> - MPT and COGTA continue to support municipalities with reconciliations between valuation roll and master billing files. - Emakhazeni has been assisted on the installation of smart meters by Gert Sibande district municipality. - MPT has assisted municipalities to the value of R45.0 million on the following: <ul style="list-style-type: none"> o Msukaligwa: R18.0 million of which R10.0 million was allocated for Data cleansing and R8.0 million on installation of water meters and electricity meters. o Mkhondo: R7.0 million for data cleansing and installation of smart meters o Govan Mbeki R10.0 million for installation of smart meters o Chief Albert Luthuli Local Municipality with data cleansing amounting to R10.0 million. - MPT and COGTA also supported the following municipalities to review their Financial Recovery Plans (FRPs): Msukaligwa, Govan Mbeki, Lekwa, City of Mbombela, Emalaheni and Thaba Chweu. - COGTA and MPT continue to support municipalities to collect outstanding debts and curb escalating debtor's book. - DBSA has supported the municipalities on revenue enhancement as follows: <ul style="list-style-type: none"> o Lekwa: R 13.432 million, excluding contingencies for security structures for LPU & mini substations as well as back-office support with warm bodies and computer equipment doing credit control (including cut-offs and re-connections). This municipality will also benefit from the Partner District Programme currently underway with DBSA and Gert Sibande. o Thaba Chweu: R3.35 million, excluding contingencies was mainly desktop water, electricity meter audit, data cleansing, review of the indigent register and process as well as identification of short, medium, long-term projects and interventions. The municipality is currently receiving support from multiple stakeholders partly based on findings of the report. o Msukaligwa: The total cost of the support amounting to R3.9 million, excluding contingencies. The support from DBSA is mainly desktop electricity, water meter audit, data cleansing, tariff review, restructuring, reviewing of the indigent register, process as well as upliftment of water meters not accessible. MPT is monitoring the project through the Revenue Enhancement Steering Committee consisting of municipal finance and technical staff, MM, DBSA and CoGTA. o Emalaheni: The total cost of the support amount to R3.9 million, excluding contingencies. The support from DBSA is mainly desktop electricity, water meter audit, data cleansing, tariff review, restructuring, reviewing of the indigent register, process as well as upliftment of water meters not accessible. PT is monitoring the project through the Revenue Enhancement Steering Committee consisting of municipal finance and technical staff, MM, DBSA and CoGTA. - SALGA: supported the following municipalities Victor Khanye, City of Mbombela, Bushbuckridge, Mkhondo, Thaba Chweu and Dr JS Moroka on the following: <ul style="list-style-type: none"> o Identification of top business customers o Revenue enhancement strategies o Creating awareness on payment of services (active citizenship campaigns) o Implementation of credit control policies on councillors and officials o Reconciliation of receipt with billing system <p>COGTA, MPT and SALGA will continuously support municipalities to develop credible revenue enhancement strategies and monitor the implementation.</p>

NO.	FINDING	RECOMMENDATION	PROGRESS
11.	The Department has ensured that no municipality allocates less than 50% of its allocated Municipal Infrastructure Grant (MIG) funding to water and sanitation infrastructure projects.	Ensure that municipalities are assisted in the monitoring of water and sanitation projects funded through Municipal Infrastructure Grant (MIG), Regional Bulk Infrastructure Grant (RBIG) and Water Services Infrastructure Grant (WSIG) in collaboration with the Department of water and Sanitation for quality assurance purposes and that timeframes of all the projects are adhered to. A progress report to be provided on a quarterly basis.	The department is working jointly with the Department of water and Sanitation for quality assurance purposes and that timeframes of all the projects are adhered to. Currently, projects registered for Water and Sanitation through Municipal Infrastructure Grant (MIG), Regional Bulk Infrastructure Grant (RBIG) and Water Services Infrastructure Grant (WSIG) are being monitored.
12.	The Department has provided a list of Wastewater Treatment Plants (WWTP) projects that are currently being refurbished in Emakhazeni, Dr Pixley Ka Isaka Seme, Chief Albert Luthuli and Emalahleni municipalities	Strengthening the monitoring system in ensuring that time frames are adhered to that there are no escalation of cost of these projects provide a progress report on quarterly basis.	The Department is ensuring that time frames are adhered to and that there is no escalation of cost of these projects listed below: <ul style="list-style-type: none"> Emakhazeni Local Municipality upgrade of Emgwenya Waste Water Treatment Plant (WWTP) is at 90% practical completion Chief Albert Luthuli Upgrade of Emanzana WWTP is at 15% construction Dr Pixley Ka Isaka Seme progress on upgrade of Amersfoort WWTP is at 95% practical completion Emalahleni upgrade of Ferro bank WWTP is at 10% Progress is being monitored to achieve results within the project schedule.

8. SCOPA RESOLUTIONS

The Select Committee on Public Accounts (SCOPA) scrutinised the 2022/23 Annual Report of the Department. The Committee sent preliminary questions to the department and received responses which were subsequently presented during the hearing with the department. The Committee met on 22 February 2023 to deliberate on the above report and the outcome is as follows:

RESOLUTION NUMBER	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
REF: 13/3/1/5/4	SCOPA resolutions on 2022/23 annual report of the Department	1.The Accounting Officer must ensure that the audit action plan, and the joint Improvement Support Plan is implemented and monitored regularly for the municipalities to improve their audit outcomes in the 2021/22 financial year.	The department, Provincial Treasury and SALGA are monitoring the implementation of the Audit improvement support plan on a quarterly basis. Significant progress is being made in addressing the challenges that affect municipal audit outcomes. (i) Provincial Treasury (PT) is currently rolling out the web-based Audit Action Plans. This is a live web-based system, and it is used by municipalities to electronically upload and managed their Audit Action Plans. This is a comprehensive system which covers from development of audit action plans with timeframes, responsible officials, approval of plans by various roll players, monitoring of systems users, uploading of Portfolio of Evidence (POE). This system also covers the Financial Management Capability Maturity Model (FMCMM) assessments and financial ratios. Municipalities are reporting on the progress on development and implementation of web-based audit action plans. PT and CoGTA are able to monitor the implementation of audit actions at any time on the web-based system.	No
		2.The Accounting Officer must provide detailed progress report on the criminal proceeding that is currently underway of the Irregular Expenditure of R5 591 000-00.	Criminal court proceedings are currently underway and there is no notable progress to report at this stage. The Department will however provide progress should any be made by the court.	No

RESOLUTION NUMBER	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
REF: 13/3/1/5/4	S C O P A resolutions on 2022/23 annual report of the Department	3.The department must provide proof that the Irregular Expenditure was reported to Provincial Treasury	The Department had reported the matter to the Provincial Treasury through the submission of the approved annual report which contains the audit report issued by the Auditor General South Africa (AGSA) on which the matter of the Irregular expenditure was cited. Furthermore, a request for condonation of the Irregular Expenditure was submitted during the third quarter of the 2022/23 Financial period and subsequently approved by the Provincial Treasury.	No
		4.The department must strengthen the financial monitoring system to prevent the re-occurrence of mismanagement of funds in the next financial year.	The Department has a system of internal control that is updated on a regular basis, furthermore all transactions processed through Supply Chain Management are subjected to the following: a) Compliance check list completed by officials within Demand and Acquisition at Supply Chain. b) A self-review process by Finance, Bid Evaluation and Adjudication Committees to ensure compliance. c) Inclusion of the review of all supply chain management transactions project in the Annual internal audit plan. These are preventative and detection controls which have been put in place to ensure that no irregular expenditure is incurred by the Department.	Yes
		5.The Accounting Officer must provide progress report on these retention payments that will be released in the last quarter of the current financial year.	All retention payments on the projects completed from 2021/22 financial year were released during March 2023.	Yes
		6.The Accounting Officer must develop a plan and put measures in place to avoid the reoccurrence of the underspending in the next financial year.	The Department has developed a procurement plan on which all bids above R 1.0 million have been listed and all infrastructure projects have been advertised in the first tender bulletin of 2022/23 Financial Year with a closing date 14 July 2023.This will allow sufficient time for management to conclude all required supply chain management processes and be able to implement all major projects within the current financial year. All procurement below R 1.0 million is dealt with through the Finance Committee which is convened on a weekly basis to consider all requests for goods and services in line with the approved APP of the Department for the 2023/24 Financial Year. Management will also closely monitor the implementation of the procurement plan and the actual implementation of projects on a regular basis to avoid any over or under expenditure. This will be done through the monthly management and project steering committee meetings including quarterly performance review sessions.	Yes
REF: 13/3/1/5/4				

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The department had no prior modification to audit report.

10. INTERNAL CONTROL UNIT

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

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1 Internal Audit

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

The mission of the shared Internal Audit function, being what the shared Internal Audit aspires to accomplish, is to enhance and protect departmental value by providing risk-based and objective assurance, advice and insight. In line with the definition of internal

auditing as per the Institute of Internal Auditors, the primary mandate and objective of the shared Internal Audit function is to provide an independent, objective assurance and consulting activity designed to add-value and improves the department's operations.

In keeping with its primary mandate, the shared Internal Audit supports also facilitates the functioning of the clustered shared Audit Committee.

The Treasury Regulation 3.2.6, requires that internal audit must be conducted in accordance with the International Standards for the Professional Practice of Internal Auditing. During the year under review, the shared Internal Audit function ensured that their operations were aligned with the Standards.

The shared Internal Audit function operated within an approved Internal Audit Charter and in accordance with the requirements of the PFMA, it's Treasury Regulations and the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

During the year under review, the shared Internal Audit function developed a rolling three-year Strategic Internal Audit Plan and an Annual Internal Audit Coverage/Operational Plan based on the results of the risk assessment. These plans were supported by the Head of the Department and approved by the Audit Committee in March 2023.

The Annual Internal Audit Coverage/Operational Plan identified different audit engagements and these were performed by the shared Internal Audit function as such. Respective reports were issued to Management communicating identified control weaknesses, recommendations for improvement(s), and incorporated agreed Management action plans for implementation of corrective action. In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the identified control weaknesses were also communicated and tabled at the meetings of the Audit Committee to allow for effective monitoring and oversight.

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

Assurance services

- Monitoring and tracking of audit findings as previously reported by both AGSA and the Internal Audit function to evaluate progress made by Management in implementing agreed audit action plans.
- Follow-up reviews were performed on both AGSA and Internal Audit findings to evaluate the effectiveness and improvements to internal control environment;
- Review of the mid-term Departmental Performance Information;
- Review of Interim Financial Statements;
- Direct assistance asset verification (AG)
- Review of AGSA audit action plan
- Review of Draft Annual Report and Annual Financial Statements for 2022/2023;
- Development and Planning;
- Supply Chain Management;
- DORA and Transfer Payments; and
- ICT General and Application Controls Audit;

Consulting services

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

11.2 Audit Committee

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

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

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

Attendance of audit committee meetings by audit committee members

Per the Legislation, section 77(b) of the PFMA, an Audit Committee must meet at least twice a year. However, as per the approved Audit Committee terms of reference (Audit Committee Charter), the shared Audit Committee shall meet at least 4 times a year, with authority to convene additional meetings as may be deemed necessary.

The Head of the Department and Executive Management were always represent at the meetings. The AGSA is always invited to attend the meetings of the shared Audit Committee, thus ensuring that such meetings are as effective and transparent as possible.

The Audit Committee meetings held were attended as follows:

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL MEMBERS	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED	NO OF MEETINGS ATTENDED
Mr. A Mashifane Chairperson	BComm in Accounting (WITS) BComm Honours (UNISA) LLB (UNISA) CA(SA)	External	Not applicable	01 Nov 2021 Re- appointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	10
Ms. P Ntuli	BCom Accounting (RAU) BCompt Honours (UNISA) Post graduate Diploma in Forensic Auditing (UNISA) CA(SA)	External	Not applicable	01 Nov 2021 Re- appointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	09
Mr. A Oosthuizen	BCom Accounting (RAU) BCompt Honours (UNISA)	External	Not applicable	01 Nov 2021 Re- appointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	10
Mr. LC Mohalaba	LLB Degree (University of Zululand) Executive Development Programme (UNISA) Post graduate Diploma Corporate Law (UJ) Post graduate Diploma Public Management (Regenesys) Certificate in Legislative Drafting (UJ)	External	Mr. LC Mohalaba	01 Nov 2021 Re- appointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	09
Dr. MS Sathekge	Doctorate of Business Administration (Business School Netherlands) Master's of Business Leadership (UNISA) Master's of Science in Technology Management (University of Pretoria) BTech degree Information Technology (TUT) Nat. Diploma Information Technology (Technikon Northern Gauteng)	External	Not applicable	01 Nov 2021 Re- appointed 01 Nov 2023	31 Oct 2023 31 Oct 2025	10

12. Audit Committee Report

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

Audit Committee Responsibility

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

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

The effectiveness of internal control

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

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

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

Based on our interaction with the Department we conclude that the department has an adequate and effective action plan and management system to address the findings of Internal Audit and Auditor-General South Africa.

Risk Management

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

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

In-Year Management and Quarterly Reporting

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

Evaluation of the Annual Financial Statements

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

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

Evaluation of the reporting on predetermined objectives

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

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

Compliance with laws and regulations

Throughout the year under review the Audit Committee was satisfied with the status of compliance with all applicable legislation which is a confirmation that the department does have an adequate and effective compliance framework and system.

Internal Audit

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

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

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

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

Auditor-General South Africa

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

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

Conclusion

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

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

Signed on behalf of the Audit Committee by:



Chairperson of the Audit Committee

Mr. A Mashifane

Date: 15/08/2024

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

**PART D:
HUMAN RESOURCE MANAGEMENT**

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

2.1 Overview of Human Resources status

The Department currently employs 721 employees; this reflects a 2.7% increase in the staff establishment compared to the 702 employees that was reported in the 2022/23 financial year.

Women representation at SMS level is currently at 45.8% and while Male representation is 54.2%, the status quo remains the same as 2022/23 financial year; the Department was not able to increase the representation of women representation of women at SMS level due cost containment measures, which affected recruitment in Senior Management posts.

The representation of People with disabilities is currently at 1.3% a slight increase compared to the 1.1% that was reported in the 2022/23 financial year; however, it is still below the 2%, target set by cabinet. The representation of youth is 8.7% an increase of 1% from the 7.7 % that reported in the last financial year. Despite the non-achievement of numerical targets of employment equity targets, the Department continues to drive programmes, which empowers women and people with disabilities, all Human Resources strategies are aligned to the Employment Equity Plan.

Despite the challenging fiscal environment, the Department managed to finalise 63 appointments, 41 new appointments and 22 promotions in various occupational categories. It is worth noting that 34.9% of the appointments were promotions, while 65.1% were new appointments; this demonstrates the Department's commitment to retain its own talent while recruiting new skills and expertise from other institutions.

A total of 22 terminations were recorded in the year under review, this constitutes 3% of the staff compliment, and the statistics reflects a decline in terminations compared to the 48 employees that was reported in the last financial year. Exit interviews were conducted with employees who left the department in order to improve the employee retention strategy .

The Department developed a Work Skills Plan to drive capacity development in order to keep abreast with latest developments in the Public Service. The Plan is aligned to Personal Development Plans; Audit reports outcomes, the Strategic Plan and the Annual Performance Plan as well as guidelines from the National School of Government. The Department also has offered compulsory management development courses for Senior Management, Middle Management to Junior Management level.

The consultation process to review the organisational structure with internal stakeholders has been finalised, a consultation request was submitted to the honourable Premier for support and concurrence with the Minister of Public Service and Administration.

The Organisational Functionality Assessment was finalised, the process served an input to organisational design and provided the Department an opportunity to assess the effectiveness of its internal systems and processes. The OFA Implementation Plan was developed and will be monitored on the quarterly basis.

2.2 Human Resource priorities for the year under review and the impact of these

- Finalised the review of the organisational structure.

The consultation process to review the organisational structure with internal stakeholders has been finalised, a consultation request was submitted to the honourable Premier for support and concurrence with the Minister of Public Service and Administration.

- Filling of funded posts

A total of 63 positions were filled in the under-review year, however, the Department could not finalise the recruitment of all advertised positions due to directive from DPSA effective from 01 October 2023 until 31 March 2024 read with the National Treasury on Implementation of control measures aimed at assisting Executive Authorities in managing fiscal sustainability during the process of creating and filling of posts by Departments.

- Achievement of Employment Equity Targets

The Department has not achieved set targets of 2 % representation of People with Disabilities and 50% representation of Women representation at Senior Management Service. The current representation of People with disabilities is 1.3% and Women representation is 45.8%.

- Strengthen The Implementation of the Performance Management and Development System (PMDS) Processes.

Provided training on PMDS Policy and dealt with non-compliance. The Department has significantly improved on the implementation of PMDS.

The Department has finalised the performance assessments and processed the payment of pay progression for all qualifying officials and accelerated/grade progression of Eighty-Three (83) Non OSD officials and Two (2) OSD Officials were finalised in line with Resolution 3 of 2009.

- Build Strategic Leadership Capabilities.

In order to build capacity in the Department the following courses were offered.

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

- Promotion of Sound Labour Relations.

There are still in challenges of late finalisation of grievance / cases within the prescribed period due to lack cooperation of other stakeholder/ parties. The sub-directorate continues to engage relevant stakeholders and conducts workshops on the quarterly basis.

- Monitor the implementation of Employee Health and Wellness.

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

- ✓ Submitted the Sexual Harassment Report to DPSA by 30 April 2023
- ✓ Conducted Departmental Men 'Summit
- ✓ Conducted 03 workshops on Occupational Health and Safety
- ✓ Submitted the EHW system Monitoring Tool to DPSA by 30 June 2023.
- ✓ Conducted Departmental Wellness day
- ✓ Conducted 02 workshops on Financial Wellness
- ✓ Conducted Workshop on interpersonal relations
- ✓ World Aids Day Commemoration
- ✓ Submitted the EHW operational plans to DPSA

- Improve On Records Management.

The filing system was restructured to ensure efficient and retrieval of files and record keeping, awareness sessions on the file plan were conducted to promote and ensure the correct use of the file plan and encourage proper record keeping. The appointment of an experienced Records Manager assisted in providing new strategies to improve the records management in the Department.

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

The recruitment process was finalised in line with the recruitment policy and Human Resources Plan, recruitment process strived to attract the widest pool of applicants in order to ensure that the department is representative of the demographics of the country. 63 appointments, 41 new appointments and 22 promotions in various occupational categories, 39.7% (25) of the appointments were officials from Administration , 20.6% (13) Municipal support , 19% (12) Development and Planning, 9.5% (6) Traditional Institutional Management and 11.2% (7) from The Provincial House of Traditional and Khoisan Leaders. The Department ensured adequate allocation of posts to both support and Line (core) functions.

The review of organisational structure is at advanced state, the review has considered changes in legislation, EXCO resolutions, new developments in the sector and seeks to address capacity gaps which in the were identified, after approval the Department will be able attract critical skills in particular in core or line functions.

The Employment Equity Plan was monitored on the quarterly basis by the Employment Equity Committee, despite the non-achievement of numerical targets in terms representation of Persons with Disabilities and Women at SMS level and representation of Youth, all policies were mainstreamed to respond to the empowerment and development of Youth, Women and People with disabilities. The strategy to recruit and retain Persons with Disabilities is at the consultation stage and the process will be concluded by the end of the 2024/25 final year.

The PMDS is used as a tool to strategically align individual and organisational performance, performance agreements are linked to the Annual Performance Plan and Operational Plan. There has been significant improvement in the quality and compliance level of PMDS. The achievement of improved performance and clean audit in the Department can be attributed to the improvement in management of PMDS.

The Department managed to roll out Management courses that are mandatory in the Public Service such as the Executive Development Programme, Advanced Management Development Programme and Emerging Management Development Programme, the courses equipped officials with necessary management skills necessary to perform in the Public Service. Youth Development Programmes are used as the strategy to attract skills, to build a pool of skills to recruit from and attract qualified candidates

All Human Resources Management Policies were reviewed to respond to changes in legislation and to address gaps identified through monitoring and evaluation of internal systems and processes.

2.4 Highlight Achievements

- Finalised the consultation of the organisational structure with all staff and submitted the consultation request to the Honourable Premier;
- Conducted the Organisational Functionality Assessment and submitted to the Department of Public Service and Administration;
- Reviewed all Human Resources Management Policies;
- Submitted the Human Resource Implementation Report and submitted to the Department of Public Service and Administration;
- Concluded the appointment of funded vacant posts;
- Finalised the PMDS Moderation, paid pay progression for qualifying employees at level 1-15 and upgraded officials who met requirements in terms of resolution 3 of 2009;
- Reviewed the Employee Health and Wellness Policies, the two frame works for gender and people with disabilities were approved and submitted to DPSA and conducted planned workshops;
- Submitted the Annual Employment Equity report to the Department of Labour and
- The Skills Development Plan submitted to PSETA and coordinated approved training programmes.

2.5 Challenges Faced By the Department

- Achievement of employment equity targets
- Limited budget to fill the vacant and critical posts.
- Non-Finalisation of disciplinary cases within the prescribed period.
- Inadequate allocation of the training and development budget

2.6 Future HR Plans

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

- Review the Human Resource Plan for the 2024/27 MTEF Cycle.
- Approval of the reviewed organisational structure and implementation thereof;
- Reduce the vacancy rate and ensure filling of critical posts;
- Implementation of Youth Development Programmes;
- Achievement of employment equity targets in terms women representation at SMS Level, People with Disabilities and Youth representation in the Department;
- Introduce systems to Improve records management in the Department;
- Reduce the turnaround time to finalise labour cases and ;
- Monitor the Organisational Functionality Assessment Implementation Plan.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	168,780	86,988	903	743	10%	680
Local Governance	295,467	199,562	2,159	4,897	23%	445
Development And Planning	93,404	41,392	-	-	5%	726
Traditional Institutional Management	282,571	90,329	992	27,258	10%	1 456
The House Of Traditional Leaders	26,193	16,631	-	-	2%	665
Total as on Financial Systems (BAS)	866,415	434,902	4,054	32,898	50%	3 972

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

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	496	0%	3	165
Skilled (Levels 3-5)	12,081	2%	39	310
Highly skilled production (Levels 6-8)	192,582	32%	488	395
Highly skilled supervision (Levels 9-12)	123,240	20%	153	805
Senior management (Levels 13-16)	30,708	5%	23	1,335
Contract (Levels 1-2)	1,625	0%	1	1,625
Contract (Levels 3-5)	2,070	0%	8	259
Contract (Levels 9-12)	3,403	1%	4	851
Contract (Levels 13-16)	3,080	1%	2	1,540
Abnormal Appointment	65,617	11%	612	107
TOTAL	434,902	72%	1 333	326

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	80,001	92%	1,183	1%	1,968	2%	3,835	4%
Local Governance	175,588	88%	57	0%	8,680	4%	15,238	8%
Development & Planning	39,384	95%	74	0%	766	2%	1,168	3%
Traditional Institution Management	88,130	98%	-	0%	589	1%	1,610	2%
The House Traditional Leaders	15,493	93%	91	1%	351	2%	697	4%
Total	398,596	92%	1,405	0.3%	12,354	3%	22,548	5%

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

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	407	82%	-	0%	20	4%	19	4%
Skilled (Levels 3-5)	8,662	71%	98	1%	715	6%	1,356	11%
Highly skilled production (Levels 6-8)	171,893	89%	664	0%	9,020	5%	16,401	9%
Highly skilled supervision (Levels 9-12)	117,299	97%	643	1%	1,873	2%	4,315	4%
Senior management (Levels 13-16)	26,879	79%	-	0%	703	2%	331	1%
Contract (Levels 1-2)	131	89%	-	0%	-	0%	-	0%
Contract (Levels 3-5)	1,808	86%	-	0%	23	1%	31	1%
Contract (Levels 9-12)	3,064	81%	-	0%	-	0%	-	0%
Contract (Levels 13-16)	2,836	82%	-	0%	-	0%	9	0%
Abnormal Appointment	65,617	100%	-	0%	-	0%	86	0%
TOTAL	398,596	92%	1,405	0.3%	12,354	3%	22,548	5%

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	171	129	24.6%	10
Local Governance	485	448	7.6%	0
Development & Planning	75	57	24%	0
Traditional Institution Management	81	62	23.5%	0
The House of Traditional Leaders	35	25	28.6%	4
Total	847	721	14.9%	14

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower Skilled (Levels 1-2), Permanent	4	3	25%	0
Skilled (Levels 3-5), Permanent	59	39	33.9%	0
Highly Skilled Production (Levels 6-8), Permanent	548	488	10.9%	0
Highly Skilled Supervision (Levels 9-12), Permanent	189	153	19%	0
Senior Management (Levels 13-16), Permanent	32	23	28.1%	0
Contract (Levels 1-2),	1	1	0	1
Contract (Levels 3-5),	8	8	0%	8
Contract (Levels 9-12)	4	4	0%	4
Contract (Levels 13-16),	2	2	0%	1
TOTAL	847	721	14.9%	14

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

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	122	122	0%	2
Agriculture Related, Permanent	1	1	0%	0
Architects Town And Traffic Planners, Permanent	5	5	0%	0
Cartographic Surveying And Related Technicians, Permanent	2	2	0%	0
Cashiers Tellers And Related Clerks, Permanent	3	3	0%	3
Cleaners In Offices Workshops Hospitals Etc., Permanent	14	14	0%	1
Communication And Information Related, Permanent	2	2	0%	0
Engineers And Related Professionals, Permanent	4	4	0%	0
Finance And Economics Related, Permanent	6	6	0%	0
Financial And Related Professionals, Permanent	7	7	0%	0
Financial Clerks And Credit Controllers, Permanent	2	2	0%	0
Food Services Aids And Waiters, Permanent	1	1	0%	1
General Legal Administration & Rel. Professionals, Permanent	1	1	0%	0
Human Resources Clerks, Permanent	3	3	0%	0
Human Resources Related, Permanent	5	5	0%	0
Information Technology Related, Permanent	15	15	0%	0
Legal Related, Permanent	2	2	0%	0
Library Mail And Related Clerks, Permanent	4	4	0%	0
Messengers Porters And Deliverers, Permanent	4	4	0%	3
Other Administration & Related Clerks And Organisers, Permanent	430	430	0%	2
Other administrative Policy and Related Officers, Permanent	23	23	0%	0
Other Occupations, Permanent	29	29	0%	0
Quantity Surveyors & Rela Prof Not Class Elsewhere, Permanent	1	1	0%	0
Secretaries & Other Keyboard Operating Clerks, Permanent	18	18	0%	1
Senior Managers, Permanent	13	13	0%	1
TOTAL	847	721	14.9%	14.00

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 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%	0	0%
Salary Level 16	1	1	100%	0	0%
Salary Level 15	1	1	100%	0	0%
Salary Level 14	6	4	66.7%	2	33.3%
Salary Level 13	25	19	76%	6	24%
Total	33	25	75.8%	8	24.2%

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0%	0	0%
Salary Level 16	1	1	100%	0	0%
Salary Level 15	1	1	100%	0	0%
Salary Level 14	6	4	66.6%	2	33.3%
Salary Level 13	25	20	80%	5	20%
Total	33	26	78.8%	7	21.2%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	2	0	2
Salary Level 13	6	1	6
Total	8	1	8

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

Reasons for vacancies not advertised within six months
Compliance with Directive on the implementation of control measures aimed at assisting executive authorities in managing the fiscal sustainability during the process of creating and filling vacant posts

Reasons for vacancies not filled within twelve months
Compliance with Directive on the implementation of control measures aimed at assisting executive authorities in managing the fiscal sustainability during the process of creating and filling vacant posts

Notes

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

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

Reasons for vacancies not advertised within six months
None, Posts were advertised within the period of 6 Months

Reasons for vacancies not filled within six months
Advertised Posts could not be filled, due to cost containment measures by the National Treasury.

3.4 Job Evaluation

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

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

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	0	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	59	0	0%	0	0%	0	0%
Highly Skilled Production (Levels 6-8)	548	0	0%	0	0%	0	0%
Highly Skilled Supervision (Levels 9-12)	189	0	0%	0	0%	0	0%
Senior Management Service Band A	25	0	0%	0	0%	0	0%
Senior Management Service Band B	6	0	0%	0	0%	0	0%
Senior Management Service Band D	1	0	0%	0	0%	0	0%
Contract (Levels 1-2)	1	0	0%	0	0%	0	0%
Contract (Levels 3-5)	8	0	0%	0	0%	0	0%
Contract (Levels 9-12)	4	0	0%	0	0%	0	0%
Contract Band A	1	0	0	0	0	0	0
Contract Band C	1	0	0	0	0	0	0
TOTAL	847	0	0	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024

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

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	None
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0%

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

Table 3.4.4 Profile of employees who have salary levels higher than those do determined by job evaluation for the period 1 April 2023 and 31 March 2024

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

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2) Permanent	3	0	0	0
Skilled (Levels 3-5) Permanent	38	7	0	0
Highly Skilled Production (Levels 6-8) Permanent	490	13	10	2%
Highly Skilled Supervision (Levels 9-12) Permanent	135	12	4	3%
Senior Management Service Band A Permanent	17	1	1	5.9%
Senior Management Service Band B Permanent	4	0	0	0%
Senior Management Service Band D Permanent	1	0	0	0%
Contract (Levels 1-2)	1	0	0	0%
Contract (Levels 3-5)	8	5	5	62.5%
Contract (Levels 9-12)	3	3	2	66.7%
Contract Band A	1	0	0	0%
Contract Band C	1	0	0	0%
TOTAL	702	41	22	3.1%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	124	8	5	4%
Agriculture Related Permanent	1	0	0	0%
Architects Town and Traffic Planners Permanent	5	1	0	0%
Cartographic Surveying and Related Technicians Permanent	3	0	0	0%

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Cashiers Tellers and Related Clerks Permanent	3	2	2	66.7%
Cleaners In Offices Workshops Hospitals Etc. Permanent	16	0	0	0%
Communication And Information Related Permanent	2	0	0	0%
Engineers And Related Professionals Permanent	2	0	0	0%
Finance And Economics Related Permanent	7	1	0	0%
Financial And Related Professionals Permanent	7	1	0	0%
Financial Clerks and Credit Controllers Permanent	10	0	0	0%
Food Services Aids and Waiters Permanent	1	0	0	0%
General Legal Administration & Rel. Professionals Permanent	1	1	0	0%
Human Resources Clerks Permanent	2	0	0	0%
Human Resources Related Permanent	15	0	0	0%
Information Technology Related Permanent	5	1	0	0%
Legal Related Permanent	1	1	0	0%
Library Mail and Related Clerks Permanent	4	0	0	0%
Light Vehicle Driver Permanent	1	1	0	0%
Messengers Porters And Deliverers Permanent	4	2	3	75%
Other Administration & Related Clerks and Organisers Permanent	417	13	10	2.4%
Other Administrative Policy and Related Officers Permanent	13	1	1	7.7%
Other Occupations Permanent	27	0	0	0%
Quantity Surveyors & Related Prof Not Class Elsewhere Permanent	1	0	0	0%
Secretaries & Other Keyboard Operating Clerks Permanent	18	7	0	0%
Senior Managers Permanent	12	1	1	8.3%
Total	702	41	22	3.1%

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2023 and 31 March 2024

Termination Type	Number	% of Total Resignations
Death	4	18.2%
Resignation	5	22.7%
Expiry of contract	7	31.8%
Dismissal -operational Changes	0	0%
Dismissal -Misconduct	0	0%
Dismissal-inefficiency	0	0%
Discharged due to ill health	1	4.5%
Retirement	4	18.2%
Transfer to other Public Service Departments	1	4.5%
Other	0	0%
TOTAL	22	100
Total number of employees who left as a % of total employment	3%	

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

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	124	16	12.9%	89	71.8%
Agriculture Related	1	0	0%	0	0%
Architects Town And Traffic Planners	5	1	20%	4	80%
Cartographic Surveying And Related Technicians	3	0	0%	2	66.7%
Cashiers Tellers And Related Clerks	3	0	0%	0	0%
Cleaners In Offices Workshops Hospitals Etc.	16	0	0%	8	50%
Communication And Information Related	2	0	0%	0	0%
Engineers And Related Professionals	2	0	0%	0	0%

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Finance And Economics Related	7	0	0%	6	85.7%
Financial And Related Professionals	7	1	14.2%	4	57.1%
Financial Clerks And Credit Controllers	10	0	0%	5	50%
Food Services Aids And Waiters	1	0	0%	0	0%
General Legal Administration & Rel. Professionals	1	1	100%	1	50%
Human Resources Clerks	2	0	0%	1	50%
Human Resources Related	15	2	13.3%	14	93.3%
Information Technology Related	5	0	0%	1	20%
Legal Related	1	0	0%	0	0%
Library Mail And Related Clerks	4	0	0%	1	25%
Light Vehicle Driver Permanent	1	0	0%		0%
Messengers Porters And Deliverers	4	0	0%	1	25%
Other Administration & Related Clerks And Organisers	417	1	0.2%	322	77.2%
Other Administrative Policy And Related Officers	13	0	0%	2	15.3%
Other Occupations	27	0	0%	2	7.4%
Quantity Surveyors & Related Prof Not Class Elsewhere	1	0	0%	0	0%
Secretaries & Other Keyboard Operating Clerks	18	0	0%	9	50%
Senior Managers	12	0	0%	4	33.3%
Total	702	22	3.1%	476	67.8%

Table 3.5.5 Promotions by Salary Band for the Period 1 April 2023 and 31 March 2024

Salary Band	Employees 1 April 2023	Promotions To Another Salary Level	Salary Bands Promotions As A % Of Employees By Salary Level	Progressions To Another Notch Within A Salary Level	Notch Progression As A % Of Employees By Salary Bands
Lower Skilled (Levels 1-2), Permanent	3	0	0%	0	0%
Skilled (Levels 3-5), Permanent	38	0	0%	22	57.9%
Highly Skilled Production (Levels 6-8), Permanent	490	6	1.2%	345	70.4%
Highly Skilled Supervision (Levels 9-12), Permanent	135	15	11.1%	97	71.8%
Senior Management (Levels 13-16), Permanent	22	1	4.5%	12	54.5%
Contract (Levels 1-2), Permanent	1	0	0%	0	0%
Contract (Levels 3-5)	8	0	0%	0	0%
Contract (levels 6-8)	0	0	0	0	0%
Contract (Levels 9-12)	3	0	0%	0	0%
Contract (Levels 13-16)	2	0	0%	0	0%
Total	702	22	3.1%	476	67.8%

3.6 Employment Equity

Table 3.6.1 Total Number of Employees (Including Employees with Disabilities) In Each of the Following Occupational Categories as on 31 March 2024

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators , Senior Officials and Managers	14	0	0	0	9	1	0	1	25
Professionals	44	0	0	2	22	0	0	1	69
Technicians and Associate Professionals	260	3	1	0	312	0	0	0	576
Clerks	15	0	0	0	30	1	0	1	47
Plant and Machine Operators and Assemblers	0	0	0	0	4	0	0	0	4
Labourers and Related Workers	0	0	0	0	0	0	0	0	0
Plant & Machine Operators & Assemblers	0	0	0	0	0	0	0	0	0
Total	333	3	1	2	377	2	0	3	721

Table 3.6.2 Total Number of Employees (Including Employees with Disabilities) In Each of the Following Occupational Bands as on 31 March 2024

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management, Permanent	11	0	0	0	9	1	0	1	22
Professionally Qualified and Experienced Specialists and Mid-Management, Permanent	41	0	0	2	21	0	0	1	65
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	260	3	1	0	312	0	0	0	576
Semi-Skilled and Discretionary Decision Making, Permanent	10	0	0	0	27	1	0	1	39
Unskilled And Defined Decision Making, Permanent	0	0	0	0	3	0	0	0	3
Contract (Top Management)	1	0	0	0	0	0	0	0	1
Contract (Senior Management)	1	0	0	0	0	0	0	0	1
Contract (Professionally Qualified)	3	0	0	0	1	0	0	0	4
Contract (Semi-Skilled)	5	0	0	0	3	0	0	0	8
Contract (Unskilled)	0	0	0	0	1	0	0	0	1
Total	333	3	1	2	377	2	0	3	721

Table 3.6.3 Recruitment for the Period 1 April 2023 to 31 March 2024

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	1	0	0	0	1
Professionally Qualified and Experienced Specialists and Mid-Management, Permanent	7	0	0	0	3	0	0	0	10
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	8	0	0	0	6	0	0	0	14
Semi-Skilled and Discretionary Decision Making, Permanent	1	0	0	0	6	0	0	0	7
Contract (Professionally Qualified)	2	0	0	0	2	0	0	0	4
Contract (Semi-Skilled)	5	0	0	0	0	0	0	0	5
Total	23	0	0	0	18	0	0	0	41

Table 3.6.4 Promotions for the Period 1 April 2023 to 31 March 2024

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	0	0	0	0	0	0	0	1	1
Professionally Qualified and Experienced Specialists and Mid-Management, Permanent	2	0	0	0	2	0	0	0	4
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	3	0	0	0	14	0	0	0	17
Semi-Skilled and Discretionary Decision Making, Permanent	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	5	0	0	0	16	0	0	1	22
Employees With Disabilities	6	0	0	0	3	0	0	0	9

Table 3.6.5 Terminations for the Period 1 April 2023 to 31 March 2024

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management, Permanent	0	0	0	0	1	0	0	0	1
Professionally Qualified and Experienced Specialists and Mid-Management, Permanent	1	0	0	2	0	0	0	0	3
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	4	0	0	0	7	0	0	0	11
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contract (Professionally Qualified).	0	0	0	0	2	0	0	0	2
Contract (Semi-Skilled)	5	0	0	0	0	0	0	0	5
Total	10	0	0	2	10	0	0	0	22

Table 3.6.6 Disciplinary Action for the Period 1 April 2023 to 31 March 2024

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Written Warning	15	0	0	0	24				39
Final Written warning	1	0	0	0	0	0	0	0	1
Total	16	0	0	0	24	0	0	0	40

Table 3.6.7 Skills Development for the Period 1 April 2023 to 31 March 2024

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	13	0	0	0	9	1	0	1	24
Professionals	35	0	0	0	18	0	0	1	54
Technicians And Associate Professionals	200	2	0	0	202	0	0	0	404
Clerks	7	0	0	0	27	1	0	1	36
Service And Sales Workers	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft And Related Trades Workers	0	0	0	0	0	0	0	0	0
Plant And Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	0	0	0	0	0	0	0	0	0
Total	255	2	0	0	256	2	0	3	518
Employees With Disabilities	2	0	0	0	0	0	0	0	2

3.7 Signing Of Performance Agreements by SMS Members

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

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

SMS Level	Total Number Of Funded SMS Posts	Total Number Of SMS Members	Total Number Of Signed Performance Agreements	Signed Performance Agreements As % Of Total Number Of SMS Members
Director-General/ Head of Department	0	0	0	0%
Salary Level 16	1	1	1	100%
Salary Level 15	1	1	1	100%
Salary Level 14	6	4	4	100%
Salary Level 13	25	20	20	100%
Total	33	26	26	100%

Table 3.7.2 Reasons for Not Having Concluded Performance Agreements for All SMS Members as On 31 March 2024

Reasons
None

Table 3.7.3 Disciplinary Steps Taken Against SMS Members for Not Having Concluded Performance Agreements as on 31 March 2024

Reasons
None

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by Race, Gender and Disability for the Period 1 April 2023 to 31 March 2024

Race And Gender	Beneficiary Profile			Cost	
	Number Of Beneficiaries	Number of Employees	% Of Total Within Group	Cost (R'000)	Average Cost Per Employee
African					
Male	0	333	0	0	0
Female	0	377	0	0	0
Asian					
Male	0	1	0	0	0
Female	0	0	0	0	0
Coloured					
Male	0	3	0	0	0
Female	0	2	0	0	0
White					
Male	0	2	0	0	0
Female	0	3	0	0	0
Total	0	721	0	0	0

Table 3.8.2 Performance Rewards by Salary Band for Personnel below Senior Management Service for the Period 1 April 2023 to 31 March 2024

Salary Band	Beneficiary Profile			Cost		Total Cost as a % of the Total Personnel Expenditure
	Number of Beneficiaries	Number of Employees	% Of Total Within Salary Bands	Total Cost (R'000)	Average Cost Per Employee	
Lower Skilled (Levels 1-2)	0	3	0	0	0	0
Skilled (Levels 3-5)	0	39	0	0	0	0
Highly Skilled Production (Levels 6-8)	0	488	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	0	153	0	0	0	0
Contract (Levels 1-2)	0	1	0	0	0	0
Contract (Levels 3-5)	0	8	0	0	0	0
Contract (Levels 9-12)	0	4	0	0	0	0
Total	0	696	0	0	0	0

Table 3.8.3 Performance Rewards by Critical Occupation for the Period 1 April 2023 to 31 March 2024

Critical Occupation	Beneficiary Profile			Cost	
	Number Of Beneficiaries	Number Of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee
Financial Clerks And Credit Controllers	0	2	0	0	0
Human Resources Clerks	0	3	0	0	0
Messengers Porters And Deliverers	0	4	0	0	0
Human Resources & Organisational Development & Relate Prof	0	1	0	0	0
Risk Management And Security Services	0	1	0	0	0
Finance And Economics Related	0	6	0	0	0
Other Administration & Related Clerks And Organisers	0	430	0	0	0
Other Occupations	0	29	0	0	0
Legal Related	0	2	0	0	0
Financial And Related Professionals	0	7	0	0	0
Architects Town and Traffic Planners	0	5	0	0	0
Administrative Related	0	122	0	0	0
Communication and Information Related	0	2	0	0	0
Secretaries & Other Keyboard Operating Clerks	0	18	0	0	0
Library Mail and Related Clerks	0	4	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	14	0	0	0
Human Resources Related	0	5	0	0	0
Cashiers Tellers and Related Clerks	0	3	0	0	0
Head Of Department/Chief Executive Officer	0	1	0	0	0
General Legal Administration & Rel. Professionals	0	1	0	0	0

Critical Occupation	Beneficiary Profile			Cost	
	Number Of Beneficiaries	Number Of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee
Cartographic Surveying and Related Technicians	0	2	0	0	0
Youth Workers	0	1	0	0	0
Other Administrative Policy and Related Officers	0	23	0	0	0
Senior Managers	0	13	0	0	0
Engineers and Related Professionals	0	4	0	0	0
Food Services Aids and Waiters	0	1	0	0	0
Quantity Surveyors & Related Prof Not Class Elsewhere	0	1	0	0	0
Information Technology Related	0	15	0	0	0
Agriculture Related	0	1	0	0	0
Total	0	721	0	0	0

Table 3.8.4 Performance Related Rewards (Cash Bonus), By Salary Band for Senior Management Service for the Period 1 April 2023 to 31 March 2024

Salary Band	Beneficiary Profile			Cost		Total Cost As A % Of The Total Personnel Expenditure
	Number Of Beneficiaries	Number Of Employees	% Of Total Within Salary Bands	Total Cost (R'000)	Average Cost Per Employee	
Band A	0	19	0	0	0	0
Band B	0	4	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	25	0	0	0	0

3.9 Foreign Workers

The Tables Below Summarise the Employment of Foreign Nationals in the Department in Terms of Salary Band and Major Occupation.

Table 3.9.1 Foreign Workers by Salary Band for the Period 1 April 2023 and 31 March 2024

Salary Band	01 April 2023		31 March 2024		Change	
	Number	% Of Total	Number	% Of Total	Number	% Change
Lower Skilled	0	0	0	0	0	0
Highly Skilled Production (Lev. 6-8)	0	0	0	0	0	0
Highly Skilled Supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (Level 9-12)	0	0	0	0	0	0
Contract (Level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2 Foreign Workers by Major Occupation for the Period 1 April 2023 and 31 March 2024

Major Occupation	01 April 2023		31 March 2024		Change	
	Number	% Of Total	Number	% Of Total	Number	% Change
-	0	0	0	0	0	0

3.10 Leave Utilisation

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

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

Salary Band	Total Days	% Days With Medical Certification	Number Of Employees Using Sick Leave	% Of Total Employees Using Sick Leave	Average Days Per Employee	Estimated Cost (R'000)
Lower Skilled (Levels 1-2)	29	93.1%	1	0.5%	29	19
Skilled (Levels 3-5)	119	92.4%	17	8.9%	7	134
Highly Skilled Production (Levels 6-8)	737	95.8%	110	57.3%	7	1 176
Highly Skilled Supervision (Levels 9-12)	357	88%	57	29.7%	6	1 075
Senior Management (Levels 13-16)	79	96.2%	6	3.1	13	358
Contract (Levels 13-16)	7	100%	1	0.5	7	43
Total	1 328	93.4	192	100	7	2 805

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

Salary Band	Total Days	% Days With Medical Certification	Number Of Employees Using Disability Leave	% Of Total Employees Using Disability Leave	Average Days Per Employee	Estimated Cost (R'000)
Lower Skilled (Levels 1-2)	0	0%	0	0%	0	0
Skilled (Levels 3-5)	0	0%	0	0%	0	0
Highly Skilled Production (Levels 6-8)	125	100%	2	66.7%	63	229
Highly Skilled Supervision (Levels 9-12)	168	100	1	33.3%	168	709
Senior Management (Levels 13-16)	0	0%	0	0%	0	0

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

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

Salary Band	Total Days Taken	Number Of Employees Using Annual Leave	Average Per Employee
Lower Skilled (Levels 1-2)	51	26	2
Skilled (Levels 3-5)	785	21	37
Highly Skilled Production (Levels 6-8)	8 952	23	391
Highly Skilled Supervision (Levels 9-12)	2 713	20	136
Senior Management (Levels 13-16)	337	15	22
Contract (Levels 3-5)	10	10	1
Total	12 848	22	589

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

Salary Band	Total Days Of Capped Leave Taken	Number Of Employees Using Capped Leave	Average Number Of Days Taken Per Employee	Average Capped Leave Per Employee As On 31 March 2024
Lower Skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	42
Highly Skilled Production (Levels 6-8)	0	0	0	66
Highly Skilled Supervision (Levels 9-12)	0	0	0	59
Senior Management (Levels 13-16)	0	0	0	51
Contract (Levels 13-16)	0	0	0	41
Total	0	0	0	58

The Following Table Summarise Payments Made to Employees because of Leave that was not taken.

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

Reason	Total Amount (R'000)	Number Of Employees	Average Per Employee (R'000)
Leave Payout For 2023/24 Due To Non-Utilisation Of Leave For The Previous Cycle	0	0	0
Capped Leave Payouts On Termination Of Service For 2023/24	1 337	16	83.6
Total	1 337	16	83.6

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps Taken to Reduce the Risk of Occupational Exposure

Units/Categories Of Employees Identified To Be At High Risk Of Contracting HIV & Related Diseases (If Any)	Key Steps Taken to Reduce The Risk
Men And Women Aged Between 25 - 49	GEMS reports indicates that officials within this category are at high risk. educational programmes on HIV/Aids and adherence to medications is always conducted.

Table 3.11.2 Details of Health Promotion and HIV/Aids Programmes (Tick the Applicable Boxes and Provide the Required Information)

Question	Yes	No	Details, If Yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? if so, provide her/his name and position.	X		Ms RV Jones - Chief Director: Coporate Services
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? if so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		The Department has the Special Programmes/ Employee Health and Wellness Unit. The Unit comprises of the Manager overseeing all the Sub Programmes 1 X Assistant Director: Employee Health and Wellness 1 X Assistant Director: OHS The budget available is R2,521 million
3. Has the Department introduced an employee assistance or health promotion programme for your employees? if so, indicate the key elements/services of this programme.	X		The EAP office has been established for the implementation of Employee Health and Wellness pillars: <ul style="list-style-type: none"> • Health and Productivity Management • HIV/Aids and TB Management • SHERQ Management • Wellness Management
4. Has the Department established (A) Committee(S) as contemplated in Part VI E.5 (E) of Chapter 1 of the Public Service Regulations, 2001? if so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		The Department has established the OHS/EHW committee consisting of the representatives from different directorates and 02 Labour Unions. the members are as follows : Ms RV Jones Ms NL Malupe Mr IP Chiloane Ms P Mazibuko Ms RM Maputu Mr B Simelane Ms SM Mandlazi Ms L Msibi Mr M Mbethe Mr MG Malatjie Mr KI Mavuso Mr H Singwane (Psa) Ms NE Nkosi (Nehawu) Ms AY Mbuyane Ms E Maluleka Mr K Manzini Ms K Nkambule Ms N Sibanyoni
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees based on their HIV status? if so, list the employment policies/practices so reviewed.	X		The policy on HIV/Aids and TB Management in place
6. Has the Department introduced measures to protect hiv-positive employees or those perceived to be HIV-positive from discrimination? if so, list the key elements of these measures.	X		The guidelines on HIV/Aids and TB Management , Labour Relations Act and issues are treated with high level of confidentiality
7. Does the Department encourage its employees to undergo voluntary counselling and testing? if so, list the results that you have you achieved.	X		GEMS, Right to Care, and Department of Health provide such services, the officials are invited and encouraged to participate in the screenings. the test results are kept confidential and individual status is protected ,
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? if so, list these measures/indicators.	X		The Department annually submits the Employee Health And Wellness Operational Plans; Employee Health And Wellness System Monitoring Tool and the integrated EHW reporting tools to DPSA and Office of the Premier. The Special Programmes/EHW submits monthly reports to planning section and such reports are aligned to AOP The unit has also the proactive programmes in form of workshops and information sharing sessions to educate and empower officials on health promotions

3.12 Labour Relations

Table 3.12.1 Collective Agreements for the Period 1 April 2023 and 31 March 2024

Total Number of Collective Agreements	None
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The Following Table Summarises the Outcome of Disciplinary Hearings conducted within the Department for the year under review.

Table 3.12.2 Misconduct and Disciplinary Hearings Finalised for the Period 1 April 2023 and 31 March 2024

Outcomes of Disciplinary Hearings	Number	% Of Total
Correctional Counselling	0	0%
Verbal Warning	0	0%
Written Warnings	39	97.5%
Final Written Warning	1	2.5%
Suspended Without Pay	0	0%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not Guilty	0	0%
Case Withdrawn	0	0%
Total	40	100%

Total Number of Disciplinary Hearings finalised	Two
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Table 3.12.3 Types of Misconduct Addressed At Disciplinary Hearings for the Period 1 April 2023 and 31 March 2024

Type Of Misconduct	Number	% Of Total
Nature Of Offence		
Failure To Relocate To Her Work Station: Kwamhlanga Offices	1	16.7%
Alleged Abscondment	1	16.7%
Alleged Doing Business With The State	1	16.7%
Salary Suspension, Not Reporting For Duty	1	16.7%
Alleged Fruitless And Wasteful Expenditure By Causing Damage To A State Property	1	16.7%
Allegedly Corruption	1	16.7%
Total	6	100%

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

Grievances	Number	% Of Total
Number of Grievances Resolved	1	33.3%
Number Of Grievances Not Resolved	2	66.7%
Total Number Of Grievances Lodged	3	100%

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

Disputes	Number	% Of Total
Number of Disputes Upheld	0	0%
Number of Disputes Dismissed	0	0%
Total Number Of Disputes Lodged	0	0%

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

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

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

3.13 Skills Development

This Section Highlights the Efforts of The Department with Regard To Skills Development.

Table 3.13.1 Training Needs Identified for the Period 1 April 2023 and 31 March 2024

Occupational Category	Gender	Number Of Employees as at 1 April 2023	Training Needs Identified At Start Of The Reporting Period			
			Learnerships	Skills Programmes & Other Short Courses	Other Forms Of Training	Total
Legislators, Senior Officials And Managers	Female	11	0	7	0	7
	Male	14	0			
Professionals	Female	21	0	10	0	10
	Male	40	0			
Technicians And Associate Professionals	Female	308	0	15	0	15
	Male	259	0			
Clerks	Female	32	0	4	0	4
	Male	13	0			
Service And Sales Workers	Female	4	0	0	0	0
	Male	0	0	0	0	0
Skilled Agriculture And Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft And Related Trades Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant And Machine Operators And Assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary Occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	376	0	0	0	0
	Male	326	0	0	0	0
Total		702	0	36	0	36

Table 3.13.2 Training Provided for the Period 1 April 2023 and 31 March 2024

Occupational Category	Gender	Number Of Employees As At 1 April 20yy	Training Provided Within The Reporting Period			
			Learnerships	Skills Programmes & Other Short Courses	Other Forms Of Training	Total
Legislators, Senior Officials And Managers	Female	11	0	3	0	3
	Male	14	0			
Professionals	Female	21	0	6	0	6
	Male	40	0		0	
Technicians And Associate Professionals	Female	308	0	8	0	8
	Male	259	0		0	
Clerks	Female	32	0	4	0	4
	Male	13	0	0	0	0
Service And Sales Workers	Female	4	0	0	0	0
	Male	0	0	0	0	0
Skilled Agriculture And Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft And Related Trades Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant And Machine Operators And Assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary Occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	376	0	0	0	0
	Male	326	0	0	0	0
Total		702	0	21	0	21

3.14 Injury on Duty

The Following Tables Provide Basic Information on Injury On Duty.

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

Nature Of Injury On Duty	Number	% Of Total
Required Basic Medical Attention Only	5	100%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	0	0%
Total	5	100%

3.15 Utilisation Of Consultants

The Following Tables Relates Information on The Utilisation of Consultants In The Department. In Terms of The Public Service Regulations "Consultant" Means A Natural or Juristic Person Or A Partnership Who Or Which Provides In Terms Of A Specific Contract On An Ad Hoc Basis Any Of The Following Professional Services To A Department Against Remuneration Received From Any Source:

- (a) The Rendering of Expert Advice.
- (b) The Drafting of Proposals for The Execution of Specific Tasks; And
- (c) The Execution of a Specific Task Which Is Of A Technical Or Intellectual Nature, But Excludes An Employee of a Department.

Table 3.15.1 Report on Consultant Appointments Using Appropriated Funds for the Period 1 April 2023 and 31 March 2024

Project Title	Total Number Of Consultants That Worked On Project	Duration (Work Days)	Contract Value In Rand
0	0	0	0
0	0	0	0

Total Number Of Projects	Total Individual Consultants	Total Duration Work Days	Total Contract Value In Rand
0	0	0	0
0	0	0	0

Table 3.15.2 Analysis of Consultant Appointments Using Appropriated Funds, In Terms Of Historically Disadvantaged Individuals (HDIs) For the Period 1 April 2023 and 31 March 2024

Project Title	Percentage Ownership By HDI Groups	Percentage Management By HDI Groups	Number Of Consultants From HDI Groups That Work On The Project
0	0	0	0
0	0	0	0

Table 3.15.3 Report on Consultant Appointments Using Donor Funds for the Period 1 April 2023 and 31 March 2024

Project Title	Total Number Of Consultants That Worked On Project	Duration (Work Days)	Donor And Contract Value In Rand
0	0	0	0
0	0	0	0

Total Number Of Projects	Total Individual Consultants	Total Duration Work Days	Total Contract Value In Rand
0	0	0	0
0	0	0	0

Table 3.15.4 Analysis of Consultant Appointments Using Donor Funds, In Terms Of Historically Disadvantaged Individuals (HDIs) For the Period 1 April 2023 and 31 March 2024

Project Title	Percentage Ownership By HDI Groups	Percentage Management By HDI Groups	Number Of Consultants From HDI Groups That Work On The Project
0	0	0	0
0	0	0	0

3.16 Severance Packages

Table 3.16.1 Granting Of Employee Initiated Severance Packages for the Period 1 April 2023 and 31 March 2024

Salary Band	Number Of Applications Received	Number Of Applications Referred To The MPSA	Number Of Applications Supported By MPSA	Number Of Packages Approved By Department
Lower Skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly Skilled Production (Levels 6-8)	0	0	0	0
Highly Skilled Supervision(Levels 9-12)	0	0	0	0
Senior Management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

**PART E:
PFMA COMPLIANCE REPORT**

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

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	5 591
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	(5 591)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	-	-

Irregular Expenditure

Irregular Expenditure for 2021/22 Financial year was condoned by Mpumalanga Provincial Treasury -Reported during the 2022/23 financial year. The Department did not discover any Irregular Expenditure during the period under review.

Reconciling notes

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

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

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

c) Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	-	5 591
Total	-	5 591

d) Details of irregular expenditure removed - (not condoned)

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

e) Details of irregular expenditure recoverable

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

f) Details of irregular expenditure written off (irrecoverable)

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

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
None
Total

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)¹

Description	2023/2024	2022/2023
	R'000	R'000
None	-	-
Total	-	-

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Not applicable

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance		
Adjustment to opening balance		
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed	160	2
Less: Fruitless and wasteful expenditure recoverable ³	(6)	(2)
Less: Fruitless and wasteful expenditure not recoverable and written off	(9)	-
Closing balance	145	

The Fruitless and Wasteful Expenditure which is reported under investigation during 2023/24 financial year was due to non-attendance of training by Councillors from Municipalities and Accident Repairs on Rented vehicle

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment		
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year		
Fruitless and wasteful expenditure for the current year	160	
Total	160	

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

Description ⁴	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment		
Fruitless and wasteful expenditure under determination		
Fruitless and wasteful expenditure under investigation	145	4
Total	145	4

The Fruitless and Wasteful Expenditure which is reported under investigation during 2023/24 financial year was due to non-attendance of training by Councillors from Municipalities and Accident Repairs on Rented vehicle

c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	6	2
Total	6	2

None

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	9	-
Total	9	-

None

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

Disciplinary steps taken	
Not applicable	
Total	

1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable ⁵	-	-
Less: unauthorised not recoverable and written off ⁶	-	-
Closing balance	-	-

Reconciling notes

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

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

Description ⁷	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)²

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

b) Details of other material losses

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

c) Other material losses recoverable

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

d) Other material losses not recoverable and written off

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

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	1 770	372 008
Invoices paid within 30 days or agreed period	1 770	372 008
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of a service provider for the Development of Provincial Flood Management Strategy around Mpumalanga Province	Inkomati - Usuthu Catchment Management Agency (IUCMA)	Signed MOU with Listed Schedule 3A Company / Public Entity		1 400
Construction of Sethlare Traditional Council Offices	Siqogo Trading Enterprise	Quotations using CGT/085/21/MP	CGT/085/21/MP	5 280
Renovation of Enikwakuyengwa Traditional Council	Gumza Technologies	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	1 492
Renovation of Hhoyi Traditional Council	Kos Business Enterprise	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 621
Renovation of Masoyi Traditional Council	Sobantu Supply Chain	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 840
Renovation of Embhuleni Traditional Council	Maroala Enterprise	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	1 739
Renovation of Gutshwa Traditional Council	Amanyandzeni	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 762
Renovation of Mawewe Traditional Council	Forshad Trading And Projects	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 548
Renovation of Nkaba Traditional Council	Funkwane Trading	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	1 772
Renovation of Emfumbeni Traditional Council	Mbhene Trading	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	1 805
Renovation of Mbuyane Traditional Council	Lusanda Trading	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	3 310
Renovation of Mandlamakhulu Traditional Council	Evelyn Rose	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	3 386
Renovation of Lomshiyo Traditional Council	Zemangce	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 650
Renovation of Siboshwa Traditional Council	Yozindaba (Pty) Ltd	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 579
Renovation of Mpisikazi Traditional Council	Zondle Trading	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 827
Renovation of Mhlaba Traditional Council	Siphoselanga Business Enterprise	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	2 650
Renovation of Ndlela Traditional Council	Funkwane Trading	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	1 656
Renovation of Moletele Traditional Council	Sthezwe Business Ent.	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	3 562
Renovation of Mnisi Traditional Council	Sobantu Supply Chain	Quotations using CGT/085/21/MP and CGT/072/20/MP databases	CGT/085/21/MP and CGT/072/20/MP	3 542

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Installation of Fencing and Paving at Empakeni Trading Council Offices in the City of Mbombela Local Municipality in Mpumalanga Province	Evelynrose (Pty) Ltd	Quotations using CGT/085/21/MP	CGT/085/21/MP	1 781
Installation of Fencing and Paving at Msogwaba Local Municipality in the City of Mbombela Local Municipality in Mpumalanga Province	Lusanda Trading CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 229
Installation of Fencing and Paving at Ndzundza Mabuse Traditional Council Offices In Thembisile Hani Local Municipality in Mpumalanga Province	Lusanda Trading CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	1 831
Installation of Fencing and Paving at Ndzundza Phungutsha Trading Council Offices in Thembisile Hani in Mpumalanga Province	Lwakithi Trading Enterprise CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 008
Installation of Fencing and Paving at Mogane Traditional Council Offices at Thaba Chweu Local Municipality in Mpumalanga Province	Maroala Enterprise CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 301
Installation of Fencing and Paving at Jongilanga Traditional Council Offices in Bushbuckridge Local Municipality in Mpumalanga Province	Mbhene Trading CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 456
Installation of Fencing and Paving at Ba Kgatla Ba Mmakau Traditional Council Offices in Dr JS Moroka Local Municipality in Mpumalanga Province	Mega Works Trading Enterprise 56 CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 185
Installation of Fencing and Paving at Manala Mbhongo Traditional Council Offices in Thembisile Hani Local Municipality in Mpumalanga Province	Nokwanda Projects CC	Quotations using CGT/085/21/MP	CGT/085/21/MP	1 682
Installation of Fencing and Paving at Duma Traditional Council Offices in Chief Albert Luthuli Local Municipality in Mpumalanga Province	Sobantu Supply Chain (Pty) Ltd	Quotations using CGT/085/21/MP	CGT/085/21/MP	1 639
Installation of Fencing and Paving at Somcuba Bhevula Traditional Council Offices in Chief Albert Luthuli Local Municipality in Mpumalanga Province	Sobantu Supply Chain (Pty) Ltd	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 379
Installation of Fencing and Paving at Mohlala Morudi Traditional Council Offices in Thaba Chweu Local Municipality in Mpumalanga Province	SSSM T/A Amanyandzeni	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 438
Installation of Fencing and Paving at Mathibela Traditional Council Offices in Bushbuckridge Local Municipality in Mpumalanga Province	Xamhunti General Trading Enterprise	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 459
Installation of Fencing and Paving at Madabukela Traditional Council Offices in Mkhondo Local Municipality in Mpumalanga Province	Yozindaba (Pty) Ltd	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 144
Installation of Fencing and Paving at Hoxane Traditional Council Offices in Bushbuckridge Local Municipality in Mpumalanga Province	Zemangce (Pty) Ltd	Quotations using CGT/085/21/MP	CGT/085/21/MP	2 316
Supply and Delivery of 2100 Tarpaulins	Ntlemo Projects	Quotations using CGT031/20/MP	CGT031/20/MP	10 546
Supply and Delivery of 1600- Tarpaulins	Sobantu Supply Chain (Pty) Ltd	Quotations using CGT031/20/MP	CGT031/20/MP	8 035
Supply and Delivery of 1300 - Gel Stoves (2 Plates and 5l Gel) 6000 - Blankets	Lusanda Trading	Quotations using CGT031/20/MP	CGT031/20/MP	5 611
Supply and Delivery of 400 - Tarpaulins	Sanstaple Business Enterprise	Quotations using CGT031/20/MP	CGT031/20/MP	2 009
Supply and Delivery of 2504 - Foam Mattress	Crystal Sparkle Trading 98 Cc	Quotations using CGT031/20/MP	CGT031/20/MP	2 115
Supply, Delivery and Installation of Office Furniture to nineteen (19) Traditional Council Offices in various Municipalities within the Mpumalanga Province – nine (09) Offices	Indumane Trading	Participation through HEAL/130/21/MP	HEAL/130/21/MP	3 812
Supply, Delivery and Installation of Office Furniture to nineteen (19) Traditional Council Offices in various Municipalities within the Mpumalanga Province – ten (10) Offices	Mikeglo Office Suppliers	Participation through HEAL/130/21/MP	HEAL/130/21/MP	4 235
Total				116 632

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Development, Implementation And Maintenance Of Municipal Monitoring And Support It System Within The Mpumalanga Province	S N L Joint Venture Qualitative Innovative Solutions	Expansion	CGT/091/22/MP	141 679	20 920	162 600
Construction of Traditional Council Offices-Mogane TC	AMANYANDZENI PTY LTD	Expansion	CGT/085/20/MP	4 717	408	5 125
Construction of Traditional Council Offices-Mathibela TC	EVELYN ROSE	Expansion	CGT/085/20/MP	4 791	377	5 168
Construction of Traditional Council Offices-Mohlala TC	LUSANDA TRADING	Expansion	CGT/085/20/MP	4 582	204	4 786
Construction of Traditional Council Offices-Jongilanga TC	MBHENE TRADING	Expansion	CGT/085/20/MP	4 502	207	4 709
Construction of Traditional Council Offices-Hoxane TC	ZEMANGCE	Expansion	CGT/085/20/MP	4 795	240	5 034
Construction of Traditional Council Offices-Duma TC	SOBANTU TRADING	Expansion	CGT/085/20/MP	4 548	204	4 752
Construction of Traditional Council Offices-Somcuba Bhevula TC	SOBANTU TRADING	Expansion	CGT/085/20/MP	4 548	428	4 976
Construction of Traditional Council Offices-Madabukela TC	YOZINDABA PTY LTD	Expansion	CGT/085/20/MP	4 602	195	4 797
Construction of Traditional Council Offices-Ndzundza Mabuse TC	LUSANDA TRADING	Expansion	CGT/085/20/MP	4 625	204	4 829
Construction of Traditional Council Offices-Ndzundza Mpungusha TC	LWAKITHI TRADING	Expansion	CGT/085/20/MP	4 607	220	4 828
Construction of Traditional Council Offices-Bakgatla baMmakau TC	MPHIRATHI TRADING	Expansion	CGT/085/20/MP	4 779	117	4 895
Construction of Traditional Council Offices-Manala Mbongo TC	NICKELODIA TRADING	Expansion	CGT/085/20/MP	4 762	250	5 012
Construction of Traditional Council Offices-Bakgatla baSeabe TC	NOKWANDA PROJECT	Expansion	CGT/085/20/MP	4 564	130	4 694
Request Proposal for the Appointment of service provider for the Facilitation of the Reconstitution of 60 Traditional Councils in the Mpumalanga Province as prescribed by Section 16 of the Traditional and Khoi-San Leadership Act 2019 (Act No 3 of 2019 KTLA	Africore Advisory (Pty) Ltd	Expansion	CGT/092/22/MP	17 936	5 860	23 796
Total				220 037	29 963	250 000

**PART F:
FINANCIAL INFORMATION**

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 (Cogta) set out on pages 108 to 146, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Cooperative Governance and Traditional Affairs as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting officer for the financial statements

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

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on pages 106 to 107 forms part of my auditor's report.

Report on the audit of the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Local Governance	23 to 31	The programme aims to strengthen the administrative and financial capacity of municipalities as well as deepen democracy at local level to ensure that municipalities perform their developmental responsibilities
Development and Planning	31 to 40	The programme aims to strengthen municipalities on development and planning requirements as well as coordinate and enhance the delivering of quality infrastructure to improve the provision of basic services at local government level

12. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

13. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over-achievement of targets.

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

15. I did not identify any material findings on the reported performance information for the selected programmes

Report on compliance with legislation

16. 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.

17. 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.

18. 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.

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

Other information in the annual report

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

21. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

22. 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.

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

Internal control deficiencies

24. 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.

25. I did not identify any significant deficiencies in internal control.

Auditor General

Mbombela
31 July 2024



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-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	Selected requirements
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); Section 38(1)(d); 38(1)(h)(iii); 38(1)(j); 39(1)(a); Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.14; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; Regulation 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A 6.3(e); 16A6.4; Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3; Regulation 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2); Regulation 16A8.3; ; 16A8.4; 16A9.1(b)(ii); Regulation ; 16A 9.1(d); 16A 9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 5 of 2023	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); Section 16(3)(a)(ii)(bb)
Second amendment National Treasury Instruction No. 5 of 2020-21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020-21	Paragraph 2
National Health Act 61 of 2003	Section 13
National Treasury instruction No. 5 of 2020-21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 1 of 2021-22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015-16	Paragraph 3.4
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016-17	Paragraph 6
National Treasury SCM Instruction No. 3 of 2021-22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020-21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021-22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1;
Practice Note 11 of 2008-9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009-10	Paragraph 3.3
Practice Note 7 of 2009-10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2;
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)

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

For the year ended
31 March 2024

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(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2024

Appropriation per programme									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	168 480	-	308	168 788	168 780	8	100%	151 939	151 939
2. Local Governance	287 525	-	8 053	295 578	295 467	111	100%	250 205	250 089
3. Development and Planning	96 555	-	(3 127)	93 428	93 404	24	100%	115 660	115 655
4. Traditional Institutional Management	289 405	-	(6 826)	282 579	282 571	8	100%	155 762	155 564
5. The House of Traditional Leaders	24 605	-	1 592	26 197	26 193	4	100%	20 911	20 910
TOTAL	866 570	-	-	866 570	866 415	155	100%	694 477	694 157

	2023/24		2022/23	
	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts				
NRF Receipts				
Aid assistance				
Actual amounts per statement of financial performance (Total revenue)	866 570		694 477	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (Total expenditure)		866 415		694 157

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2024

Appropriation per economic classification									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	652 903	(37 665)	(5 803)	609 435	609 368	67	100%	591 307	591 300
Compensation of employees	446 069	(11 129)	-	434 940	434 902	38	100%	412 021	412 020
Goods and services	206 834	(26 536)	(5 803)	174 495	174 466	29	100%	179 286	179 280
Transfers and subsidies	39 910	(2 260)	-	37 650	37 649	1	100%	32 178	31 980
Provinces and municipalities	110	(68)	-	42	42	-	100%	72	72
Non-profit institutions	38 000	(1 827)	-	36 173	36 172	1	100%	28 945	28 747
Households	1 800	(365)	-	1 435	1 435	-	100%	3 161	3 161
Payments for capital assets	173 757	39 830	5 803	219 390	219 303	87	100%	70 992	70 877
Buildings and other fixed structures	77 475	34 861	1 557	113 893	113 894	(1)	100%	36 690	36 689
Machinery and equipment	32 682	(8 302)	(2 328)	22 052	22 051	1	100%	3 299	3 299
Intangible assets	63 600	13 271	6 574	83 445	83 358	87	99.9%	31 003	30 889
Payments for financial assets	-	95	-	95	95	-	100%	-	-
Total	866 570	-	-	866 570	866 415	155	100%	694 477	694 157

Programme 1: Administration									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	9 692	146	-	9 838	9 837	1	100%	10 922	10 922
2. Corporate Services	158 788	(146)	308	158 950	158 943	7	100%	141 017	141 017
Total for sub programmes	168 480	-	308	168 788	168 780	8	100%	151 939	151 939
Economic classification									
Current payments	159 266	(1 533)	308	158 041	158 034	7	100%	145 691	145 691
Compensation of employees	92 414	(5 400)	(19)	86 995	86 988	7	100%	81 091	81 091
Goods and services	66 852	3 867	327	71 046	71 046	-	100%	64 600	64 600
Transfers and subsidies	1 910	(433)	-	1 477	1 477	-	100%	3 233	3 233
Provinces and municipalities	110	(68)	-	42	42	-	100%	72	72
Households	1 800	(365)	-	1 435	1 435	-	100%	3 161	3 161
Payments for capital assets	7 304	1 871	-	9 175	9 174	1	100%	3 015	3 015
Machinery and equipment	7 304	1 871	-	9 175	9 174	1	100%	3 015	3 015
Payments for financial assets	-	95	-	95	95	-	100%	-	-
Total	168 480	-	308	168 788	168 780	8	100%	151 939	151 939

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2024

Programme 2: Local Governance									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	2 128	15	19	2 162	2 161	1	100%	1 881	1 881
2. Municipal Administration	9 406	2 646	-	12 052	12 052	-	100%	30 822	30 821
3. Public Participation	179 878	1 350	2 926	184 154	184 134	20	100%	175 723	175 722
4. Capacity Development	5 541	724	-	6 265	6 263	2	100%	4 863	4 863
5. Municipal Performance, Monitoring, Evaluation	90 572	(4 735)	5 108	90 945	90 857	88	100%	36 916	36 802
Total for sub programmes	287 525	-	8 053	295 578	295 467	111	100%	250 205	250 089
Economic classification									
Current payments	223 925	(13 271)	1 479	212 133	212 109	24	100%	219 202	219 200
Compensation of employees	195 969	-	3 594	199 563	199 563	-	100%	190 986	190 985
Goods and services	27 956	(13 271)	(2 115)	12 570	12 546	24	99.8%	28 216	28 215
Payments for capital assets	63 600	13 271	6 574	83 445	83 358	87	99.9%	31 003	30 889
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	63 600	13 271	6 574	83 445	83 358	87	99.9%	31 003	30 889
Total	287 525	-	8 053	295 578	295 467	111	100%	250 205	250 089

Programme 3: Development and Planning

Programme 3: Development and Planning									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	1 744	(2)	(1 557)	185	164	21	88.6%	32	32
2. Spatial Planning	5 509	(1 404)	-	4 105	4 105	-	100%	2 640	2 640
3. Land Use Management	12 048	532	-	12 580	12 580	-	100%	12 596	12 596
4. Integrated Development and Planning	3 676	397	-	4 073	4 072	1	100%	3 399	3 399
5. Local Economic Development	11 128	1 246	-	12 374	12 373	1	100%	9 407	9 407
6. Municipal infrastructure	12 158	(114)	-	12 044	12 043	1	100%	7 917	7 917
7. Disaster Management	50 292	(655)	(1 570)	48 067	48 067	-	100%	79 669	79 664
Total for sub programmes	96 555	-	(3 127)	93 428	93 404	24	100%	115 660	115 655
Economic classification									
Current payments	86 177	(505)	(2 356)	83 316	83 292	24	100%	103 362	103 358
Compensation of employees	44 510	(1 539)	(1 557)	41 414	41 392	22	99.9%	36 334	36 334
Goods and services	41 667	1 034	(799)	41 902	41 900	2	100%	67 028	67 024
Payments for capital assets	10 378	505	(771)	10 112	10 112	-	100%	12 298	12 297
Buildings and other fixed structures	-	505	1 557	2 062	2 062	-	100%	12 014	12 013
Machinery and equipment	10 378	-	(2 328)	8 050	8 050	-	100%	284	284
Total	96 555	-	(3 127)	93 428	93 404	24	100%	115 660	115 655

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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APPROPRIATION STATEMENT

for the year ended 31 March 2024

Programme 4: Traditional Institutional Management									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	2 173	(57)	-	2 116	2 115	1	100%	1 395	1 395
2. Traditional Institutional Administration	18 720	(1 616)	(1 369)	15 735	15 735	-	100%	13 979	13 978
3. Traditional Resource Administration	121 216	(5 799)	1 369	116 786	116 785	1	100%	95 507	95 310
4. Rural Development Facilitation	143 668	6 941	(6 826)	143 783	143 782	1	100%	41 392	41 392
5. Traditional Land Administration	3 628	531	-	4 159	4 154	5	99.9%	3 489	3 489
Total for sub programmes	289 405	-	(6 826)	282 579	282 571	8	100%	155 762	155 564
Economic classification									
Current payments	158 930	(22 356)	(6 826)	129 748	129 740	8	100%	102 141	102 141
Compensation of employees	95 211	(2 859)	(2 018)	90 334	90 238	6	100%	87 148	87 149
Goods and services	63 719	(19 497)	(4 808)	39 414	39 412	2	100%	14 993	14 992
Transfers and subsidies	38 000	(1 827)	-	36 173	36 172	1	100%	28 945	28 747
Non-profit institutions	38 000	(1 827)	-	36 173	36 172	1	100%	28 945	28 747
Payments for capital assets	92 475	24 183	-	116 658	116 659	(1)	100%	24 676	24 676
Buildings and other fixed structures	77 475	34 356	-	111 831	111 832	(1)	100%	24 676	24 676
Machinery and equipment	15 000	(10 173)	-	4 827	4 827	-	100%	-	-
Total	289 405	-	(6 826)	282 579	282 571	8	100%	155 762	155 564

Programme 5: The House of Traditional Leaders									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Admin House of Traditional Leaders	12 839	(2 445)	1 592	11 986	11 983	3	100%	7 847	7 847
2. Committees and Local Houses	11 766	2 445	-	14 211	14 210	1	100%	13 064	13 063
Total for sub programmes	24 605	-	1 592	26 197	26 193	4	100%	20 911	20 910
Economic classification									
Current payments	24 605	-	1 592	26 197	26 193	4	100%	20 911	20 910
Compensation of employees	17 965	(1 331)	-	16 634	16 631	3	100%	16 462	16 461
Goods and services	6 640	1 331	1 592	9 563	9 562	1	100%	4 449	4 449
Total	24 605	-	1 592	26 197	26 193	4	100%	20 911	20 910

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2024

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	168 788	168 780	8	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund.				
Local Governance	295 578	295 467	111	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund.				
Development and Planning	93 428	93 404	24	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund.				
Traditional Institutional Management	282 579	282 571	8	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund.				
The House of Traditional Leaders	26 197	26 193	4	0%
Immaterial variance, savings will be surrendered to the Provincial Revenue Fund.				
Total	866 570	866 415	155	0%

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	434 940	434 902	38	0%
Goods and services	174 495	174 466	29	0%
Transfers and subsidies				
Provinces and municipalities	42	42	-	0%
Non-profit institutions	36 173	36 172	1	0%
Households	1 435	1 435	-	0%
Payments for capital assets				
Buildings and other fixed structures	113 893	113 894	(1)	0%
Machinery and equipment	22 052	22 051	1	0%
Intangible assets	83 445	83 358	87	0%
Payments for financial assets	95	95		0%
Total	866 570	866 415	155	0%

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NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2024

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

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
EPWP Grant	2 208	2 208	-	0%
Total	2 208	2 208	-	0%

No variance

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
REVENUE			
Annual appropriation	1	866 570	694 477
TOTAL REVENUE		866 570	694 477
EXPENDITURE			
Current expenditure		609 369	591 300
Compensation of employees	3	434 903	412 020
Goods and services	4	174 466	179 280
Transfers and subsidies		37 649	31 980
Transfers and subsidies	6	37 649	31 980
Expenditure for capital assets		219 302	70 877
Tangible assets	7	135 944	39 988
Intangible assets	7	83 358	30 889
Unauthorised expenditure approved without funding		-	-
Payments for financial assets	5	95	-
TOTAL EXPENDITURE		866 415	694 157
SURPLUS/(DEFICIT) FOR THE YEAR		155	320
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		155	320
SURPLUS/(DEFICIT) FOR THE YEAR		155	320

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
ASSETS			
Current assets		752	778
Cash and cash equivalents	9	301	505
Receivables	9	451	273
Non-current assets			
Receivables	9	-	-
TOTAL ASSETS		752	778
LIABILITIES			
Current liabilities		551	769
Voted funds to be surrendered to the Revenue Fund	10	155	320
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	196	192
Payables	12	200	257
Non-current liabilities			
Payables	12	-	-
TOTAL LIABILITIES		551	769
NET ASSETS		201	9
<hr/>			
	<i>Note</i>	2023/24 R'000	2022/23 R'000
Represented by:			
Recoverable revenue		201	9
TOTAL		201	9

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
Recoverable revenue			
Opening balance		9	
Transfers:		192	9
Irrecoverable amounts written off	5.1	95	-
Debts recovered (included in departmental revenue)		(9)	-
Debts raised		106	9
Closing balance		201	9
TOTAL		201	9

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

CASH FLOW STATEMENT

for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		869 539	696 852
Annual appropriation funds received	1.1	866 570	694 477
Departmental revenue received	2	740	401
Interest received	2.2	2 229	1 974
Net (increase)/decrease in net working capital		(235)	(839)
Surrendered to Revenue Fund		(3 481)	(27 741)
Current payments		(609 369)	(591 300)
Payments for financial assets		(95)	-
Transfers and subsidies paid		(37 649)	(31 980)
Net cash flow available from operating activities	13	218 710	44 992
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received			
Payments for capital assets	7	(219 302)	(70 877)
Proceeds from sale of capital assets	2.3	196	53
Net cash flow available from investing activities		(219 106)	(70 824)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		192	9
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		192	9
Net increase/(decrease) in cash and cash equivalents		(204)	(25 823)
Cash and cash equivalents at beginning of period		505	26 328
Cash and cash equivalents at end of period	14	301	505

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

PART A: ACCOUNTING POLICIES

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

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: <ul style="list-style-type: none">• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and• the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8.	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest. Finance lease assets acquired at the commencement of the lease term are recorded and measured at the lower of: the fair value of the leased asset; or if lower, 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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

9.2	<p>Aid assistance paid</p> <p>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.</p>
	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
	<p>Loans and receivables</p> <p>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.</p>
	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
	<p>Financial assets</p>
14.1	<p>Financial assets (not covered elsewhere)</p> <p>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.</p> <p>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.</p>
14.2	<p>Impairment of financial assets</p> <p>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.</p>
15.	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16.	<p>Capital assets</p>
16.1	<p>Immovable capital assets</p> <p>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.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>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.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

16.3	<p>Intangible capital assets</p> <p>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.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>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.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17.	<p>Provisions and contingents</p>
17.1	<p>Provisions</p> <p>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.</p>
17.2	<p>Contingent liabilities</p> <p>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.</p>
17.3	<p>Contingent assets</p> <p>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.</p>
17.4	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
18.	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p> <p>Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • 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. <p>Unauthorised expenditure recorded in the notes to the financial statements comprise of</p> <ul style="list-style-type: none"> • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised incurred in the current year.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

19.	<p>Fruitless and wasteful expenditure</p> <p>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.</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:</p> <ul style="list-style-type: none">• 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.	<p>Irregular expenditure</p> <p>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.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:</p> <ul style="list-style-type: none">• 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.	<p>Changes in accounting policies, estimates and errors</p> <p>Changes in accounting policies are applied in accordance with MCS requirements.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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.</p>
22.	<p>Events after the reporting date</p> <p>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.</p>
23.	<p>Principal-Agent arrangements</p> <p>Not Applicable</p>
24.	<p>Departures from the MCS requirements</p> <p>Not Applicable</p>
25.	<p>Capitalisation reserve</p> <p>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.</p>
26.	<p>Recoverable revenue</p> <p>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.</p>
27.	<p>Related party transactions</p> <p>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.</p> <p>The full compensation of key management personnel is recorded in the notes to the financial statements.</p>
28.	<p>Inventories (Effective from date determined by the Accountant-General)</p> <p>[Inventories]</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>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.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>

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29.	<p>Public-Private Partnerships</p> <p>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.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
30.	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.</p> <p>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.</p>
31.	<p>Transfer of functions</p> <p>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.</p> <p>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.</p>
32.	<p>Mergers</p> <p>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.</p> <p>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.</p>

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PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

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

	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	168 788	168 788	-	151 939	151 939	-
Local Governance	295 578	295 578	-	250 205	250 205	-
Development and Planning	93 428	93 428	-	115 660	115 660	-
Traditional Institutional Management	282 579	282 579	-	155 762	155 762	-
The House of Traditional Leaders	26 197	26 197	-	20 911	20 911	-
Total	866 570	866 570	-	694 477	694 477	-

1.2. Conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total grants received	29	<u>2 208</u>	<u>2 563</u>

2. Departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services other than capital assets	2.1	412	392
Interest, dividends and rent on land	2.2	2 229	1 974
Sales of capital assets	2.3	196	53
Transactions in financial assets and liabilities	2.4	328	9
Total revenue collected		3 165	2 428
Less: Own revenue included in appropriation	13	(3 165)	(2 428)
Total		-	-

2.1 Sales of goods and services other than capital assets

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services produced by the department		412	392
Sales by market establishment		72	65
Other sales		340	327
Sales of scrap, waste and other used current goods			
Total	2	412	392

Other receipts include recovery of previous year expenditure

2.3 Interest, dividends and rent on land

	Note	2023/24 R'000	2022/23 R'000
Interest		2 229	1 974
Total	2	2 229	1 974

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for the year ended 31 March 2024

2.3 Sales of capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		196	53
Machinery and equipment		196	53
Total	2	196	53

2.4 Transactions in financial assets and liabilities

	Note	2023/24 R'000	2022/23 R'000
Receivables		328	9
Total	2	328	9

3. Compensation of employees

3.1 Analysis of balance

	Note	2023/24 R'000	2022/23 R'000
Basic salary		267 325	240 469
Service based		229	236
Compensative/circumstantial		7 660	6 886
Other non-pensionable allowances		102 312	110 456
Total		377 526	358 047

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

3.2 Social contributions

Employer contributions	Note	2023/24 R'000	2022/23 R'000
Pension		33 848	31 541
Medical		22 548	21 397
UIF		64	36
Bargaining council		83	78
Insurance		834	921
Total		57 377	53 973
Total compensation of employees		434 903	412 020
Average number of employees		721	702

- Included in the number of employees 721 is 642 permanent employees, office permanent probation 41, 15 contracted officials and 23 public office bearers.
- The number of employees excludes 622 abnormal appointments (Traditional headman/woman and EPWP Workers)

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4. Goods and services

	Note	2023/24 R'000	2022/23 R'000
Administrative fees		777	447
Advertising		1 605	1 523
Minor assets	4.1	4 409	424
Catering		2 156	2 025
Communication		13 554	9 547
Computer services	4.2	606	271
Consultants: Business and advisory services	4.9	32 890	37 058
Infrastructure and planning services		1 011	325
Legal services		4 931	3 083
Contractors		2 047	2 840
Agency and support / outsourced services		6 344	3 661
Audit cost – external	4.3	5 904	5 874
Fleet services		4 932	4 458
Inventories	4.4	32 669	54 433
Consumables	4.5	4 553	3 711
Operating leases		18 349	17 381
Property payments	4.6	11 533	10 619
Travel and subsistence	4.7	19 721	16 813
Venues and facilities		1 399	876
Training and development		4 054	3 113
Other operating expenditure	4.8	1 022	798
Total		174 466	179 280

4.1 Minor assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets			
Machinery and equipment		4 409	424
Total	4	4 409	424

4.2 Computer services

	Note	2023/24 R'000	2022/23 R'000
SITA computer services		115	95
External computer service providers		491	176
Total	4	606	271

4.3 Audit cost - external

	Note	2023/24 R'000	2022/23 R'000
Regularity audits		5 904	5 874
Total	4	5 904	5 874

4.4 Inventories

	Note	2023/24 R'000	2022/23 R'000
Clothing material and accessories		478	627
Food and food supplies		-	1 708
Materials and supplies		32 191	52 098
Total	4	32 669	54 433

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for the year ended 31 March 2024

4.5 Consumables

	Note	2023/24 R'000	2022/23 R'000
Consumable supplies		1 711	1 480
Uniform and clothing		7	137
Household supplies		905	585
Building material and supplies		-	1
IT consumables		137	68
Other consumables		662	689
Stationery, printing and office supplies		2 842	2 231
Total	4	4 553	3 711

Other consumables is for fuel supplies for the backup generator at PDMC

4.6 Property payments

	Note	2023/24 R'000	2022/23 R'000
Municipal services		6 755	7 809
Property maintenance and repairs		4 778	2 780
Other		-	30
Total	4	11 533	10 619

Other includes firefighting / protection services

4.7 Travel and subsistence

	Note	2023/24 R'000	2022/23 R'000
Local		19 721	16 813
Total	4	19 721	16 813

4.8 Other operating expenditure

	Note	2023/24 R'000	2022/23 R'000
Professional bodies, membership and subscription fees		57	46
Resettlement costs		179	38
Other		786	714
Total	4	1 022	798

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

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

Name of Commission / Committee of Inquiry	Note	2023/24 R'000	2022/23 R'000
Risk Management Committee		45	26
Mpumalanga Municipal Valuation Committee		18	-
Total		63	26

The Mpumalanga Municipal Valuation Committee was established during the 2023/24 financial year.

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for the year ended 31 March 2024

5. Payments for financial assets

	Note	2023/24 R'000	2022/23 R'000
Debts written off	5.1	95	-
Total		95	-

Irrecoverable debts written-off

5.1 Debts written off

Nature of debts written off	Note	2023/24 R'000	2022/23 R'000
Other debt written off		95	-
Total debt written off	5	95	-

6. Transfers and subsidies

	Note	2023/24 R'000	2022/23 R'000
Provinces and municipalities	30	42	72
Non-profit institutions	Annex 1	36 172	28 747
Households	Annex 2	1 435	3 161
Total		37 649	31 980

7. Expenditure for capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		135 944	39 988
Buildings and other fixed structures		113 893	36 689
Machinery and equipment		22 051	3 299
Intangible capital assets		83 358	30 889
Software		83 358	30 889
Total		219 302	70 877

7.1 Analysis of funds utilised to acquire capital assets - Current year

Name of entity	2023/24		
	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	135 944	-	135 944
Buildings and other fixed structures	113 893	-	113 893
Machinery and equipment	22 051	-	22 051
Intangible capital assets	83 358	-	83 358
Software	83 358	-	83 358
Total	219 302	-	219 302

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7.2 Analysis of funds utilised to acquire capital assets - Prior year

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

8. Cash and cash equivalents

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General Account		9 237	2 650
Disbursements		(8 936)	(2 145)
Total		301	505

9. Receivables

	Note	2023/24			2022/23		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	9.1	252	-	252	85	-	85
Staff debt	9.2	180	-	180	117	-	117
Other receivables	9.3	19	-	19	71	-	71
Total		451	-	451	273	-	273

9.1 Claims recoverable

	Note	2023/24 R'000	2022/23 R'000
GEHS		85	85
Provincial departments		167	-
Total	9	252	85

9.2 Staff debt

	Note	2023/24 R'000	2022/23 R'000
<i>Group major categories, but list material items</i>			
Staff debts		81	-
Ex-Employees		99	117
Total	9	180	117

9.3 Other receivables

	Note	2023/24 R'000	2022/23 R'000
<i>Group major categories, but list material items</i>			
Medical Scheme		-	2
Traditional Leaders		19	69
Total	9	19	71

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10. Voted funds to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		320	24 668
Prior period error		-	-
As restated		320	24 668
Transferred from statement of financial performance (as restated)		155	320
Add: Unauthorised expenditure for the current year		-	-
Voted funds not requested/not received	1.1	-	-
Transferred to retained revenue to defray excess expenditure (<i>Parliament/Legislatures</i>)		-	-
Paid during the year		(320)	(24 668)
Closing balance		155	320

10.1 Reconciliation on unspent conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total conditional grants received	1.2	2 208	2 563
Total conditional grants spent		(2 208)	(2 563)
Due by the Provincial Revenue Fund		-	-

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

	Note	2023/24 R'000	2022/23 R'000
Opening balance		192	837
Prior period error		-	-
As restated		192	837
Transferred from statement of financial performance (as restated)		-	-
Own revenue included in appropriation	2	3 165	2 428
Paid during the year		(3 161)	(3 073)
Closing balance		196	192

12. Payables - current

	Note	2023/24 R'000	2022/23 R'000
Clearing accounts	12.1	152	227
Other payables	12.2	48	30
Total		200	257

12.1 Clearing accounts

Description	Note	2023/24 R'000	2022/23 R'000
<i>Identify major categories, but list material items</i>			
Sal Income Tax		41	140
Sal ACB Account		5	6
Disallowance Miscellaneous		106	74
Sal Pension Fund		-	7
Total	12	152	227

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12.2 Other payables

Description	Note	2023/24 R'000	2022/23 R'000
<i>Identify major categories, but list material items</i>			
Ex-employees		48	30
Total	12	48	30

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

13. Net cash flow available from operating activities

	Note	2023/24 R'000	2022/23 R'000
Net surplus/(deficit) as per Statement of Financial Performance		155	320
Add back non-cash/cash movements not deemed operating activities		218 555	44 672
(Increase)/decrease in receivables		(178)	(238)
Increase/(decrease) in payables - current		(57)	(601)
Proceeds from sale of capital assets		(196)	(53)
Expenditure on capital assets		219 302	70 877
Surrenders to RDP Fund/Donors		(3 481)	(27 741)
Own revenue included in appropriation		3 165	2 428
Net cash flow generated by operating activities		218 710	44 992

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

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General account		9 237	2 650
Disbursements		(8 936)	(2 145)
Total		301	505

15. Contingent liabilities and contingent assets

15.1 Contingent liabilities

Liable to	Nature	Note	2023/24 R'000	2022/23 R'000
Claims against the department		Annex 4	5 274	5 177
Intergovernmental payables		Annex 6	62	62
Total			5 336	5 239

1. The Department is not aware of any information that will determine the outcome of the matters above in favour or against the department.

2. Intergovernmental balance includes an amount of R 0.062 million claim received from the GEPP.

15.2 Contingent assets

Nature of contingent asset	Note	2023/24 R'000	2022/23 R'000
Motor Vehicle Accident		87	87
Contractual Dispute		4 536	9 451
Special Investigation Unit vs the MEC & 3 others		-	5 591
Total		4 623	15 129

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16. Capital commitments

	Note	2023/24 R'000	2022/23 R'000
Buildings and other fixed structures		41 973	36 267
Machinery and equipment			-
Intangible assets		46 853	109 290
Total		88 826	145 557

The amount of R88.826 million exclude the retention amount of R4.096 million disclosed separately under provisions (Note 24).

17. Accruals and payables not recognised

17.1 Accruals

Listed by economic classification	Note	2023/24			2022/23
		30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Goods and services		2 369	2 009	4 378	6 216
Transfers and subsidies		-	-	-	-
Capital assets		-	-	-	-
Other		112	9	121	85
Total		2 481	2 018	4 499	6 301

Listed by programme level	Note	2023/24			2022/23
		R'000	R'000	R'000	R'000
Administration				3 666	2 741
Local Governance				154	114
Development and Planning				343	132
Traditional Institutional Management				117	1 098
The House of Traditional Leaders				219	2 216
Total				4 499	6 301

Other consist of Compensation of employees related costs

17.2 Payables not recognised

Listed by economic classification	Note	2023/24			2022/23
		30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Goods and services		25	-	25	140
Interest and rent on land		-	-	-	-
Transfers and subsidies		-	-	-	-
Capital assets		-	-	-	8 050
Other		-	48	48	-
Total		25	48	73	8 190

Listed by programme level	Note	2023/24			2022/23
		R'000	R'000	R'000	R'000
Administration				23	127
Local Governance				-	-
Development and Planning				-	8 063
Traditional Institutional Management				-	--
The House of Traditional Leaders				50	
Total				73	8 190

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<i>Included in the above totals are the following:</i>	<i>Note</i>	2023/24 R'000	2022/23 R'000
Confirmed balances with other departments	<i>Annex 5</i>	783	530
Confirmed balances with other government entities	<i>Annex 5</i>	12	76
Total		795	606

18. Employee benefits

	<i>Note</i>	2023/24 R'000	2022/23 R'000
Leave entitlement		31 606	28 519
Service bonus		11 929	10 426
Capped leave		9 397	8 841
Other		193	240
Total		53 125	48 026

Other includes the long-term portion of the long service awards that cannot be reliably measured at this stage.

19. Lease commitments

19.1 Operating leases

	2023/24				Total R'000
	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	
Not later than 1 year	-	-	8 534	874	9 408
Later than 1 year and not later than 5 years	-	-	-	211	211
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	8 534	1 085	9 619

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

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

20. Accrued departmental revenue

	<i>Note</i>	2023/24 R'000	2022/23 R'000
Interest, dividends and rent on land			
Sales of capital assets	<i>20.1</i>	102	191
Transactions in financial assets and liabilities			
Total		102	191

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20.1 Analysis of accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Opening balance		191	-
Less: amounts received		(191)	-
Add: amounts recorded		102	191
Closing balance	20	102	191

Vehicles sold through public auction conducted during the period under review, however the proceeds were not received as at 31 May 2024.

21. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2023/24 R'000	2022/23 R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		-	-
Fruitless and wasteful expenditure - current year		145	4
Total		145	4

Fruitless and Wasteful Expenditure

1. Non-attendance of training by Councillors from Municipalities
2. Accident Repairs on Rented vehicle

22. Related party transactions

In-kind goods and services (provided)/received	Note	2023/24 R'000	2022/23 R'000
<i>List in-kind goods and services between the department and related party</i>			
• The Department received services from MP Department of PWRT for office accommodation provided free of charge		-	-
• IT Services from Provincial Treasury		-	-
• Shared services for Internal Audit and Audit Committee from OTP free of charge		-	-
• Job evaluation services from OTP free of charge		-	-
• Received Interns from SSETA free of charge		-	-
• Drafting and making lease contracts on office Building from MP Department of PWRT		-	-
• Received security services from DSSCL		-	-
• Received Interns from CETA free of charge		-	-
• Received Interns from LGSETA free of charge		-	-
• Received Engineers from DBSA, the Department is only liable for S&T		45	287
Total		45	287

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

23. Key management personnel

	2023/24 R'000	2022/23 R'000
Political office bearers (<i>provide detail below</i>)		
Officials:	2 138	2 310
Level 15 to 16	1 852	1 770
Level 14(Incl. CFO if at a lower level)	8 722	9 092
PA to the MEC	1 229	1 338
Family members of key management personnel	524	482
Total	14 465	14 992

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

24. Provisions

	Note	2023/24 R'000	2022/23 R'000
Retention	24.1	4 096	7 473
Total		4 096	7 473

24.1 Reconciliation of movement in provisions - Current year

	2023/24			
	Retention on infrastructure Projects R'000	Construction of Traditional Councils R'000	Provision 3 R'000	Total provisions R'000
Opening balance	978	6 495	-	7 473
Increase in provision	-	3 273	-	3 273
Settlement of provision	(62)	(6 588)	-	(6 650)
Closing balance	916	3 180	-	4 096

Reconciliation of movement in provisions - Prior year

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

Provisions for retention fees are amounts withheld as retention for infrastructure projects and Construction, not certified as complete.

25. Movable Tangible Capital Assets

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

	2023/24				
	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	58 590		14 001	(13 809)	58 782
Transport assets	27 152		3 618	(10 404)	20 366
Computer equipment	17 968		4 060	(623)	21 405
Furniture and office equipment	7 241		5 773	(2 782)	10 232
Other machinery and equipment	6 229		550	-	6 779
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	58 590		14 001	(13 809)	58 782

Included in the opening balance of R27.152 million for transport assets are assets received during 2022/23 financial year and paid in 2023/24 financial year (R8.050 million).

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

Movable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		12	666
Total		12	666

Major Assets amounting to R0.666 million are under investigation.

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

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

25.2 Minor assets

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

	2023/24					Total R'000
	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	
Opening balance	-	5	-	9 440	-	9 445
Value adjustments						
Additions	-	-	-	4 409	-	4 409
Disposals	-	-	-	(2 517)	-	2 517
Total Minor assets	-	5	-	11 332	-	11 337

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets						
Number of minor assets at cost	-	2	-	6 396	-	6 398
Total number of minor assets	-	2	-	6 396	-	6 398

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

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

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

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

26. Intangible Capital Assets

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

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	7 000	-	-	7 000
TOTAL INTANGIBLE CAPITAL ASSETS	7 000	-	-	7 000

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

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

26.2 Intangible capital assets: Capital Work-in-progress

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

	Note	Opening balance	Current Year	Ready for use (Assets	Closing balance
		1 April 2023	WIP	to the AR) / Contracts	31 March 2024
		R'000	R'000	terminated	R'000
Intangible assets	Annex 8				
Total		30 889	83 358	-	114 247

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

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

27. Immovable Tangible Capital Assets

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

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Non-residential buildings		88 668	(160)	89 508
Other fixed structures	30 866	309	(27 338)	3 837
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	30 866	89 977	(27 498)	93 345

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
	<i>Note</i>	
Included in the above total of the immovable tangible capital assets per the asset register that are under investigation:		
Buildings and other fixed structures	16	2 888
Total	16	2 888

The amount of R2.888 million consist of differences between PFMA s42 transfers certificate issued and actual project cost.

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

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

27.2 Immovable tangible capital assets: Capital Work-in-progress

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

	2023/24			
	Opening balance 1 April 2023	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
Buildings and other fixed structures	27 860	113 893	(88 578)	53 175
Total	27 860	113 893	(88 578)	53 175

Note
Annex 8

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

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

Note

27.3 Immovable tangible capital assets written off

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

	2023/24			
	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
	R'000	R'000	R'000	R'000
Assets written off	3 754	-		3 754
Total Immovable capital assets written off	3 754	-	-	3 754

Storm/floods damaged culverts

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

28. Prior period errors

28.1 Correction of prior period errors

		2022/23		
		Amount bef error correction	Prior period error	Restated
Note		R'000	R'000	R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
Statement of conditional grants and other transfers paid to Municipalities		72	(72)	-
Statement of conditional grants paid to the provinces	30	-	72	72
Materials and supplies	4.4	52 628	(530)	52 098
SITA computer services	4.2	271	(176)	95
External computer service providers	4.2	-	176	176
Net effect		52 971	(530)	52 441

		2022/23		
		Amount bef error correction	Prior period error	Restated
Note		R'000	R'000	R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Receivable - Staff debts	9.2	85	(85)	-
Net effect		85	(85)	-

29. Statement of conditional grants received

Name of grant	2023/24									2022/23	
	GRANT ALLOCATION					SPENT				Division of Revenue Act / Provincial grants	Amount spent by department
	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 department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
EPWP	2 446	-	(238)	-	2 208	2 208	2 208	-	100%	2 563	2 563
TOTAL	2 446	-	(238)	-	2 208	2 208	2 208	-	10%	2 563	2 563

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

30. Statement of conditional grants paid to the provinces

Name of Province / Grant	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act / Provincial grants	Actual transfers
	Division of Revenue Act	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
Summary by province													
Mpumalanga	110	-	-	110	42	-	-	-	-	-	-	72	72
TOTAL	110	-	-	110	42	-	-	-	-	-	-	72	72
Summary by grant	110	-	-	110	42	-	-	-	-	-	-	72	72
Vehicle licences													
TOTAL	110	-	-	110	42	-	-	-	-	-	-	72	72
1. Vehicle licences													
Mpumalanga	110	-	-	110	42	-	-	-	-	-	-	72	72
TOTAL	110	-	-	110	42	-	-	-	-	-	-	72	72

The Department of Community Safety, Security & Liaison took over payment of motor vehicle licensing from City of Mbombela, previously the department disclosed the transfers under Statement of conditional grants and other transfers paid to Municipalities.

31. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

32. Natural disaster or relief expenditure

	Note	2023/24 R'000	2022/23 R'000
Goods and services		32 191	52 098
Total	<i>Annex 9</i>	32 191	52 098

The note on Natural disaster or relief expenditure is a new note introduced in the 2023/24 FY AFS Specimen, previously the requirement was for COVID 19 expenditure only. The expenditure disclosed in this note is for disaster relief material.

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VOTE 04

UNAUDITED - ANNEXTURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

ANNEXURE 1

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	2023/24						2022/23	
	TRANSFER ALLOCATION				EXPENDITURE		Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Traditional Councils	38 000	-	(1 827)	36 173	36 172	100%	28 945	28 747
Total	38 000	-	(1 827)	36 173	36 172	100%	28 945	28 747

ANNEXURE 2

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2023/24						2022/23	
	TRANSFER ALLOCATION				EXPENDITURE		Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Leave Gratuity	1 800	-	(365)	1 435	1 435	100%	3 161	3 161
Total	1 800	-	(365)	1 435	1 435	100%	3 161	3 161

ANNEXURE 3

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 20YY	May 20YY	Jun 20YY	Jul 20YY	Aug 20YY	Sept 20YY	Oct 20YY	Nov 20YY	Dec 20YY	Jan 20ZZ	Feb 20ZZ	Mar 20ZZ	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
EPWP Grant	-	828	450	415	415	897	(576)	8	(231)	2	-	-	2 208
TOTAL	-	828	450	415	415	897	(576)	8	(231)	2	-	-	2 208

ANNEXURE 4

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

Nature of liability	Opening balance 1 April 2023	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Land tenure issue		900	-	(900)	-
Traditional Leaders		600	-	-	600
Contractual Dispute		3 337	-	-	3 337
Traditional Leaders		340	-	-	340
Contractual Dispute		-	997	-	997
TOTAL		5 177	997	(900)	5 274

The annexure has been updated to comply with POPI Act

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

UNAUDITED - ANNEXTURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

ANNEXURE 5

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24 *	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
MP:Department of Public Works,Road and Transport	-	-	553	553	553	553	-	-
City of Mbombela			6	6	6	6	-	-
GEHS	-	-	85	-	85	-	-	-
TOTAL	-	-	644	559	644	559	-	-

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

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

ANNEXURE 6

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24 *	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
MP:Department of Public Works, Road and Transport	-	127	81	-	81	127	-	-
Department of Justice	780	270	-	-	780	270	-	-
South African Police Services	-	133	227	-	227	133	-	-
Government Printing	3	-	-	-	3	-	-	-
Total Departments	783	530	308	-	1 091	530	-	-
OTHER GOVERNMENT ENTITIES								
Current								
Government Employees Pension fund (GEPF)	-	-	62	62	62	62	-	-
SITA	12	76	-	270	12	346	-	-
Total Other Government Entities	12	76	62	332	74	408	-	-
TOTAL INTERGOVERNMENT PAYABLES	795	606	370	332	1 165	938	-	-

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

- Provincial departments must only reflect payments to departments within their province
- National departments must only reflect payments to other national departments

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

UNAUDITED - ANNEXTURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

ANNEXURE 7

INVENTORIES

Inventories for the year ended 31 March 2024	Other inventory	Tarpaulins inventory	Jojo Tanks	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	19 386	22 892	-	-	42 278
Add/(Less: Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases - Cash	9 752	20 590	2 188	-	32 530
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(16 913)	(17 178)	(2 188)	-	(36 279)
Add/(Less): Received current, not paid; (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	12 225	26 304	-	-	38 529

Inventories for the year ended 31 March 2023	Other inventory	Tarpaulins inventory	Jojo Tanks	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	14 561	25 178	-	-	39 739
Add/(Less: Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases - Cash	26 601	23 468	-	-	50 069
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(21 776)	(25 754)	-	-	(47 530)
Add/(Less): Received current, not paid; (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	19 386	22 892	-	-	42 278

ANNEXURE 8

MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	27 860	113 893	(88 578)	53 175
Dwellings				
Non-residential buildings	24 676	113 831	(88 269)	50 238
Other fixed structures	3 184	62	(309)	2 937
SOFTWARE	30 889	83 358	-	114 247
Software	30 889	83 358	-	114 247
TOTAL	58 749	197 251	(88 578)	167 422

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

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UNAUDITED - ANNEXTURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

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

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

ANNEXURE 9

NATURAL DISASTER OR RELIEF EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees						
Goods and services						
List all applicable SCOA level 4 items	1 972	-	-	30 219	32 191	52 098
Inv MAT&SUP Camping Matarials						
TOTAL NATURAL DISASTER OR RELIEF EXPENDITURE	1 972	-	-	30 219	32 191	52 098

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ANNUAL REPORT

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