

ANNUAL REPORT 2021/22

CO-OPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS



co-operative governance
& traditional affairs
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



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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
BBBEE	Broad Based Black Economic Empowerment
OP	Operational Plan
EPWP	Expanded Public Works Programme
FBSA	Fire Brigade Services Act
HOD	Head: Co-operative Governance and traditional Affairs
MP	Mpumalanga
MPL	Member of Provincial Legislature
IMSP	Integrated Municipal Support Plan
EDP	Executive Development Programme
NCOP	National Council of Provinces
DCOG	Department of Co-operative Governance
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)
TR	Treasury Regulations
MPRA	Municipal Property Rates Act
SDF	Spatial Development Framework
SPLUMA	Spatial Planning Land Use Management Act, 2013 (Act No.16 of 2013)
MIG	Municipal Infrastructure Grant
CDW	Community Development Workers
PPMU	Provincial Programme Management Unit
WTW	Water Treatment Works
WWTW	Waste Water Treatment Works
MTEF	Medium Term Expenditure Framework
SAIGA	Southern African Institute of Government Auditors
SMME	Small Medium and Micro Enterprises
MEC	Member of the Executive Council for the Department of Co-operative Governance and Traditional Affairs
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan
TLGFA	Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2013)
NDP	National Development Plan
DHS	Department of Human Settlement
LED	Local Economic Development
CWP	Community Works Programme
OVS	Operation Vuka Sisebente
MDB	Mpumalanga Demarcation Board
IDP	Integrated Municipal Development Plan
PMS	Performance Management System
LUMS	Land Use Management Scheme
LUS	Land Use Scheme
TSC	Thusong Service Centre
MPAT	Management Performance Assessment Tool
B2B	Back to Basics
DORA	Division of Revenue Act, 2011 (Act No. 6 of 2011)
HTL	House of Traditional Leaders
DCSSL	Department of Community Safety Security and Liaison
DDM	District Development Model

3. FOREWORD BY THE MEC (2021/22)



**HON. MP NDLOVU (MPL)
MEC CO-OPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS**

The Annual Report catalogues the department's service delivery highlights as well as lowlights in its quest to improve the lives of all its target communities. The Department's work to improve communities is guided by the service delivery objectives and targets outlined in the Department's Strategic Planning documents and budget.

The Department is continuously implementing its support programs for municipalities and Traditional Leadership Institutions per the provision of the Republic of South Africa's Constitution of 1996 relating to the Department's mandate.

The department is committed to assisting each municipality in better carrying out its responsibilities by providing capacity building, training, skill development, technical assistance, and targeted interventions.

The Department's goal of consecutive clean audits was met, making this milestone the eighth in a row. The Audit outcome is extremely beneficial to the Department because it promotes good and clean government. This accomplishment is the result of officials' determination and high level of commitment, and it represents the Department's adherence to regulatory and financial guidelines, such as the Public Finance Management Act (PFMA), in carrying out the mandate.

The upholding of good governance and accountability standards towards achieving the pre-determined objectives was maintained as a result of good leadership coupled with human capital development and a conducive environment. The latter was never without challenges, but the Department focused on the positives, which led to the achievement of the desired results.

One key compliance requirement was that the Department carefully manage and monitor its budget per national and provincial sternness measures and coordinate its Internal Audit per PFMA regulations. With effective internal controls and risk management, the Department mitigated the majority of potential risks that could have resulted in a negative path.

Municipal Infrastructure Grant (MIG) spending has shown improvement compared to the previous financial years. The total expenditure of the Municipal Infrastructure Grant (MIG) by all municipalities in the province during this period attests to this collaboration in advancing access to basic services. In the year under review, a total of R986 million was prioritized from the adjusted allocation of R1.73 billion for water and sanitation projects, with the remaining R777 million committed to other projects such as the installation of street high mast lights, solid waste, roads, storm water, and sports facilities.

The fundamental challenges that obstructed our efforts were the limited financial resources, the slow progress of projects due to interruptions on site, and the water losses that occurred in the system. Our commitment to advancing this constitutional imperative remains unwavering.

The Department has established partnerships with various stakeholders to assist in the implementation of the Provincial Anti-Poverty Strategy. Unemployment remains the fundamental challenge faced by the Province and to address it, the Department created 4115 new job opportunities across municipalities and maintained twenty-eight thousand six hundred and seventy-two (28 672) through the Community Works Programme (CWP).

In addition, the Expanded Public Works Programme (EPWP) Youth Waste Management, which was implemented in Nkomazi, Bushbuckridge, Dipaleseng, and Mkhondo, created 140 job opportunities, resulting in social income as a safety net for low-income families. This achievement helps to alleviate poverty and unemployment in our communities; however, there is still a need to ensure that the program rotates to ensure equal access.

The Department has supported all district municipalities in adopting their District One Plans in response to the President's call for a district approach to service delivery. This was accomplished by ensuring that all governance structures for the District Development Model were operational across the three districts.

Our national pride stems from our cultural diversity and heritage, and as a department, we continue to support and strengthen Traditional Councils to preserve heritage. Capacity Building for Traditional Leadership Institutions has remained our key focus area for sustainable and development-oriented institutions.

The Department has made significant progress in strengthening the role of traditional leaders in our democratic processes, resolving challenges to traditional leadership claims, and better regulating initiation schools by ensuring that they are registered and comply with legal requirements. In an environment where disasters and prolonged drought are a possibility, the Department has ensured that disaster management planning addresses these issues at all levels.

Following the elections in November 2021, the department commends and appreciates the Independent Electoral Commission (IEC) and all relevant stakeholders for their efforts in ensuring free and fair elections. I must also thank all municipalities for ensuring that the various councils were constituted without any challenges.

Lastly, We would like to express our gratitude to the Head of the Department, senior management and all other officials for their outstanding work during the financial year under review. Thank you to the oversight bodies for assisting the department in fulfilling its mission of ensuring that Municipalities and Traditional Institutions in the Province carry out their basic responsibilities and functions by promoting good governance, sound financial management, and administrative capability.



Mr M.P Ndlovu (MPL)
MEC for the Department of Co-operative Governance and Traditional Affairs

Date: 31/08/2022

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:

- 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.
- Supported all 20 Municipalities with the review of the 2021/22 IDPs.
- Implemented the Expanded Public Works Program (EPWP) Youth Waste Management Project and in the process created 140 full time equivalent jobs.
- In sustaining social cohesion in Traditional Communities, the Department resolved eighteen (18) Traditional Land cases within two (2) months of receipt, mobilized fifty-five (55) Traditional Councils to participate in Land Use Planning, also supported twenty-seven (27) Traditional Leaders to participate in Municipal Council sittings and eight (8) Traditional Leadership Succession Disputes & Claims cases were researched, processed and resolved.
- Lastly, the Department has achieved 100% of all planned targets in the year under review.

Challenges

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

- Limited water source due to; Aging Water Treatment Works and Waste Water Treatment Works infrastructure, interrupted the provision of basic water and proper sanitation to households in the Province by Municipalities.
- Delays in the appointment of Senior Managers as well as appointment of unsuitably qualified Senior Managers in Municipalities
- Inconsistent attendance of Traditional Leaders in Municipal Council sittings
- Failure by some municipalities to establish Ward Committees.
- Late adoption on IDPs by some municipalities
- Damaged roads, bridges and infrastructure due to Disasters which occurred during the period under review

The Department has developed remedial actions which aim to address the identified challenges and these have been incorporated into the 2022/23 Annual Performance Plan

Overview of the financial results of the Department

Departmental receipts

Table 1. Departmental Receipts

Departmental receipts	2021/2022			2020/2021		
	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	258	396	(138)	254	406	(151)
Interest, dividends and rent on land	482	1 388	(906)	578	231	347
Sale of capital assets	56	560	(504)	56	436	(381)
Financial transactions in assets and liabilities	11	46	(35)	152	245	(91)
Total	807	2 390	(1 583)	1 040	1 318	(276)

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	2021/2022			2020/2021		
	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	140 614	140 572	42	127 235	127 198	37
Local Governance	209 688	209 686	2	197 455	197 455	-
Planning and Development	326 840	303 037	23 803	97 650	97 626	24
Traditional Institution Management	108 098	107 277	821	110 212	110 167	45
House of Traditional Leadership	16 001	16 001	-	17 536	17 535	1
Total	801 241	776 573	24 668	550 088	549 981	107

The Department's main appropriation for 2021/22 was **R 731.241 million** and was adjusted to **R 801.241 million**, through the adjustment process in November 2021.

The Department spent **R 776.573 million** or 97.0 per cent of the final adjusted budget as at 31 March 2022, compared to **R 549.981 million** or 100.0 per cent in 2020/21. The underspending amounts to **R 24.668 million** compared with **R 0.107 million** in 2020/21. As reported in note 17 of the Annual financial statements, the Department has recorded accruals and payables not recognised to the value of **R 12.111 million** for 2021/22 Financial Year.

Programme 01

Main appropriation was **R 152.249 million** and the final adjusted budget was **R 140.614 million**. The programme spent **R 140.572 million** or 100 per cent compared with **R 127.198 million** or 100 per cent in 2020/21 financial year.

Programme 02

Main appropriation was **R 204.123 million** and the final adjusted budget is **R 209.688 million**. The programme spent **R 209.686 million** or 100 per cent compared with **R 197.455 million** or 100 per cent in 2020/21 financial year.

Programme 03

Main appropriation was **R 247.798 million** and final adjusted budget is **R 326.840 million**. The programme spent **R 303.037 million** or 93 per cent compared with **R 97.626 million** or 100 per cent in 2020/21 financial year.

Programme 04

Main appropriation was **R 107.385 million** and final adjusted budget is **R 108.098 million**. The programme spent **R 107.277 million** or 99 per cent compared with **R 110.167 million** or 100 per cent in 2020/21 financial year.

Programme 05

Main appropriation was **R 19.686 million** and final adjusted budget is **R 16.001 million**. The programme spent **R 16.001 million** or 100 per cent compared with **R 17.535 million** or 100 per cent in 2020/21 financial year.

Virement / rollovers

During the 2021/22 financial year, one Budget Adjustment was implemented as follows:

Mid-term Budget Adjustments

The department received additional funding amounting to **R 70.000 million** from the provincial revenue fund for Disaster Relief materials.

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

Table 1.2: Additional Funding

DESCRIPTION	AMOUNT R'000	PROGRAMME
Disaster Relief Material	70.000	Development and Planning
TOTAL	70.000	

Virements

Post Adjustment Virements

Programme 1: Administration

Transfers and Subsidies

The programme is receiving **R 1.059 million** from same classification under Programme 4: Traditional Institutional Management to defray expenditure incurred on leave gratuity payments for officials who have left the Department.

Programme 3: Development and Planning

Payments of Capital Assets

The Programme is receiving **R16.882 million** from Programme 1, 2 and 4; the virement was implemented to defray the possible overs expenditure on Capital Assets. These savings were reprioritised to fund the repairs/ replacement of small bridges/culvert across the province.

Programme 5: The House of Traditional Leaders

The programme is receiving **R0.874 million** additional funding through virement as follows;

(a) Compensation of Employees;

The programme is receiving **R 0.144 million** from Programme: 1 Administration to augment the budget under the same classification in order to defray expenditure on salaries. This is due to the budget cuts that were implemented during the budget adjustment of 2021/22 Financial Year.

(b) Goods and Services

The programme is receiving from Programme 2: Local Government **R 0.760 million** under goods and services. The above virement was implemented to defray possible over expenditure on goods and services as a result of contractual obligations that were unavoidable.

Rollovers

The Department has requested a rollover amounting to **R 24.013 million** for unspent funds from the 2021/22 Financial Year and the breakdown is as follows;

(a) Payments for Capital Assets (R 23.192 million)

The Department had eleven (11) on-going capital projects that are part of the repairs to infrastructure storm damages across the Province. These projects are mainly the culverts/small bridges that required replacements. All the projects were awarded during the 2021/22 Financial Year, however they were incomplete due to various reasons including inclement weather and precast production delays. These costs are inclusive of professional fees (consultant fees) and retention payable within the 2022/23 Financial Year.

(b) Transfers to Traditional Councils (R 0.821 million)

The Department has implemented a system of monitoring compliance to prudent financial management in all 60 Traditional Councils by implementing financial management systems and internal controls to ensure full and proper adherence to the PFMA section 38(1) (J).

The Department conducts regular visits to Traditional Council offices to conduct inspection of accounting records to check compliance and in instances where non-compliance is detected; the Accounting Officer will withhold the portion of the operational grant equal to the amount of the detected non-compliance until full compliance is achieved.

Some of the Traditional Councils were found to be non-compliant and as a result **Programme: 4 Traditional Institutional Management** registered an under expenditure of **R 0.821 million**. This amount will still be required as the Department has noted remarkable improvement in the last site visiting which will require the release of Operational Grants withheld during the 2021/22 Financial Year. This grant is critical to the running of the affairs of Traditional Councils especially those who are not financially viable and this is their major sole source of revenue.

Future plans of the Department

The department has to continue with interventions as far as service delivery is concerned. As stated in the challenges on the overview of the operations of the Department, the Province has limited water sources to supply households. Therefore, the Department has prioritised the Development of water master plan working together with Rand Water and will monitor the Development of the regional Dam within the City of Mbombela. The Department will continue to monitor the spending of the Municipal Infrastructure Grant by municipalities in attempt of delivering services to the people. As reported, the Department will intensify measures that seek to curb the number of infections, such as conducting meetings virtually, will continue to explore other measures to prevent the exposure of the internal staff to the deadly virus in this financial year. As a Department charged with the task of Disaster Management, we will continue to mobilize sector Departments and other stakeholders to curb the rate of infections as a measure to prevent fatalities. In support of integrated human settlements, the Department will assist municipalities with the sub division of land parcels to promote densification within the developed existing towns and settlements. Furthermore, the Department will coordinate and monitor the development of the Regional Spatial Development Framework and the development of Nkosi City in implementation of the Mpumalanga Spatial Development Framework.

In realising the MTSF priority 1 of Building a capable, ethical and developmental state, 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 ensuring revenue enhancement in municipalities the Department will guide all 17 local Municipalities to comply with MPRA and monitor the implementation of the Municipal Support Plans.

Good Governance is key for ensuring accountability, responsibility, transparency, efficiency, effectiveness and respect for the rule of law in any institution. Therefore, the Department will support municipalities to practice Good Governance by establishing effective Section 79&80 Committees and also maintaining functional ward committees. Municipal councillors will be capacitated to fulfil their roles and responsibilities effectively. In promotion of Local Economic Development and job creation, the Department will monitor the implementation of Economic Recovery Plans in the three (3) Districts Municipalities, monitor the implementation of the Community Works Programme (CWP) in all seventeen (17) local municipalities, create 140 Work opportunities through youth waste management project, establish public private partnerships to implement the Provincial Anti-poverty strategy.

The Department will support the Traditional Institution on reconstitution of Traditional Councils. For smooth operations within Traditional Councils, continuous support will be provided to Traditional Councils to perform their functions. Some Traditional Council Offices will be constructed and some will be renovated.

In response to the call of the President of the Republic of South Africa of tackling issues of Gender based violence, the Department will conduct 4 Anti GBVF Intervention/campaigns for traditional leadership and Municipalities will be monitored on the implementation of GBVF responsive programmes.

Public Private Partnerships

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

Discontinued activities / activities to be discontinued

No discontinued activities

Supply Chain Management

The Department did not have unsolicited bid proposals for the financial year under review. The Department has established a fully functional Supply Chain Management unit. We have adopted a Supply Chain Management policy and internal control processes. All our officials have signed financial disclosure forms and we have adopted a Fraud Prevention policy. The Unit prepares and submit monthly and quarterly SCM reports 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.

Officials doing business with the state continues to be our challenge. We however have resolved this by verifying Directors of all suppliers invited for quotations on the Central Supplier Database, which is linked to the PERSAL system. This assists in avoiding entering into any business transaction with a State employee, we further communicate with all Departments and Municipalities where it is discovered that their employees are attempting to engage in business with our Department: The verification is an ongoing process through the instrumental Central Services Database (CSD).

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 goods or services from parties other than related parties.

Exemptions and deviations received from the National Treasury

No exemptions or deviations were received from the National Treasury.

Events after the reporting date

The Department will process the payment of accruals and payables amounting to **R 12.111 million** relating to the 2021/22 financial year during the first quarter of the new financial year (2022/23).

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 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 93 to 138.



Mr S. Ngubane

Accounting Officer

Department of Co-operative Governance and Traditional Affairs

DATE: 31/08/ 2022

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

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

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

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

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

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


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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully



Mr. S. Ngubane

Accounting Officer

Department of Co-operative Governance and Traditional Affairs

DATE: 31/08/2022

6. STRATEGIC OVERVIEW

6.1 Vision

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

6.2 Mission

To coordinate, support, monitor and strengthen an integrated cooperative governance system.

6.3 Values

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

- Goal orientated
- Professionalism
- Learning and development
- Responsive
- Integrity
- Honesty
- Excellence in Service Delivery his must be as per the department's strategic plan.

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:

7.1.1 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.

7.1.2 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.

7.1.3 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.

7.1.4 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.

7.1.5 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.

7.1.6 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.

7.1.7 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.

7.1.8 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.

7.1.9 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.

7.1.10 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.

7.1.11 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.

7.1.12 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.

7.1.13 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.

7.1.13 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.

7.1.14 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.

7.1.15 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.

7.1.16 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.

7.1.17 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.

7.1 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.

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

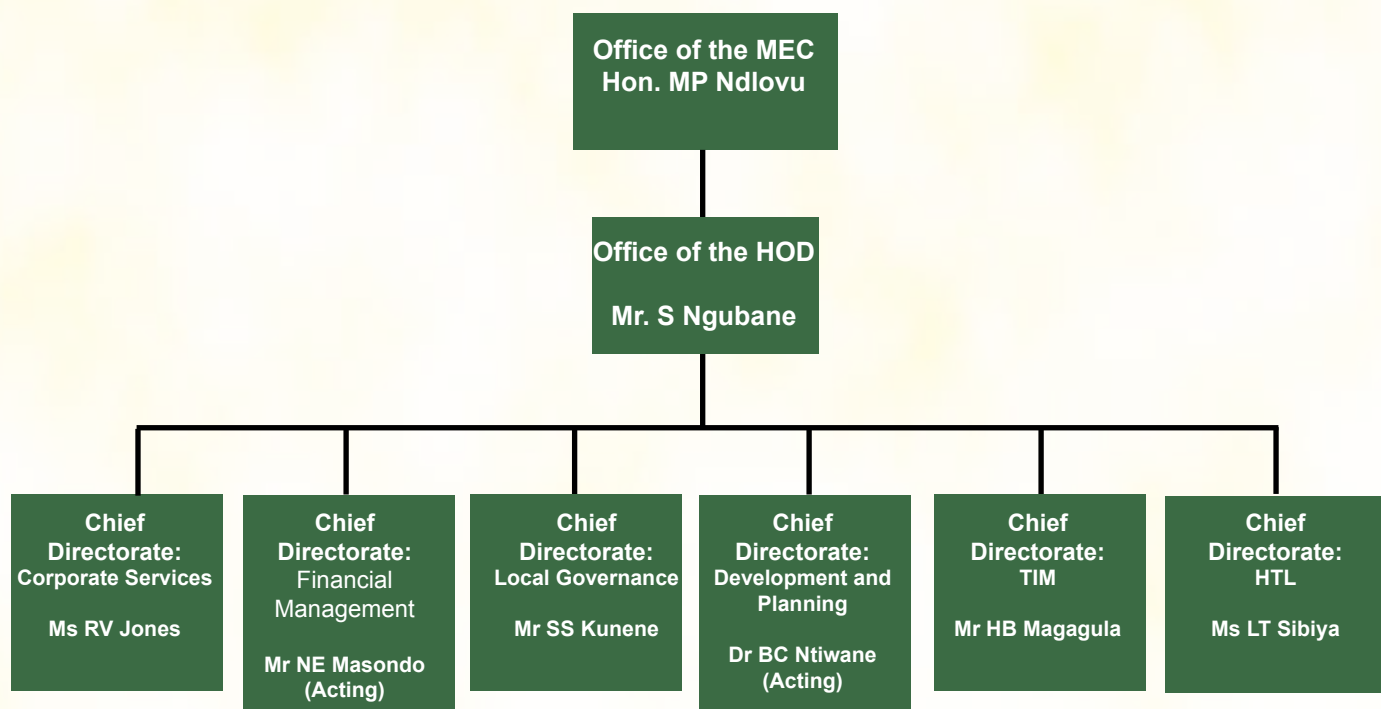
The Act seeks to serve as the framework for Municipalities in order to ensure effective spatial planning and land

use 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.

7.2 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)

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 90 of the Report of the Auditor General, published as Part E: 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 2020/21 audit outcomes out of the twenty (20) municipalities,

- ✓ Four (4) municipalities received clean audit outcomes (i.e. Gert Sibande, Ehlanzeni, Nkangala Districts and Steve Tshwete Local Municipality)
- ✓ Seven (7) municipalities received unqualified with findings (Bushbuckridge, Thaba Chweu, City of Mbombela, Nkomazi, Thembisile Hani, Chief Albert Luthuli and Mkhondo).
- ✓ Five (5) Municipalities received qualified with findings (Emalahleni, Victor Khanye, Dr Pixley Ka Isaka Seme, Govan Mbeki and Msukaligwa).
- ✓ One (1) received adverse outcome with findings (Emakhazeni).
- ✓ Three (3) Municipalities received Disclaimers with findings (Dr JS Moroka, Lekwa and Dipaleseng).

In order to assist Municipalities in improving their performance, the Department monitored the implementation of the Back to Basics approach through the five key performance areas of the Integrated Municipal Support Plan (IMSP) in all Municipalities in the Province, which are as follows:

- Public Participation (Putting people first)
- Delivery of basic services
- Good Governance
- Financial Management
- Building Institutional and Administration capability

The population of the Province has grown from 1 075 488 households as stated in the 2011 Census Report to 1 238 861 as stated in the Community Survey of 2016, 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. 16 PMUs in Local Municipalities were assessed on MIG performance and monitored on the implementation of MIG programme. An expenditure of R1.26 billion (66%) of the MIG allocate on of R1.90 billion has been reported as end of March 2021.

Community unrest in most of the Municipal areas for services such as water, roads and street lights, remains a challenge. In improving Ward level service delivery, the Department supported all 17 Local Municipalities on the implementation of Ward Committee programme and to respond to community concerns. The Department further supported all Local Municipalities and the three (3) District municipalities on the implementation of public participation programmes and assisted municipalities on the establishment of ward committees after the 2021 Local Government Elections. In an effort to bring services to the people, the Department monitored the functionality of twenty four (24) Thusong Service Centres (TSCs) as an access strategy on service delivery to communities.

The Department supported twelve (12) 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 thirty six (36) applications for Land Development and rendered 219 Surveys services in order to assist Municipalities in addressing land boundary disputes, identifying stand boundaries for allocation of stands and point out boundaries of properties for construction of low cost housing. The Department further supported all twenty (20) Municipalities with the implementation of SPLUMA on Land Use Management (LUM) during the period under review.

Three (3) Municipalities were supported to review their LED Strategies (Msukaligwa; Dr Pixley Ka Isaka Seme and Victor Khanye), and further established three (3) partnership with Old Mutual on provision of school uniform to 90 needy students of Violet Jiyane School, Standerton Oil Mills to supplied water tanks to CWP in Lekwa Local Municipality and Partnered with Old Mutual to provide sewing machines to women in Traditional Communities. 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:

- Resolving Traditional disputes, complaints claims and Land cases
- Convening Chairpersons' and Secretaries' Forums respectively
- Funding the day to day administration of the Traditional Council offices
- Mobilising Traditional Councils to participate in ward Committees, IDP processes and Municipal Council

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 1.4 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	20 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	20 Municipalities with reviewed IDPs	20 Municipalities supported with the review of IDPs	20 Municipalities supported with the review of IDPs
Traditional Institution Management	Traditional Councils Senior Traditional Leaders	Tools of trade provided to Traditional Councils verified	60 Traditional Councils' tools of trade verified	60 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 1.4.1 Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Public hearings	To get information about service delivery needs	Information gathered and community needs identified
Virtual Meetings (Seminars)	To get information about service delivery needs	Information sharing and decision making on service delivery issues

Table 1.4.2 Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Media (Print and Electronic)	To communicate the activities of the Department to the public with Communication tools	Departmental Newsletters
	To communicate the activities of the Department to the public with Communication tools	Booklets

Table 1.4.3 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	Departmental Call Centre established and functional
	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

The Executive Council has appointed a new Accounting Officer for the Department, in the name of Mr Samukelo Ngubane who assumed duties on the 01 June 2021 to ensure smooth running of the Department. The Honourable Premier pronounced on 10 May 2022 the appointment of the new Executive Authority, MEC MP Ndlovu.

The Department is operating with the 2012 approved organizational structure and the process to review the organizational structure is underway. During the period under review, a total number of 48 appointments were made to address the issue of vacancies especially in critical positions, of which 13 posts were SMS posts and this has enhanced accountability and performance.

The Department has developed and implemented the District Development Model (DDM) in line with the National Framework in order to intensify its support towards District One Plan to accelerate service delivery in particular the delivery of basic services within communities.

2.4 Key policy developments and legislative changes

There were no amendments on legislations and key policy developments that affected the operations of the Department in the year under review.

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:

1. Efficient and effective administrative support provided to the Department

- ✓ Clean Audit Outcome achieved in 2020/21 financial year

2. Improved governance and performance in municipalities

- ✓ 20 Municipalities assessed on signed Senior Management Performance Agreement
- ✓ 20 Municipalities monitored on the effectiveness of S79, S80 committees & LLF
- ✓ 20 Municipalities on effectiveness and stability of the Municipal TROIKA in executing its functions monitored
- ✓ 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.

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
- ✓ 27 436 Work opportunities reported through the Community Work Programme
- ✓ 3 Municipalities supported to maintain functional Disaster Management Centres
- ✓ 1 199 867 households have access to basic water (municipal data)
- ✓ 1 148 468 households have access to basic sanitation (municipal data)
- ✓ 1 191 502 households have access to basic electricity (municipal data)
- ✓ 731 657 households have access to waste removal (municipal data)

4. **Improved performance of Traditional Councils**

- ✓ 60 Traditional Councils supported to perform their functions by monitoring their operations and financial management
- ✓ 27 Senior Traditional Leaders supported to participate in Municipal Councils sittings
- ✓ 45 Traditional Councils supported to participate in Ward Committees

5. **Developed communities in areas of traditional leadership**

- ✓ 7 Agricultural Projects monitored in Traditional Communities (Moreipuso TC, Bakgatla Ba Maloka TC, Duma TC, Lekgoetla TC Thabakgolo TC, Ndzundza Fene TC and Mpsikazi TC)
- ✓ 3 Local Houses participating in District Development Model meetings
- ✓ 3 DDM projects monitored in Traditional Communities

4. **INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION**

4.1 Programme 1: Administration

Purpose of the Programme

This Programme aim 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

Outcome 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

Programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 2021/22 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 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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	1 MUNIMEC Forum held	2 MUNIMEC Forum held	2 MUNIMEC Forum held	Achieved 2 MUNIMEC forum held	None	None	

Programme: Administration									
Sub-programme: Finance									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Efficient and effective administrative support provided to the Department	Approved Annual Financial Statements	Annual Financial Statements approved	2018/19 Annual Financial Statements approved	2019/20 Annual Financial Statements approved	2020/21 Annual Financial Statements approved	Achieved Approved 2020/21 Annual Financial Statements	None	None	
	100% Invoices paid within 30 days	Percentage of invoices paid within 30 days	100% Invoices paid within 30 days	100% Invoices paid within 30 days	100% Invoices paid within 30 days	Achieved 100% invoices paid within 30 days	None	None	
	Risk management reports approved	Number of Risk Management Reports approved	4 Risk Management Reports approved	4 Risk Management Reports approved	4 Risk Management Reports approved	Achieved 4 Risk management reports approved	None	None	

Programme: Administration									
Sub-programme: Corporate Services									
Sub-sub programme: Human Resource Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Efficient and effective administrative support provided to the Department	Approved HR Plan	Approved HR Plan	2 HR Oversight Reports (Approved 2018/19 HR Oversight and 2 nd Quarter 2019/20 HR Oversight)	Approved HR Plan	Approved HR Plan	Achieved Approved HR Plan	None	None	

Programme: Administration								
Sub-programme: Corporate Services								
Sub-sub programme: Legal Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Efficient and effective administrative support provided to the Department	Legal opinions provided within 1 month of request	Number of Legal opinions provided within 1 month of request	120 Legal opinions provided within 1 month of request	100 Legal opinions provided within 1 month of request	80 Legal opinions provided within 1 month of request	Achieved 226 Legal opinions provided within 1 month of request	146 Additional Legal opinions provided within 1 month of request	There was a higher demand for legal opinions

Programme: Administration								
Sub-programme: Corporate Services								
Sub-sub programme: Security Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Efficient and effective administrative support provided to the Department	Security services rendered	Approved Security Management Plan implemented	Approved Security Management Plan implemented	Approved Security Management Plan implemented	Approved security management plan implemented	Achieved Approved Security management plan Implemented	None	None

Programme: Administration								
Sub-programme: Corporate Services								
Sub-sub programme: Planning and Programme Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Efficient and effective administrative support provided to the Department	Annual Performance Plan approved	Annual Performance Plan approved	2020/2021 APP approved	2021/22 Annual Performance Plan approved	2022/23 Annual Performance Plan approved	Achieved 2022/23 Annual Performance Plan approved	None	None
	Annual Performance Report approved	Annual Performance Report approved	2018/19 Annual Performance Report approved	2019/20 Annual Performance Report approved	Annual Performance Report approved	Achieved 2020/21 Annual Performance Report approved	None	None

Programme: Administration								
Sub-programme: Corporate Services								
Sub-sub programme: Communication and IT Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Efficient and effective administrative support provided to the Department	Coordinated events	Approved Communication Plan implemented	Approved Communication Plan implemented	Approved Communication Plan implemented	Communication Plan implemented	Achieved Communication Plan Implemented	None	None
	• IT Services rendered • Updated website	IT Plan implemented	Approved IT Plan implemented	Approved IT Plan implemented	IT Plan implemented	Achieved IT Plan implemented	None	None

Linking performance with budgets

The final budget allocation for the Programme **R 140.614 million** has increased by 10.5 percent or **R 13.379 million** in 2021/22 compared to **R 127.235 million** in 2020/21. This is due to the escalation in the operational cost of the department.

Sub-programme expenditure

Table 1.2.1 Sub-programme expenditure

Sub- Programme Name	2021/2022			2020/2021		
	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	8 057	8 055	2	10 061	10 060	1
Corporate Services	132 557	132 517	40	117 174	117 138	36
Total	140 614	140 572	42	127 235	127 198	37

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 indicator for sectors with concurrent function during the financial year under review and only reported on the Province specific outputs and output indicator as reflected on the Annual Performance Plan.

Reporting on the Institutional Response to the COVID-19 Pandemic

The table below reflects the Institutional Response to the COVID-19 Pandemic

Table 1.3.1: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Administration	Covid-19 (PPE Supply)	District Ehlanzeni	Head Office (Mbombela)	Not possible	189	189	Not Applicable	Not Applicable

- Personal Protection Equipment (PEEs) Distributed within the Department.

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)

Outcome for the financial year under review

- ✓ Improved governance and performance in municipalities

Outcomes, outputs, output indicators, targets and actual achievements tables

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

Programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/22	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 2021/22 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 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Improved governance and performance in municipalities	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 Municipalities assessed on signed Senior Management Performance Agreements	Achieved 20 Municipalities assessed on signed Senior Management Performance Agreements (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 Municipal Systems Act (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)	3 municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA (Nkomazi, Msukaligwa and Thembisile Hani)	20 municipalities monitored on the implementation of systems and procedures for personnel administration in line with S67 of the MSA	Achieved 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)	None	None	

Programme: Local Governance								
Sub-programme: Municipal Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
	Municipalities with effective S79, S80 Committees and LLF	Number of Municipalities monitored on effectiveness of S79, S80 Committees & LLF	020 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 Municipalities monitored on effectiveness of S79, S80 Committees & LLF	Achieved 20 Municipalities monitored on effectiveness of S79, S80 committees & LLF (All municipalities in the Province)	None	None
	Municipalities with effective and stable Troikas	Number of municipalities monitored on effectiveness and stability 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 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions	Achieved 20 Municipalities monitored on effectiveness and stability of the Municipal TROIKA in executing its functions (All municipalities in the Province)	None	None
	Municipalities with approved organograms	Number of Municipalities supported to review organogram	20 Municipalities supported to review organogram (All municipalities in the Province)	5 Municipalities supported to review organogram (Dipaleseng, Lekwa, Emakhazeni, Dr JS Moroka and Ehlanzeni District)	20 Municipalities supported to review organogram	Achieved 20 Municipalities supported to review organogram (All municipalities in the Province)	None	None
	Municipalities with reviewed Municipal By-laws	Number of Municipalities supported to review Municipal By-laws	17 Municipalities supported to review Municipal By-laws (All local municipalities in the Province)	9 Municipalities supported to review Municipal By-laws (Dr Pixley Ka Isaka Seme; Victor Khanye; Dipaleseng; Emalahleni; Nkomazi; Emakhazeni; Dr JS Moroka; Chief Albert Luthuli and Msukaligwa)	9 Municipalities supported to review Municipal By-laws	Achieved 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)	None	None

Programme: Local Governance								
Sub-programme: Municipal Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
	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 within the Province)	6 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (Thaba Chweu; Nkomazi; City of Mbombela; Bushbuckridge; Ehlanzeni and Gert Sibande Districts)	20 Municipalities supported to comply with MSA regulations on the appointment of senior managers	Achieved 20 Municipalities supported to comply with MSA Regulations on the appointment of senior managers (All municipalities in the Province)	None	None

Programme: Local Governance								
Sub-programme: Inter Governmental Relations								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and performance in municipalities	Functional IGR structures at District levels	Number of assessment reports on the performance of IGR structures at district levels	4 Assessment reports on the performance of IGR structures at Provincial and District levels compiled	4 Assessment reports on the performance of IGR structures at District levels compiled	4 Assessment reports on the performance of IGR structures at District levels	Achieved 4 Assessment reports on the performance of IGR structures at district levels	None	None
	Basic infrastructure services accessible in municipalities for 2021 Local Government Elections	Number of Municipalities supported on the readiness of 2021 Local Government Elections	17 Municipalities supported on readiness of 2019 National / Provincial Elections (All local municipalities in the province)	17 Municipalities supported on readiness of 2021 Local Government Elections (All local municipalities in the province)	17 Municipalities supported on readiness of 2021 Local Government Elections	Achieved 17 Municipalities supported on readiness of 2021 Local Government Elections (All local municipalities in the Province)	None	None

Programme: Local Governance								
Sub-programme: Municipal Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and performance in municipalities	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 Municipalities guided to comply with the MPRA	Achieved 17 Municipalities guided to comply with the MPRA (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 Municipalities monitored on the extent to which anti-corruption measures are implemented	Achieved 20 Municipalities monitored on the extent to which anti-corruption Measures are implemented (All municipalities in the Province)	None	None
	Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure	Number of municipalities supported to reduce unauthorised, Irregular, Wasteful and Fruitless expenditure	-	-	4 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure	Achieved 4 Municipalities supported to reduce Unauthorised, Irregular, Wasteful and Fruitless expenditure (Dipaleseng, Msukaligwa, Dr Pixley Ka Isaka Seme and Dr JS Moroka)	None	None

Programme: Local Governance								
Sub-programme: Public Participation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and performance in municipalities	Ward committees established	Number of Municipalities supported on the establishment of Ward Committees	-	-	17 Municipalities supported on the establishment of Ward Committees	Achieved 17 Municipalities supported on the establishment of Ward Committees (All local municipalities in the Province)	None	None
	Improved communication channels on community engagement	Number of municipalities supported to promote participation in community based local governance processes	17 municipalities guided to implement public participation programmes (All local municipalities in the Province)	3 District municipalities supported on the implementation of public participation programmes (Nkangala, Gert Sibande and Ehlanzeni)	3 District municipalities supported to promote participation in community based local governance processes	Achieved 3 District municipalities supported to promote participation in community based local governance processes (Nkangala, Gert Sibande 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 on the implementation of ward committee programme (All local municipalities in the Province)	17 Municipalities supported to maintain functional ward committees	Achieved 17 Municipalities supported to maintain functional ward committees (All local municipalities in the Province)	None	None
	Reduction in community unrests	Number of municipalities supported to resolve community concerns	17 municipalities supported to respond to community concerns (All local municipalities in the Province)	17 municipalities supported to respond to community concerns (All local municipalities in the Province)	17 Municipalities supported to resolve community concerns	Achieved 17 Municipalities supported to resolve community concerns (All local municipalities in the Province)	None	None

Programme: Local Governance								
Sub-programme: Capacity Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 implementation of WSPs (All local and district municipalities)	20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	20 Municipalities monitored on the implementation of WSPs	Achieved 20 Municipalities monitored on the implementation of WSPs (All municipalities in the Province)	None	None
	Graduate placed in municipalities	Number of Young graduates placed within municipalities	-	-	9 Young graduates placed within municipalities	Achieved 9 Young graduates placed within 6 Municipalities 1. Msukaligwa: 1 x Civil engineering 1 x Electrical engineering 2. Emakhazeni: 1 x Civil engineering 1 x Electrical engineering 3. Thaba Chweu: 1 x Civil engineering 1 x Electrical engineering 4. Ehlanzeni: 1 x Civil engineering 5. Gert Sibande: 1 x Civil engineering 6. Nkangala: 1 x Civil engineering	None	None
	Capacity building programmes implemented in municipalities	Number of capacity building interventions conducted in municipalities	3 Capacity building interventions conducted in municipalities (Training of Municipal Public Account Committees (MPACs) on financial management; Training on roles and responsibility for Ward Committee Coordinators; Training of Local Economic Development Practitioners of Steve Tshwete and Emalaheni)	-	3 Capacity building interventions conducted in municipalities	Achieved 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)	None	None

Programme: Local Governance								
Sub-programme: Municipal Performance Monitoring Reporting and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and performance in municipalities	Reduction of poorly performing municipalities in the province	Number of Municipal Performance Review sessions conducted	2 Municipal Performance Review Sessions conducted (1 st Quarter and Mid- year)	2 Municipal Performance Review Sessions conducted	2 Municipal Performance Review Sessions conducted	Achieved 2 Municipal performance review sessions conducted	None	None
		Number of reports on the implementation of IMSP	17 Municipalities monitored on the implementation of IMSP (All local municipalities in the province)	4 Reports on the implementation of IMSP compiled	4 Reports on the implementation of IMSP	Achieved 4 Reports on the implementation of IMSP compiled	None	None
	Progress on implementation of Back to Basics and areas that require intervention to improve service delivery	Report on the implementation of Back to Basics by Municipalities	4 Reports on implementation of Back to Basics action plans by municipalities	4 Reports on implementation of Back to Basics by municipalities compiled	4 Reports on the implementation of Back to Basics by Municipalities	Achieved 4 Reports on implementation of Back to basics by municipalities compiled	None	None
	Report on the status of municipal performance as required by s47 of MSA of 2000	Number of s47 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 Section 47 Report compiled as prescribed by the MSA	Achieved 1 Section 47 report compiled as prescribed by the MSA	None	None
	All Municipalities implementing PMS in accordance with Chapter 6 of the MSA	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 performance management system (PMS) (All municipalities in the province)	20 Municipalities supported to institutionalize the performance management system (PMS)	Achieved 20 Municipalities supported to institutionalize performance management system (PMS) (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	Achieved 17 Municipalities monitored on the implementation of GBVF responsive programmes (All local municipalities in the Province)	None	None

Programme: Local Governance								
Sub-programme: Service Delivery Improvement Unit								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved governance and performance in municipalities	Functional Thusong Service Centres	Number of TSCs monitored on functionality	24 TSCs monitored on functionality (Mbangwane, Daggakraal, Louisville, Moremela, Xhimungwe, Casteel, Adelaide Tambo, Ogies, Klarinet, Doornkop, Marapyane, Verena Breyten, Mpuluzi, Saul Mkhize, Sakhile Thuthukani, Morgenzon, Victor Khanye, Wonderfontein, Siyathemba, Mashishing, Tholulwazi, Umjindi)	24 TSCs monitored on functionality (Mbangwane, Daggakraal, Louisville, Moremela, Xhimungwe, Casteel, Adelaide Tambo, Ogies, Klarinet, Tambo, Ogies, Doornkop, Marapyane, Verena Breyten, Mpuluzi, Saul Mkhize, Sakhile Thuthukani, Morgenzon, Victor Khanye, Wonderfontein, Siyathemba, Mashishing, Tholulwazi, Umjindi)	24 TSCs monitored on functionality	Achieved 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)	None	None
	Batho Pele institutionalized in municipalities	Number of Municipalities supported to institutionalize Batho Pele	4 Municipalities supported to institutionalize Batho Pele (Dr JS Moroka, Thembisile Hani, Chief Albert Luthuli, and Govan Mbeki)	17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the province)	17 Municipalities supported to institutionalize Batho Pele	Achieved 17 Municipalities supported to institutionalize Batho Pele (All local municipalities in the Province)	None	None

Linking performance with budgets

The budget for the programme has increased by 6.2 percent or **R 12.233 million** from **R 197.455 million** in 2020/21 compared to **R 209.688 million** in 2021/22. The programme has managed to spend 100 percent of the final budget and all planned targets were achieved.

Sub-programme expenditure

Table 1.2.2: Sub-programme expenditure

Sub- Programme Name	2021/2022			2020/2021		
	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	1 998	1 998	-	1 862	1 862	-
Municipal Administration	26 892	26 890	2	25 132	25 132	-
Municipal Finance	-	-	-	-	-	-
Public participation	173 096	173 096	-	163 389	163 389	-
Capacity Development	3 583	3 583	-	3 155	3 155	-
Municipal Performance Reporting and Evaluation	4 119	4 119	-	3 917	3 917	-
Total	209 688	209 686	2	197 455	197 455	-

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 on 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 regulation
 - (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, wasteful and fruitless 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 Capacity Development had three (3) namely:*
 - Number of Section 47 reports compiled as prescribed by the MSA
 - Number of municipalities supported to institutionalise the Performance management system (PMS)
 - Number of municipalities monitored on the implementation of GBVF responsive programmes

Reporting on the Institutional Response to the COVID-19 Pandemic

The following table reflects the Progress on the Institutional response to the COVID-19 Pandemic

Table 1.3.2 : Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Local Governance	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

4.3 Programme 3: Development and Planning

Purpose of the Programme

This programme aims to 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 tables

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

Programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/22	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 2021/22 Annual Performance Plan.									

Table: 3.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements table for the Re-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 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	Reasons for deviations
Improved planning, development coordination and access to basic services	IDP process monitoring reports	Number of municipalities monitored on the prescribed IDP process	20 Municipalities monitored on the IDP review process (All Municipalities in the Province)	20 Municipalities monitored on the prescribed IDP process (All Municipalities in the Province)	20 Municipalities monitored on the prescribed IDP process	Achieved 20 Municipalities monitored on the prescribed IDP process (All municipalities in the Province)	None	None	None
	Workshop on district-wide evidence-based planning conducted	Number of district-wide evidence-based planning capacity building workshops provided to municipalities	-	-	3 District-wide evidence-based planning capacity building workshops provided to municipalities	Achieved 3 District-wide evidence-based planning capacity building workshops provided to municipalities (Ehlanzeni, Gert Sibande and Nkangala)	None	None	None
	Rural Development Chapter integrated in IDPs	Number of IDPs with Rural Development Chapter	-	3 Draft District IDPs with Rural Development Chapter developed	17 Draft IDPs with Rural Development Chapter	Achieved 17 Draft IDPs with Rural Development Chapter (All local municipalities in the Province)	None	None	None
	All Municipalities IDPs addressing service delivery and development challenges	Number of municipalities with legally complaint IDPs	20 Municipalities - supported with the development of 2020/21 IDPs (All Municipalities in the Province)	20 Municipalities supported with the review of IDPs (All Municipalities in the Province)	20 Municipalities with legally complaint IDPs	Achieved 20 Municipalities with legally compliant IDPs (All municipalities in the Province)	None	None	None
	District One Plans	Number of District/ Metro supported to develop One Plans	-	3 District municipalities monitored on the development of District Development Model Plans	3 District supported to develop One Plans	Achieved 3 Districts supported to develop One Plans (Ehlanzeni, Gert Sibande and Nkangala)	None	None	None

Programme: Development and Planning								
Sub-programme: Spatial Planning								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 the implementation of SPLUMA on Spatial Planning (All municipalities in the Province)	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	Achieved 20 Municipalities supported with SDF alignment to the SPLUMA provisions (All municipalities in the Province)	None	None
	Municipal GIS compliant with SDI Act provisions	Number of Municipalities supported with GIS implementation in line with the SDI Act provisions	20 Municipalities supported on GIS (All municipalities in the Province)	8 Municipalities supported with GIS implementation in line with the SDI Act provisions (Ehlanzeni DM, Bushbuckridge, Govan Mbeki, Msukaligwa, Nkangala DM, Gert Sibande DM, Steve Tshwete and Nkomazi)	12 Municipalities supported with GIS implementation in line with the SDI Act provisions	Achieved 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)	None	None
	Municipal SDFs implemented	Number of Municipalities supported with SDF implementation	20 Municipalities assessed on the implementation of SDFs (All municipalities in the Province)	20 Municipalities supported on with SDF implementation (All municipalities in the Province)	20 Municipalities supported with SDF implementation	Achieved 20 Municipalities supported with SDF implementation (All municipalities in the Province)	None	None
	Provincial Spatial Development Framework (PSDF) project implemented	Number of Provincial Spatial Development Framework (PSDF) projects monitored	-	2 PSDF proposals initiated (Nkomazi RSDF : Appointment of the service provider has been concluded) (Human Settlement Master Plan : The draft has been compiled and is going through the consultation processes)	2 Provincial Spatial Development Framework (PSDF) projects monitored	Achieved 2 Provincial Spatial Development Framework (PSDF) projects monitored (Sustainable Human Settlements Master Plan and Regional Spatial Development Framework)	None	None

Programme: Development and Planning								
Sub-programme: Land Use Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved planning, development coordination and access to basic services	Planning evaluations conducted	Number of planning evaluations conducted	40 Development applications evaluated for comments	34 Planning evaluations conducted	30 Planning evaluations conducted	Achieved 36 Planning evaluations conducted	6 additional Planning evaluations conducted	More applications for planning evaluations received
	Surveyed land in the province	Number of survey services rendered in the Province	249 Survey services rendered in the Province	117 Survey services rendered in the Province	200 Survey services rendered in the Province	Achieved 219 Survey services rendered in the Province	19 additional Survey services rendered	More requests for survey services received
	SPLUMA on land use management implemented	Number of Municipalities supported in the implementation of SPLUMA on LUM	19 Municipalities supported in the implementation of SPLUMA on LUM (Thaba Chweu, Bushbuckridge, Victor Khanye, Msukaligwa, Chief Albert Luthuli, Nkomazi, Lekwa, Mkhondo, Dr JS Moroka, Thembisile Hani, Emakhazeni, Nkangala, Dipaleseng, Dr Pixley Ka Isaka Seme, City of Mbombela, Govan Mbeki, Gert Sibande, Steve Tshwete and Emalahleni)	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	Achieved 20 Municipalities supported in the implementation of SPLUMA on LUM (All municipalities in the Province)	None	None
	Integrated human settlement and Tenure upgrading	Number of municipalities supported on integrated human settlements	-	-	17 Municipalities supported on integrated human settlements	Achieved 17 Municipalities supported on integrated human settlements (All local municipalities in the Province)	None	None

Programme: Development and Planning								
Sub-programme: Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved planning, development coordination and access to basic services	Functional LED Forums	Number of Municipalities monitored on the functionality of LED Forums	20 Municipalities monitored on the functionality of the LED Stakeholder Forums (All municipalities in the Province)	20 Municipalities monitored on the functionality of LED Forums (All municipalities in the Province)	20 Municipalities monitored on the functionality of LED Forums	Achieved 20 Municipalities monitored on the functionality of LED Forums (All municipalities in the Province)	None	None
	Final Draft LED Strategies	Number of Municipalities supported to review LED strategies	3 Municipalities supported to review LED strategies (Bushbuckridge; Mkhondo and Steve Tshwete)	3 Municipalities supported to review LED strategies (Msukaligwa, Dr Pixley Ka Isaka Seme and Victor Khanye)	3 Municipalities supported to review LED strategies	Achieved 3 Municipalities supported to review LED Strategies (Dr Pixley Ka Isaka Seme, Msukaligwa and Victor Khanye)	None	None
	Established partnerships to implement the Anti-Poverty Strategy	Number of partnership established to implement the Anti-Poverty Strategy	-	3 Partnerships established to implement the Anti-Poverty Strategy (Old Mutual, TRAC N4 and Voices on Youth)	3 Partnerships established to implement the Anti-Poverty Strategy	Achieved 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	None	None
	Work opportunities created through the EPWP (Youth Waste Management Project)	Number of Work opportunities created through EPWP (YWMP)	93 Work opportunities created through Youth Waste Management project	140 Work Opportunities created through EPWP (YWMP)	140 Work Opportunities created through EPWP (YWMP)	Achieved 140 Work Opportunities created through EPWP (YWMP)	None	None
	Economic Recovery Plans implemented by municipalities	Number of municipalities monitored on the implementation of the Economic Recovery Plan	-	-	3 District municipalities monitored on the implementation of the Economic Recovery Plan	Achieved 3 District Municipalities monitored in the implementation of Economic Recovery Plans (Ehlanzeni, Gert Sibande and Nkangala)	None	None
	Work opportunities created through CWP	Number of work opportunities reported through Community Works Programme (CWP)	17 Municipalities monitored on CWP (All local municipalities in the province)	17 Municipalities monitored on the implementation of CWP (All local municipalities in the Province)	25 000 Work opportunities reported through Community Works Programme	Achieved 27 436 Work Opportunities reported through Community Works Programme	2 436 additional Work Opportunities reported through Community Works Programme	Additional allocation of (CWP) participants and budget from National CoGTA to Municipalities

Programme: Development and Planning								
Sub-programme: Municipal infrastructure								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved planning, development coordination and access to basic services	DBSA funded programmes Implemented	Number of programmes implemented by PPMU	-	4 Municipalities supported on implementation of municipal plans through Provincial PMU (Lekwa, Emalahleni, Thaba Chweu and Govan Mbeki)	3 Programmes Implemented by PPMU (Asset Care, Master Planning and Project Preparation)	Achieved 3 Programmes Implemented by PPMU (Asset Care, Master Planning and Project Preparation)	None	None
	MIG programmes implemented in municipalities	Number of Municipalities monitored on the implementation of MIG programme	17 Municipalities monitored on the implementation of MIG projects (All local municipalities in the province) An expenditure of R1.157 925 billion (64%) of the MIG allocation of R1.813 621 billion has been spent as at end of March 2020	17 Municipalities monitored on the implementation of MIG programme (All local municipalities in the Province) An expenditure of R1.18 billion (68%) of the MIG allocation of R1.73 billion has been reported as at end of March 2021	16 Municipalities monitored on the implementation of MIG programme	Achieved 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	None	None
	PMU performance Assessed on MIG programme	Number of PMUs in municipalities assessed on MIG performance	17 PMUs in Municipalities evaluated on MIG performance (All local municipalities in the Province)	17 PMUs in municipalities assessed on MIG performance (All local municipalities in the Province)	16 PMUs in municipalities assessed on MIG performance	Achieved 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)	None	None

Programme: Development and Planning								
Sub-programme: Municipal infrastructure								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved planning, development coordination and access to basic services	Projects funded by the National Grants implemented	Number of Districts monitored on the spending of National Grants	-	-	3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP, IUDG)	Achieved 3 Districts monitored on the spending of National Grants (RBIG, WSIG, INEP, IUDG) (Ehlanzeni, Gert Sibande and Nkangala)	None	None
	Projects on Water, Sanitation, Electricity and Refuse Removal implemented in communities	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 supported with service delivery programmes (Water, Sanitation, Electricity and Refuse Removal) (All local municipalities in the Province)	17 Municipalities monitored on the	Achieved 17 Municipalities monitored on the implementation of infrastructure delivery programmes (Water, Sanitation, Electricity and Refuse removal) (All local municipalities in the Province)	None	None

Programme: Development and Planning								
Sub-programme: Water Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved planning, development coordination and access to basic services	Municipalities monitored on the functionality of Water Treatment Plants	Number of municipalities monitored on the functionality of Water Treatment Plants	17 Municipalities monitored on the status of WTW (All local municipalities in the Province)	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	Achieved 17 Municipalities monitored on the functionality of Water Treatment Plants (All local municipalities in the Province)	None	None
	Municipalities monitored on the functionality of Waste Water Treatment Plants	Number of municipalities monitored on the functionality of Waste Water Treatment Plants	17 Municipalities monitored on the status of WWTW (All local municipalities in the Province)	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	Achieved 17 Municipalities monitored on the functionality of Waste Water Treatment Plants (All local municipalities in the Province)	None	None
	Municipalities implement indigent policies	Number of municipalities monitored on the implementation of indigent policies	17 Municipalities supported to implement indigent policies (FBS) (All local municipalities in the Province)	17 Municipalities supported to implement indigent policies (All local municipalities in the Province)	17 Municipalities monitored on the implementation of indigent policies	Achieved 17 Municipalities monitored on the implementation of indigent policies (All local municipalities in the Province)	None	None

Programme: Development and Planning								
Sub-programme: Disaster Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved planning, development coordination and access to basic services	Disaster Risk Reduction Strategies implemented in the Province	Number of disaster risk reduction strategies implemented	17 Municipalities supported on Disaster risk reduction campaigns (All local municipalities in the Province)	17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	17 Disaster risk reduction strategies implemented	Achieved 17 Disaster risk reduction strategies implemented (All local municipalities in the Province)	None	None
	Municipal status on functional Fire Brigade Services	Number of municipalities supported on Fire Brigade Services	15 Municipalities supported on fire brigade services (Bushbuckridge, Nkomazi, Chief Albert Luthuli, Lekwa, Mkhondo, Dipaleseng, Msukaligwa, Govan Mbeki, Dr Pixley Ka Isaka Seme, Emakhazeni, Steve Tshwete, Emalaheni, Victor Khanye, Thembisile Hani and Dr JS Moroka)	17 Municipalities supported on the implementation of Fire prevention strategies (All local municipalities in the Province)	17 Municipalities supported on Fire Brigade Services	Achieved 17 Municipalities supported on Fire Brigade Services (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 Municipal Disaster Management Centres (All District Municipalities in the Province)	3 Municipalities supported to maintain functional Disaster Management Centres (Gert Sibande, Nkangala and Ehlanzeni District municipalities)	3 Municipalities supported to maintain functional Disaster Management Centers	Achieved 3 Municipalities supported to maintain functional Disaster Management Centres (Nkangala, Ehlanzeni and Gert Sibande District Municipalities)	None	None

Linking performance with budgets

The final budget for the programme amounts to **R 326.840 million** and has increased by 234.7 percent or **R 229.190 million** from **R 97.650 million** in 2020/21. This is due to the once off allocations for the rehabilitation of disaster damaged infrastructure and the procurement of Disaster Relief Materials in the province. The programme has managed to spend 93 per cent of the final allocation and has in turn achieved 100 per cent of the planned targets for the financial year. However, some infrastructure repair projects will only be completed in 2022/23 financial year.

Sub-programme expenditure

Table 1.2.3: Sub-programme expenditure

Sub- Programme Name	2021/2022			2020/2021		
	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	276	276	-	1 790	1 790	-
Strategy Development, Research and Policy (IDP)	2 718	2 716	2	2 485	2 485	-
Spatial Planning	4 508	4 508	-	4 468	4 468	-
Land Use Management	13 136	13 136	-	12 455	12 455	-
Local Economic Development	7 291	7 291	-	7 614	7 613	1
Municipal Infrastructure	4 498	4 497	1	7 458	7 457	1
Disaster Management	294 413	270,613	23 800	61 380	61 358	22
Total	326 840	303 037	23 803	97 650	97 626	24

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 2.4.4.1. 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 district/Metro supported to develop one plans had one (1) namely:*
 - (ii) *Local Economic Development*
 - *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 one (1) namely:*
 - *Number of municipalities monitored on fire brigade services*
 - *Number of municipalities supported to maintain functional Disaster Management Centres*

Reporting on the Institutional Response to the COVID-19 Pandemic

The table below reflects the progress on response to Covid-19 Pandemic

Table 1.3.3: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Development and Planning	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

4.4 Programme 4: Traditional Institutional Management

Purpose of the Programme

To strengthen the institution of Traditional Leaders in order to fulfil its mandate 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 tables

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

Programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/22	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 2021/22 Annual Performance Plan.									

Table: 4.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements tables for the Re-tabled Annual Performance Plan

Programme: Traditional Institution Management								
Sub-programme: Traditional Institutional Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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) in 3 Districts conducted	2 Capacity building programmes implemented for Traditional Councils (District Development Model and Financial Management)	2 Capacity building programmes implemented for Traditional Councils	Achieved 2 Capacity building programmes implemented for Traditional Councils (Legislative prescripts and Financial Management) (Ehlanzeni, Nkangala and Gert Sibande)	None	None
	Traditional Leadership succession claims / disputes processed	Percentage of succession claims / disputes processed	100% (6) Successions claims / disputes processed	6 Traditional Leadership succession claims / disputes processed: (Somloyisani – Chieftainship recognition; Sebothoma – Chieftainship recognition; Chiloane – application for a Regent for Moletete TC by the Bakgomana Ba Chiloane; Mr MF Mashego – disputing the current incumbent of the Traditional Council; Sothinabantu – Chieftaincy claim; Mr Mahlangu – Request for recognition of 20 Senior Traditional Leaders under King Ndzundza Ka Musi II)	100% (6) Traditional Leadership succession claims / disputes / claims processed	Achieved 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 Mabusu TC	Additional 33% (2) Traditional Leadership succession claims/ disputes received and processed	There was a demand for more claims and disputes to be processed
	Traditional councils supported to perform their functions	Number of Traditional Councils supported to perform their functions	60 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	Achieved 60 Traditional Councils supported to perform their functions (All Traditional Councils in the Province)	None	None

Programme: Traditional Institution Management								
Sub-programme: Traditional Resource Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved performance of Traditional Councils	Tools of trade provided to Traditional Councils verified	Number of Traditional Councils' tools of trade verified	1 Tool of trade procured but not provided to Traditional Councils due to the CoVID-19 National Lockdown	60 Traditional Councils' tools of trade verified (All Traditional Councils in the Province)	60 Traditional Councils' Tools of trade verified	Achieved 60 Traditional Councils' tools of trade verified (All Traditional Councils in the Province)	None	None

Programme: Traditional Institution Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved performance of Traditional Councils	Traditional councils supported to participate in municipal council sittings	Number of Senior Traditional Leaders supported to participate in municipal councils sittings	42 Traditional Leaders supported to participate in Municipal Councils	11 Senior Traditional Leaders supported to participate in Municipal Councils (Moreipuso, Mandlamakhulu, Ndzundza Fene, Bakgatla Ba Moepi, KwaNdwalaza, Mdluli, Enikwakuyengwa, Hoxane Mathibela, Ogenyaneni and Hhoyi)	27 Senior Traditional Leaders supported to participate in municipal councils sittings 1. Mdluli 2. Gutshwa 3. Mpsikazi 4. Kwandwalaza 5. Msogwaba 6. Ogenyaneni 7. Duma 8. Mpakeni 9. Hoxane 10. Ndzundza Pungutshe 11. Ndlela 12. Lomshiyi 13. Thabakgolo 14. Masoyi 15. Mogane 16. Mbuyane 17. Emjindini 18. Barolong Balefifi 19. Malele 20. Enikwakuyengwa 21. Ndzundza Fene 22. Moreipuso 23. Ndzundza Somphalali 24. Lekgoetla 25. Emfumbeni 26. Manala Makerana 27. Bakgatla Ba Mocha Ba Moepi	Achieved 27 Senior Traditional Leaders supported to participate in municipal council sittings	None	None

Programme: Traditional Institution Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved performance of Traditional Councils	Traditional councils participating in IDP processes	Number of Traditional Councils supported to participate in IDP processes	55 Traditional Councils supported to participate in the IDP processes	56 Traditional Councils supported to participate in the IDP processes (Moreipuso, Mogane, Thabakgolo, Malele, Ogenyaneni, Amashangana, Sethlare, Gutshwa, Hhoyi, Masoyi, Msogwaba, Mbuyane, Enkambeni, Lugedlane, Ebutsini, Somcuba Bhevula, Ndlela, Mandlamakhulu, Embhuleni, Enikwakuyengwa, Mahlaphahlapha, Ndzundza Somphalali, Bakgatla Ba Mmakau, Ndzundza Manbusa, Madabukela, Duma, Emfumbeni, Mpisikazi, Manala Mgibe, Barolong Ba-Lefifi, Ndzundza Mabhoko, Manala Makerane, Mawewe, Manala Mbongo, Ndzundza Pungutsha, Mnisi, Moletele, Bakgatla Ba Moepi, Bakgatla Ba Seabe, Mdluli, Mandlangampisi, Hhoyi, Hoxane, Enkhaba, Lomshiyo, Mhlaba, Mathibela, Emjindini, Mlambo, KwaNdwalaza, Kgarudi, Mashilane, Ndzundza Fene, Bakgatla Ba Mmakau, Lekgoetla and Jongilanga)	58 Traditional Councils supported to participate in IDP processes	Achieved 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. Mpisikazi 11. Enkhaba 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. Lomshiyo 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 Mbongo 47. Ndzundza Mabhoko 48. Manala Mgibe 49. Manala Makerane 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	None	None

Programme: Traditional Institution Management								
Sub-programme: Rural Development Facilitation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved performance of Traditional Councils	Traditional councils supported to participate in Ward Committees	Number of Traditional Councils supported to participate in Ward Committees	35 Traditional Councils mobilised to participate in ward committees: (Somcuba Bhevela, Embhuleni, Jongilanga, Manala Mgibe, Bakgatla Ba Mmakau, Moreipuso, Amashangana, Ebutsini, Ndlela, Bakgatla Ba Maloka, Bakgatla Ba Moepi, Mogane, Mohlala Morudi, Mashilane, Manala Makerane, Barolong Ba Lefifi, Gutshwa, Lekgoetla, Ndzundza Somphalali, Msogwaba, Mandlamakhulu, Malele, Ogenyaneni, Bakgatla Ba Seabe, Mawewe, Lomshiyo, Mlambo, Mnisi, Madlangampisi, Mbuyane, Hhoyi, Duma, Siboshwa, Mathibela, KwaNdwalaza)	40 Traditional Councils participating in Ward Committees (Malele, Ebutsini, Mandlangampisi, Ndzundza Somphalali, Ndzundza Mabusa, Thabakgolo, Embhuleni, Jongilanga, Manala Mbhongo, Ndzundza Mabhoko, Ogenyaneni, KwaNdwalaza, Manala Mgibe, Mathibela, Sethlare, Moletele, Bakgatla Ba Maloka, Ndlela, Ndzundza Pungutja, Mnisi, Barolong Ba Lefifi, Emfumbeni, Mpsikazi, Mahlaphahlapha, Mhlaba, Luggedlane, Hhoyi, Enkhaba, Lekgoetla, Duma, Masoyi, Mbuyane, Nkambeni, Moreipuso, Somcuba Bhevela, Mandlamakhulu, Mlambo, Ndzundza Fene, Mashilane, Mogane)	45 Traditional Councils supported to participate in Ward Committees	Achieved 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. Mpsikazi 27. Mahlaphahlapha 28. Mhlaba 29. Luggedlane 30. Manala Mgibe, 31. Hhoyi 32. Nkaba 33. Lekgoetla 34. Hoxane 35. Masoyi 36. Mbuyane 37. Nkambeni 38. Moreipuso 39. Somcuba Bhevela 40. Mandlamakhulu 41. Mpakeni 42. Ndzundza Fene 43. Mashilane 44. Mdluli 45. Mogane	None	None
	Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	3 Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal) (Vodacom (PTY) LTD Lease agreement and Mbuyane TC - formal) (Partnership between Chris Van Skakweik (Mdluli Safari Lodge) and Mdluli TC -Informal) (Vodacom (Pty)Ltd and Barolong Ba Lefifi TC - Formal)	1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal) developed	1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal)	Achieved 1 Database on Partnership Agreements that exist between Traditional Councils and PPPs (formal or informal) developed	None	None

Programme: Traditional Institution Management

Sub-programme: Traditional Land Administration

Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved performance of Traditional Councils	Traditional land cases resolved	Number of traditional land cases resolved within two months of receipt	16 Traditional land cases resolved within 2 months of receipt	17 Traditional land cases resolved within 2 months of receipt (Illegal stands allocation – Siboshwa TC v/s Mr Thobela; Land dispute – Gutshwa TC v/s Mr Makhabane; Business site dispute – Mr Mgwenya v/s Mr Shongwe; Land invasion – Mpsikazi TC v/s Mr Vincent Masina; Boundary dispute between Mdluli TC and Enkambeni TC; Stand dispute – Mr Richard Malumane v/s Enkambeni TC; Stand / house dispute – Msogwaba TC v/s Ms Nkhosi; Land dispute between Mokoena family and Mdluli TC; Land dispute between Mgwenya families and Gutshwa TC; Land dispute between Sethlare TC and Local Farmers; Land dispute between Moreipuso TC and Local Farmers; Land dispute between Mpakeni TC and Mdluli family; Land dispute between Msogwaba and Mr SD Nkosi; Land dispute between Ms Sibongile Mabuza and Neighbour (Mr Khumalo – Gutshwa TC; Stand dispute between Ms Elizabeth Mabuza and Mr Mfundi Michael Ntimane; Business stand dispute between Mbuyane TC and Mhlabane Family; Business stand dispute between Mbuyane TC and Ms Noluthando Shabangu)	16 Traditional land cases resolved within 2 months of receipt	Achieved 18 Traditional land cases resolved within 2 months of receipt 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 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 Famers and Nkambeni Traditional Council 18. Boundary dispute between Moletele and Mnisi Traditional Councils	2 Additional Traditional land case resolved	There was a demand for more land cases to be resolved than planned output

Programme: Traditional Institution Management								
Sub-programme: Traditional Land Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved performance of Traditional Councils	Traditional councils supported to participate in Land Use Planning	Number of traditional councils supported to participate in Land Use Planning	47 TCs mobilized to participate in spatial planning	50 Traditional Councils participating in Land Use Planning (Moreipuso, Mogane, Thabakgolo, Malele, Hoxane, Moletele, Mathibela, Amashangana, Sethlare, Jongilanga, Mpakeni, Gutshwa, Hhoyi, Lomshiyo, Masoyi, Mhlaba, Msogwaba, Mbuyane, Mlambo, Emjindini, Nkambeni, Luggedlane, Kgarudi, Mnisi, Ndlela, Lekgoetla, Mandlamakhulu, Ebutsini, Embhuleni, Enikwakuyengwa, Ogenyaneni, Madabukela, KwaNdwalaza, Mahlaphahlapha, Duma, Emfumbeni, Somcuba Bhevula, Enkhaba, Mpisikazi, Mandlangampisi, Bakgatla Ba Moepi, Ndzundza Fene, Manala Mgibe, Barolong Ba Lefifi, Ndzundza Mabhoko, Manala Makerane, Ndzundza Somphalali, Bakgatla Ba Mmakau, Ndzundza Mabusa and Manala Mbhongo)	55 Traditional Councils supported to participate in Land Use Planning	Achieved 55 Traditional councils supported to participate in Land Use Planning 1. Moreipuso 2. Mogane 3. Thabakgolo 4. Malele 5. Hoxane 6. Moletele 7. Mathibela 8. Amashangana 9. Sethlare 10. Jongilanga 11. Mpakeni 12. Gutshwa 13. Hhoyi 14. Lomshiyo 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. Mahlaphahlapha 37. Duma 38. Emfumbeni 39. Somcuba Bhevula 40. Enkaba 41. Mpisikazi 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 Mmakau 52. Ndzundza-Mabusa 53. Manala-Mbhongo 54. Bakgatla Ba Moloka 55. Bakgatla Ba Seabe	None	None

Linking performance with budgets

The budget for the programme had decreased by **R 2.114 million** or 1.9 percent from **R 110.212 million** in 2020/21 to **R 108.099 million** in 2021/22. This decrease is due to the limited budget within the department. The programme has managed to spend 99 percent, however not all planned targets were achieved.

Sub-programme expenditure

Table 1.2.4: Sub-programme expenditure

Sub- Programme Name	2021/2022			2020/2021		
	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	2 263	2 263	-	1 720	1 720	-
Traditional Institution Administration	14 784	14 782	2	13 971	13 971	-
Traditional Resource Administration	82 538	81 723	815	83 153	83 112	41
Rural Development Facilitation	5 810	5 807	3	8 090	8 087	3
Traditional Land Administration	2 703	2 702	1	3 278	3 277	1
Total	108 098	107 277	821	110 212	110 167	45

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 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 succession disputes/ claims processed
 - Number of Traditional Councils supported to perform their functions

Reporting on the Institutional Response to the COVID-19 Pandemic

The table below reflects progress on the institutional response to the Covid-19 Pandemic.

Table 1.3.4: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Traditional Institutional Management	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

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 tables

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

Programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/22	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 on table 4.4.4.2 were indicators on the originally tabled 2021/22 Annual Performance Plan.									

Table: 5.4.4.2: Outcomes, outputs, output indicators, targets and actual achievements tables for the Re-tabled Annual Performance Plan

Programme: House of Traditional Leaders								
Sub-programme: Business Support (Administration of the House of Traditional Leaders)								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 HTL processed (Agricultural programmes in traditional communities)	1 Matter affecting the business of HTL processed (Agrarian project)	1 Matter affecting the business of HTL processed (Agrarian project)	Achieved 1 Matter affecting the business of the HTL processed (Agrarian project)	None	None
	Genealogy reports	Number of Approved Research reports on Genealogy	6 Approved Research reports on Genealogy compiled	6 Research reports on genealogy approved (Mpakeni Chieftaincy, Ndzundza Fene Chieftaincy, Bakgatla Ba Mmakau Chieftaincy, Mandangempisi Chieftaincy, Manala Makerane Chieftaincy and Enikwakuyengwa Chieftaincy)	6 Approved Research reports on Genealogy	Achieved 6 Approved Research reports on Genealogy	None	None
	Legal opinions	Number of Legal Services impacting on the institution of Traditional Leadership rendered	6 Legal services impacting on the institution of Traditional Leadership rendered	8 Legal services impacting on the institution of Traditional Leadership rendered (Request on legal service, legal opinions and support rendered to Committees of HTL; Legal advice on duties / roles of the Chairperson, Deputy Chairperson and Secretary; Submission of Inputs on the Appropriation Bill, 2020; Inputs on Recognition of Customary Marriages Amendment Bill; Submission of Inputs on s22 (a) (b) of the Mpumalanga Traditional Leadership & Governance Framework Act 2005 (Act No. 3 of 2005); Recognition of a Regent / Libambela; Report on Assessment of Local Houses on Compliance with Section 81 of the Local Government and Municipal Structures Act 117 of 1998; Assessment of Rule 84 of the Rules and Orders)	8 Legal services impacting on the institution of Traditional Leadership rendered	Achieved 8 Legal services impacting on the institution of Traditional Leadership rendered	None	None

Programme: House of Traditional Leaders								
Sub-programme: Provincial Committees								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Developed communities in areas of traditional leadership	Functional Provincial House Committees	Number of Provincial House Committees functional	5 Provincial House Committees functional	5 functional Provincial House Committees (Justice; Social Development; Target Groups; Traditional Leadership Claims & Disputes; Traditions, Culture & Custom)	5 Provincial House Committees functional	Achieved 5 Provincial House Committees functional	None	None
	Anti GBVF Awareness campaigns conducted in traditional communities	Number of Anti GBVF interventions/campaigns for traditional leadership	12 Awareness campaigns conducted in traditional communities to sensitize vulnerable groups on their Rights	3 Awareness campaigns conducted in traditional communities to sensitize vulnerable groups on their Rights (Nkangala – Bakgatla Ba Moepi; Gert Sibande – Nkaba TC and Ehlanzeni – Mpakeni TC)	4 Anti GBVF interventions/campaigns for traditional leadership	Achieved 4 Anti GBVF interventions/campaigns for traditional leadership	None	None

Programme: House of Traditional Leaders								
Sub-programme: Local House of Traditional Leaders								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	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 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	Achieved 3 Functional Local Houses (Ehlanzeni, Nkangala and Gert Sibande)	None	None
	Agricultural projects implemented in Traditional communities	Number of agricultural projects monitored in Traditional communities	4 Oversight reports on Agricultural projects in Traditional communities compiled	3 Agricultural projects monitored in Traditional communities (KwaNdwalaza in Gert Sibande; Kgarudi in Ehlanzeni and Ndzundza Somphalali in Nkangala)	3 Agricultural projects monitored in Traditional communities	Achieved 7 Agricultural projects monitored in Traditional communities (Moreipuso TC, Bakgatla Ba Maloka TC, Duma TC, Lekgoetla TC Thabakgolo TC, Ndzundza Fene TC and Mpsikazi TC)	4 Additional Agricultural projects monitored	There was a demand in Gert Sibande and Nkangala to monitor additional agricultural projects
	DDM projects in Traditional Communities monitored	Number of District development model projects monitored in Traditional Communities	-	-	3 District development model projects monitored in Traditional Communities	Achieved 3 District Development Model Projects monitored in Traditional communities	None	None

Linking performance with budgets

The final budget for the programme has decreased by **R 1 535 million** or 8.8 percent from **R 17.536 million** in 2020/21 to **R 16 001 million** in 2021/22. 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

Table 1.2.5: Sub-programme expenditure

Sub- Programme Name	2021/2022			2020/2021		
	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 of HTL	5 580	5 580	-	5 793	5 793	-
Committees and Local Houses of Traditional Leaders	10 421	10 421	-	11 743	11 742	1
Total	16 001	16 001	-	17 536	17 535	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 indicators that were achieved during the period under review. The standardised output indicators were planned under the sub-programme of Committees and Local Houses of Traditional leaders (Provincial Committees):
 - Number of Anti-GBVF interventions/campaigns Traditional leadership

Reporting on the Institutional Response to the COVID-19 Pandemic

The following table reflects the progress on the institutional response to Covid-19 Pandemic

Table 1.3.5: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
House of Traditional Leaders	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Table 3: 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 2021 to 31 March 2022.

Table 3.1: Transfer Payments to public Entities

Item number	Name of Transferee	Type of Organisation	Purpose of which the funds were used	Did the Transferee comply with sec 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the Entity (R'000)	Reasons for funds unspent by the Entity
1	Hoxane	Traditional Council	Administration	Yes	300	300	N/A
2	Jongilanga	Traditional Council	Administration	Yes	300	300	N/A
3	Malele	Traditional Council	Administration	Yes	300	300	N/A
4	Mathibela	Traditional Council	Administration	Yes	300	300	N/A
5	Moletele	Traditional Council	Administration	Yes	299	299	N/A
6	Moreipuso	Traditional Council	Administration	Yes	300	300	N/A
7	Sethlare	Traditional Council	Administration	Yes	299	299	N/A
8	Thabakgolo	Traditional Council	Administration	Yes	290	290	N/A
9	Matsamo	Traditional Council	Administration	Yes	300	300	N/A
10	Mlambo	Traditional Council	Administration	Yes	300	300	N/A
11	Mawewe	Traditional Council	Administration	Yes	275	275	N/A
12	Mhlaba	Traditional Council	Administration	Yes	300	300	N/A
13	Siboshwa	Traditional Council	Administration	Yes	290	290	N/A
14	Lugedlane	Traditional Council	Administration	Yes	127	127	N/A
15	Masoyi	Traditional Council	Administration	Yes	300	300	N/A
16	Nkambeni	Traditional Council	Administration	Yes	299	299	N/A
17	Mdluli	Traditional Council	Administration	Yes	300	300	N/A
18	Gutshwa	Traditional Council	Administration	Yes	300	300	N/A
19	Mbuyane	Traditional Council	Administration	Yes	300	300	N/A
20	Msogwaba	Traditional Council	Administration	Yes	300	300	N/A
21	Mpakeni	Traditional Council	Administration	Yes	189	189	N/A
22	Lomshiyo	Traditional Council	Administration	Yes	300	300	N/A
23	Emjindini	Traditional Council	Administration	Yes	300	300	N/A
24	Mashilane	Traditional Council	Administration	Yes	300	300	N/A
25	Kgarudi	Traditional Council	Administration	Yes	300	300	N/A
26	Mogane	Traditional Council	Administration	Yes	267	267	N/A
27	Mantjolo	Traditional Council	Administration	Yes	300	300	N/A
28	Embhuleni	Traditional Council	Administration	Yes	284	284	N/A
29	Mandlamakhulu	Traditional Council	Administration	Yes	300	300	N/A
30	Somcuba Bhevula	Traditional Council	Administration	Yes	300	300	N/A
31	Enikakuyengwa	Traditional Council	Administration	Yes	300	300	N/A
32	Mpsikazi	Traditional Council	Administration	Yes	300	300	N/A
33	Ebutsini	Traditional Council	Administration	Yes	300	300	N/A
34	Mdlangempisi	Traditional Council	Administration	Yes	277	277	N/A
35	Duma	Traditional Council	Administration	Yes	300	300	N/A
36	Emfumbeni	Traditional Council	Administration	Yes	300	300	N/A
37	Enkhaba	Traditional Council	Administration	Yes	280	280	N/A
38	Mahlaphahlapha	Traditional Council	Administration	Yes	300	300	N/A
39	Madabukela	Traditional Council	Administration	Yes	267	267	N/A
40	Lekgoetla	Traditional Council	Administration	Yes	300	300	N/A
41	Kwandwalaza	Traditional Council	Administration	Yes	300	300	N/A
42	Ogenyaneni	Traditional Council	Administration	Yes	300	300	N/A
43	Ndlela	Traditional Council	Administration	Yes	256	256	N/A
44	Ndzundza Fene	Traditional Council	Administration	Yes	289	289	N/A
45	Manala Mgibe	Traditional Council	Administration	Yes	300	300	N/A
46	Manala Makerane	Traditional Council	Administration	Yes	300	300	N/A
47	Ndzundza Pungutsha	Traditional Council	Administration	Yes	300	300	N/A
48	Bakgatla ba Mocha ba Maloka	Traditional Council	Administration	Yes	300	300	N/A
49	Bakgatla ba Mmakau	Traditional Council	Administration	Yes	300	300	N/A
50	Bakgatla ba Mocha ba Moepi	Traditional Council	Administration	Yes	256	256	N/A
51	Bakgatla ba Seabe	Traditional Council	Administration	Yes	300	300	N/A
52	Barolong ba Lefifi	Traditional Council	Administration	Yes	300	300	N/A
53	Ndzundza Mabusa	Traditional Council	Administration	Yes	300	300	N/A
54	Manala Mbongo	Traditional Council	Administration	Yes	300	300	N/A
55	Ndebele Kingdom	King's Council	Administration	Yes	382	382	N/A
56	Ndzundza Mabhoko	Traditional Council	Administration	Yes	300	300	N/A
57	Ndzundza Somphalali	Traditional Council	Administration	Yes	300	300	N/A
58	Mnisi	Traditional Council	Administration	Yes	299	299	N/A
59	Amashangana	Traditional Council	Administration	No	-	-	N/A
60	Ndzundza Mabhoko Kingdom	King's Council	Administration	N/A	-	-	N/A

Item number	Name of Transferee	Type of Organisation	Purpose of which the funds were used	Did the Transferee comply with sec 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the Entity (R'000)	Reasons for funds unspent by the Entity
61	Hhoyi	Traditional Council	Administration	No	-	-	N/A
62	Mohlala	Traditional Council	Administration	No	-	-	N/A
TOTAL TRANSFERS					16 923	16 923	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2021 to 31 March 2022 however, other transfers were not made and others were partial transfers.

Table 3.2: Transfer Payments to public Entities

Name of Transferee	Type of Organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Amashangana	Traditional Council	Administration	300	-	Entire grant was not transferred due to non-compliance to financial administration
Ndzundza Mabhoko	King's Council	Administration	400	-	Office not yet operational
Ndebele kingdom	King's Council	Administration	400	382	Refund for the expenses incurred on behalf of the Ndebele kingdom
Mpakeni	Traditional Council	Administration	300	189	Balance of the annual grant not transferred due to non-compliance to financial administration
Moletele	Traditional Council	Administration	300	299	Balance of the annual grant not transferred due to non-compliance to financial administration
Sethlare	Traditional Council	Administration	300	299	Balance of the annual grant not transferred due to non-compliance to financial administration
Mawewe	Traditional Council	Administration	300	275	Balance of the annual grant not transferred due to non-compliance to financial administration
Siboshwa	Traditional Council	Administration	300	290	Balance of the annual grant not transferred due to non-compliance to financial administration
Lugedlane	Traditional Council	Administration	300	127	Balance of the annual grant not transferred due to non-compliance to financial administration
Nkambeni	Traditional Council	Administration	300	299	Balance of the annual grant not transferred due to non-compliance to financial administration
Mogane	Traditional Council	Administration	300	267	Balance of the annual grant not transferred due to non-compliance to financial administration
Mdlangempisi	Traditional Council	Administration	300	277	Balance of the annual grant not transferred due to non-compliance to financial administration
Enkhaba	Traditional Council	Administration	300	280	Balance of the annual grant not transferred due to non-compliance to financial administration
Madabukela	Traditional Council	Administration	300	267	Balance of the annual grant not transferred due to non-compliance to financial administration
Ndlela	Traditional Council	Administration	300	256	Balance of the annual grant not transferred due to non-compliance to financial administration
Bakgatla ba Mocha ba Moepi	Traditional Council	Administration	300	256	Balance of the annual grant not transferred due to non-compliance to financial administration

Name of Transferee	Type of Organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Mohlala	Traditional Council	Administration	300	-	Entire grant was not transferred due to non-compliance to financial administration
Hhoyi	Traditional Council	Administration	300	-	Entire grant was not transferred due to non-compliance to financial administration
Embhuleni	Traditional Council	Administration	300	284	Balance of the annual grant not transferred due to non-compliance to financial administration
Ndzundza fene	Traditional Council	Administration	300	289	Balance of the annual grant not transferred due to non-compliance to financial administration
Mnisi	Traditional Council	Administration	300	299	Balance of the annual grant not transferred due to non-compliance to financial administration
TOTAL			6,500	4,635	

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The Department had EPWP conditional grant and earmarked funds allocated for the period under review as follows.

The departmental earmarked **R 270.000 million** is broken down as follows;

- a) **R 270.000 million** for the provision of disaster relief materials and repairs to damaged infrastructure within the province.

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 2.257 million** and **R 2.257 million** or 100 percent was spent in the year under review. The funds were received through the Provincial Treasury. In terms of the condition of the grant, the Department planned to maintain 140 work opportunities, and successfully achieved this target.

The table below details the conditional grants and ear marked funds received during for the period 1 April 2021 to 31 March 2022.

Conditional Grant 1: Expanded Public Works Programme

Table 4: Expanded Public works Programme Conditional Grant

Department whom transferred grant	National Department of Public Works
Purpose of the grant	Expanded Public Works Programme (EPWP)
Expected outputs of the grant	140 work opportunities created
Actual outputs achieved	140 work opportunities created
Amount per amended DORA	R2.257 million
Amount transferred (R'000)	R2.257 million
Reasons if amount as per DORA not transferred	None
Amount spent by the department/ municipality (R'000)	R2.257 million
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring department	Monthly Report

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 Department had a number of infrastructure projects implemented during the year under review and repairs and renovation.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)

The capital infrastructure projects which have been completed include the following:

- Reconstruction of culverts in Bushbuckridge Local Municipality.
- Reconstruction of culverts in Nkomazi Local Municipality.
- Reconstruction of culverts in Mkhondo Local Municipality.
- Reconstruction of culverts in Emalahleni and Thaba Chweu Local Municipality.
- Reconstruction of culverts A at Bushbuckridge municipality (Thulamahashe, Marite, Lillydale, Mkhuhlu and Agincourt Region).
- Reconstruction of culverts at Mbombela Local Municipality (Maminza).

There was no variance on the planned and delivery date as all projects were completed within the contract period of implementation.

- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,
 - Reconstruction of culverts at Nkomazi Local Municipality to be completed end May 2022.
 - Reconstruction of culverts at Chief Albert Luthuli and Msukaligwa Local Municipalities to be completed end May 2022.
 - Repair and rectification of DARDLEA related agricultural facilities to be completed end June 2022.
- Plans to close down or down-grade any current facilities,
- Progress made on the maintenance of infrastructure

All projects related to maintenance were completed and these projects included the following:

- Repair of Bethal sewer pump stations in Govan Mbeki municipality.
- Repair of Standerton water treatment works in Lekwa municipality.
- Replacement of motor and water pumps in Avontuur, Ekulindeni and Elukwatini water treatment works in Chief Albert Luthuli municipality.
- Maintenance of Provincial Disaster Management Center.
- All infrastructure projects which were incomplete for the period under review, will be completed through a rollover of funds resulting from the underspending of budget- in the 2021/22 financial period.
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft. There's nothing much that has changed in our asset holdings under the period review, however, the Department have disposed-off 200 assets that were redundant using transfers and auction method. All asset declared loss due to theft are still under scrutiny whereby the Loss and Theft Committee has to sit and look into the matter before it can be finalized.
- The Department's asset register is kept up to date through having a dedicated asset management section. The Department performs monthly reconciliations and quarterly physical asset verifications to ensure existence of assets and completeness of the assets register.
- The department have 1865 capital assets which are quantified as follows; capital assets which are in good condition (1310) 70.24%, in fair condition are (229) 12,28% and also have assets that are in bad condition which are (326) 17.48%
- Besides the repairs to damaged infrastructure the department has not implemented any major maintenance projects

Table 5: Infrastructure Projects

Infrastructure projects	2021/2022			2020/2021		
	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
Existing infrastructure assets						
- Upgrades and additions	872	871	1	3 186	3 185	1
- Rehabilitation, renovations and refurbishments	59 115	35 315	23 800	-	-	-
- Maintenance and repairs	145 873	145 873	-	3 316	3 316	-
Total	205 860	182 059	23 801	6 502	6 501	1

PART C: GOVERNANCE

1. INTRODUCTION

The Department has committed to the 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 Director and the unit has achieved the following:

- Put up risk management structures and process (risk management committee in compliance with Public sector risk management framework),
- Risk identification within the Department has been undertaken both Strategic and Operational.
- Risk mitigation action plans have been developed and adopted by management to address key risks and monitoring the implementation of the risk mitigation action plan is conducted on quarterly basis.
- The Department has developed and approved the following policies and strategies to ensure there is effective risk management:
 - Risk Management Policy
 - Risk Management Strategy
 - Fraud Prevention Plan
 - Whistle Blowing Policy
 - Risk Management Charter
 - Risk Management Implementation Plan
 - Key Performance Indicator for Risk Management Committee
 - Risk Assessment Repots
 - Risk Management Registers

Internal processes are established to sensitize all employees of the relevance of risk management to the achievements of their performance

3. FRAUD AND CORRUPTION

- The department's fraud prevention plan is in place
- Fraud awareness conducted through Departmental newsletters.
- Fraud and corruption is reported through the National Hot line and cases reported are directed back to the Department and Internally fraud and corruption is reported through Presidential Line which is managed by Communication Section and referred to the relevant section for remedial actions
- Up to date there are no cases reported

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 Management. 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 their 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 and 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.
- 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 through Labour Relations Section. 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 including observations of COVID-19 Protocols working together with other Departments such as Public Works Roads and Transport as the custodian of all our Government buildings and Department of Health.

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 a quarterly basis and this is achieved through analysis of our implementation progress reports. The Portfolio Committee meetings were held on 27 May 2021, 2 September 2021, 18 November 2021 and 8 March 2022 to discuss the plans of the Department as well as the quarterly progress in implementing the tabled plans.

The Department is regularly required to submit responses to questions raised on the plans and progress reports. This include progress on implementation of recommendations. The key resolutions raised during the year under review includes the challenge of water provision from municipalities to households. Most of the key recommendations was that the Department must strengthen the monitoring system in ensuring that communities are supplied with water. The department has institutionalized the District Development Model, and service delivery political and technical structures have been established to place focus on the challenges of water. A provincial water master plan is currently being drafted by Rand Water and all districts have been directed to also prepare their own plan to ensure that a consolidated picture is mapped out for the province to channel resources to address the shortage of water. All municipalities have been further advised to prioritise at least between 50% and 75% of their MIG allocations to water and sanitation infrastructure projects.

8. SCOPA RESOLUTIONS

There was SCOPA sitting to deliberate on the Department's Annual Reports for 2020/21 financial year which was held on 15 February 2022. Some reported progress remained opened and unresolved.

Table 6: SCOPA Resolutions

RESOLUTION NUMBER	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
REF:13/3/1/5/4	15 th February 2022	6.1.1.(i).The Accounting Officer must put measures in place that will ensure that the Department fully complies with the PFMA and sustain the unqualified audit opinion.	<p>The Department will develop and implement credible audit action plans to address all findings raised by both Internal Audit Unit and AGSA. These action plans will be monitored on monthly basis, progress reports will be tabled before monthly management meetings and quarterly performance reviews of the Department.</p> <p>Furthermore we will continue to strengthen the internal control environment and ensure the following measures are in place;</p> <p>Establish an effective political and administrative leadership culture.</p> <ol style="list-style-type: none"> I. Respect the role of oversight structures (such as Portfolio Committee, SCOPA, EXCO, AGSA, Audit Committee, Risk Committee) by implementing and monitoring their resolutions taken to improve the business operations and accountability within the Department. II. The Department will continue to enforce the implementation of the established human resource management systems, policies, procedures as well as IT Governance practices. III. Continue to monitor the implementation of the developed Financial and Performance Management systems and controls, which include amongst other; Proper record keeping, monthly reconciliations, timeous reporting, compliance with policies, laws and regulations (PFMA, Treasury Regulations). IV. Lastly, ensure that all risk areas identified by Internal Audit, Audit Committee, External Auditors, and {Portfolio Committees are incorporated into the Departmental Risk Register. These mitigating factors are implemented and monitored on regular basis through the Risk Management Committee. 	No
		6.1.1.(ii).The Department must develop and submit a plan that will sustain the clean audit opinion during the medium term period and beyond	<p>The Department will develop and implement credible audit action plans to address all findings raised by both Internal Audit Unit and AGSA. These action plans will be monitored on monthly basis, progress reports will be tabled before monthly management meetings and quarterly performance reviews of the Department.</p> <p>Furthermore we will continue to strengthen the internal control environment and ensure the following measures are in place;</p> <ol style="list-style-type: none"> i. Establish an effective political and administrative leadership culture. ii. Respect the role of oversight structures (such as Portfolio Committee, SCOPA, EXCO, AGSA, Audit Committee, Risk Committee) by implementing and monitoring their resolutions taken to improve the business operations and accountability within the Department. iii. The Department will continue to enforce the implementation of the established human resource management systems, policies, procedures as well as IT Governance practices. iv. Continue monitoring the implementation of the established Financial and Performance Management systems and controls, which include amongst other; Proper record keeping, monthly reconciliations, timeous reporting, compliance with policies, laws and regulations (PFMA, Treasury Regulations). v. Lastly, ensure that all risk areas identified by Internal Audit, Audit Committee, External Auditors, and {Portfolio Committees are incorporated into the Departmental Risk Register. These mitigating factors are implemented and monitored on regular basis through the Risk Management Committee. 	No
		6.2.1.(i).The Accounting Officer must submit the developed Integrated Audit Improvement Support Plan to be used to assist the local Municipalities to improve its performance and audit outcomes	The Integrated Audit Improvement Support Plan have been attached as Annexure A	No

RESOLUTION NUMBER	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
REF:13/3/1/5/4	15 th February 2022	6.2.1.(ii). The Accounting Officer working together with Provincial Treasury, Districts, and South African Local Government Association (SALGA) must strengthen its monitoring system during the implementation of the Integrated Municipal Support Plan	The Integrated Municipal Support Plan (IMSP) has indicators that seek to address specific challenges in municipalities. All local municipalities are assessed quarterly and monitored continuously by various COGTA teams which include District Municipalities, Department of Water and Sanitation, SALGA and Provincial Treasury. Support intervention measures are then developed to respond to the findings for municipalities that are performing poorly. The IMSP Task Team which includes Provincial Treasury, Districts and SALGA meets on a quarterly basis to assess progress on the implementation of IMSP. CoGTA, Provincial Treasury and SALGA have ensured a structured and coordinated approach to supporting all municipalities through the IMSP.	No
		6.3.1.(i). The Accounting Officer must provide progress report on all the litigation cases and ensure that they are finalised before 2020/23 financial year	Attached hereto please find a copy of the report on litigations for the period ending 31 March 2022 which reflects the progress on the contingent liabilities and assets (Refer to Annexure B)	No
		6.4.1.(i). The Accounting Officer must develop a plan and put measures in place to avoid accruals	The Department will issue a cut-off notice to all service providers giving guidance on timely submission of invoices after the rendering/delivery of services & goods. Furthermore, the Department is also implementing the SmartGov (remote electronic invoice submission system) in order to automate the process of submission of invoices and reduce unnecessary delays.	No
		6.4.1.(ii). The Accounting Officer must ensure that invoices are paid within thirty (30) days after receipt of invoice according to the SCM prescripts.	The Department has established a system of invoice tracking that ensures quick turn-around time for confirmation of services or goods delivered by all end-users and on average, it takes 10 working days to process all valid invoices received.	No
		6.5.1.(i). The Accounting Officer must put measures in place and develop a strategy that will ensure that payables not recognised do not occur again	The Department will ensure compliance to the Provincial Treasury year-end processes and payment cut-off date circular by; i. Issuing a cut-off notice to all service providers giving guidance on timely submission of invoices after the rendering/delivery of services & goods. Furthermore, ii. Fully implement the SmartGov (remote electronic invoice submission system) in order to automate the process of submission of invoices and reduce unnecessary delays. iii. Continue to perform daily monitoring cash flow management systems to ensure that sufficient cash is available to service all invoices received before payment cut-off dates.	No

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The department had no prior modification to audit reports.

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 which provides that the Accounting Officer shall ensure that the department has a system of internal audit under the control and direction of the Audit Committee complying with and operating in accordance with regulations and instructions prescribed in terms of section 76 and 77.

The mission of the shared Internal Audit function, being what the shared Internal Audit aspires to accomplish, is to enhance and protect the Department's value by providing risk-based and objective assurance, advice and insights. 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 are to provide independent, objective assurance and consulting activity designed to add value and improve the operations of the Department.

In keeping with its primary mandate, the shared Internal Audit supports the Head of the Department by evaluating and contributing to improving the effectiveness of risk management, control and governance processes. In addition, it also facilitates the functioning of the cluster shared Audit Committee.

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

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

During the year under review, the shared Internal Audit function developed 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 June 2021.

The Annual Internal Audit Coverage/Operational Plan, which is risk-based, outlined the required audit engagements for the Department and these were performed by the shared Internal Audit function as planned. 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. Where control deficiencies were identified, follow-up engagements were performed to ensure that management had acted on the remediation plans agreed.

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 the internal control environment;
- Review of the mid-term Departmental Performance Information;
- Review of Interim Financial Statements;
- Review of Draft Annual Report and Annual Financial Statements for 2020/2021;
- Review of special Programmes and Employee Health and Wellness programmes;
- Review of Supply Chain Management processes;
- Review of DORA and Transfer Payments;
- ICT General and Application Controls Audit;

Consulting services

- Participation in informal consulting engagements including routine activities such as participating in standing Management Committee meetings, Risk Management Committee meetings, and 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 76 and 77 of the PFMA and Treasury Regulation 3.1.

The shared Audit Committee serves as an independent governance structure whose primary function is to provide oversight over the department’s financial reporting, risk management, control and governance processes. The shared Audit 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 charter is reviewed annually as required in terms of the PFMA and Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Head of the Department, Senior Management, the Provincial Treasury, shared Internal Audit function and the Office of AGSA.

The term of office of the shared Audit Committee came to an end in September 2021. The new cluster Shared Audit Committee was appointed on 1 November 2021.

Clustered Shared Audit Committee

After careful consideration, the Provincial Treasury determined that one cluster Audit Committee responsible for five departments in the Office of the Premier needed reconsideration given the performance expectations of individual members of the cluster audit committee. The Provincial Treasury concluded that the Office of the Premier would be best served by two cluster Audit Committees to afford respective members time to execute their required mandate in line with the Cluster Audit Committee charter.

In October 2021, the Provincial Treasury therefore determined that for the Audit Committee sessions to be effective, sufficient time for preparation for meetings is required to allow effective participation in meetings and therefore decided to have two cluster audit committees serve the five departments within the Office of the Premier

It was then resolved that the Department of Cooperative Governance and Traditional Affairs (COGTA) will fall within the second Cluster Audit Committee which was formally appointed on 01 November 2021.

Similarly, to the Shared Audit Committee, the cluster shared Audit Committee is constituted to ensure its independence and comprises external non-official members (appointed from outside public service). It operates 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 charter is reviewed annually as required in terms of the PFMA and Treasury Regulations. Further, it also has direct and unobstructed lines of communication to the Head of the Department, Senior Management, the Provincial Treasury, shared Internal Audit function and the Office of the AGSA

Attendance of audit committee meetings by audit committee members

In accordance with 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 the authority to convene additional meetings as may be deemed necessary.

In the meetings of the cluster shared audit committee held during the year under review, the Head of the Department and Executive Management were always represented. The Office of 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:

Table 7: Audit Committee Meetings

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Mr MS Mthembu Chairperson	Master of Business Leadership (UNISA), BCom (Accounting), Commercial Banking Licentiate Diploma (Institute of Bankers SA), FAP(IAC)SA	External	01 April 2018	30 June 2021 End of term	04
Ms. BN Mzuzu	B. Proc Degree (University of Fort Hare) Cert. Business Rescue Cert. Attorney of High Court of South Africa Cert. Attendance in conveyancing practice		01 April 2018	30 June 2021 End of term	0
Ms. TH Mbatha	Master's degree in business leadership (UNISA) BCompt. Honours Accounting UNISA) BComm Accounting Degree (UNISA) CA(SA)	External	01 April 2018 01 July 2021 Reappointed as an Chairperson	30 June 2021 30 Sept 2021 End of term	06
Mr. M Sebeelo	B-Tech Internal Auditing (UNISA) Nat Diploma Internal Auditing (TUT) Advance Programme Project Management (UNISA)	External	01 April 2018 01 July 2021 Reappointed as an ordinary member of the shared Audit committee	30 June 2021 30 Sept 2021 End of term	06

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Dr. C Motau	BComm (VISTA) Higher Diploma in Computer Auditing (WITS) Certificate in Executive Leadership (Regenesys Business School) Certificate in Human Resource Management (Regenesys Business School) Master's Degree Business Leadership (UNISA) Master's Degree in Information Technology (UP) Doctorate in Business Information System	External	01 June 2019 01 July 2021 Reappointed as an ordinary member of the Shared Audit Committee	30 June 2021 30 Sept 2021 End of term	05
Ms. TI Ranape	BTech in Public Management (UNISA) Higher Diploma in Public Management & Administration (Mangosothu Technikon) Diploma in Government Finance (Mangosothu Technikon)	External	01 August 2021	30 Sept 2021 End of term	02
Mr. A Mashifane	BCom Accounting (WITS) BCompt Honours (UNISA) LLB (UNISA) CA(SA) Advanced Certificate in Taxation (UNISA) Business Leadership Programme (GIBS)	External	01 August 2021 01 Nov 2021 Reappointed as an Chairperson of the second clustered Audit Committee	30 September 2021 End of term 31 Oct 2023	07
Ms. P Ntuli	BCom Accounting (RAU) BCompt Honours (UNISA) Post graduate Diploma in Forensic Auditing (UNISA) CA(SA)	External	01 Nov 2021	30 Oct 2023	05
Mr. A Oosthuizen	BCom Accounting (RAU) BCompt Honours (UNISA)	External	01 Nov 2021	30 Oct 2023	05
Ms. 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	01 Nov 2021	30 Oct 2023	04
Ms. MS Bopape	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	01 Nov 2021	30 Oct 2023	04

12. AUDIT COMMITTEE REPORT

We are pleased to present our annual report for the financial year ended 31 March 2022.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 76 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 provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The Accounting Officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

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 management, we report that the system of internal control of the department for the period under review was adequate and effective.

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

Risk Management

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

Based on the Cluster Shared Audit Committee's quarterly reviews of the reports from the Risk Management Committee, it concluded that the department's processes and systems relating to fraud prevention and risk management are adequate and effective.

In-Year Management and Quarterly Reporting

The cluster Shared Audit Committee has confirmed that the department has reported to the Provincial Treasury as required in terms of 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 the Internal Auditors 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 on the audit of the annual financial statements 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, which includes reporting on predetermined objectives, and has advised the Accounting Officer to ensure that all the review notes and comments of the Internal Auditors' 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 cluster Shared Audit Committee is satisfied that the Internal Audit function operated effectively throughout the year under review and that it has addressed the risks pertinent to the department in its audits during the year under review.

The cluster Shared Audit Committee has regularly enquired and reviewed the work performed by the Internal Audit function and has seen an improvement in the quality of the internal audit reports; the actions initiated by the Internal Audit Function to bring the reported weaknesses to the attention of Senior Management and the process of ensuring actions 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 cluster Shared Audit Committee has however noted with concern that the Internal Audit function remains under-resourced and the instability of the position of the Chief Audit Executive.

The cluster Shared Audit Committee further appreciates the support provided by various Officials who acted 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 cluster Shared Audit Committee is not aware of any unresolved issues with respect to the current audit

The cluster Shared Audit Committee concurs and accepts the conclusions of the Auditor- General South Africa on the Annual Financial Statements and reporting on performance information against predetermined objectives and is of the opinion that the audited annual financial statements and performance information included in the annual report be accepted and read together with the report of the Auditor-General South Africa.

Conclusion

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

The cluster Shared 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 cluster Shared Audit Committee by:



Chairperson of the Audit Committee

Mr. A Mashifane

Date: 04/08/2022

13. B-BBEE Compliance Performance Information

Table 8: BBEE Compliance Performance Information

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

01 April 2021 - 31 March 2022

HUMAN RESOURCES 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. The Overview Of Human Resources In The Department (Status)

The Department acknowledges that effective management of human resources capital is the cornerstone of effective service delivery. This continues to drive the Department to strive for efficient human resources service. This has however been limited by the challenging economic climate which has led to budget cuts and abolishment of some critical posts on Persal

The Department currently employ, 702 permanent employees 23 are senior Traditional Leaders/ Izinduna which are accounted for as employees due to the nature of their appointment. The Human Resource Management Directorate has compiled the draft Organisational Functionality Assessment to establish the capacity and functionality of the Department to deliver on its legislative service delivery mandate which will inform the review of the Organisational Structure.

Women representation at SMS level is currently 43.4% and while Male representation is 56.6%, this reflects an increase of 26.8% in women representation compared to the 16.6% reported in the last financial year. A total of 14 Senior, Management Service posts were filled, 10 females and 4 males including the Head of Department were appointed. This reflects a clear intention to address the lack of women representation at SMS level. It is worth noting that 71.4% of appointments at SMS level were promotional appointments while 28.6% are external appointments, this means that the Department was able to retain its talent and ensured internal mobility.

A total of 42 appointments were finalised in other occupational categories, 16 Deputy Directors, 16 Assistant Directors, 7 appointments at Administration officer's level, 1 Secretary, 1 Registry clerk and 1 Cleaner, 66.7% of the appointments are promotional appointments and 33.3% were external appointments. This reflects the intention to promote upward mobility while also attracting best talent from other organisations.

The representation of Persons with Disabilities is at 1.1% which is 0.9% below the 2% target set by Cabinet; despite the non-achievement of numerical targets the Department continues to capacitate Persons with Disabilities through internal training and development initiatives.

The Department has offered leadership development programmes such Executive Induction Programme, Advanced Management Development Programme and Emerging Management Development Programme to enhance leadership capabilities of officials from to Top Management, Middle Management to Junior Management. Compulsory and Mandatory programmes offered by the National School of Government were also attended.

The Department absorbed 9 unemployed youth to the graduate internship programme and 2 to the Learnership programme, these Graduates and learners were placed in all programmes of the Department. The programme has created a pool of applicants to recruit from, in particular critical and scarce skills.

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

Review of the organisational structure.

The process to review the Organisational Structure; we envisage significant progress by the end of the 2022/23 financial year.

Filling of funded posts

14 SMS Posts were filled, 16 Deputy Directors, 16 Assistant Directors, 7 Senior/Administration Officers, 1 Secretary, Registry Clerk and 1 Cleaner. A total of 55 posts were filled within the period under review. These appointments have reduced the vacancy rate in the Department

Achievement of employment Equity Targets

The Department was not able to achieve the target of 2 % representation of Persons with Disabilities and 50% representation of Women representation at Senior Management Service. The current representation of Persons with Disabilities is 1.1% and Women representation is 43.4%. There is a need to improve the statistics in order to ensure compliance.

Strengthen the implementation of the PMDS processes.

The Department has Significantly Improved on submissions and the quality of the Performance Agreements and

Assessments; this is attributed to the workshops conducted for officials on quarterly basis. This has contributed towards the achievement of targets on the Annual Performance Plan and the Operational Plan. 11 Senior Managers and 291 employees at level 1 -12 were paid incentive bonuses

❑ Build strategic leadership capabilities.

The Department has offered leadership development programmes such as Ethics, Executive Induction Programme, Advanced Management and Development Programme and Emerging Management and Development Programme to enhance the leadership capabilities of officials from HOD to Top Management to Junior Management.

❑ Promotion of sound labour relations.

Awareness Sessions on the Code of Conduct were conducted by Labour Relations to minimise misconduct in the Department. There are still challenges on Meeting the prescribed timeframes due to non-co-operation. The unit presided over 3 cases in the year under review.

❑ Monitor implementation of Employee Health and Wellness.

The Department has developed a plan to manage Employee Health and Wellness. Some of the proactive programmes which were implemented in the department include: health screening, stress management and financial wellness.

❑ Improve on records management.

Awareness sessions on the file plan were conducted to promote and ensure the correct use of the file plan and encourage proper records keeping. This contributes to the achievement of clean audit outcomes.

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

The Human Resource Plan for (2021-2024) indicated the required competencies at the relevant performance levels as well as the capacity in terms of posts that the department requires. Most of the competencies that the department requires are scarce and difficult to attract and retain.

In order to attract these employees the Department submits to the Department of Education a list of scarce skills learning areas where bursaries are offered to matriculants with an intention of giving work opportunities as soon as they finish their tertiary studies within the identified scarce fields the department had 11 interns who were sourced by the services seta were also placed in various sections.

The Department has developed a training programme and one of the highlights during the First quarter is the implementation of leadership programmes for officials in Management positions programmes. This is one way of ensuring that a critical mass of expert employees is available for succession planning. These managers are prepared with the necessary capabilities to assume leadership positions at SMS level within the Department.

2.1 Employee performance management

Provided training on the PMDS policy and dealt with non-compliance in terms of applicable legislation. The Department has significantly improved on the implementation of PMDS, 11 Senior Managers and 291 officials at level 1-12 were paid incentive bonuses

2.2 Employee health wellness programmes

The Department applies a holistic approach to the health and well-being of employees. EHWP focuses on health but also on personal matters that may have negative impact on the wellbeing of the employee. The employee assistance programmes were implemented as referred by relevant officials and the necessary interventions were done as prescribed.

Proactive Programmes were implemented as per the DPSA, Employee Health and Wellness strategic Framework for the Public Service. Cases were referred to relevant institutions and follow up sessions are done by the employee health and wellness unit.

2.3 Highlight Achievements

- ❑ Appointed 55 officials on critical vacant posts.
- ❑ Exit interviews and staff turnover analysis submitted to Senior Management
- ❑ Monitored the signing of attendance registers, conducted leave audit and presented findings to Senior Management.
- ❑ Human Resource plan has been reviewed, approved and submitted to DPSA
- ❑ Presentation of the HR Plan to management was conducted.

- Skills Development Plan compiled and presented to management.
- Developed a training programme and implemented the planned targets.
- Reviewed the Employee Health and Wellness Policies, the two frame works for gender and people with disabilities were approved and submitted to DPSA.
- Conducted compulsory, mandatory and leadership training programmes
- Finalised the Moderation of PMDS and paid incentives within the prescribed period.

2.4 Challenges Faced By the Department

- Inadequate competencies and expertise to provide the required support to municipalities.
- Meeting the employment equity targets.
- Limited training budget
- Limited budget to fill vacant and critical posts.

State plans address the challenges

2.5 Future HR Plans

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

- Review the organisational structure to be aligned with the priorities of the current administration.
- Capacity development of officials through training and development.
- Achievement of employment equity targets
- Implementation of the integrated Employee Health and Wellness Programme
- Implement the Code of Conduct and promote ethical behaviour.

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 2021 to 31 March 2022

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'00)	Compensation of Employees as Percent of Total Expenditure	Average Compensation of Employees Cost Per Employee (R'000)	Employment (Including Periodical - and Abnormal Appointments)
Administration	140 572	77 760	1 000	616	10%	658.98	118
Local Governance	303 037	32 890	0	12 911	4%	167.81	196
Development & Planning	209 686	185 582	273	19 066	24%	409.67	453
Traditional Institutional Management	107 277	13 577	0	0	2%	617.14	22
The House Of Traditional Leaders	16 001	86 679	0	0	11%	170.96	507
Total As On Financial Systems (BAS)	776 573	396 488	1 273	32 593	51%	305.93	1 296

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 And 31 March 2022

Salary Band	Personnel Expenditure Including Transfers (R'000)	% Of Total Personnel Cost	Number Of Employees	Average Personnel Cost Per Employee (R'000)
01 Lower skilled (Levels 1-2)	394	0%	3	131.33
02 Skilled (Levels 3-5)	15 797	4%	49	322.39
03 Highly skilled production (Levels 6-8)	187 389	47%	499	375.53
04 Highly skilled supervision (Levels 9-12)	112 528	28%	132	852.48
05 Senior management (Levels >= 13)	18 278	5%	14.	1 305.57
11 Contract (Levels 3-5)	571	0%	2.	285.50
14 Contract (Levels >= 13)	934	0%	1	934.00
18 Contract Other	486	0%	-	-
20 Abnormal Appointment	60 111	15%	596.	100.86
TOTAL	396 488	100%	1 296	305.93

Table 3.1.3 Salaries, overtime, home owners allowance and medical aid by programme for the period 1 April 2021 to 31 March 2022

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid		Total Personnel Cost Per Salary Band (R'000)
	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	65 266	16%	1 217.	0%	1 715.00	0%	3 851	1%	77 760
Local Governance	28 232	7%	-	0%	628	0%	1 156	0%	32 890
Development & Planning	146 888	37%	24	0%	7 919	2%	14 214	4%	185 582
Traditional Institution Management	10 650	3%	-	0%	358	0%	521	0%	13 577
The House of Traditional Leaders	82 045	21%	-	0%	584	0%	1 256	0%	86 679
TOTAL	333 081	84%	1 241	0%	11 20	3%	20 998	5%	396 488

Table 3.1.4 Salaries, overtime, home owners allowance and medical aid by salary band for the period 1 April 2021 to 31 March 2022

Salary Band	Salaries		Overtime		Home Owners Allowance		Medical Aid		Total Personnel Cost Per Salary Band (R'000)
	Amount (R'000)	Salaries as a % of Personnel Costs	Amount (R'000)	Overtime as a % of Personnel Costs	Amount (R'000)	HOA as a % of Personnel Costs	Amount (R'000)	Medical Aid as a % of Personnel Costs	
01 Lower skilled (Levels 1-2)	329	0%	-	0%	11	0%	19	0%	394
02 Skilled (Levels 3-5)	11 597	3%	106	0%	913	0%	1 786	0%	15 980
03 Highly skilled production (Levels 6-8)	150 918	38%	653	0%	8 482	2%	15 604	4%	180 006
04 Highly skilled supervision (Levels 9-12)	95 499	24%	469	0%	1 498	0%	3 452	1%	117 764
05 Senior management (Levels >= 13)	16 171	4%	-	0%	288	0%	132	0%	19 718
11 Contract (Levels 3-5)	497	0%	-	0%	14	0%	-	0%	578
14 Contract (Levels >= 13)	869	0%	-	0%	-	0%	5	0%	970
18 Contract Other	473	0%	13	0%	-	0%	-	0%	488
20 Abnormal Appointment	56 728	14%	-	0%	-	0%	-	0%	60 590
TOTAL	333 081	84%	1 241	0%	11 206	3%	20 998	5%	396 488

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 programmes on 1 April 2021 to 31 March 2022

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Posts Filled Additional to the Establishment
Administration Permanent	155	119	23%	-
Development & Planning Permanent	66	47	29%	-
Local Governance, Permanent	485	453	7%	-
House Of Traditional Leaders, Permanent	27	22	19%	-
Traditional Institution Management, Permanent	81	61	25%	-
TOTAL	814	702	14%	-

Table 3.2.2 Employment and vacancies by salary band as on 1 April 2021 to 31 March 2022

Salary band	Number of posts	Number of posts filled	Vacancy rate (Includes frozen posts)	Number of posts filled additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	5	3	40%	-
02 Skilled (Levels 3-5), Permanent	61	49	20%	-
03 Highly Skilled Production (Levels 6-8), Permanent	537	499	7%	-
04 Highly Skilled Supervision (Levels 9-12), Permanent	177	136	23%	-
05 Senior Management (Levels >= 13), Permanent	31	12	61%	-
11 Contract (Levels 3-5), Permanent	2	2	100%	-
14 Contract (Levels >= 13), Permanent	1	1	10%	-
TOTAL	814	702	14%	-

Table 3.2.3 Employment and vacancies by critical occupations as on 1 April 2021 to 31 March 2022

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Posts Filled Additional to the Establishment
Administrative Related, Permanent	142	122	14%	-
Agriculture Related, Permanent	3	3	-	-
Architects Town And Traffic Planners, Permanent	5	5	-	-
Cartographic Surveying And Related Technicians, Permanent	2	2	-	-
Cashiers Tellers And Related Clerks, Permanent	1	1	-	-
Cleaners In Offices Workshops Hospitals Etc., Permanent	19	17	11%	-
Communication And Information Related, Permanent	3	1	70%	-
Finance And Economics Related, Permanent	8	7	13%	-
Financial And Related Professionals, Permanent	9	7	22%	-
Financial Clerks And Credit Controllers, Permanent	11	9	18%	-
Food Services Aids And Waiters, Permanent	1	-	100%	-
General Legal Administration & Rel. Professionals, Permanent	2	1.00	50%	-
Human Resources & Organisat Developm & Relate Prof, Permanent	1	-	100%	-
Human Resources Clerks, Permanent	1	1	-	-
Human Resources Related, Permanent	19	18	5%	-
Information Technology Related, Permanent	6	5	17%	-
Legal Related, Permanent	1	1	-	-
Library Mail And Related Clerks, Permanent	4	4	-	-
Messengers Porters And Deliverers, Permanent	4	4	-	-
Motor Vehicle Drivers, Permanent	1	1	-	-

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate (Includes Frozen Posts)	Number of Posts Filled Additional to the Establishment
Other Administrat & Related Clerks And Organisers, Permanent	473	421	11	
Other Administrative Policy And Related Officers, Permanent	19	15	21%	-
Other Occupations, Permanent	29	27	7%	-
Quantity Surveyors & Related Prof Not Class Elsewhere, Permanent	1	1	-	-
Risk Management And Security Services, Permanent	1	-	100%	-
Secretaries & Other Keyboard Operating Clerks, Permanent	27	18	33%	-
Senior Managers, Permanent	21	11	48%	-
Total	814	702	14%	-

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 1 April 2021 to 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary Level 15 (HOD)	1	1	4.3%	0	0%
Salary Level 14	6	4	17.4%	2	25%
Salary Level 13	24	18	78.3%	6	75%
Total	31	23	100%	8	100%

Table 3.3.2 SMS Post Information As On 1 April 2021 to 31 March 2022

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	total number of SMS posts vacant	% of SMS posts vacant
Salary Level 15 (HOD)	1	1	4.3%	-	0%
Salary Level 14	6	4	17.4%	2	25%
Salary Level 13	24	18	78.3%	6	75%
Total	31	23	100%	8	100%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 to 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number Of SMS posts vacant	% of SMS posts vacant
Salary Level 16 (MEC)	-	-	-	-	-
Salary Level 15 (HOD)	-	-	-	-	-
Salary Level 14	3	2	15.4%	1	33.3%
Salary Level 13	13	11	84.6%	2	66.6%
Total	16	13	100%	3	100%

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 2021 To 31 March 2022

Reasons for vacancies not advertised within six months
The Department advertised Senior Management Service positions to be filled in the next financial year

Reasons for vacancies not filled within six months
The Department advertised Senior Management Service positions to be filled in the next financial year

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 2021 to 31 March 2022

Reasons For Vacancies Not Advertised Within Six Months
Not applicable

Reasons For Vacancies Not Filled Within Six Months

Not applicable

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 2021 to 31 March 2022

Salary Band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	5	0	0	0	0	0	0
02 Skilled (Levels 3-5)	61	0	0	0	0	0	0
03 Highly Skilled Production (Levels 6-8)	537	0	0	0	0	0	0
04 Highly Skilled Supervision (Levels 9-12)	177	0	0	0	0	0	0
05 Senior Management Service Band A	24	0	0	0	0	0	0
06 Senior Management Service Band B	6	0	0	0	0	0	0
08 Senior Management Service Band D	1	0	0	0	0	0	0
11 Contract (Levels 3-5)	2	0	0	0	0	0	0
16 Contract Band C	1	0	0	0	0	0	0
TOTAL	814	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 also be vacant.

Table 3.4.2 profile of employees whose positions were upgraded due to their posts being upgraded for the Period 1 April 2021 to 31 March 2022

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 2021 to 31 March 2022

Occupation	Number Of Employees	Job Evaluation Level	Remuneration Level	Reason For Deviation
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
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 determined by job evaluation for the period 1 April 2021 to 31 March 2022

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 2021 to 31 March 2022

Salary Band	Number of employees at beginning of period-April 2021	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower Skilled (Levels 1-2)	3	1	1	33.3
Skilled (Levels 3-5)	57	2	14	24.6
Highly Skilled Production (Levels 6-8)	513	2	2	5
Highly Skilled Supervision (Levels 9-12)	141	1	11	7.8
Senior Management Service Band A Permanent	12	0	1	8.3
Senior Management Service Band B	3	0	0	0
Senior Management Service Band D	12	9	1	8
Contract (Levels 3-5)	3	1	1	33.3
TOTAL	744	16	58	7.8

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 to 31 March 2022

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
ADMINISTRATIVE RELATED Permanent	133	8	31	23.3
AGRICULTURE RELATED Permanent	3	0	0	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS Permanent	5	0	0	0
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS Permanent	2	0	0	0
CASHIERS TELLERS AND RELATED CLERKS Permanent	1	0	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	16	1	0	0
COMMUNICATION AND INFORMATION RELATED Permanent	2	0	0	0
FINANCE AND ECONOMICS RELATED Permanent	7	0	0	0
FINANCIAL AND RELATED PROFESSIONALS Permanent	8	0	1	12.5
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	12	1	3	25
FOOD SERVICES AIDS AND WAITERS Permanent	1	0	1	10
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	2	0	1	50
HUMAN RESOURCES CLERKS Permanent	1	0	0	0
HUMAN RESOURCES RELATED Permanent	18	0	0	0
INFORMATION TECHNOLOGY RELATED Permanent	6	0	1	16.7
LEGAL RELATED Permanent	0	1	0	0
LIBRARY MAIL AND RELATED CLERKS Permanent	4	0	0	0
MESSENGERS PORTERS AND DELIVERERS Permanent	4	1	1	25
MOTOR VEHICLE DRIVERS Permanent	1	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	435	1	15	3.4
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	18	1	1	5.6
OTHER OCCUPATIONS Permanent	28	0	0	0
QUANTITY SURVEYORS & RELA PROF NOT CLASS ELSEWHERE Permanent	1	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	23	2	2	8.7
SENIOR MANAGERS Permanent	13	0	1	7.7
TOTAL	744	16	58	7.8

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 2021 to 31 March 2022

Termination Type	Number	Percentage of total terminations	Percentage of total employment
Death, Permanent	8	14%	1%
Resignation,	10	17%	1%
Expiry of contract	30	52%	4%
Retirement	10	17%	1%
TOTAL	58	100%	8%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 t31 March 2022

Occupation	Employment at beginning of April 2021	Promotions to another salary level	Salary level promotions as a % Of employment	Progressions to another notch within salary level	Notch progressions As a % of employment
ADMINISTRATIVE RELATED	133	15	11%	120	90.2
AGRICULTURE RELATED	3	0	0%	3	100
ARCHITECTS TOWN AND TRAFFIC PLANNERS	5	0	0%	5	100
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS	2	0	0%	2	100
CASHIERS TELLERS AND RELATED CLERKS	1	0	0%	1	100
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	16	0	0%	16	100
COMMUNICATION AND INFORMATION RELATED	2	1	50%	1	50
FINANCE AND ECONOMICS RELATED	7	0	0%	7	100
FINANCIAL AND RELATED PROFESSIONALS	8	0	0%	8	100
FINANCIAL CLERKS AND CREDIT CONTROLLERS	12	1	8%	9	75.00
FOOD SERVICES AIDS AND WAITERS	1	0.	0%	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	2	0	0%	1	50
HUMAN RESOURCES CLERKS	1	0	0%	1	100
HUMAN RESOURCES RELATED	18	0	0%	18	100
INFORMATION TECHNOLOGY RELATED	6	0	0%	5	83.3
LIBRARY MAIL AND RELATED CLERKS	4	0	0%	4	100
MESSENGERS PORTERS AND DELIVERERS	4	0	0%	4	100.
MOTOR VEHICLE DRIVERS	1	0	0%	1	100.
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	435	0	0%	428	98.4
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	18	1	6%	17	94.4
OTHER OCCUPATIONS	28	0	0%	3	10.7
QUANTITY SURVEYORS & RELA PROF NOT CLASS ELSEWHERE	1	0	0%	1	100
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	23	1	4%	21	91.3
SENIOR MANAGERS	13	1	8%	11	84.6
TOTAL	744	20	3%	687	92.3

Table 3.5.5 Promotions by salary band for the period 1 April 2021 to 31 March 2022

Salary Band	Employment at beginning of April 2021	Promotions to another salary level	Salary level promotions as a % Of employment	Progressions to another notch within salary level	Notch progressions as a % of employment
01 Lower Skilled (Levels 1-2), Permanent	3	0	0%	2	67%
02 Skilled (Levels 3-5), Permanent	56	0	0%	55	98%
03 Highly Skilled Production (Levels 6-8), Permanent	520	6	1%	487	94%
04 Highly Skilled Supervision (Levels 9-12), Permanent	137	13	9%	129	94%
05 Senior Management (Levels >= 13), Permanent	15	1	7%	11	73%
09 Other, Permanent	11	0	0%	0	0%
11 Contract (Levels 3-5), Permanent	2	0	0%	2	100%
14 Contract (Levels >= 13), Permanent	0	0	0%	1	0%
TOTAL	744	20	3%	687	92%

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 1 April 2021 to 31 March 2022

Occupational Categories	Male African	Male, Coloured	Male Indian	Male White	Female African	Female, Coloured	Female, Indian	Female, White	Total
01 Senior Officials And Managers	13	0	0	0	9	1	0	0	23
02 Professionals	23	1	0	2	22	0	0	1	49
03 - Technicians And Associate Professionals	59	1	0	2	76	0	0	1	139
04 Clerks	196	1	1	0	245	0	0	0	443
08 - Plant And Machine Operators And Assemblers	1	0	0	0	0	0	0	0	1
09 - Labourers And Related Workers	26	0	0	0	21	0	0	0	47
Total	318	3	1	4	373	1	0	2	702
Total Number Of Employees (Incl. Employees With Disabilities) Per Occupational Category (SASCO)									
6	0	0	0	2	0	0	0	0	8

Table 3.6.2 total number of employees (including employees with disabilities) in each of the following occupational bands as on 1 April 2021 to 31 March 2022

Occupational Bands	Male African	Male Coloured	Male Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
02 Senior Management, Permanent	12	0	0	0	9	1	0	0	22
03 Professionally qualified and experienced specialists and mid-management, Permanent	70	1	0	4	59	0	0	2	136
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	217	2	1	0	268	0	0	0	488
05 Semi-skilled and discretionary decision making, Permanent	15	0	0	0	34	0	0	0	49
06 Unskilled and defined decision making, Permanent	0	0	0	0	3	0	0	0	3
08 Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
12 Contract (Semi-Skilled), Permanent	2	0	0	0	0	0	0	0	2
TOTAL	318	3	1	4	373	1	0	2	702

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
03 Professionally Qualified And Experienced Specialists And Mid-Management, Permanent	0	0	0	0	1	0	0	0	1
04 Skilled Technical And Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	1	0	0	0	1	0	0	0	2
05 Semi-Skilled And Discretionary Decision Making, Permanent	0	0	0	0	2	0	0	0	2
06 Unskilled And Defined Decision Making, Permanent	0	0	0	0	1	0	0	0	1
07 Not Available, Permanent	4	0	0	0	5	0	0	0	9
12 Contract (Semi-Skilled), Permanent	1	0	0	0	0	0	0	0	1
TOTAL	6	0	0	0	10	0	0	0	16

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
02 Senior Management, Permanent	9	0	0	0	2	0	0	0	11
03 Professionally Qualified And Experienced Specialists And Mid-Management, Permanent	73	1	0	4	61	0	0	3	142
04 Skilled Technical And Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	209	2	1	0	281	0	0	0	493
05 Semi-Skilled And Discretionary Decision Making, Permanent	16	0	0	0	39	0	0	0	55
06 Unskilled And Defined Decision Making, Permanent	0	0	0	0	2	0	0	0	2
08 Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
12 Contract (Semi-Skilled), Permanent	2	0	0	0	0	0	0	0	2
TOTAL	311	3	1	4	385	0	0	3	707
Employees With Disabilities	6	0	0	0	0	2	0	0	8

Table 3.6.5 terminations for the period 1 April 2021 to 31 March 2022

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	0	0	0	0	1	0	0	0	1
Professionally Qualified And Experienced Specialists And Mid-Management, Permanent	1	0	0	0	4	0	0	0	5
Skilled Technical And Academically Qualified Workers, Junior Management, Supervisors, Foremen, Permanent	9	0	0	0	11	0	0	0	20
05 Semi-Skilled And Discretionary Decision Making, Permanent	0	0	0	0	0	0	0	1	1
06 Unskilled And Defined Decision Making, Permanent	10	0	0	0	20	0	0	0	30
Contract (Semi-Skilled), Permanent	1	0	0	0	0	0	0	0	1
TOTAL	21	0	0	0	36	0	0	1	58
Employees With Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final Written Warning	0	0	0	0	1	0	0	0	1
Written Warning	1	0	0	0	0	0	0	0	1
Two months suspension with pay	1	0	0	0	0	0	0	0	1
Total	2	0	0	0	1	0	0	0	3

Table 3.6.7 skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	0	0	0	1	0	0	0	7
Professionals	10	0	0	1	18	0	0	0	29
Technicians and associate professionals	20	0	0	0	9	0	0	0	29
Clerks	34	0	0	0	42	0	0	0	76
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	1	0	0	0	1
Total	70	0	0	1	71	0	0	0	142
Employees with disabilities	1	0	0	0	0	0	0	0	1

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 1 April 2021

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
Salary Level 15(HOD)	1	1	1	8.3%
Salary Level 14	6	2	2	16.7%
Salary Level 13	24	9	9	75%
Total	31	12	12	100%

Notes

- In the event of a national or provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July.

Table 3.7.2 reasons for not having concluded performance agreements for all SMS members as on 1 April 2021

Reasons
None

Notes

- The reporting date in the heading of this table should be aligned with that of table 3.7.1.

Table 3.7.3 disciplinary steps taken against SMS members for not having concluded performance agreements as on 1 April 2021

Reasons
None

Notes

- The reporting date in the heading of this table should be aligned with that of table 3.7.1.

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 2021 to 31 March 2022

Demographics	Number Of Beneficiaries	Total Employment	Percentage Of Total Employment	Cost (R'000)	Average Cost Per Beneficiary (R)
African, Female	168	372	0.45	911.26	5 424
African, Male	125	312	40%	836.03	6 688
Asian, Female	0	0	0%	0	0
Asian, Male	0	1	0%	0	0
Coloured, Female	0	0	0%	0	0
Coloured, Male	1	3	33%	5.9	5 971
Total Blacks, Female	168	372	45%	911.26	5 424
Total Blacks, Male	126	316	40%	842	6 683
White, Female	3	2	150%	27.94	9 315
White, Male	2	4	50%	31.23	15 615
Employees with a disability	3	8	38%	17.20	5 733
TOTAL	302	702	43%	1 829.63	6 058

Table 3.8.2 Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost Per Beneficiary (R)
01 Lower Skilled (Levels 1-2)	0	3	0%	0	0
02 Skilled (Levels 3-5)	39	49	80%	98.21	2 518
03 Highly Skilled Production (Levels 6-8)	158	499	32%	671.24	4 248
04 Highly Skilled Supervision (Levels 9-12)	94	136	69%	893.63	9 507
11 Contract (Levels 3-5)	0	2	0%	0	0
TOTAL	291	689	42%	1 663.08	5 715.00

Table 3.8.3 performance rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost Per Beneficiary (R)
Financial Clerks And Credit Controllers	6	9	67%	34.54	5 757
Human Resources Clerks	1	1	100%	2.82	2 822
Messengers Porters And Deliverers	1	4	25%	2.40	2 396
Finance And Economics Related	5	7	71%	58.32	11 665
Other Administrat & Related Clerks And Organisers	114	421	27%	483.08	4 238
Other Occupations	3	27	11%	12.41	4 137
Legal Related	0	1	0%	0	0
Financial And Related Professionals	7	7	100%	56.82	7 102
Architects Town And Traffic Planners	5	5	100%	68.90	13 780
Administrative Related	82	122	67%	640.42	7 906
Communication And Information Related	0	1	0%	0	0
Secretaries & Other Keyboard Operating Clerks	17	18	94%	48.67	2 863
Cleaners In Offices Workshops Hospitals Etc.	12	17	71%	23.57	1 964
Library Mail And Related Clerks	2	4	50%	5.73	2 865
Human Resources Related	14	18	78%	107.49	7 678
Cashiers Tellers And Related Clerks	0	1	0%	0	0
General Legal Administration & Rel. Professionals	1	1	100%	17.98	17 984
Cartographic Surveying And Related Technicians	0	2	0%	0	0
Other Administrative Policy And Related Officers	12	15	80%	54.34	4 529
Senior Managers	10	11	91%	152.88	15 288
Motor Vehicle Drivers	1	1	100%	2.86	2 865

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost Per Beneficiary (R)
Quantity Surveyors & Rela Prof Not Class Elsewhere	1	1	100%	9.10	9 095
Information Technology Related	5	5	100%	40.10	8 021
Agriculture Related	3	3	100%	7.19	2 396
TOTAL	302	702	43%	1 829.63	6 058

Table 3.8.4 performance related rewards (cash bonus), by salary band for senior management service for the period 1 April 2021 to 31 March 2022

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost Per Beneficiary (R)	% Of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	8.	9.	89%	115.27	14 408	0.8	13 682
Band B	2.	2.	100%.	33.33	16 665	0.9	3 565
Band C	1	1	100%	17.95	17 951	1%	1 513
Band D	0	1	0%	0	0	0	1 926
TOTAL	11	13	85%	166.55	15 140	0.8%	20 688

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 2021 to 31 March 2022

Salary Band	01 April 2021		31 March 2022		Change	
	Number	% of Total	Number	% of Total	Number	% Change
Other Occupations	0	0	0	0	0	0
Professionals And Managers	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 2021 to 31 March 2022

Major Occupation	01 April 2021		31 March 2022		Change	
	Number	% of Total	Number	% of Total	Number	% Change
Other Occupations	0	0	0	0	0	0
Professionals And Managers	0	0	0	0	0	0
TOTAL	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 2021 And 31 December 2021

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)	Total Number of Employees Using Sick Leave	Total Number of Days With Medical Certification
Contract Other	8	100	1	0.90%	8	3	108	8
Highly Skilled Production (Levels 6-8)	517	73%	48	44%	11	724	108	378
Highly Skilled Supervision (Levels 9-12)	281	85%	42	39%	7	825	108	238
Senior Management (Levels 13-16)	41	95	4	4%	10	191	108	39
Skilled (Levels 3-5)	132	73%	13	12%	10	137	108	96
TOTAL	979	78%	108	100	9	1 881	108	759

Table 3.10.2 disability leave (temporary and permanent) for the period 1 January 2021 and 31 December 2021

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)	Total Number of Days With Medical Certification	Total Number of Employees Using Disability Leave
Highly Skilled Production (Levels 6-8)	0	0	0	0	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	0	0	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0	0	0
TOTAL	0	0	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 2021 and 31 December 2021

Salary Band	Total Days Taken	Number of Employees Using Annual Leave	Average Per Employee
Contract Other	136	12	11
Highly Skilled Production (Levels 6-8)	6 870	21	326
Highly Skilled Supervision (Levels 9-12)	2 079	19	109
Lower Skilled (Levels 1-2)	15	15	1
Senior Management (Levels 13-16)	151	13	12
Skilled (Levels 3-5)	954	21	46
TOTAL	10 205	20	505

Table 3.10.4 capped leave for the period 1 April 2021 and 31 March 2022

Salary Band	Total Days of Capped Leave Taken	Average Number of Days Taken Per Employee	Average Capped Leave Per Employee as at end of Period	Number of Employees Who Took Capped Leave	Total Number of Capped Leave Available at end of Period	Number of Employees as at end of Period
Contract (Levels 13-16)	0	0	41	0	40.93	1
Contract (Levels 3-5)	0	0	0	0	0	0
Contract Other	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	0	0	75	0	2 162.02	29
Highly Skilled Supervision (Levels 9-12)	0	0	67	0	3 126.72	47
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Senior Management (Levels 13-16)	0	0	45	0	314.21	7
Skilled (Levels 3-5)	0	0	48	0	576.97	12
TOTAL	0	0	65	0	6 220.85	96

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 leave payouts for the period 1 April 2021 and 31 March 2022

Reason	Total Amount (R'000)	Number of Employees	Average Per Employee (R'000)
Annual - Discounting With Resignation (Work Days)	379	9	42 111
Annual - Gratuity: Death/Retirement/Medical Retirement(Work	1 006	21	47 905
Capped - Gratuity: Death/Retirement/Medical Retirement(Work	1 446	10	144 600
TOTAL	2 831	40	70.7

3.11 HIV AND AIDS & Health Promotion Programmes

Table 3.11.1 steps taken to reduce the risk of occupational exposure

Units/Categories Of Employees Identified To Be At High Risk Of Contracting HIV & Related Diseases (If Any)	Key Steps Taken To Reduce The Risk
None	N/A

Table 3.11.2 details of health promotion and HIV and 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.	Yes		The Chief Director: Corporate Services, Ms RV Jones is the designated member of the SMS for the implementation of the said provisions.
2. Does The Department Have A Dedicated Unit Or Has It Designated Specific Staff Members To Promote The Health And Well-Being Of Your Employees? If So, Indicate The Number Of Employees Who Are Involved In This Task And The Annual Budget That Is Available For This Purpose.	Yes		The Department has the Special Programme/Employee Health and Wellness unit dealing with the issues of HIV /AIDS and TB Management. Currently the Unit is understaffed with only 02 officials (1) Deputy Director and 1 Assistant Director and the available budget is used in both sub programmes Special Programmes and Employee Health and Wellness
3. Has The Department Introduced An Employee Assistance Or Health Promotion Programme For Your Employees? If So, Indicate The Key Elements/Services Of This Programme.	Yes		Yes, the Department has a Wellness Unit which addresses health and wellness matters in workplace according the following pillars: HIV/AIDS and TB Management, Health and Productivity Management, SHERQ and 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.	Yes		The Department established the OHS/COVID-19 / Employee Health and Wellness Committee comprising of the representatives from different Directorates in the Department The following are members : Ms RV Jones : Chief Director : Corporate Services, Ms NL Malupe (Special Programmes/EHWP), Mr IP Chiloane (Special Programmes/EHWP), Ms M Mandlazi : HRM and Compliance Officer , Mr MG Malatjie (Labour Relations) , Mr J Motha (House of Traditional Leadership) Mr KJ Mavuso (Programme 3 and Disaster Management Centre, Mr J Bernadie (Disaster Management Centre , Regional Thusong Service Centres and Regional Offices) , Ms AY Mbuyane (Riverside House Building and Thusong Centres) , Mr Mbethe (Salaries and Financial Administration) , Ms K Nkambule (Traditional Institutions Management) , Ms E Maluleka (Land Use Management), Mr Welcome Themba (Disability Sector) Ms RM Maputu (Security Management) , Ms P Tshabalala (Planning Directorate) , Ms L Msibi (Communications Directorate) , Mr D Matsheka (Risk and Compliance unit) Mr B Simelane (Supply Chain Management) , Mr H Singwane (PSA Union Representative) Ms S Mabona(NEHAWU Union Representative) and Mr K Manzini (Public Participation Directorate)
5. Has The Department Reviewed Its Employment Policies And Practices To Ensure That These Do Not Unfairly Discriminate Against Employees On The Basis Of Their HIV Status? If So, List The Employment Policies/Practices So Reviewed.	Yes		All the policies are reviewed annually and the employees are requested to make inputs during the policy review sessions. The HIV/AIDS and TB Management has been reviewed and approved in the 2022/ 23 financial year
6. Has The Department Introduced Measures To Protect HIV-Positive Employees Or Those Perceived To Be HIV-Positive From Discrimination? If So, List The Key Elements Of These Measures.	Yes		HIV /Aids and TB Management policy is in place. The Unit also arrange Workshops in HIV and AIDS wherein there is health screening. The stakeholders GEMS and Department of Health assists in this regard.
7. Does The Department Encourage Its Employees To Undergo Voluntary Counselling And Testing? If So, List The Results That You Have You Achieved.	Yes		Yes Voluntary Counselling and Testing is being provided to employees in all Districts. GEMS and Department of Health assists with the facilitation of screening services
8. Has The Department Developed Measures/Indicators To Monitor & Evaluate The Impact Of Its Health Promotion Programme? If So, List These Measures/Indicators.	Yes		The Unit uses the Questionnaire which is distributed to officials to complete after every workshop conducted. GEMS and Department of Health also provide the Department with the wellness report after every health screening conducted.

3.12 Labour Relations

Table 3.12.1 collective agreements for the period 1 April 2021 to 31 March 2022

Subject Matter	None

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 2021 to 31 March 2022

OUTCOMES OF DISCIPLINARY HEARINGS	Number	% of Total
Final Written Warning	01	33.33%
Written Warning	01	33.33%
Two months suspension without pay	01	33.33%
TOTAL	03	100%

Table 3.12.3 Types of Misconduct Addressed at Disciplinary Hearings for the Period 1 April 2021 to 31 March 2022

Type Of Misconduct	Number	% of Total
Soliciting Money from Members of the Public	01	33.33%
Failed to ensure that services of an official is terminated on the Persal System	02	66.66%
Total	02	100%

Table 3.12.4 Grievances Lodged for the Period 1 April 2021 to 31 March 2022

Grievances	Number	% of Total
Not Resolved	03	27.27%
Resolved	08	72.72%
TOTAL	11	100%

Table 3.12.5 Disputes Lodged With Councils for the Period 1 April 2021 to 31 March 2022

Disputes	Number	% of Total
Number Of Disputes Upheld	01	25%
Number Of Disputes Dismissed	03	75%
Total Number Of Disputes Lodged	04	100%

Table 3.12.6 Strike Actions for the Period 1 April 2021 to 31 March 2022

Total Number Of Persons Working Days Lost	None
Total Costs Working Days Lost	None
Amount Recovered As A Result Of No Work No Pay	None

Table 3.12.7 Precautionary Suspensions for the Period 1 April 2021 to 31 March 2022

Number Of People Suspended	01
Number Of People Who's Suspension Exceeded 30 Days	01
Average Number Of Days Suspended	53 Days
Cost Of Suspension	00

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 2021 to 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	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	3	0	18	7	25
	Male	9	0	18	7	25
Professionals	Female	24	0	18	7	25
	Male	25	0	18	7	25
Technicians and associate professionals	Female	80	0	18	7	25
	Male	67	0	18	7	25
Clerks	Female	267	0	35	9	44
	Male	220	0	35	9	44
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
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	22	0	0	0	0
	Male	1	0	0	0	0
Elementary occupations	Female	21	0	1	2	3
	Male	26	0	0	0	0
Sub Total	Female	396	0	90	32	122
	Male	348	0	89	30	119
Total		744	0	180	64	244

Table 3.13.2 Training Provided For The Period 1 April 2021 To 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	3	0	1	0	1
	Male	9	0	6	0	6
Professionals	Female	24	0	18	0	18
	Male	25	0	10	1	11
Technicians and associate professionals	Female	80	0	9	0	9
	Male	67	0	20	0	20
Clerks	Female	267	1	40	1	42
	Male	220	1	33	0	34
Service and sales workers	Female	0	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	22	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	21	0	0	1	1
	Male	26	0	0	0	0
Sub Total	Female	396	1	68	2	71
	Male	348	1	69	1	71
Total		744	2	137	3	142

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 2021 To 31 March 2022

Nature of Injury on Duty	Number	% of Total
Required Basic Medical Attention Only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

3.15 Utilisation of Consultants

The following tables relate 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 2021 to 31 March 2022

Project Title	Total Number of Consultants That Worked on Project	Duration (Work Days)	Contract Value In Rand
None	0	0	0
None	0	0	0

Total Number of Projects	Total Individual Consultants	Total Duration Work Days	Total Contract Value In Rand
None	0	0	0
None	0	0	0

Table 3.15.2 Analysis of Consultant Appointments using Appropriated Funds, In Terms of Historically Disadvantaged Individuals (Hdis) For The Period 1 April 2021 to 31 March 2022

Project Title	Percentage Ownership By HDI Groups	Percentage Management By HDI Groups	Number Of Consultants From HDI Groups That Work On The Project
None	0	0	0
None	0	0	0

Table 3.15.3 Report on Consultant Appointments using Donor Funds for the Period 1 April 2021 to 31 March 2022

Project Title	Total Number of Consultants that Worked on Project	Duration (Work Days)	Donor and Contract Value In Rand
None	0	0	0
None	0	0	0

Total Number Of Projects	Total Individual Consultants	Total Duration Work Days	Total Contract Value In Rand
None	0	0	0
None	0	0	0

Table 3.15.4 Analysis of Consultant Appointments using Donor Funds, in terms of Historically Disadvantaged Individuals (HDI) for the period 1 April 2021 to 31 March 2022

Project Title	Percentage Ownership By HDI Groups	Percentage Management By HDI Groups	Number of Consultants From HDI Groups That Work on The Project
None	0	0	0
None	0	0	0

3.16 Severance Packages

Table 3.16.1 Granting of Employee Initiated Severance Packages for the Period 1 April 2021 to 31 March 2022

Salary Band	Number Of Applications Received	Number Of Applications Referred To The MPESA	Number Of Applications Supported By MPESA	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

PART E: FINANCIAL INFORMATION

Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 4: Department of Co-operative Governance and Traditional Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Co-operative and Traditional Affairs set out on pages 94 to 132, which comprise the appropriation statement, statement of financial position as at 31 March 2022, 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 Co-operative Governance and Traditional Affairs as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 9 of 2021 (Dora).

Basis for opinion

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

Emphasis of matters

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

Irregular expenditure

7. As disclosed in note 21 to the financial statements, the department incurred irregular expenditure of R5,5 million due contravention of the supply chain management process for covid-19-related PPE.

Underspending of the budget

8. As disclosed in the appropriation statement, the department materially underspent the budget by R23,8 million on the development and planning programme due to the incomplete projects (culverts and small bridges) implemented to repair/replace storm damaged infrastructure and to inclement weather.

Responsibilities of the accounting officer for the financial statements

9. 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.
10. 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.

Auditor-general's responsibilities for the audit of the financial statements

11. 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.

12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report.

Report on the audit of the annual performance report

Introduction and scope

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

14. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department’s approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department’s annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 3: Development and Planning	32 – 40

16. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

17. I did not identify any material findings on the usefulness and reliability of the reported performance information for this selected programme:

- Programme 3: development and planning

Report on the audit of compliance with legislation

Introduction and scope

18. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

19. I did not identify material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

20. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
21. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.
22. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or our knowledge obtained during 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
24. I have nothing to report in this regard.

Internal control deficiencies

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

Other reports

26. I draw attention to the following engagements conducted by various parties that have or could potentially have an impact on the department's financial statements, reported performance information and compliance with applicable legislation and other related matters. The reports noted do not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation. The summarised other reports will be included in the auditor's report as follows:
27. The Special Investigation Unit investigated the procurement process of two selected contracts relating to covid-19 PPE. Investigations on one contract were still ongoing, while the investigation into the other contract was finalised and communicated to the accounting officer for action. The accounting officer instituted internal disciplinary processes on the implicated official and the matter is also undergoing criminal proceedings.

Auditor - General

Mbombela
29 July 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. 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 programme and on the department’s compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s 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 of Co-operative Governance and Traditional Affairs’ 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

3. 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.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

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

**FOR THE YEAR ENDED
31 MARCH 2022**

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

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(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Appropriation per programme									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	152 024	-	(11 410)	140 614	140 572	42	100.0%	127 235	127 198
2. Local Governance	213 246	-	(3 558)	209 688	209 686	2	100.0%	197 455	197 455
3..Development and Planning	309 958	-	16 882	326 840	303 037	23 803	92.7%	97 650	97 626
4. Traditional Institutional Management	110 886	-	(2 788)	108 098	107 277	821	99.2%	110 212	110 167
5.The House of Traditional Leaders	15 127	-	874	16 001	16 001	-	100.0%	17 536	17 535
TOTAL	801,241	-	-	801,241	776,573	24,668	96.9%	550 088	549 981

	2021/22		2020/21	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
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)	801 241		550 088	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		776 573		549 981

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	731 466	(1 677)	(14 418)	715 371	715 356	15	100.0%	521 780	521 721
Compensation of employees	407 814	98	(11 421)	396 491	396 488	3	100.0%	396 432	396 429
Goods and services	323 652	(1 775)	(2 997)	318 880	318 868	12	100.0%	125 348	125 292
Transfers and subsidies	21 262	-	-	21 262	20 444	818	96.2%	19 523	19 476
Provinces and municipalities	94	(43)	-	51	51	0	100.0%	56	52
Non-profit institutions	18,800	-	(1 059)	17 741	16,923	818	95.4%	17 226	17 183
Households	2 368	43	1 059	3,470	3,470	-	100.0%	2 241	2 241
Payments for capital assets	48 513	1 677	14 418	64 608	40 773	23 835	63.1%	8 745	8 744
Buildings and other fixed structures	42 252	1 677	16 058	59 987	36 187	23 800	60.3%	3 186	3 185
Machinery and equipment	6 261	-	(1 640)	4 621	4 586	35	99.2%	5 559	5 559
Payments for financial assets	-	-	-	-	-	-	-	40	40
Total	801 241	-	-	801 241	776 573	24 668	96.9%	550 088	549 981

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 1: ADMINISTRATION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	8 707	(108)	(542)	8 057	8 055	2	100.0%	10 061	10 060
2. Corporate Services	143 317	108	(10 868)	132 557	132 517	40	100.0%	117 174	117 138
Total for sub programmes	152 024	-	(11 410)	140 614	140 572	42	100.0%	127 235	127 198
Economic classification									
Current payments	143 301	-	(10 829)	132 472	132 465	7	100.0%	121 396	121 363
Compensation of employees	88 316	(1)	(10 554)	77 761	77 760	1	100.0%	79 761	79 761
Goods and services	54 985	1	(275)	54 711	54 705	6	100.0%	41 635	41 602
Transfers and subsidies	2 462	-	1 059	3 521	3 521	-	100.0%	2 297	2 293
Provinces and municipalities	94	(43)	-	51	51	-	100.0%	56	52
Households	2 368	43	1 059	3 470	3 470	-	100.0%	2 241	2 241
Payments for capital assets	6 261	-	(1 640)	4 621	4 586	35	99.2%	3 502	3 502
Machinery and equipment	6 261	-	(1 640)	4 621	4 586	35	99.2%	3 502	3 502
Payments for financial assets	-	-	-	-	-	-	-	40	40
Total	152 024	-	(11 410)	140 614	140 572	42	100.0%	127 235	127 198

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 2: LOCAL GOVERNANCE									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	2 079	(50)	(31)	1 998	1 998	-	100.0%	1 862	1 862
2. Municipal Administration	29 382	(1 191)	(1 299)	26 892	26 890	2	100.0%	25 132	25 132
3. Public Participation	172 918	1 090	(912)	173 096	173 096	-	100.0%	163 389	163 389
4. Capacity Development	4 785	87	(1 289)	3 583	3 583	-	100.0%	3 155	3 155
5. Municipal Performance Monitoring Evaluation	4 082	64	(27)	4 119	4 119	-	100.0%	3 917	3 917
Total for sub programmes	213 246	-	(3 558)	209 688	209 686	2	100.0%	197 455	197 455
Economic classification									
Current payments	213 246	-	(3 558)	209 688	209 686	2	100.0%	197 455	197 455
Compensation of employees	184 710	881	(9)	185 582	185 582	-	100.0%	179 191	179 191
Goods and services	28 536	(881)	(3 549)	24 106	24 104	2	100.0%	18 264	18 264
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	213 246	-	(3 558)	209 688	209 686	2	100.0%	197 455	197 455

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 3: DEVELOPMENT AND PLANNING									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	682	(224)	(182)	276	276	-	100.0%	1 790	1 790
2. Spatial Planning	5 581	(1 073)	-	4 508	4 508	-	100.0%	4 468	4 468
3. Land Use Management	14 285	(961)	(188)	13 136	13 136	-	100.0%	12 455	12 455
4. Integrated Development and Plan (IDP)	2 900	(107)	(75)	2 718	2 716	2	99.9%	2 485	2 485
5. Local Economic Development	6 208	1 149	(66)	7 291	7291	-	100.0%	7 614	7 613
6. Municipal Infrastructure	4 339	204	(45)	4 498	4 497	1	100.0%	7 458	7 457
7. Disaster Management	275 963	1 012	17 438	294 413	270 613	23 800	91.9%	61 380	61 358
Total for sub programmes	309 958	-	16 882	326 840	303 037	23 803	92.7%	97 650	97 626
Economic classification									
Current payments	269 958	(1 677)	(556)	267 725	267 721	4	100.0%	97 650	97626
Compensation of employees	33 403	-	(511)	32 892	32 890	2	100.0%	35 483	35 481
Goods and services	236 555	(1 677)	(45)	234 833	234 831	2	100.0%	62 167	62 145
Payments for capital assets	40 000	1 677	17 438	59 115	35 316	23 799	59.7%	-	-
Buildings and other fixed structures	40 000	1 677	17 438	59 115	35 316	23 799	59.7%	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Total	309 958	-	16 882	326 840	303 037	23 803	92.7%	97 650	97 626

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 4: TRADITIONAL INSTITUTIONAL MANAGEMENT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office Support	1 596	593	74	2 263	2 263	-	100.0%	1 720	1 720
2. Traditional Institutional Administration	14 984	114	(314)	14 784	14 782	2	100.0%	13 971	13 971
3. Traditional Resource Administration	83 918	(307)	(1 073)	82 538	81 723	815	99.0%	83 153	83 112
4. Rural Development Facilitation	7 484	(234)	(1 440)	5 810	5 807	3	99.9%	8 090	8 087
5. Traditional Land Administration	2 904	(166)	(35)	2 703	2 702	1	100.0%	3 278	3 277
Total for sub programmes	110 886	-	(2 788)	108 098	107 277	821	99.2%	110 212	110 167
Economic classification									
Current payments	89 834	-	(349)	89 485	89 483	2	100.0%	88 211	88 210
Compensation of employees	87 922	(782)	(461)	86 679	86 679	-	100.0%	86 315	86 314
Goods and services	1 912	782	112	2 806	2 804	2	99.9%	1 896	1 896
Transfers and subsidies	18 800	-	(1 059)	17 741	16 923	818	95.4%	17 226	17 183
Non-profit institutions	18 800	-	(1 059)	17 741	16 923	818	95.4%	17 226	17 183
Payments for capital assets	2 252	-	(1 380)	872	871	1	99.9%	4 775	4 774
Buildings and other fixed structures	2 252	-	(1 380)	872	871	1	99.9%	3 186	3 185
Machinery and equipment	-	-	-	-	-	-	-	1 589	1 589
Total	110 886	-	(2 788)	108 098	107 277	821	99.2%	110 212	110 167

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 5: THE HOUSE OF TRADITIONAL LEADERS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Admin House of Traditional Leaders	6 025	(62)	(383)	5 580	5 580	-	100.0%	5 793	5 793
2. Committees and Local Houses	9 102	62	1 257	10 421	10 421	-	100.0%	11 743	11 742
Total for sub programmes	15 127	-	874	16 001	16 001	-	100.0%	17 536	17 535
Economic classification									
Current payments	15 127	-	874	16 001	16 001	-	100.0%	17 068	17 067
Compensation of employees	13 463	-	114	13 577	13 577	-	100.0%	15 682	15 682
Goods and services	1 664	-	760	2 424	2 424	-	100.0%	1 386	1 386
Payments for capital assets	-	-	-	-	-	-	-	468	468
Machinery and equipment	-	-	-	-	-	-	-	468	468
Total	15 127	-	874	16 001	16 001	-	100.0%	17 536	17 535

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2022

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
1.	Administration	140 614	140 572	42	0%
Immaterial variance. Savings will be surrender to the Provincial Revenue Fund					
2.	Local Governance	209 688	209 686	2	0%
Immaterial variance. Savings will be surrender to the Provincial Revenue Fund					
3.	Development and Planning	326 840	303 037	23 803	7%
The under expenditure is due to the incomplete projects (culverts and small bridges) implemented to repair/replace storm damaged infrastructure, the projects were delayed due to inclement weather.					
4.	Traditional Institutional Management	108 098	107 277	821	1%
The under expenditure is due to the withholding of operational grants due to non-compliance to financial management prescripts by some of the Traditional councils in the Province.					
5.	The House of Traditional Leaders	16 001	16 001	-	0%
No variance.					

4.2	Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	R'000
	Current payments	715 371	715 356	15	
	Compensation of employees	396 491	396 488	3	0%
	Goods and services	318 880	318 868	12	0%
	Transfers and subsidies	21 262	20 444	818	
	Provinces and municipalities	51	51	-	0%
	Non-profit institutions	17 741	16 923	818	5%
	Households	3 470	3 470	-	0%
	Payments for capital assets	64 608	40 773	23 835	
	Buildings and other fixed structures	59 987	36 187	23 800	40%
	Machinery and equipment	4 621	4 586	35	1%
	Payments for financial assets	-	-	-	-

The under expenditure is due to the incomplete projects (culverts and small bridges) implemented to repair/replace storm damaged infrastructure and due to the withholding of operational grants due to non-compliance to financial management prescripts by some of the Traditional councils in the Province.

4.3	Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
		R'000	R'000	R'000	R'000
	EPWP Grant	2 257	2 257	-	0%

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF FINANCIAL PERFORMANCE

as at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	801 241	550 088
TOTAL REVENUE		801 241	550 088
EXPENDITURE			
Current expenditure			
Compensation of employees	3	396 488	396 429
Goods and services	4	318 868	125 292
Total current expenditure		715 356	521 721
Transfers and subsidies			
Transfers and subsidies	6	20 444	19 476
Total transfers and subsidies		20 444	19 476
Expenditure for capital assets			
Tangible assets	7	40 772	8 744
Total expenditure for capital assets		40 772	8 744
Unauthorised expenditure approved without funding	-	-	-
Payments for financial assets	5	-	40
TOTAL EXPENDITURE		776 573	549 981
SURPLUS/(DEFICIT) FOR THE YEAR		24 668	107
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		24 668	107
Annual appropriation		24 668	107
Departmental revenue and NRF Receipts		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		24 668	107

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF FINANCIAL POSITION

as at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		26 363	698
Cash and cash equivalents	<u>8</u>	26 328	204
Receivables	<u>9</u>	35	494
Non-current assets			
Receivables	<u>9</u>	-	-
TOTAL ASSETS		26 363	698
LIABILITIES			
Current liabilities		26 363	678
Voted funds to be surrendered to the Revenue Fund	<u>10</u>	24 668	107
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>11</u>	837	344
Payables	<u>12</u>	858	227
Non-current liabilities			
Payables	<u>12</u>	-	-
TOTAL LIABILITIES		26 363	678
NET ASSETS		-	20
Represented by:			
Recoverable revenue		-	20
TOTAL		-	20

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
Recoverable revenue			
Opening balance		20	176
Transfers:		(20)	(156)
Debts revised			-
Debts recovered (included in departmental receipts)		(20)	(156)
Debts raised			-
Closing balance		-	20
TOTAL		-	20

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

CASH FLOW STATEMENT

for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		803 071	550 970
Annual appropriated funds received	<u>1.1</u>	801 241	550 088
Departmental revenue received	<u>2</u>	442	651
Interest received	<u>2.3</u>	1 388	231
Net (increase)/decrease in working capital		1 090	(715)
Surrendered to Revenue Fund		(2 004)	(1 723)
Current payments		(715 357)	(521 721)
Payments for financial assets		-	(40)
Transfers and subsidies paid		(20 444)	(19 476)
Net cash flow available from operating activities	<u>13</u>	<u>66 356</u>	<u>7 295</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>7</u>	(40 772)	(8 744)
Proceeds from sale of capital assets	<u>2.4</u>	560	436
Net cash flows from investing activities		<u>(40 212)</u>	<u>(8 308)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(20)	(156)
Net cash flows from financing activities		<u>(20)</u>	<u>(156)</u>
Net increase/(decrease) in cash and cash equivalents		26 124	(1 169)
Cash and cash equivalents at beginning of period		204	1 373
Cash and cash equivalents at end of period	<u>14</u>	<u>26 328</u>	<u>204</u>

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

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

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

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.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost 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: <ul style="list-style-type: none">• cost, being the fair value of the asset; or• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

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

(MP: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS)

VOTE 04

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

16.3	Intangible assets <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	Project Costs: Work-in-progress <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	Provisions and Contingents
17.1	Provisions <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	Contingent liabilities <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	Contingent assets <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	Capital commitments <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
18	Unauthorised expenditure <p>Unauthorised expenditure is recognised in the statement of financial position 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 is measured at the amount of the confirmed unauthorised expenditure.</p>
19	Fruitless and wasteful expenditure <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>

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20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting estimates and errors</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>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Departures from the MCS requirements</p> <p><i>[Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]</i></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 number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
28	<p>Inventories (Effective from date determined in a Treasury Instruction)</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	Public-Private Partnerships Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.
31	Transfer of functions Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32	Mergers Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

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for the year ended 31 March 2022

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:

	2021/22			2020/21		
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation received R'000	Funds not requested / not received R'000
1. Administration	140 614	140 614	-	127 235	127 235	-
2. Local Governance	209 688	209 688	-	197 455	197 455	-
3. Development and Planning	326 840	326 840	-	97 650	97 650	-
4. Traditional Institutional Management	108 098	108 098	-	110 212	110 212	-
5. The House of Traditional Leaders	16 001	16 001	-	17 536	17 536	-
Total	801 241	801 241	-	550 088	550 088	-

1.2 Conditional grants

	Note	2021/22	2020/21
		R'000	R'000
Total grants received	30	<u>2 257</u>	<u>2 140</u>

2. Departmental revenue

	Note	2021/22	2020/21
		R'000	R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	396	406
Interest, dividends and rent on land	2.2	1 388	231
Sales of capital assets	2.3	560	436
Transactions in financial assets and liabilities	2.4	<u>46</u>	<u>245</u>
Total revenue collected		2 390	1 318
Less: Own revenue included in appropriation	11	<u>(2 390)</u>	<u>(1 318)</u>
Departmental revenue collected		<u>-</u>	<u>-</u>

2.1 Sales of goods and services other than capital assets

	Note	2021/22	2020/21
		R'000	R'000
Sales of goods and services produced by the department	2	<u>396</u>	<u>406</u>
Sales by market establishment		81	97
Administrative fees		-	-
Other sales		315	309
Sales of scrap, waste and other used current goods		-	-
Total		396	406

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for the year ended 31 March 2022

2.2 Interest, dividends and rent on land

	Note	2021/22	2020/21
	2	R'000	R'000
Interest		1 388	231
Total		1 388	231

2.3 Sale of capital assets

	Note	2021/22	2020/21
	2	R'000	R'000
Tangible assets			
Machinery and equipment		560	436
Total		560	436

- The overall total excludes **R 0.340 million** received for capital sales (vehicle) which was transferred to MP Dept. Human Settlements during the 2018-19 financial year.

2.4 Transactions in financial assets and liabilities

	Note	2021/22	2020/21
	2	R'000	R'000
Receivables		46	210
Other Receipts including Recoverable Revenue		-	35
Total		46	245

3. Compensation of employees

3.1 Salaries and Wages

	Note	2021/22	2020/21
		R'000	R'000
Basic salary		227 956	238 711
Performance award		1 967	3 220
Service Based		254	258
Compensative/circumstantial		9 168	5 778
Other non-pensionable allowances		105 999	96 910
Total		345 344	344 877

- Other non-pensionable allowances consist of expenditure for housing allowance and service bonuses.

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for the year ended 31 March 2022

3.2 Social contributions

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Employer contributions			
Pension		28 786	29 988
Medical		21 330	21 454
UIF		34	34
Bargaining council		76	76
Insurance		918	-
Total		51 144	51 552
Total compensation of employees		396 488	396 429
Average number of employees		702	744

- Included in the average number of employees of 702 is 675 permanent employees, 3 contracted officials and 24 public office bearers.
- The average number of employees of 702 excludes traditional headmen/women

4. Goods and services

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Administrative fees		213	80
Advertising		1 392	645
Minor assets	4.1	345	-
Catering		685	2 903
Communication		9 213	5 993
Computer services	4.2	457	763
Consultants: Business and advisory services	4.9	31 374	18 003
Infrastructure and planning services		1 620	-
Legal services		2 568	1 117
Contractors		148 587	195
Agency and support / outsourced services		3 347	3 778
Audit cost – external	4.3	4 573	3 252
Fleet services		3 518	2 443
Inventory	4.4	62 757	47 746
Consumables	4.5	8 294	9 513
Operating leases		16 109	14 115
Property payments	4.6	11 769	8 383
Travel and subsistence	4.7	10 069	5 345
Venues and facilities		9	15
Training and development		1 273	55
Other operating expenditure	4.8	696	948
Total		318 869	125 292

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for the year ended 31 March 2022

4.1 Minor assets

	Note 4	2021/22 R'000	2020/21 R'000
Tangible assets			
Machinery and equipment		345	-
Total		345	-

4.2 Computer services

	Note 4	2021/22 R'000	2020/21 R'000
SITA computer services		457	763
Total		457	763

4.3 Audit cost – External

	Note 4	2021/22 R'000	2020/21 R'000
Regularity audits		4 573	3 252
Total		4 573	3 252

4.4 Inventory

	Note 4	2021/22 R'000	2020/21 R'000
Clothing material and accessories		299	252
Fuel, oil and gas		139	-
Materials and supplies		62 319	44 841
Medical supplies		-	2 653
Total		62 757	47 746

4.5 Consumables

	Note 4	2021/22 R'000	2020/21 R'000
Consumable supplies		5 480	6 917
Uniform and clothing		25	-
Household supplies		725	6 612
Building material and supplies		4 750	265
IT consumables		5	40
Stationery, printing and office supplies		2 814	2 596
Total		8 294	9 513

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for the year ended 31 March 2022

4.6 Property payments

	Note	2021/22	2020/21
	4	R'000	R'000
Municipal services		8 895	3 509
Property maintenance and repairs		2 576	4 852
Other		298	22
Total		11 769	8 383

4.7 Travel and subsistence

	Note	2021/22	2020/21
	4	R'000	R'000
Local		10 069	5 345
Total		10 069	5 345

4.8 Other operating expenditure

	Note	2021/22	2020/21
	4	R'000	R'000
Professional bodies, membership and subscription fees		81	29
Resettlement costs		37	-
Other		578	919
Total		696	948

- Other operating expenditure includes courier & delivery services, non-life insurance premium and Printing & Publications services.

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

		2021/22	2020/21
		R'000	R'000
Name of Commission / Committee	No. of members		
Risk Management Committee	2	28	-
Total		28	-

5. Payments for financial assets

	Note	2021/22	2020/21
		R'000	R'000
Debts written off	5.1	-	40
Total		-	40

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for the year ended 31 March 2022

5.1 Debts written off

	Note	2021/22	2020/21
	5	R'000	R'000
Nature of debts written off			
Headmen / Woman		-	21
Ex-employees		-	19
Total debt written off		-	40

6. Transfers and subsidies

	Note	2021/22	2020/21
		R'000	R'000
Provinces and municipalities	31	51	52
Non-profit institutions	Annexure 1	16 923	17 183
Households	Annexure 2	3 470	2 241
Total		20 444	19 476

7. Expenditure for capital assets

	Note	2021/22	2020/21
		R'000	R'000
Tangible assets		40 772	8 744
Buildings and other fixed structures	28	36 186	3 185
Machinery and equipment	26	4 586	5 559
Total		40 772	8 744

7.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	40 772	-	40 772
Buildings and other fixed structures	36 186	-	36 186
Machinery and equipment	4 586	-	4 586
Total	40 772	-	40 772

7.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	8 744	-	8 744
Buildings and other fixed structures	3 185	-	3 185
Machinery and equipment	5 559	-	5 559
Total	8 744	-	8 744

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for the year ended 31 March 2022

8. Cash and cash equivalents

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		34 133	7 196
Disbursements		(7 805)	(6 992)
Total		26 328	204

9. Receivables

		Current R'000	2021/22 Non- current R'000	Total R'000	Current R'000	2020/21 Non- current R'000	Total R'000
Claims recoverable	<i>note</i> 9.1	-	-	-	416	-	416
Recoverable expenditure	9.3	-	-	-	17	-	17
Staff debt	9.4	33	-	33	59	-	59
Other receivables	9.5	2	-	2	2	-	2
Total		35	-	35	494	-	494

9.1 Claims recoverable

	Note	2021/22 R'000	2020/21 R'000
National departments	9	-	416
Total		-	416

9.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22 R'000	2020/21 R'000
Employees	9	-	17
Total		-	17

9.3 Staff debt

	Note	2021/22 R'000	2020/21 R'000
Staff Debts		9	-
Ex-employees	9	24	59
Total		33	59

9.4 Other receivables

	Note	2021/22 R'000	2020/21 R'000
Parmed Medical Scheme	9	2	2
Total		2	2

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9.5 Fruitless and wasteful expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		-	1
Less amounts recovered		(1)	-
Less amounts written off		-	-
Transfers from note 22 Fruitless and Wasteful Expenditure		1	(1)
Total		-	-

10. Voted funds to be surrendered to the Revenue Fund

	Note	2021/22 R'000	2020/21 R'000
Opening balance		107	549
Prior period error		-	-
As restated		107	549
Transfer from statement of financial performance (as restated)		24 668	107
Paid during the year		(107)	(549)
Closing balance		24 668	107

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

	Note	2021/22 R'000	2020/21 R'000
Opening balance		344	200
Prior period error		-	-
As restated		344	200
Transfer from Statement of Financial Performance (as restated)		-	-
Own revenue included in appropriation		2 390	1 318
Paid during the year		(1 897)	(1 174)
Closing balance		837	344

12. Payables – current

	Note	2021/22 R'000	2020/21 R'000
Amount owing to Provincial Department		340	-
Clearing accounts	12.1	488	227
Other payables	12.2	30	-
Total		858	227

- The **R 0.340 million** relates to cash received for sale of a motor vehicle through auction owned by MP Department of Human Settlement.

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12.1 Clearing accounts

Description	Note 12	2021/22 R'000	2020/21 R'000
Sal ACB Account		6	21
Disallowance Miscellaneous		49	8
Sal Income Tax		211	156
Sal GEHS Refund		207	20
Sal Pension Fund		15	21
Sal Bargaining		-	1
Total		488	227

12.2 Other payables

Description	Note 12	2021/22 R'000	2020/21 R'000
Ex-employees		30	-
Total		30	-

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

13. Net cash flow available from operating activities

	Note	2021/22 R'000	2020/21 R'000
Net surplus/(deficit) as per Statement of Financial Performance		24 668	107
Add back non cash/cash movements not deemed operating activities		41 688	7 188
(Increase)/decrease in receivables		459	3 023
Increase/(decrease) in payables – current		631	(3 738)
Proceeds from sale of capital assets		(560)	(436)
Expenditure on capital assets		40 772	8 744
Surrenders to Revenue Fund		(2 004)	(1 723)
Own revenue included in appropriation		2 390	1 318
Net cash flow generated by operating activities		66 356	7 295

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

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General account		34 133	7 196
Disbursements		(7 805)	(6 992)
Total		26 328	204

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15. Contingent liabilities and contingent assets

15.1 Contingent liabilities

	Note	2021/22 R'000	2020/21 R'000
Liable to			
Nature			
Claims against the department	Annex 5	41 208	41 208
Intergovernmental payables (unconfirmed balances)	Annex 7	6 568	5 419
Total		47 776	46 627

- The Department is not aware of any information that will determine the outcome of the matters above in favour or against the Department.
- Intergovernmental balance includes an amount of **R 1.149 million** claim received from the GEPP.

15.2 Contingent assets

	Note	2021/22 R'000	2020/21 R'000
Nature of contingent asset			
Counter claim(Stemashan Sphephelo v/s MEC HOD) The Department & Mr FV vs Venter HJ		13 249	13 249
		87	87
Total		13 336	13 336

16. Capital commitments

	Note	2021/22 R'000	2020/21 R'000
Buildings and other fixed structures		6 866	-
Machinery and equipment		490	-
Total		7 356	-

- The amount of **R6.866 million** excludes the retention amount of **R3.457 million** disclosed separately under provisions note 25.

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17. Accruals and payables not recognised

17.1 Accruals

Listed by economic classification	2021/22			2020/21
	R'000			R'000
	30 Days	30+ Days	Total	Total
Goods and services	3 496	3 720	7 216	2 458
Other	6	20	26	56
Total	3 502	3 740	7 242	2 514

Listed by programme level	Note	2021/22	2020/21
		R'000	R'000
Administration		3 270	2 287
Local Governance		2 018	112
Development and Planning		1 900	29
Traditional Institutional Management		34	15
The House of Traditional Leaders		20	71
Total		7 242	2 514

17.2 Payables not recognised

Listed by economic classification	2021/22			2020/21
	R'000			R'000
	30 Days	30+ Days	Total	Total
Goods and services	4 794	47	4 841	6 673
Transfers and subsidies	5	-	5	
Other	23	-	23	51
Total	4 822	47	4 869	6 724

Listed by programme level	Note	2021/22	2020/21
		R'000	R'000
Administration		497	1 885
Local Governance		342	106
Development and Planning		4 013	4 711
Traditional Institutional Management		10	22
The House of Traditional Leaders		7	-
Total		4 869	6 724

Included in the above totals are the following:	Note	2021/22	2020/21
		R'000	R'000
Confirmed balances with other departments	Annex 7	222	1 196
Confirmed balances with other government entities		-	-
Total		222	1 196

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for the year ended 31 March 2022

18. Employee benefits

	Note	2021/22 R'000	2020/21 R'000
Leave entitlement		29 146	33 723
Service bonus		10 028	10 099
Performance awards		-	2 039
Capped leave		9 901	11 262
Other		214	254
Total		49 289	57 377

- At this stage, the department is not able to reliably measure the long-term portion of the long service awards.
- The provision for the 2021/22 financial year performance awards is based on the 0.0% limit of the COE budget for 2022/23 as directed by the DPSA.

19. Lease commitments

19.1 Operating leases

2021/22	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	15 144	1 267	16 411
Later than 1 year and not later than 5 years	-	-	18 755	1 101	19 856
Total lease commitments	-	-	33 899	2 368	36 267

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	14 287	1 152	15 439
Later than 1 year and not later than 5 years	-	-	33 899	1 801	35 700
Total lease commitments	-	-	48 186	2 953	51 139

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

20. Accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services other than capital assets		-	-
Sales of capital assets		-	-
Total		-	-

20.1 Analysis of accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Opening balance		-	40
Less: amounts received		-	(40)
Closing balance		-	-

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21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		-	10 667
Prior period error		-	-
As restated		-	10 667
Add: Irregular expenditure – relating to prior year		5 591	-
Less: Current year amounts condoned		-	(10 667)
Closing balance		-	-
Total		-	-

Analysis of closing balance

Current year	-	-
Prior years	5 591	-
Total	5 591	-

21.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Procurement of COVID-19 related PPE	The official as identified in the SIU Report was issued with a final written warning and the matter is under criminal proceedings.	5 591
Total		5 591

22. Fruitless and wasteful expenditure

22.1 Reconciliation of fruitless and wasteful expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		-	7
Prior period error		-	-
As restated		-	7
Fruitless and wasteful expenditure – relating to current year		3	-
Less: Amounts recoverable	9.5	(1)	(3)
Less: Amounts written off		(2)	(4)
Closing balance		-	-

22.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
No show	Transferred for recovery	1
No show	Condoned	2
Total		3

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22.3 Details of fruitless and wasteful expenditure recoverable

Incident	2021/22 R'000
No Show charge on accommodation	1
Total	1

22.4 Details of fruitless and wasteful expenditure written off

Incident	2021/22 R'000
No Show charge on accommodation	2
Total	2

22.5 Details of fruitless and wasteful expenditure under investigation (not in the main note)

Incident	2021/22 R'000
EPWP stipend over payment	2
Total	2

23. Related party transactions

In kind goods and services provided/received

List in kind goods and services between the department and the related party

List related party relationships and the nature thereof

- 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 MP 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 Interns from CETA free of charge
- Received Security Services from DSSCL
- Received Interns from LGSETA free of charge
- Received Engineers from DBSA the department is only liable for S&T

24. Key management personnel

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers (provide detail below)	1	1 941	2 012
Officials:			
Level 15 to 16	1	1 733	1 724
Level 14 (Incl .CFO if at a lower level)	6	8 102	8 015
PA to the MEC	1	1 371	2 204
Family members of key management personnel	1	464	413
Total		13 611	14 368

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for the year ended 31 March 2022

25. Provisions

	Note	2021/22 R'000	2020/21 R'000
Retention		3 457	-
Total		3 457	-

25.1 Reconciliation of movement in provisions – 2021/22

	Retention on Infrastructure projects R'000	Total provisions R'000
Retention for Capital WIP	3 457	3 457
Closing balance	3 457	3 457

26. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	46 997	-	5 253	(3 756)	48 494
Transport assets	20 612		2 232	(1 843)	21 001
Computer equipment	13 548		2 345	(1 096)	14 797
Furniture and office equipment	7 000		609	(817)	6 792
Other machinery and equipment	5 837		67	-	5 904
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	46 997		5 253	(3 756)	48 494

- Included in the amount of **R2.345 million** for computer equipment are assets received during 2021/22 financial year and will be paid in 2022/23 financial year amounting to **R0.737million**.
- Excluded in the amount of **R2.345 million** for computer equipment are assets paid during 2021/22 financial year but received in 2020/21 financial year amounting to **R0.069 million**.
- Disposals includes a vehicle, which was hijacked and has subsequently written off due to no prospect of recovery **R0.426 million**.

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	18	234

- Stolen assets amounting to **R 0.222 million**, are under investigations not yet concluded by the Theft and Loss Committee and **R 0.012 million** relates to assets still to be verified.

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for the year ended 31 March 2022

26.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	73 265	-	5 628	(31 896)	46 997
Transport assets	48 500	-	2 971	(30 859)	20 612
Computer equipment	11 839	-	2 657	(948)	13 548
Furniture and office equipment	7 025	-	-	(25)	7 000
Other machinery and equipment	5 901	-	-	(64)	5 837
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	73 265	-	5 628	(31 896)	46 997

26.2 Minor assets

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	5	-	10 292	-	10 297
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	342	-	342
Disposals	-	-	-	(1 490)	-	(1 490)
TOTAL MINOR ASSETS	-	5	-	9 144	-	9 149

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	2	-	5 374	-	5 376
TOTAL NUMBER OF MINOR ASSETS	-	2	-	5 374	-	5 376

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	3	11

- Stolen assets amounting to R 0.011 million, under investigation not yet concluded by the Theft and Loss Committee.

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	5	-	11 504	-	11 509
Additions	-	-	-	3	-	3
Disposals	-	-	-	(1 215)	-	(1 215)
TOTAL MINOR ASSETS	-	5	-	10 292	-	10 297

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	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	-	7 219	-	7 221
TOTAL NUMBER OF MINOR ASSETS	-	2	-	7 219	-	7 221

26.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	426	-	426
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	426	-	426

The total is linked to a vehicle, which was hijacked and was subsequently written off due to no prospects of recovery (R0.426 million).

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

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

27. Intangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	7 000	-	-	7 000
TOTAL INTANGIBLE CAPITAL ASSETS	7 000	-	-	7 000

27.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

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

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

28. Immovable Tangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	276	31 719	-	31 995
Other fixed structures	276	31 719	-	31 995
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	276	31 719	-	31 995

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:		
Buildings and other fixed structures	-	-

28.1 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	276	-	3 185	(3 185)	276
Other fixed structures	276	-	3 185	(3 185)	276
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	276	-	3 185	(3 185)	276

28.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Opening balance 1 April 2021 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2022 R'000
Buildings and other fixed structures	-	36 186	(31 719)	4 467
Machinery and equipment				
TOTAL	-	36 186	(31 719)	4 467

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

29. Prior period errors

29.1 Correction of prior period errors

	Note	Amount before error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2021/22 R'000
Sale by market establishment	2.1	406	(309)	97
Other sales	2.1	-	309	309
Long services awards	5	-	254	254
Receivables – Staff debts	9.3	59	(59)	-
Receivables – Ex-employees	9.3	-	59	59
Net effect		465	254	719

30. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2020/21	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overs pending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP	2 257	-	-	-	2 257	2 257	2 257	-	100%	2 140	2 140
TOTAL	2 257	-	-	-	2 257	2 257	2 257	-	100%	2 140	2 140

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

31. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22							2020/21		
	GRANT ALLOCATION				TRANSFER			Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	%			
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
City of Mbombela Municipality	94	-	(43)	51	51	-	-	56	52	
TOTAL	94	-	(43)	51	51	-	-	56	52	

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

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

32. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

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

33. COVID 19 Response Expenditure

	<i>Note</i>	2021/22	2020/21
	<i>Annexure 10</i>	R'000	R'000
Compensation of employees			
Goods and services		189	6 420
Total		<u>189</u>	<u>6 420</u>

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UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

ANNEXURE 1

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
NON-PROFIT INSTITUTIONS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Traditional Councils	18 800	-	(1 059)	17 741	16 923	95%	17 226
TOTAL	18 800	-	(1 059)	17 741	16 923	95%	17 226

ANNEXURE 2

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave Gratuity	2 368	-	1 102	3 470	3 470	100%	2 241
TOTAL	2 368	-	1 102	3 470	3 470	100%	2 241

ANNEXURE 3

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2021/22	2020/21
		R'000	R'000
Received in cash			
LGSETA	Fire Project	107	-
TOTAL		107	-

ANNEXURE 4

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	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	70	354	425	280	282	281	274	287	(1)	5	1	(1)	2 257
TOTAL	70	354	425	280	282	281	274	287	(1)	5	1	(1)	2 257

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UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

ANNEXURE 5

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

Nature of Liability	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
1. STEMASHAN SPHEPELO VS MEC & HOD	24 708	-	-	-	24 708
2. SN THWALA (NNO&3 OTHERS VS MEC & MBOMBELA MAYOR	900	-	-	-	900
3. MANTALANE CONSTRUCTION CC VS RAND WATER & DEP COGTA	15 000	-	-	-	15 000
4. JL CHILLI VS THE MEC	600	-	-	-	600
TOTAL	41 208	-	-	-	41 208

ANNEXURE 3B (continued)

Nature of Liabilities recoverable	Opening Balance 1 April 2021	Details of Liability and Recoverability	Movement during year	Closing Balance 31 March 2022
	R'000		R'000	R'000
	-		-	-
TOTAL	-		-	-

ANNEXURE 6

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	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: DPWRT			553	553	553	553	-	-
National School of Governance	-	416	-	-	-	416	-	-
TOTAL		416	553	553	553	969		

* 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.

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UNAUDITED - ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

ANNEXURE 7
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
1. MP PWRT	119	90	-	-	119	90	-	-
2. Department of Justice	73	1 106	-	-	73	1 106	-	-
3. SAPS	17	-	-	-	17	-	-	-
4. Department of Community Safety, Security and Liaison	13	-	-	-	13	-	-	-
TOTAL	222	1 196	-	-	222	1 196	-	-
OTHER GOVERNMENT ENTITY								
Current								
1. Rand Water	-	-	5 419	5 419	5 419	5 419	-	-
2. Government Employees Pension Fund (GEPF)	-	-	1 149	-	1 149	-	-	-
TOTAL INTERGOVERNMENT PAYABLES	222	1 196	6 568	5 419	6 790	6 615	-	-

ANNEXURE 8
INVENTORIES

Inventories for the year ended 31 March 2022

	Other inventory	Tarpaulins inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	5 944	24 532	-	-	30 476
Add/(Less): Adjustments to prior year balances					
Add: Additions/Purchases – Cash	23 072	38 293	-	-	61 365
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(14 455)	(37 647)	-	-	(52 102)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	14 561	25 178	-	-	39 739

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for the year ended 31 March 2022

Inventories for the year ended 31 March 2021

	Other inventory	Tarpaulins inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	6 101	18 831	-	-	24 932
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	12 637	32 456	-	-	45 093
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(15 087)	(29 167)	-	-	(44 254)
Add/(Less): Received current, not paid (Paid current year, received prior year)	2 293	2 412	-	-	4 705
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	5 944	24 532	-	-	30 476

The amount of Purchases on Tarpaulins was incorrectly disclosed as R 34.456 million in the prior year financial statements and is updated to reflect the correct R 32.456 million.

ANNEXURE 9

MOVEMENT IN CAPITAL WORK IN PROGRESS

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

Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000

MACHINERY AND EQUIPMENT

BUILDINGS AND OTHER FIXED STRUCTURES

	36 186	(31 719)	4 467	
Dwellings				
Non-residential buildings				
Other fixed structures	-	36 186	(31 719)	4 467
TOTAL	-	36 186	(31 719)	4 467

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000	R'000

BUILDINGS AND OTHER FIXED STRUCTURES

	-	-	-	-
Dwellings				
Non-residential buildings				
Other fixed structures	-	-	-	-
TOTAL	-	-	-	-

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for the year ended 31 March 2022

ANNEXURE 10

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees						
Goods and services	7	158	-	24	189	6 420
<i>List all applicable SCOA level 4 items</i>						
<i>Cons Hous Sup:Wash/Clean Dete</i>	-	-	-	24	24	5 591
<i>Cons Supp :Medical Supplies</i>		1	-	-	1	801
<i>P/P:Pest Cntrl/Fumigation Ser</i>	7	157	-	-	164	28
TOTAL COVID 19 RESPONSE EXPENDITURE	7	158	-	24	189	6 420

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