



**Western Cape
Government**

Local Government



Annual Report 2014 – 2015
Department of Local Government

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PART A



Contact Details

Western Cape Government: Department of Local Government

Private Bag x9076

80 St. George's Mall
Waldorf Building
Cape Town
8000

Tel: 021 483 8986
Fax: 021 483 0632

Albert.Dlwengu@westerncape.gov.za
<http://www.westerncape.gov.za>

List of Abbreviations

AGSA:	Auditor-General of South Africa
AO:	Accounting Officer
APP:	Annual Performance Plan
BAS:	Basic Accounting System
BEPP:	Build Environment Performance Plan
BMI:	Body Mass Index
CBW:	Capacity Building Workshops
CDW:	Community Development Worker
CEO:	Chief Executive Officer
COGTA:	Department of Co-operative Governance and Traditional Affairs
CSC:	Corporate Service Centre
CWP:	Community Worker Programme
D:ERM:	Directorate: Enterprise Risk Management
DCF:	District Coordinating Forum
DCFTECH:	District Coordinating Forum Technical Committee
DEADP:	Department of Environmental Affairs and Development Planning
DM:	District Municipality
DORA:	Division of Revenue Act
DPSA:	Department of Public Service and Administration
EAP:	Employee Assistance Programme
EE:	Employment Equity
EH:	Employee Health
EHP:	Emergency Housing Programme
EHWP:	Employee Health and Wellness Programme
EPWP:	Expanded Public Works Programme
ERM:	Enterprise Risk Management
ERMCO:	Enterprise Risk Management Committee
FFA:	Fire Fighting Aviation
FLSE:	Fire and Life Safety Education
GPSSBC:	General Public Service Sector Bargaining Council
HCT:	HIV & AIDS Counselling and Testing
HDI:	Historically Disadvantaged Individuals
HIV/AIDS:	Human Immunodeficiency Virus /Acquired Immune Deficiency Syndrome

PART A

List of Abbreviations

HR:	Human Resources	OSD:	Occupation-Specific Dispensation
HRDC:	Human Resource Development Committee	PAIA:	Promotion of Access to Information Act, 2000 (Act 2 of 2000)
HRDVS:	Human Resource Development Verification System	PAJA:	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
ICASA:	Independent Communications Authority of South Africa	PCF:	Premier's Coordinating Forum
ICT:	Information Communication Technology	PDMC:	Provincial Disaster Management Centre
ID:	Identity Document	PFMA:	Public Financial Management Act, 2003 (Act 56 of 2003)
IDP:	Integrated Development Plan	PILIR:	Policy on Incapacity Leave and Ill-Health Retirement
ISDF:	Integrated Strategic Development Framework	PMS:	Performance Management System
IFM:	Integrated Fire Management	PSCBC:	Public Service Coordinating Bargaining Council
IGR:	Intergovernmental Relations	RDP:	Reconstruction & Development Programme
LBRCT	Lower Breede River Conservancy Trust	RMT:	Regional Monitoring Team
LGMTEC	Local Government Medium-Term Expenditure Committee	SAPS:	South African Police Service
LGTAS:	Local Government Turnaround Strategy	SASSA:	South African Social Security Agency
LRA:	Labour Relations Act, 1995 (Act 66 of 1995)	SCM:	Supply Chain Management
M&E:	Monitoring & Evaluation	SDBIPs:	Service Delivery & Budget Implementation Plans
MEC:	Member of Executive Council	SDIP:	Service Delivery Improvement Plan
MIG	Municipal Infrastructure Grant	SHEQ:	Safety Health Environment, Risk & Quality Management
MINMAY:	Forum of Provincial Minister of Local Government and Executive Mayors	SIU:	Special Investigations Unit
MINMAYTECH:	Forum of Head of Department: Local Government and Municipal Managers	SLA:	Service Level Agreement
MSA:	Municipal System Act, 2000 (Act, 32 of 2000)	SMMEs:	Small Medium and Micro Enterprises
MPAT:	Management Performance Assessment Tool	SMS:	Senior Management Service
MPRA:	Municipal Property Rates Act, 2004 (Act 6 of 2004)	SoE:	State owned Enterprises
MTEF:	Medium Term Expenditure Framework	SP:	Strategic Plan
NDMC:	National Disaster Management Centre	SPLUMA:	Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)
NEMA:	National Environmental Management Act, 1998 (Act No.107 of 1998)	Stats SA:	Statistics South Africa
NTPSRMF:	National Treasury Public Sector Risk Management Framework	TASK:	Tuned Assessment of Skills and Knowledge
OD:	Organisational Design	UIF:	Unemployment Insurance Fund
OPMS:	Organisational Performance Management System	UNAIDS:	United Nations Programme on HIV & AIDS
		WCG:	Western Cape Government
		WP:	Wellness Programme
		WSP:	Workplace Skills Plan



1. Minister's foreword

Five years ago, I tabled a strategic plan setting out the priorities of my Department. This report represents the final year of reporting under that strategic plan. As reported in previous years, my Department has achieved the

targets which it set out to achieve. Since then a lot has happened; for instance, together with the partners that work in the municipal space, we have improved performance and compliance in our municipalities and this is evident when looking at the 2013/14 audit outcomes. This has been the case despite the complex compliance environment within which municipalities have to operate.

I would like to mention a few achievements. Because of the distances people have to travel to access government services, it is the poor who are most likely not to have an identity document (ID), and without an ID a person cannot get essential services to improve his or her living conditions. It is for this reason that, over the past few years, the priority of the Department has been the provision of government services to communities. The Thusong and the Community Development Worker Programmes have been instrumental in bringing services to people. Throughout the Province, over 90% of residents now have access to a range of government services through the Thusong Centres and Outreach mobiles. To date, there are 28 Thusong centres located across the five districts and the City of Cape Town.

The core function of municipalities is to render basic services to communities. In order for this to happen, municipalities must have adequate water and sanitation infrastructure. This may also impact on the ability to build more houses. To support

municipalities in dealing with this challenge, the Department has supported municipalities with the development of Infrastructure and Growth Plans. These are 15 year investment plans which indicate the demand for infrastructure now and in the next 15 years, and priority projects are identified in these plans. The plans will be reviewed in the next five years to ensure that they still respond to the changing needs of the communities.

In addition, since 2009, the Department has supported municipalities to spend 97% or more of their Municipal Infrastructure Grant (MIG) allocations, which is the highest in South Africa. The MIG funds are spent on building new infrastructure to improve people's lives. For example, a percentage of the total MIG funding is spent on improving sanitation and water infrastructure in the Province. My Department's support to municipalities with their infrastructure has undoubtedly contributed to the improved access to basic services by the residents of the Province, as reported in statistical reports.

One of the areas that I would like to highlight is the investment my Department made in enhancing fire-fighting capacity in the Province. This has resulted in improvement in the ability to extinguish wild land fires, of which 95% of the wild land fires are extinguished within the first hour of detection.

Judging from the progress as reported in this annual report, my Department's support to municipalities has made a difference in the delivery of services to the residents of the Province. I am confident that building on the work done in the past five years, my Department will do even more in future. This will not be without its challenges, but I believe that if we work together with partners that operate in the municipal space, we will be able to overcome these challenges.

AW Bredell

MINISTER OF LOCAL GOVERNMENT,
ENVIRONMENTAL AFFAIRS AND
DEVELOPMENT PLANNING



2. Accounting Officer's Overview

The last five years have been exciting and challenging at the same time. Challenging in that the Department had to operate within a constrained budget; exciting in that, given these circumstances, we have been able to achieve the targets we had set and this resulted in improved compliance and performance in municipalities.

Over the past five years, it became clear that two key resources that people can use to move out of poverty are information and access to government services. In this regard, the Community Development Workers (CDW) Programme, which complements the Thusong Programme, through CDWs located in all 5 Districts and the Metro, did outstanding work in communities across the Province. In the past year, there were more than 30 000 case referrals to various government services and over 6 000 information sessions conducted in communities. These sessions and referrals are about practical problems that impact on people's lives. Further to this, the CDWs have annually supported between 50 and 60 community projects. These projects cover a variety of areas, such as support to feeding programmes, skills development, entrepreneurship, soup kitchens, co-operatives, emerging farmers' support, food gardens and youth development.

Of equal importance is the Thusong Programme, which has provided services to at least 1.2 million people on an annual basis through the Thusong Centres. In addition, between 30 000 and 40 000 people have been helped annually through the Thusong Outreach (Mobile) Programmes, which bring government services to the doorstep,

especially in rural communities. Through the Thusong and the Community Development Worker Programmes, we have seen National and Provincial Departments, the private sector and non-governmental organisations all working under one roof to bring services and information to people closer to where they live.

Through the Western Cape Provincial Disaster Management Centre, the Department supported municipalities in building their disaster management capability. A credible disaster profile of the Province has been developed and the plans are in place to ensure quick response in the event that disasters occur. An assessment done by the Western Cape Disaster Management Centre indicated that municipal fire and rescue services and disaster management centres in the Province face major capacity challenges due to a lack of sufficient formal training centres. This led to the development of the Wolwekloof Public Safety Academy in partnership with the Department of Community Safety and the National Expanded Public Works Programme (EPWP) "Working on Fire" Programme. During 2014/15 financial year, the aim was to establish the academy in terms of infrastructure and curriculum development. Due to interest and demand from stakeholders, we subsequently saw the need to start offering training, resulting in the academy enrolling over 50 participants.

In addition, information and knowledge is key in reducing the occurrence of disaster risks such as fire and flood in communities. In this financial year, the Department conducted hazard awareness programmes in 26 schools in the Province, reaching over 11 000 learners. This was coupled with media awareness campaigns through national, provincial and community radio stations and print media, reaching over 4 million listeners.

The relationship between municipalities and communities is of major concern to the Department. To this effect, in the past five years the Department has supported municipalities with the establishment and functionality of ward committees, as these structures provide a platform

for communities to be heard by local government. Further to this, the Department has supported municipalities with training on community-based planning and the development of ward operational plans. Municipalities have been supported with the development of neighbourhood development plans. These plans reflect specific community projects that are identified through public participation processes and the responsibility for implementing these projects is clearly identified.

The Integrated Development Plan of a municipality is a foundation for development in communities and this important document should reflect synchronised planning between all spheres of government. Under the banner of the IDP Indaba, over the past five years the Province has made inroads in getting Departments to plan together. This has placed planning in the Province at a level where joint planning and implementation is ensuring sustainable and integrated service delivery.

In October 2014, the Western Cape Government embarked on a Joint Planning Initiative (JPI) with all its municipalities, which resulted in a set of priorities to be implemented over the next 5 to 15 years in line with the National Development Plan. The Department worked hand-in-hand with the Provincial Treasury, the Department of Environmental Affairs and Development Planning and the Department of Premier to ensure that the JPIs are mainstreamed into the Provincial Strategic Plan and the Annual Performance Plans (APPs) and budgets of provincial Departments.

An increase in the population of the Province leads to an increase in the demand for basic services. Municipalities are continuously under pressure due to load growth and municipal infrastructure is under severe strain. One of the essential services that require immediate attention is the municipal electrical distribution system. The Department supported two municipalities with the development of electrical master plans and will continue to roll-out support over the next 5 years. This means that these municipalities are now in a position to know what the future demands will be on the electrical

distribution system in terms of finances, human resources, maintenance, and planning.

In the 2014/15 financial year, ensuring that municipalities are able to deliver quality services to its citizens through ICT, has become of strategic importance to the Department. The Department conducted a baseline assessment on the “State of ICT” in municipalities, which provides us with a real sense of the support required to create a digital society. In the past financial year, the Department has assisted in establishing the foundation of effective ICT by developing an ICT Governance Framework for municipalities. This framework has subsequently been adopted as national policy. Municipalities have also been provided with a uniform website platform, developed using international best practice standards. These websites will be launched by ten pilot municipalities in September 2015. The Department will continue to place emphasis on the enhancement of ICT in municipalities for the benefit of society.

The Department acknowledges that there is still more that needs to be done to support municipalities to deliver on their developmental mandate. We remain committed to working with various stakeholders in setting the new trajectory in tackling challenges that are preventing development in the municipal space.

PART A

Departmental Receipts

Departmental Receipts	2014/2015			2013/2014		
	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	37	112	(75)	37	70	(33)
Interest, dividends and rent on land	13	4	9	13	8	5
Financial transactions in assets and liabilities	-	555	(555)	-	409	(409)
Total	50	671	(621)	50	487	(437)

Programme Expenditure

Programme Name	2014/2015			2013/2014		
	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	37 805	37 054	751	32 150	32 098	52
Local Governance	117 330	117 032	298	97 739	94 746	2 993
Development and Planning	43 994	43 393	601	45 658	45 218	440
Traditional Institutional Management	1	-	1	1	-	1
Total	199 130	197 479	1 651	175 548	172 062	3 486

Spending trends:

The Department made an internal virement from savings within compensation of employees of R1,280 million to cover overspending in the Provincial and Local Government Municipal Support Grants in four municipalities; namely

Bergrivier, Swellendam, Kannaland and Prince Albert. The virement was undertaken within the guidelines of Provincial Treasury.

The Department utilised 99.2% of its total budget allocation.

3. 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 2015.

Yours faithfully



Dr HH Fast

ACCOUNTING OFFICER
DEPARTMENT OF LOCAL GOVERNMENT

4. Strategic Overview

4.1 Vision

Developmental and well-governed Municipalities with integrated, sustainable and empowered communities.

4.2 Mission

The mission of the Department of Local Government is:

- a. To capacitate municipalities to deliver quality services to communities,
- b. To promote participative, integrated and sustainable communities,
- c. To ensure municipal plans reflect national, provincial and local priorities and resources through sound intergovernmental relations (IGR),
- d. To be the first port of call of Municipalities for advice and support, and
- e. To facilitate delivery through sound administration and the engagement of all spheres of government and social partners.

4.3 Values

The Department's values are the same as the five provincial values, namely:

- Caring,
- Competency,
- Accountability,
- Integrity, and
- Responsiveness.

4.4 Legislative and other Mandates

4.4.1 Constitutional Mandates

The Constitution of the Republic of South Africa (1996) provides the national overarching framework for the work of all government departments in South Africa. Chapter 7 outlines the objectives and mandates in respect of local government. The following mandates for the Department of Local Government can be extracted from this:

- To establish Municipalities consistent with

national legislation;

- To support and strengthen the capacity of municipalities;
- To regulate the performance of Municipalities in terms of their functions listed in schedules 4 and 5 of the constitution;
- To intervene where there is non-fulfilment of legislative, executive or financial obligations; and
- To promote developmental local government.

4.4.2 Legislative Mandates

The White Paper on Local Government (1998) and the subsequent package of related legislation (outlined below) provide the national context for local governance across the country.

a. Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998)

This Act aims to provide criteria and procedures for the determination of municipal boundaries by an independent authority.

b. Local Government: Municipal Structures Act, 1998 & Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

Together these Acts describe the political decision-making systems which apply to different categories of municipalities. They define the powers and duties of various role players, regulate the delegation of powers and provide a code of conduct to govern both councillors and officials. In so doing, they provide the benchmark against which Provincial Government needs to regulate, monitor, support and coordinate Municipalities under its jurisdiction.

c. Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)

This Act aims to secure sound and sustainable management of the financial

affairs of municipalities as well as to establish norms and standards against which the financial affairs can be monitored and measured.

d. Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) as amended by the Local Government: Municipal Property Rates Amendment Act, 2014 (Act No 29 of 2014)

This Act aims to regulate the power of a municipality to impose rates on a property, to exclude certain properties from rating, to make provision for municipalities to implement a transparent and fair system of exemptions, to introduce a rebate through rating policies, to make provision for fair and equitable valuation methods of properties, and to make provision for an 'objection and appeal' process. The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015. The Act aims to provide for the various amendments, insertions and deletions in order to enhance proper reporting, compliance and implementation of the processes and procedures pertaining to the implementation of the Act.

e. Disaster Management Act, 2002 (Act 57 of 2002)

This Act provides for integrated and coordinated disaster management focused on rapid and effective response to, and recovery from disasters as well as the reduction of disaster risk. It also provides for the establishment of Provincial and Municipal Disaster Management Centres. The Act provides a framework under which the Provincial Disaster Management Centre operates and liaises with municipalities and relevant stakeholders on disaster-related matters.

f. Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)

This Act aims to establish a framework

for national government, provincial governments and municipalities to promote and facilitate intergovernmental relationships, and to provide mechanisms and procedures to facilitate the settlement of intergovernmental disputes.

g. Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)

This Act provides a framework for spatial planning and land use management in the Republic, specifies the relationship between the spatial planning and the land use management systems and other kinds of planning, provides for the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government, provides a framework for the monitoring, coordination and review of the spatial planning and land use management system, provides a framework for policies, principles, norms and standards for spatial development planning and land use management, addresses past spatial and regulatory imbalance, promotes greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications, provides for the establishment, functions and operations of Municipal Planning Tribunals, provides for the facilitation and enforcement of land use and development measures, and provides for matters connected therewith.

4.4.3 Other Local Government Legislation

In addition to its constitutional mandate, local government is guided by other pieces of legislation, namely:

- Fire Brigade Services Act, 1987 (Act 99 of 1987);
- National Veld and Forest Fire Act, 1998 (Act 101 of 1998);
- Development Facilitation Act, 1995 (Act 65

of 1995);

- Local Government Laws Amendment Act, 2008 (Act 19 of 2008);
- Western Cape Determination of Types of Municipalities Act, 2000 (Act 9 of 2000);
- Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998);
- Western Cape Privileges and Immunities of Councillors Act (Act 2 of 2011);
- Consumer Protection Act, 2008 (Act 68 of 2008); and
- Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014).

4.4.4 Transversal Legislation

A series of transversal administrative requirements impacts on the work of the Department across all its various functions, namely:

- Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations of 2000;
- Public Finance Management Act, 1999 (Act 1 of 1999) and National Treasury Regulations;
- Annual Division of Revenue Act;
- Skills Development Act, 1998 (Act 97 of 1998);
- Skills Levy Act, 1999 (Act 9 of 1999);
- Employment Equity Act, 1998 (Act 55 of 1998);
- Labour Relations Act, 1995 (Act 66 of 1995);
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997);
- Occupational Health and Safety Act, 1993 (Act 85 of 1993);
- Municipal Electoral Act 2000, (Act 27 of 2000);
- Promotion of Access to Information Act 2000, (Act 2 of 2000);
- Promotion of Equality and Prevention of Unfair Discrimination Act 2000, (Act 4 of 2000);
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000);
- National Archives and Record Service of South Africa Act, 1996 (Act 43 of 1996); and
- Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 Of 2005).

4.4.5 Local Government Policy Mandates

The following provide the policy framework for local government:

- White Paper on Local Government, 1998;
- National Local Government Turn Around Strategy 2009;
- Local Government Anti-Corruption Strategy, 2006;
- Free Basic Services Policy, 2000/01;
- National Public Participation Framework, 2007; and
- National Back to Basics Strategy, 2014.

4.4.6 Other policy mandates

The work of local government is also affected by the following policy mandates:

- Western Cape Disaster Management Framework, 2010;
- Batho Pele principles;
- Policy Framework for Government-Wide Monitoring and Evaluation (M&E) System, 2007;
- Framework for Managing Programme Performance Information, 2007 (FMPPI);
- South African Statistical Quality Assurance Framework, 2007;
- National Spatial Development Perspective, 2002 (NSDP);
- Provincial Spatial Development Framework, 2014 (PSDF);
- National Disaster Management Framework, 2005;
- National Development Plan (Vision 2030); and

- Provincial CDW Master Plan.

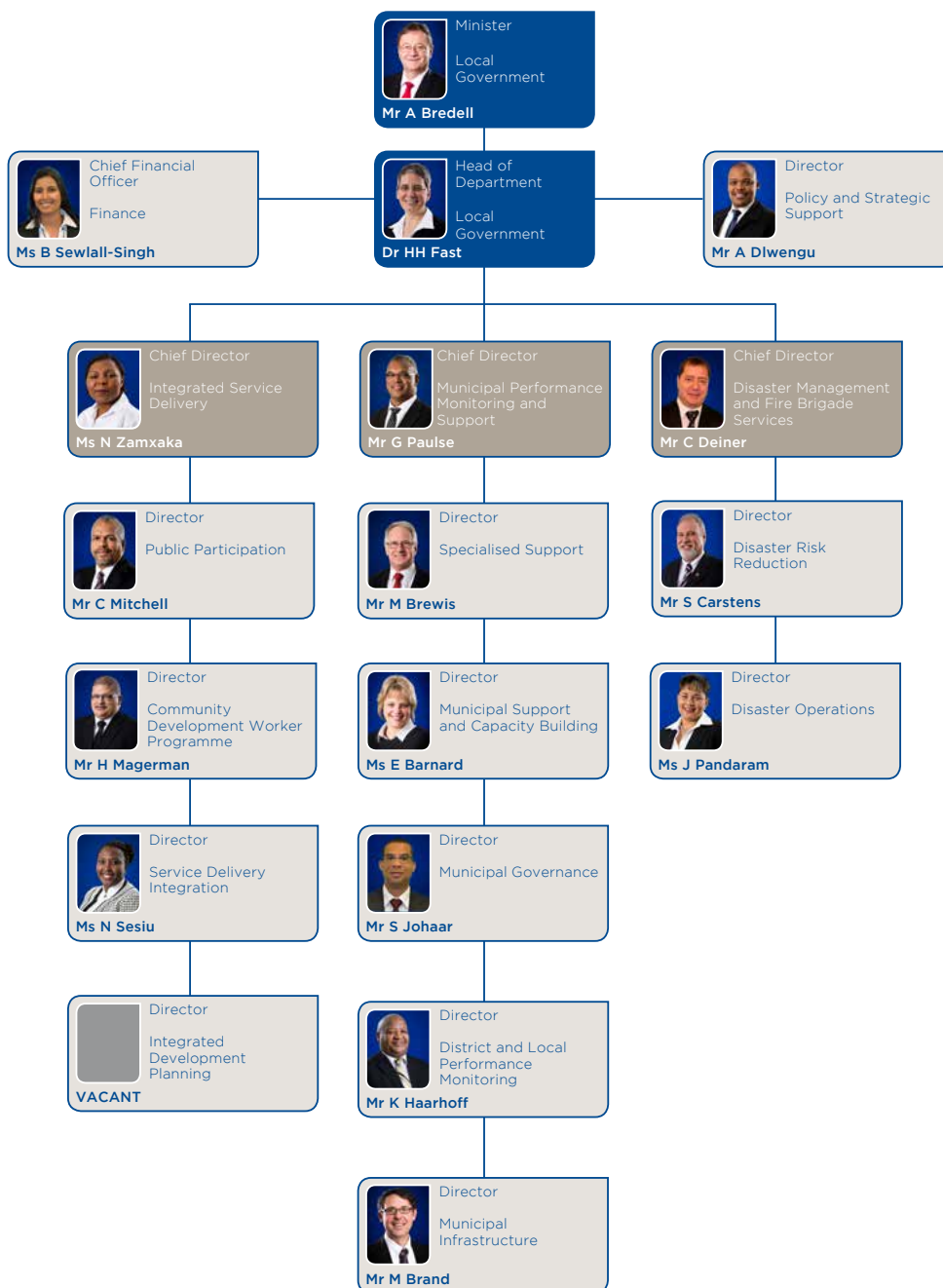
4.4.7 Planned Policy Initiatives

- Provincial Integrated Planning and Budgeting Framework.
- Provincial Strategic Goal 5: Embed good governance and integrated service delivery

through partnerships and spatial alignment.

- Provincial Strategic Goal 4: Enable a resilient, sustainable, quality and inclusive living environment, and
- Provincial Strategic Goal 1: Create opportunities for growth and jobs.

4.5 Organisational Structure



PART B



1. Auditor General's Report: Predetermined Objectives

The Auditor General reported no material findings on the annual performance report concerning the usefulness and reliability of the information (see part E: page 113).

2. Overview of Departmental Performance

2.1 Service Delivery Environment

As the five year cycle in government planning comes to an end, the Department has reflected on some of its achievements as well as the challenges facing Local Government.

The Department is mandated with a core function of supporting municipalities to deliver effective services to all citizens. This has been done through continuously aligning projects to address both the national and provincial priorities.

Partnerships were developed with all spheres of government, community stakeholders and private sector in order to fulfil its mandate. At the beginning of the five period, the Province was faced with various challenges; with the National GDP growth averaging at a rate of between 4 and 5 percent, and inflation between 4 and 7 percent, millions of citizens found themselves either without work or unable to provide sufficiently for their families. The status was even made more dire through millions not having access to basic or government services. Given this situation, the Department was faced with a challenge of designing its projects in such a way that they can make meaningful impact on the lives of its residents.

These efforts were not in vain and the recent audit outcomes bear testimony when it comes to improved compliance in municipalities. Further to this, Census 2011 indicates that performance in terms of delivering basic services to communities by municipalities has improved over the last five years. In the Western Cape, access to basic services has increased: access to piped water is 99.1%, sanitation is 96.4% and electricity is 93.4%.

This has been the case despite the increase in the population of this Province.

The support provided includes, but is not limited to supporting municipalities during 2011 local government elections by setting up a help desk to assist municipalities with legal advice. Through various engagement platforms, the Department supported municipalities with putting in place anti-corruption strategies. The pool of expertise programme was introduced to support municipalities with various governance and organisational-related issues with the aim of improving effectiveness in service delivery.

With the aim of reducing poverty and encouraging active citizenry, the Department brought services closer to residents. This was done through introducing the Thusong programme, which currently assists over 1 million people annually to gain access to government services.

Dedicated Community Development Workers, who are located in all districts, assisted communities to access basic services such as social grants and Identity Document (IDs). The CDWs also assisted communities to become self-reliant by helping them to start projects which assist them to generate income and food security. Examples of such projects are food gardens, starting cooperatives and skills development. In addition, CDWs educate communities on health and environmental issues.

The Province is susceptible to disasters such as flood and fires, which are seasonal. The Department has assisted municipalities and other stakeholders to build their disaster management capability. To date, a credible disaster profile of the province has been developed and the plans are in place to ensure quick response in the event that disasters occur. Further to this, the Department has proactively created awareness in communities, as they are the ones who feel the pressure when exposed to these risks.

Legislation was developed to further provide for measures to support municipalities and includes the provision for the monitoring of suspected non-performance and maladministration. This

legislation is the Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014) that came into effect on 6 June 2014.

During the year under review, the Department achieved the following deliverables:

Improving municipal governance and compliance:

The key to good governance in municipalities is pieces of legislation and ordinances which guide how certain activities should be conducted in municipalities. The Department reviewed the Western Cape Local Government Laws: Rationalisation Act. Eight municipalities were supported with the compliance model, 6 with Municipal Codes, and a training programme on ethics for municipal officials. Additional to this, 5 municipalities requiring assistance on critical governance issues were supported through informal interventions.

Municipalities are required through legislation to comply with various requirements; the Department has provided capacity building by hosting workshops on predetermined objectives and standard operating procedures. This was aimed at assisting municipalities to be able to meet their compliance requirements. The Department also assessed performance agreements of 63 s57 managers against service delivery and budget implementation plans (SDBIPs). Further to this, the Department monitored the performance of municipalities using platforms such as Municipal Governance Review Outlook (MGRO) and Regional Management Teams.

Joint coordination, planning and community involvement:

Effective and efficient service delivery in municipalities rests on two pillars; the first is synchronised planning and budgeting by all spheres of government. To realise this, the Department continued to facilitate the process of getting the sector Departments to assess the integrated development plans (IDPs) of municipalities. The IDP Indabas were used as a platform to identify short to medium-term projects that could be done jointly within a municipal space. This process recognises that the IDP is

the most important vehicle for development in communities. Therefore, it should be a foundation aligning budgets of municipalities with the needs of the communities they serve. During this financial year, the Department in partnership with Provincial Treasury, the Department of Environmental Affairs and Development Planning and the Department of Premier, facilitated a Joint Planning Initiative (JPI). Through this initiative, the Western Cape Government with all municipalities identified a set of priorities to be implemented over the next 5 to 15 years. This initiative recognises that planning in the Province has matured to a level where joint planning and implementation is a key element in ensuring sustainable and integrated service delivery in communities.

The second pillar is the participation of residents in the process of determining what must be prioritised based on the available resources. The Department continues to support municipalities to work with stakeholders within communities to find sustainable ways of improving their living conditions and quality of life. Nine municipalities were supported with training on Community/Area Based Planning. A further 13 municipalities were supported with initiatives such as 'Know Your Ward Committee' campaign, ward committee summits and public participation workshops. Training initiatives on communication were provided to 20 municipalities. This support is in realisation of the fact that participation of residents in government decision-making processes is a priority.

The Thusong programmes along with the Community Development Worker Programme continue to play a critical role in ensuring that information and government services are accessed by the intended recipients. Twenty-five Thusong mobiles were held, mostly covering the outlying areas of the Province and over 30 000 residents were served. The Community Development Workers conducted 619 information sessions and received over 30 000 cases which were referred for government services.

Enhancing Capacity in municipalities: Capacity and an embedded culture of performance,

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promotes effective and efficient local government, which needs to be continuously strengthened. Municipalities were supported through various capacity-building initiatives such as the LGTAS, and transversal support initiatives. In addition, quarterly focus groups were held to provide advice and guidance to municipal practitioners regarding the implementation of Municipal Property Rates.

Critical to service delivery is functional infrastructure; to this effect 5 municipalities were supported with the development of infrastructure growth plans, 2 other municipalities were supported with the review of these plans, and an additional 2 municipalities were supported with the development of electrical master plans.

Enhancing Provincial response to disaster risks:

Timely response to potential disaster risks facing

the Province is critical in ensuring that negative impacts posed are minimised. To this effect, the Department supported 2 municipalities and 2 Provincial Departments with disaster preparedness plans, and ensured that the Provincial Disaster Management Centre remains fully functional and is used as a central coordination point for disasters in the Province. Four disaster damage assessments were conducted. Lack of awareness of potential effects and how to prevent hazards is a major contributor to disasters happening. The Department conducted hazard awareness programmes in communities and schools. The opening of the Wolwekloof facility as a training centre for emergency response was a major milestone for the Province in dealing with capacity of the emergency and rescue personnel.

2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP). The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Thusong Mobiles Held	Communities	Planning and Implementation of 24 Thusong Mobiles.	Planning and Implementation of 24 Thusong Mobiles.	25 Thusong Mobiles were implemented.
To provide information sessions to communities	Communities	300 information sessions held in communities.	300 information sessions held in communities.	619 information sessions conducted.

Batho Pele arrangements with beneficiaries (access and consultation)

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Mobiles Held		
<p>Consultation:</p> <ul style="list-style-type: none"> a. Consultation / planning meetings with departments and communities b. Written correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by the communities <p>Access:</p> <ul style="list-style-type: none"> a. 80 St. George's Mall, Waldorf Building b. Thusong centres c. Government facilities in the communities d. Thusong Mobiles venues <p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information desk/complaints Centre at Thusong Mobiles <p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagement platforms safety forums with departments and communities b. Written correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by community f. Annual Report <p>Value for Money:</p> <ul style="list-style-type: none"> a. Yes, communities were able to access services at the Thusong Mobile venue 	<p>Consultation:</p> <ul style="list-style-type: none"> a. Consultation / planning meetings with departments and communities b. Written correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by the communities <p>Access:</p> <ul style="list-style-type: none"> a. 80 St. George's Mall, Waldorf Building b. Thusong centres c. Government facilities in the communities d. Thusong Mobiles venues <p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information desk/complaints Centre at Thusong Mobiles <p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagement platforms safety forums with departments and communities b. Written correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by community f. Annual Report <p>Value for Money:</p> <ul style="list-style-type: none"> a. Yes, communities were able to access services at the Thusong Mobile venue 	<p>Consultation:</p> <ul style="list-style-type: none"> a. Consultation/planning meetings with departments and communities b. Written correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by the communities <p>Access:</p> <ul style="list-style-type: none"> a. 80 St. George's Mall, Waldorf Building b. Thusong centres c. Government facilities in the communities d. Thusong Mobiles venues <p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information desk/complaints centre at Thusong Mobiles <p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagement platforms safety forums with departments and communities b. Written correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by community f. Annual Report <p>Value for Money:</p> <ul style="list-style-type: none"> a. Yes, communities were able to access services at the Thusong Mobile venue

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Current/actual arrangements	Desired arrangements	Actual achievements
To provide information sessions to communities		
<p>Consultation:</p> <ul style="list-style-type: none"> a. In communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings b. IDP meetings, CDW Community meeting, etc. c. These meetings provide space for communities to make their inputs <p>Access:</p> <ul style="list-style-type: none"> a. In communities <p>Courtesy:</p> <ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors c. Regional Coordinators d. Municipal offices e. Behaviour can also be reported to the Department of Local Government (CDW section) <p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. CDWs participate in different community meetings <p>Value for Money:</p> <ul style="list-style-type: none"> a. The total compensation budget for the unit amounts to R44 274 Million 	<p>Consultation:</p> <ul style="list-style-type: none"> a. communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings b. IDP meetings, CDW Community meeting, etc. c. These meetings provide space for communities to make their inputs <p>Access:</p> <ul style="list-style-type: none"> a. In communities <p>Courtesy:</p> <ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors c. Regional Coordinators d. Municipal offices e. Behaviour can also be reported to the Department of Local Government (CDW section) <p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. CDWs participate in different community meetings <p>Value for Money:</p> <ul style="list-style-type: none"> a. The total compensation budget for the unit amounts to R44 312 Million 	<p>Consultation:</p> <ul style="list-style-type: none"> a. In communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings b. IDP meetings, CDW community meeting. c. These meetings provide opportunity for communities to offer their inputs <p>Access:</p> <ul style="list-style-type: none"> a. In communities <p>Courtesy:</p> <ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors c. Regional Coordinators d. Municipal offices e. Behaviour can also be reported to the Department of Local Government (CDW section) <p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. CDWs participate in different community meetings <p>Value for Money:</p> <ul style="list-style-type: none"> a. The total compensation for the unit amounts to R46 189 million

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Thusong Mobiles Held		
a. Posters b. Pamphlets c. Loud hailing d. Newspaper articles e. Radio broadcasting, announcements regarding services f. Emails / telephone g. Annual Report	a. Posters b. Pamphlets c. Loud hailing d. Newspaper articles e. Radio broadcasting, announcements regarding services f. Emails / telephone g. Annual Report	a. Posters b. Pamphlets c. Loud hailing d. Newspaper articles e. Radio broadcasting, announcements regarding services f. Emails/telephone g. Annual Report
To provide information sessions to communities		
a. Posters b. Pamphlets c. Loud hailing d. Community meetings e. Ward Committees f. IDP & CDW information sessions	a. Posters b. Pamphlets c. Loud hailing d. Community meetings e. Ward Committees f. IDP & CDW information sessions	a. Posters b. Pamphlets c. Loud hailing d. Community meetings e. Ward Committees f. IDP & CDW information sessions

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Thusong Mobiles Held		
a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information desk/complaints Centre at Thusong Mobiles	a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information desk/complaints Centre at Thusong Mobiles	a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information desk/complaints centre at Thusong Mobiles
To provide information sessions to communities		
a. Communities can make use of CDWs b. CDW supervisors, Regional Coordinators & Municipal Offices c. The Department of Local Government	a. Communities can make use of CDWs b. CDW supervisors, Regional Coordinators & Municipal Offices c. The Department of Local Government	a. Communities can make use of CDWs b. CDW supervisors, Regional Coordinators & Municipal Offices c. The Department of Local Government

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2.3 Organisational Environment

Towards the end of the year under review the posts of a Director Municipal Governance and Director Integrated Development Planning became vacant. Fortunately these did not have an impact in the performance of these directorates as systems and plans were already in place to deliver on the targets set for the remaining period. Both posts have since been advertised, with the Director Integrated Development Planning filled 1st July 2015.

The Department achieved all set targets for the financial year. To ensure the realisation of the Departmental mandate, the Department is currently working with the Organisational Development Directorate in the Department

of the Premier to conduct Business Process Optimisation in the Directorate Infrastructure and the Directorate District and Local Performance Monitoring with the aim of achieving efficiencies. Further to this, Job Evaluation was conducted in a number of Directorates to ensure correct grading of posts. In addition, the National Department of Cooperative Governance and Traditional Affairs is in the process of reviewing its organisational structure in line with its functions, the outcomes of which may have implications for the current structure of the Department.

2.4 Key Policy Developments and Legislative Changes

There were no key policy developments or legislative changes in 2014/15.

3. Strategic Outcome Oriented Goals

3.1 Strategic Objectives, Performance Indicators Planned Targets and Actual Achievement

Programme 1: Administration

Programme Purpose	Provide overall management in the Department in accordance with all applicable acts and policies
Sub-Programme: Office of the MEC	
Strategic Objective	To provide for the functioning of the Office of the MEC (Provided for in Vote 9: Environmental affairs and development planning)
Sub-Programme: Corporate Services	
Strategic Objective	To provide strategic support, strategic planning, integration and co-ordination
	To render financial management support and advisory services

Performance Indicators
a) Provincial Indicators

Sub-Programme 1.2: Corporate Services						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comments on deviations
1. To provide for strategic support, planning, integration and coordination	1.1. Submission of Annual Performance Plan	1	1	1	-	
	1.2. Submission of Quarterly Performance Reports	4	4	4	-	
	1.3. Submission of Annual Report	1	1	1	-	
	1.4. Programme impact evaluation reports	-	2	2	-	The following evaluations were completed: <ul style="list-style-type: none"> • Impact of the Community Projects implemented by the CDWs. • Assessment of functionality of Ward Committees within the City of Cape Town.
2. To render financial management support and advisory services	2.1. In year monitoring reports submitted to PT	-	12	13	1	An additional In Year Monitoring (IYM) report was completed.
	2.2. Properly costed budget aligned with APP/ Strategic Plan	1	1	1	-	
	2.3. Submission of Annual financial statements	1	1	1	-	
	2.4. Submission of Interim Financial Statements	4	4	3	(1)	The report was not done during the 4th quarter as it was no longer a requirement.
	2.5. Revision of predetermined chapters of the Financial Manual Accounting Officers System	-	1	2	1	The Financial Manual was updated with additional updates.

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3.2 Programme 2: Local Governance

Programme Purpose	To promote and facilitate viable and sustainable developmental local governance, to promote integrated and sustainable planning and to enhance community participation processes
Sub-Programme 2.1: Municipal Administration	
Strategic Objectives	To develop legislation in response to the needs of municipalities
	To support municipalities with legislative compliance
	To promote good governance
	To manage interventions at municipalities experiencing serious governance issues
Sub-Programme 2.2: Public Participation	
Strategic Objective	To strengthen public participation through effective communication between municipalities and communities
Sub-programme 2.3: Capacity Development	
Strategic Objective	To provide support and advisory services to municipalities
Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation	
Strategic Objective	To monitor and evaluate municipal performance
Sub-Programme 2.5: Service Delivery Integration	
Strategic Objectives	Management model for the Thusong Centre programme
	Sustainable functioning of Thusong Centre Programme
	To support co-operative governance between the three spheres of government
Sub-programme 2.6: Community Development Worker Programme	
Strategic Objectives	To provide information to communities to access government services
	To facilitate community access to socio-economic opportunities

Performance Indicators
a) Provincial Indicators

Sub Programme 2.1: Municipal Administration						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comments on deviations
1. To develop legislation in response to the needs of municipalities	1.1. Rationalisation of relevant Provincial Ordinances project	-	1	1	-	The Department has reviewed the Western Cape Local Government Laws: Rationalisation Act no.4/2010.
2. To support municipalities with legislative compliance	2.1. Municipalities assisted to implement compliance model	11	6	8	2	The following Municipalities were assisted with the compliance model: Cederberg, Central Karoo District, Overberg District, Prince Albert, Swellendam and Saldanha Bay Municipalities. The City of Cape Town and Bitou Municipalities requested assistance with the implementation of the municipal Compliance Model during the financial year.
	2.2. Municipal codes compiled for municipalities	14	4	6	2	Municipal Codes were developed for the following Municipalities: Breede Valley, Stellenbosch, Langeberg, City of Cape Town, Outshoorn and Witzenberg. Over-achievement was due to an additional resource which was made available in the course of the year.
3. To promote good governance	3.1. Training initiative for Councillors on Disciplinary Code	-	1	4	3	3 additional training sessions for councilors were requested by municipalities.

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Sub Programme 2.1: Municipal Administration

Strategic Objectives	Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comments on deviations
4 To manage interventions at municipalities experiencing serious governance issues	4.1 Informal Interventions	2	-	5	5	<p>The following informal interventions took place during the financial year:</p> <ol style="list-style-type: none"> 1. Oudtshoorn Supported and took corrective action in respect of various governance issues. 2. Knysna ISDF Tender Support provided regarding complaints in respect of ISDF Tender. 3. Division of functions and powers between district and local municipalities with emphasis on fire-fighting services. Supported district and local municipalities towards pragmatic division of powers and functions through providing legal advice. 4. Management of Breede River Contributed from a local government perspective towards the renewal of appropriate agreements between the Hessequa and Swellendam Municipalities with the Lower Breede River Conservancy Trust (LBRCT). 5. SIU Reports Interacted with Swellendam, Stellenbosch, George and Oudtshoorn Municipalities in respect of SIU reports released by the President. <p>No target was set for this indicator as the indicator is demand driven.</p>

Sub Programme 2.1: Municipal Administration						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comments on deviations
	4.2 Formal interventions-S139 of the Constitution	-	-	-	-	
	4.3 Formal investigations-S106 of the Municipal Systems Act	-	-	1	1	<p>Oudtshoorn</p> <p>In respect of tenders for the management of the Restaurant, Tuckshop and Curio Shop at the Cango Caves, information was requested in accordance with the Western Cape Monitoring and Support of Municipalities Act, No 4 of 2014. Due to objections being received from unsuccessful bidders, the matter proceeded to the High Court and Minister was cited as a party to proceedings and dealt with validity of the Cango Caves Ordinance and Provincial interest in the Caves.</p> <p>No target was set for this indicator as the indicator is demand driven.</p>

b) Nationally Prescribed Indicator

Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Number of municipalities supported with fraud and anti-corruption strategy	-	-	1	1	<p>An ethics training programme for municipal managers was provided in Breede Valley. It should also be noted that the bulk of the municipalities were supported with fraud and anticorruption strategies during the 2013/14 financial year.</p>

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a) Provincial Indicators

Sub-Programme 2.1: Public Participation						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. To strengthen public participation through effective communication between municipalities and communities	1.1. Municipalities supported with ward committee training	9	8	9	1	The following Municipalities were supported with Community Based Planning/Area Planning Training and Refresher Training on Ward Committee Roles and Responsibilities Bitou, Mossel Bay, Swellendam, Prince Albert, Matzikama, Saldanha Bay, Witzenberg, Cape Agulhas & Kannaland.
	1.2. Municipalities supported with ward committee functionality	10	8	13	5	13 Municipalities were supported with Know your Ward Committee Campaign, Ward Committee Summits, Public Participation Conference, and workshops on public participation. These are: Oudtshoorn, Hessequa, George, Breede Valley, Eden District, Mossel Bay, Saldanha Bay, Witzenberg, Cape Winelands District, Langeberg, Prince Albert, Bitou, and Central Karoo District. The overachievement is a result of five additional requests for support received.

Sub-Programme 2.1: Public Participation						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
	1.3. Municipalities supported with the development of Ward Operational Plans	11	8	14	6	Ward Operational Plans were developed for George, Saldanha Bay, Swartland, Oudtshoorn, Knysna, Cape Agulhas, Overstrand, Prince Albert, Stellenbosch, Mossel Bay, Swellendam, Cape Winelands, Matzikama and Kannaland Municipalities. Six additional requests for support were received.
	1.4. Reports on ward committee functionality	4	4	4	-	
	1.5. Number of municipalities supported with capacity building initiatives on gender mainstreaming	-	4	4	-	The following Municipalities were supported with gender mainstreaming: Overstrand, Oudtshoorn, Cape Agulhas and West Coast District.
	1.6. Municipalities supported with the Communication Training Initiatives	8	6	20	14	More municipalities than anticipated requested support on how to conduct communication within their regions, hence over achievement in this area.
	1.7. Municipalities supported with Communication Strategies	6	6	6	-	Support with the development of Communication Strategies was provided to the following Municipalities: George, Beaufort West, Bergvliet, West Coast District, Bitou and Overstrand.
	1.8. Transversal Communication Support Initiatives provided to municipalities	-	4	4	-	

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b) Nationally Prescribed Indicator

Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Number of work opportunities created through the Community Work Programme	7 748	-	6 890	6 890	As at end of March 2015, there were 6 890 work opportunities created through the CWP across the Western Cape Province. This programme is managed by DCOG. The Department is responsible for oversight, hence there were no targets set.

Sub Programme : 2.3 Capacity Development

Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. To provide support and advisory services to municipalities	1.1. Municipalities supported through capacity building initiatives	7	16	16	-	16 Municipalities were supported with various capacity building initiatives such as LGTAS, Municipal Governance and Shared Services.
	1.2. Municipalities supported to implement Municipal Property Rates Act	25	25	25	-	Quarterly focus group sessions were conducted to provide advice and guidance to municipal practitioners relating to challenge and to share best practices. The Department also provided a Helpdesk function.
	1.3. Municipal ICT support programmes	-	2	2	-	The following support programmes were implemented: Hands on technical support and the development of ICT Policies.

Sub Programme : 2.3 Capacity Development						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
	1.4 Municipal Training Programmes	-	3	3	-	The following training programmes were implemented: Municipal Bursary programme, Municipal Councillor Training Programme and Municipal Officials Training Programme.

b) Nationally Prescribed Indicators

Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Number of reports on the filling of municipal manager and section 56 manager posts	-	-	1	1	
2. Number of Municipalities with functional performance management system (PMS)	-	-	29	29	All municipalities have functional performance management systems of which 17 have cascaded their PMS to middle management employees.

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a) Provincial Indicators

Sub Programme 2.4: Municipal Performance Monitoring, Reporting & Evaluation						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. To monitor and evaluate municipal performance	1.1. Quarterly municipal performance reports produced	112	4	4	-	
	1.2. Performance monitoring initiatives	-	2	2		In partnership with Provincial Treasury and University of Stellenbosch, the Department supported municipalities with a workshop on Predetermined Objectives and a workshop on Standard Operating Procedures.
	1.3. Sec 57 Performance agreements assessed against Service Delivery & Budget Implementation Plan (SDBIP)	-	60	63	3	

b) Nationally Prescribed Indicators

Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Number of reports produced on households with access to basic services (i.e. Water, Sanitation, Electricity, Refuse removal) from municipalities	4	4	4	-	
2. Number of municipal performance reports compiled as per the requirements of Section 47 of the Municipal Systems Act	1	1	1	-	

a) Provincial Indicators

Sub Programme 2.5: Service Delivery Integration						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Management model for the Thusong programme	1.1. Stakeholders participating in Thusong Programme	15	15	19	4	Various National and Provincial Departments, State-owned Enterprises and municipalities participated in the Thusong programme. Stakeholders were more than anticipated due to the different needs of municipalities.
	1.2. Thusong personnel trained	24	27	27	-	27 Thusong Personnel were trained on Gender Equality, Human Rights, African Languages and the role of South African Public Protector on 11-12 March 2015.
	1.3. Centre-specific sustainability plans for Thusong Service	12	12	12		The following Thusong Service Centres were supported: Oudtshoorn, Plettenberg Bay, Hawston, Swellendam, Murraysburg, Ilinge Lethu, Witzenberg, Bredasdorp, George, Prince Albert, Mossel Bay and Unobuntu Thusong Service Centre.
	1.4. Thusong outreach projects held	28	24	25	1	25 Thusong Mobiles were held including an additional one in the City of Cape Town.
	1.5. Approved Municipal Thusong Plans	6	24	24	-	
	1.6. Municipalities-supported to establish new Thusong Centres	4	2	2	-	Kannaland and Theewaterskloof were supported to establish new Thusong Services Centres.

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Sub Programme 2.5: Service Delivery Integration						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
2. To support cooperative governance government between the three spheres of government	2.1 Case referrals on IGR issues	49	40	40		
	2.2 Provincial inter-governmental meetings convened	8	8	6	(2)	MinMayTech: 11 August 2014, 3 November 2014 and 16 March 2015. PCF: 12 August 2014 , 4 November 2014 and 17 March 2015 Two IGR Meetings Minmay and MinmayTech were cancelled during the first quarter.
	2.3 District IGR forums supported (DCF & DCTech)	10	5	5	-	All five districts were supported with at least two IGR forums during the course of the year.

a) Provincial Indicators

Sub-Programme 2.6: Community Development Programme						
Strategic Objectives	Performance Indicator	Actual Achievement 2012/13	Planned Target 2013/14	Actual Achievement 2013/14	Deviation from Planned Target to Actual Achievement for 2013/14	Comments on Deviations
1. To provide information to communities to access government services	1.1. Information sessions in communities conducted	549	500	619	119	<p>The information sessions covered the following topics:</p> <p>Social Relief of Distress and Social Grants, Career Guidance, Services Rendered by SASSA and the Department of Home Affairs, Child Labour Awareness, Housing Consumer Education, Domestic Violence, Know Your CDW, Government Opportunities, Hygiene and Sanitation, Conflict Resolution, Problem Solving, Know Your Service Rights, SARS e-Filing, Role of Consumer Protector, and How to register a Co-operative.</p> <p>The Department over-achieved due to requests for more information sessions from communities.</p>

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Sub-Programme 2.6: Community Development Programme

Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
	1.2. Partnerships with stakeholders	12	20	21	1	The Department entered into partnerships with: South African Council on Alcoholism in Khayelitsha, Go Reach in Langebaan, Matzikama Alcohol Drug Action (MADA) in Vredendal, Department of Justice and Correctional Services in Beaufort West, Hugonote Kollege in Worcester, Skills Development Plan in Cape Town, Bonteheuwel Friends of the Library, Bonteheuwel Disabled Group, Vision Music and Art Projects in Atlantis, Department of Agriculture in Khayelitsha, Department of Correctional Service in Worcester, Triage Trust, FASfacts in Worcester, Department of Home Affairs, West Coast HIV/Aids Initiatives, Bethesda, Andidedwa, Eagles' Nest Learning and The Development Institute in Grabouw.
	1.3. Government initiatives supported by CDWs	44	20	27	7	The Department over achieved the target due to unplanned demands from government departments, the project is demand driven.

Sub-Programme 2.6: Community Development Programme						
Strategic Objectives	Performance Indicator	Actual Achievement 2012/13	Planned Target 2013/14	Actual Achievement 2013/14	Deviation from Planned Target to Actual Achievement for 2013/14	Comments on Deviations
	1.4 Case referrals to government services	24 826	30 000	30 217	217	Case referrals relate to UIF, Cooperatives, Housing, Education, Unemployment, Child Support Grant, ID issues, Skills Development, EPWP, Sexual Abuse, Crime, Labour Issues, HIV/Aids, Adoption, Floods, Food Gardens, Indigent Grants, Pensions, Business Training, Disability etc. The Department over achieved the target due to high demands for government services from communities.
2. Facilitating community access to socio-economic opportunities	2.1 Community projects supported	62	60	60	-	A variety of community projects were supported, such as: Feeding Programmes, Skills Development, entrepreneurship programme, Soup Kitchens, Youth Development, partnership with people with disabilities, co-operatives and emerging farmers support.

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3.3 Programme 3: Development and Planning

Programme Purpose	To promote and facilitate effective disaster management practices and to ensure well maintained municipal infrastructure
Sub-Programme 3.1: Municipal Infrastructure	
Strategic Objectives	To support Municipalities with potential solutions to Bulk Infrastructure
Sub-Programme 3.2: Disaster Management	
Strategic Objective	To coordinate effective preparedness and rapid response to any potential incidents/ disasters
	To coordinate disaster rehabilitation, reconstruction and relief
	To facilitate and coordinate the reduction of potential risks posed by hazards
	To ensure effective and economical fire services
Sub-programme 3.3: Integrated Development Planning Coordination	
Strategic Objective	To improve the quality of IDPs to give effect to service delivery
	To strengthen intergovernmental planning and budget through establishment of IDP as the single coordinating plan of Government

Performance Indicators
a) Provincial Indicators

Sub-Programme 3.1: Municipal Infrastructure						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. To support municipalities with potential Bulk Infrastructure	1.1. Municipalities supported with Bulk Infrastructure planning and implementation	5	5	7	2	Municipalities assisted with Infrastructure and Growth Plans were: <ul style="list-style-type: none"> • Saldanha Bay • Swartland • Bitou • Hessequa • Laingsburg • Matzikama, and • Kannaland <p>The reason for deviation is that new infrastructure plans were developed for 5 municipalities and 2 infrastructure plans were reviewed.</p>
	1.2. Municipalities supported with Electricity Master Planning	-	2	2	-	Municipalities assisted with Electrical Master Planning were: <ul style="list-style-type: none"> • Bergrivier, and • Bitou.
2. To ensure efficient and effective expenditure of MIG fund	2.1 Municipalities supported to spend MIG	24	24	24	-	

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a) Provincial Indicators

Sub-Programme 3.2: Disaster Management & Fire Brigade Services						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. To coordinate effective pre-preparedness and rapid response to any potential incidents or disasters	1.1. Provincial stakeholders assisted in developing disaster preparedness plans	8	4	4	-	Assistance was provided with the following plans: Departments: <ul style="list-style-type: none"> Department of Health: Western Cape Pandemic Plan Department of Agriculture: Drought Plan. Municipalities: <ul style="list-style-type: none"> Saldanha Bay Local Municipality: Disaster Management Plan Swartland Local Municipality: Disaster Management Plan.
	1.2. Centre enhancements to ensure functional Provincial Disaster Management Centre	1	1	1	-	
	1.3. Provincial Disaster Management Annual Report	1	1	1	-	

Sub-Programme 3.2: Disaster Management & Fire Brigade Services						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
2. To coordinate Disaster rehabilitation, reconstruction and relief	2.1 Disaster damage assessments conducted	4	-	4	4	Assessments were conducted on: <ul style="list-style-type: none"> • Central Karoo Drought; • Kannaland Water Crisis, • Metro Fire Damage Assessment; and • Halfmanskloof Hail Incident.
	2.2 Disaster declarations facilitated	2	-	-	-	No declarations were facilitated during the year under review.
	2.3 Disaster recovery incidents/ disasters monitored and supported	9	-	7	7	The following recovery incidents were monitored and supported: 2011/12 flooding events, 2013 emergency projects, 2013/14 flooding events, Halfmanskloof Hailstorm, Kannaland Water Crisis, Ladysmith Cheese Factory Fire and Central Karoo Agriculture Drought.
3. To facilitate and coordinate the reduction of potential disaster risks posed by hazards	3.1 Municipalities supported to develop applicable Disaster Risk reduction chapters in IDPs	6	6	6	-	Municipalities supported were: Matzikama, George, Mossel Bay, Hessequa, Oudtshoorn and Kannaland.
	3.2 Municipalities supported with risk and vulnerability assessments	5	3	4	1	The following Municipalities were supported: Knysna, Beaufort West, Bergrivier and Cederberg. Additional funds were made available for Cederberg.
	3.3 Disaster Hazard awareness programme	2	1	1	-	Annual Fire and Flood Awareness campaign was completed where 26 schools were visited and approximately 11500 learners were reached.

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Sub-Programme 3.2: Disaster Management & Fire Brigade Services

Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
4. To ensure effective and economical fire services	4.1 Support programmes for special operations response task teams	2	2	4	2	<p>The Department supported programmes such as Incident Command System, High Angle Rescue, Swift Water Rescue and Trench Rescue training.</p> <p>The partnerships created through the establishment of the Wolwekloof training facility afforded the opportunity to exceed the initial targets.</p>
	4.2 Support programmes to improve wild-land firefighting capacity	4	4	4	-	<p>The programmes were aimed at enhancing Integrated Fire Management, a series of actions that included fire awareness and prevention activities, prescribed burning, resource sharing and co-ordination, fire detection, fire suppression and fire damage rehabilitation at local, provincial and national levels in order to create a sustainable and well balanced environment, reduce unwanted wildfire damage and promote the beneficial use of fire.</p> <p>The Aerial firefighting component provided support to the Eden, West Coast, Cape Winelands, and Overberg District Municipalities.</p>

Sub-Programme 3.2: Disaster Management & Fire Brigade Services						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
	4.3 Municipalities supported to provide fire and life safety education	6	5	7	2	<p>Design, development and implementation of the 'Fire is Everyone's Fight' campaign including the distribution of fire safety information through the internet, social media and magazines such as Huisgenoot, You & Drum as well as directly to various municipalities. The Department also conducted fire safety radio programmes through stations such as Umhlobo Wenene, Atlantis, Bush Radio, Eden FM, Gamka FM, Radio KC, Manakwaland Radio, Overberg, Vallei, West Coast Radio, Whale Coast and Zibonele FM.</p> <p>In addition, a fire safety school curriculum toolkit and teacher training programme was developed which targets young children in high risk communities. Finally various Community Risk Reduction training programmes were developed and presented to emergency responders.</p>
5. Ensure effective and economical fire and rescue services and provide for administration of the Fire Brigade services act	5.1 Provincial Fire Training programme established	-	1	1	-	The Wolwekloof facility has been established as a training centre.

PART B

b) Nationally Prescribed Indicator

Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Number of meetings of Intergovernmental Disaster Management Forum	4	4	4	-	

a) Provincial Indicators

Sub-Programme 3.3: Integrated Development Planning						
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. To improve the quality of IDPs to give effect to service delivery	1.1 Support programmes for municipalities	18	6	14	8	Amongst the support actions provided to municipalities were the following: IDP Managers' Forums, support with Joint Planning sessions and preparing municipalities for LGMTEC3. The Department overachieved due to high demand for support in municipalities.
	1.2 Capacity building workshops on Integrated Development Planning for stakeholders	-	6	6	-	
	1.3 Spatial investment maps developed for districts and the metro	5	6	5	(1)	As part of the IDP Indaba 2 process, 5 spatial investment maps with draft allocations were compiled for the 5 Districts. The mapping for the City has already been addressed under the (BEPP), hence support was not rendered.

Sub-Programme 3.3: Integrated Development Planning							
Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations	
	1.4	Municipal IDP assessment reports	30	30	30	-	
	1.5	Municipalities supported to develop and implement area based development plans	8	6	6	-	Area/neighbourhood based development plans were completed in the following Municipalities: Laingsburg, Langeberg, Breede Valley, Knysna, Hessequa and George.
2. To strengthen Inter-governmental planning and budget through establishment of IDP as the single coordinating plan of Government	2.1	Stakeholders engaging with the annual IDP assessment process	15	10	17	7	The assessment week was held on 7 - 11 April 2014 and a total of 11 Provincial, 4 National Sector departments and 2 Parastatals participated in the IDP Assessment Process. The initial target of 10 stakeholders was based on the fact that Sector Departments many of the National Departments have Provincial counterparts. Subsequently key National Sector Departments participated in the process.
	2.2	Stakeholders engaged on IDP priorities implementation and budget alignment	55	45	46	1	The IDP Indaba 2 was successfully rolled out in all districts. Participants included municipalities, provincial sector Departments, National Departments, and State-owned Enterprises.

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Sub-Programme 3.3: Integrated Development Planning

Strategic Objectives	Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
	2.3 IDP Indaba agreements monitored	138	100	303	203	<p>Out of the 303 agreements recorded during the 2014/15 IDP Indaba processes, a total of 58 Agreements are still being monitored and followed up.</p> <p>Agreements are dependent on demand, hence the over-achievement.</p>

b) Nationally Prescribed Indicator

Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from Planned Target to Actual Achievement for 2014/15	Comments on Deviations
1. Number of Municipalities supported with development of legally compliant IDP	-	8	6	(2)	<p>The following Municipalities were supported with the development of legally compliant IDPs:</p> <ul style="list-style-type: none"> • Beaufort West • Cape Winelands • Swellendam • Kannaland • Cederberg, and • Saldanha Bay <p>As municipalities were supported during the LGMTEC process, no further support was required.</p>

3.4 Linking Performance with Budgets

Sub-Programme Name	2014/2015			2013/2014		
	Final Ap- propriation	Actual Expenditure	Over/Un- der Ex- pendi- ture	Final Ap- propriation	Actual Expendi- ture	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1.1 Office of the MEC	-	-	-	-	-	-
1.2 Corporate Services	37 805	37 054	751	32 150	32 098	52
Total	37 805	37 054	751	32 150	32 098	52
2.1 Municipal Administration	9 239	9 239	0	9 836	9 716	120
2.2 Public Participation	5 954	5 928	26	6 401	6 221	180
2.3 Capacity Development	11 288	11 270	18	14 461	13 385	1 076
2.4 Municipal Performance, Monitoring, Reporting & Evaluation	27 299	27 196	103	6 165	5 654	511
2.5 Service Delivery Integration	10 245	10 188	57	9 578	8 788	790
2.6 Community Development Programme	53 305	53 211	94	51 298	50 982	316
Total	117 330	117 032	298	97 739	94 746	2 993
3.1 Municipal Infrastructure	11 196	11 196	-	10 351	10 132	219
3.2 Disaster Management	26 522	26 462	60	27 200	27 081	119
3.3 Integrated Development Plan Coordination	6 276	5 735	541	8 107	8 005	102
Total	43 994	43 393	601	45 658	45 218	440
4.1 Traditional Institutional Management	1	-	1	1	-	1
Total	199 130	197 479	1 651	175 548	172 062	3 486

PART B

3.5 Transfer Payments

3.5.1 Transfer payments to Public Entities N/A

3.5.2 Transfer Payments (transfer payments made for the period 1 April 2014 to 31 March 2015)

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
City of Cape Town	CDW Operational Grant	Yes	1 032
Matzikama	CDW Operational Grant	Yes	140
Cederberg	CDW Operational Grant	Yes	157
Bergrivier	CDW Operational Grant	Yes	35
Saldanha Bay	CDW Operational Grant	Yes	35
Swartland	CDW Operational Grant	Yes	59
Witzenberg	CDW Operational Grant	Yes	140
Drakenstein	CDW Operational Grant	Yes	105
Stellenbosch	CDW Operational Grant	Yes	52
Breede Valley	CDW Operational Grant	Yes	88
Cape Winelands	CDW Operational Grant	Yes	70
Theewaterskloof	CDW Operational Grant	Yes	122
Overstrand	CDW Operational Grant	Yes	70
Cape Agulhas	CDW Operational Grant	Yes	52
Overberg	CDW Operational Grant	Yes	66
Kannaland	CDW Operational Grant	Yes	105
Mossel Bay	CDW Operational Grant	Yes	70
George	CDW Operational Grant	Yes	88
Oudtshoorn	CDW Operational Grant	Yes	70
Bitou	CDW Operational Grant	Yes	35
Knysna	CDW Operational Grant	Yes	53
Laingsburg	CDW Operational Grant	Yes	70
Prince Albert	CDW Operational Grant	Yes	70
Beaufort West	CDW Operational Grant	Yes	192
Swartland	Thusong Operational Support Grant	Yes	222
Witzenberg	Thusong Operational Support Grant	Yes	222
Breede Valley	Thusong Operational Support Grant	Yes	222
Langeberg	Thusong Operational Support Grant	Yes	222
Cape Agulhas	Thusong Operational Support Grant	Yes	222
Swellendam	Thusong Operational Support Grant	Yes	222
Mossel Bay	Thusong Operational Support Grant	Yes	222
George	Thusong Operational Support Grant	Yes	218
Prince Albert	Thusong Operational Support Grant	Yes	222

Name of transferee	Purpose for use of funds	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
Beaufort West	Thusong Operational Support Grant	Yes	222
Beaufort West	IDP Hands-on-support	Yes	200
Cederberg	IDP Hands-on-support	Yes	200
Cape Winelands	IDP Hands-on-support	Yes	200
Kannaland	IDP Hands-on-support	Yes	200
Swellendam	IDP Hands-on-support	Yes	200
Beaufort West	Municipal Infrastructure Support Grant	Yes	500
Bergriver	Municipal Infrastructure Support Grant	Yes	1 745
Bitou	Municipal Infrastructure Support Grant	Yes	1 000
Cederberg	Municipal Infrastructure Support Grant	Yes	750
Kannaland	Municipal Infrastructure Support Grant	Yes	1 850
Laingsburg	Municipal Infrastructure Support Grant	Yes	2 000
Matzikama	Municipal Infrastructure Support Grant	Yes	250
Outshoorn	Municipal Infrastructure Support Grant	Yes	207
Prince Albert	Municipal Infrastructure Support Grant	Yes	1 200
Swellendam	Municipal Infrastructure Support Grant	Yes	1 000
Theewatrskloof	Municipal Infrastructure Support Grant	Yes	1 018
Witzenberg	Municipal Infrastructure Support Grant	Yes	730
Matzikama	Municipal Performance Management Grant	Yes	100
West Coast	Municipal Performance Management Grant	Yes	50
Cape Winelands	Municipal Performance Management Grant	Yes	50
Swellendam	Municipal Performance Management Grant	Yes	100
Overberg	Municipal Performance Management Grant	Yes	50
Oudtshoorn	Municipal Performance Management Grant	Yes	200
Eden	Municipal Performance Management Grant	Yes	50

PART B

Name of transferee	Purpose for use of funds	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
Prince Albert	Municipal Performance Management Grant	Yes	150
Beaufort West	Municipal Performance Management Grant	Yes	200
Central Karoo	Municipal Performance Management Grant	Yes	50
Matzikama	Municipal Capacity Building Grant	Yes	500
Langeberg	Municipal Capacity Building Grant	Yes	500
Cape Agulhas	Municipal Capacity Building Grant	Yes	500
Overberg	Municipal Capacity Building Grant	Yes	500
Hessequa	Municipal Capacity Building Grant	Yes	500
Beaufort West	Municipal Capacity Building Grant	Yes	500
Central Karoo	Municipal Capacity Building Grant	Yes	1 000
NSRI (National Sea Rescue Institute)	Operational Support	Yes	375
SABC	TV licence	Yes	4
University of Stellenbosch	Mentoring and coaching project	Yes	200
NGOs: Thusong Centre Management	Thusong Operational Support Grant	Yes	218
Lifesaving SA	Operational Support	Yes	375
Households	Injury on Duty	Yes	1
Households	Leave Gratuity	Yes	774

3.5.3 Transfer Payments (transfer payments which were budgeted for the period 1 April 2014 to 31 March 2015 (but no transfer payments were made) N/A

3.6 Conditional Grants and Earmarked Funds Paid

The Department does not pay conditional grants and earmarked funds.

3.7 Conditional grants and earmarked funds received

The Department did not receive conditional grants and earmarked funds.

3.8 Donor Funds

The Department did not receive donor funds.

3.9 Capital Investment, maintenance and asset management plan

The Department does not have infrastructure projects.



1. Risk Management

The Accounting Officer (AO) for the Department of Local Government takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D:ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM Policy which sets out the WCG's overall intention with regard to ERM. The Department adopted an ERM Strategy, approved by the Accounting Officer on 28 July 2014 and an ERM Implementation Plan, approved by the Accounting Officer on 22 April 2014. The ERM Implementation Plan gave effect to the WCG ERM policy and departmental ERM Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the department.

The Department assessed significant risks that could have an impact on the achievement of its objectives, both strategic and programme risks, on a quarterly basis. Risks were prioritised based on its likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Department established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Officer in executing her responsibilities relating to risk management. The Committee operates under a Terms of Reference approved by the Accounting Officer on 16 July 2014. ERMCO ratified the strategic risk registers and recommended further action where relevant.

The Audit Committee provided the independent oversight of the Department's system of risk

management. The Audit Committee was furnished with Quarterly ERM progress reports and departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process is in relation to the progress of implementation of the Departments Annual ERM Implementation Plan and strategic risks faced by the Department and their relevant risk response/treatment strategies.

Impact on institutional performance

During the period under review, enterprise risk management was more firmly mainstreamed into management praxis. Each Chief Director was required to review both their operational and strategic risks with his / her Directors and amend their risk register(s) accordingly, and the results were then reported to and discussed at the quarterly Enterprise Risk Management meetings. In addition, emerging risks are identified at strategic planning meetings. Risk management has thereby become a standard activity in the management calendar of the Department. As a result, mitigating actions become part of the department's programmes and emerging risks are immediately identified and addressed.

2. Fraud and Corruption

The Western Cape Government adopted an Anti-Corruption Strategy which confirms the Province's zero tolerance stance towards fraud and corruption. The Department has an approved Fraud Prevention Plan and a Fraud Prevention Implementation plan giving effect to the Fraud Prevention Plan.

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the department and generating statistics for the

Province and Department. We protect employees who blow the whistle on suspicions of fraud, corruption and theft if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

Once fraud or corruption is confirmed, after completion of an investigation, the relevant employees who were implicated in these acts are subjected to a disciplinary hearing. In all such instances, the WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where prima facie evidence of criminal conduct is detected, a criminal matter is reported at the South African Police Services.

During this financial year, one (1) investigation was completed by PFS whilst 21 matters were referred to the Department for an internal investigation or municipal referral. Only a preliminary investigation was required in respect of the one (1) completed case and the preliminary investigation did not confirm the allegation of Fraud, Theft or Corruption. At the end of the financial year, no (zero) matters remained on the case list of the Department.

3. Internal Audit and Audit Committees

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It assists the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the

governance processes in achieving the department's objectives;

- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

The following assurance engagements were approved in the 2014/15 Internal Audit Plan:

- Interim Financial Statements;
- Public Participation - Ward Committees; and
- Transfer Payments.

The following consulting engagement was approved in the 2014/15 Internal Audit Plan:

- District and Local Performance Monitoring
- The Audit Committee is established as oversight bodies, providing independent oversight over governance, risk management and control processes in the Department, which include oversight and responsibilities relating to:
 - Internal Audit function;
 - External Audit function (Auditor General of South Africa - AGSA);
 - Departmental Accounting and reporting;
 - Departmental Accounting Policies;
 - Review of AGSA management and audit report;
 - Review of Departmental In year Monitoring;
 - Departmental Risk Management;
 - Internal Control;
 - Pre-determined objectives;
 - Ethics and Forensic Investigations.

PART C

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Mervyn Burton	B Compt, B Compt (Hons); CA(SA), CFP	External	N/A	01 January 2012	N/A	9
Ms Judy Gunther	CIA,AGA, Masters in Cost Accounting, BCompt; CRMA	External	N/A	01 January 2013	N/A	8
Mr Louw van der Merwe	CA(SA), ACMA, CIA,CISA, CRMA	External	N/A	01 January 2013	N/A	7
Mr Kerry Larkin	BCompt, ND:FIS, CRMA, CCSA, CIA	External	N/A	01 January 2013	N/A	6
Mr Zaid Manjra	BCom, Dip Acc, CA(SA),MBL	External	N/A	01 January 2013	N/A	5

4. Audit Committee Report

Please refer to page 105 to 106 of the Report of the Audit Committee.

5. Health Safety and Environmental Issues

The health and safety goal of the Department is to reduce work-related injuries, communicable diseases and accidents resulting in injury and damage to property. During the year under review the department achieved the following:

- The prescribed Contingency plan for the Department of Local Government was consulted with the OCCUPATIONAL HEALTH & SAFETY ACT (OHASA) committee and the Department of Community Safety. The HOD approved the contingency plan and it was implemented.
- OHS unit drafted monthly reports relating to OHASA complaints and incidents and submitted reports to management with the relevant recommendations to rectify shortcomings after compliance audits in the buildings were conducted.
- Three (3) prescribed evacuation exercises were conducted (1x announced and 2x un announced).
- Four (4) prescribed Occupational health and safety meetings were held.
- OHASA training (FIRST AID, FLOOR MARSHAL, and FIRE MARSHAL) was provided to all volunteers to ensure compliance.
- Occupational Health and Safety policy was approved by the Head of Department and implemented.

6. Promotion of Access to Information

During the 2014/15 financial year, the Department of Local Government received no formal requests for access to information in terms of the Promotion of Access to Information Act, 2000. The Department submitted its section 32 report for the financial year to the Human Rights Commission and also submitted its section 15 automatically available information to the Minister of Justice and Constitutional Development for publication in the Government Gazette via the Department of the Premier. The Department's section 14 manual was also submitted to the Human Rights Commission and is available on the official website in all 3 official languages.

PART D



PART D

1. Legislation that Governs People Management

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

In addition to the Public Service Regulations, 2001 (as amended on 30 July 2012), the following prescripts direct Human Resource Management within the Public Service:

- **Occupational Health and Safety Act (85 of 1993)**

To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; and to provide for matters connected therewith.

- **Public Service Act 1994, as amended by Act (30 of 2007)**

To provide for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.

- **Labour Relations Act (66 of 1995)**

To regulate and guide the employer in recognising and fulfilling its role in effecting labour peace and the democratisation of the workplace.

- **Basic Conditions of Employment Act (75 of 1997)**

To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International

Labour Organisation; and to provide for matters connected therewith.

- **Skills Development Act (97 of 1998)**

To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.

- **Employment Equity Act (55 of 1998)**

To promote equality, eliminate unfair discrimination in employment and to ensure the implementation of employment equity measures to redress the effects of discrimination; to achieve a diverse and efficient workforce broadly representative of the demographics of the province.

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

To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

- **Skills Development Levy Act (9 of 1999)**

To provide any public service employer in the national or provincial sphere of Government with exemption from paying a skills development levy; and for exemption from matters connected therewith.

- **Promotion of Access to Information Act (2 of 2000)**

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

- **Promotion of Administrative Justice Act (PAJA) (3 of 2000)**

To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.

2. Introduction

The Value of People in the Department

Our people are the foremost contributors to the achievements of the Department and of the successes of the Western Cape Government. Service excellence depends on the wellbeing of our organisation and its people. Hence, we:

- value people who act with integrity, and are engaged, caring, competent, accountable and responsive;
- see people management to be the responsibility of everyone;
- ground the management of our people in the principles of dignity, respect, transparency and equity;
- grow, develop, empower and enable our people to reach and use their full potential;
- embrace diversity and have a deep respect for one another's culture, individuality, language, values and beliefs.

OVERVIEW OF HR MATTERS AT THE DEPARTMENT

Human resources (people) are a key element in achieving the strategic objectives of the

Department. Therefore human resource planning aims to ensure that the department has the right people, with the right skills, at the right place at the right time, all the time. The Department's strategic planning cycle precedes the HR planning process where the latter process, among other things, links to the departmental skills development, recruitment, retention and affirmative action strategies.

The strategic HR Plan was developed and implemented for the period 1 April 2011 to 31 March 2016. The HR Plan was reviewed and subsequently adjusted with effect from 1 June 2014. The Action Plan was amended accordingly to ensure that the human resource strategic objectives are still valid and address the HR priorities in the department. The annual progress report will monitor the implementation of the key activities contained within the HR Plan and be submitted to DPSA as directed.

Workforce planning can be defined as an inclusive and dynamic process that involves the identification of both current and future human resource needs as well as potential challenges in order for the Department to consistently achieve its departmental strategic objectives.

PART D

SET HR PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE PRIORITIES

After analysing the current workforce profile and the future demand, the following HR priorities were identified:

Nr	HR Priority	Impact
1	Recruitment and Selection	Expedited Recruitment and Selection processes. The Department staffed with the desired profile of employees who share the values of the organisation.
2	Promotion of Employment Equity	All targets with regard to designated groups and national directives are achieved.
3		Create a learning organisation
4	Training and Development	Skills gap is identified A learning organisation is created
5	Employee Health and Wellness	A healthy workforce Increased staff morale Reduced absenteeism Improved productivity

FORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

Without human resources (people), the Department cannot deliver an optimum service and without an

adequate budget, they cannot recruit, develop and retain people needed to deliver optimum services.

The challenges facing the Department have been identified. These challenges have been addressed by identifying key activities which have been incorporated into the action plan.

The following are some of the main key activities as set out in the action plan:

Key Activities	
1	<ul style="list-style-type: none"> Reduce the vacancy rate to 10% DPSA target Reduce the time taken to fill a post to no longer than 6 months as per DPSA target Implement and improve E-recruitment system to source talent Reduce number of contract employees to less than 5% of the workforce.
2	<ul style="list-style-type: none"> Adherence to set EE goals and targets as per EE Plan Meet and maintain the national target of 50% as a minimum for women in SMS Meet and maintain the national target of 2% as a minimum for PwDs and to implement measures to reasonably accommodate their needs. Increased recruitment and retention of current PwDs through implementation of DPSA's Job Access Strategic Framework and utilisation of transversal PwD database.
3	<ul style="list-style-type: none"> Develop and present mentorship and coaching training programme and ensure suitable mentors are appointed. Continuous development of employees. Conduct transversal on boarding induction programme for all new employees. Meet the combined national target of 5% of the total workforce for Interns and Learners. Effective functioning of the Skills Development Forum to ensure alignment of training interventions with WSP.

Key Activities

- | | |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4 | <ul style="list-style-type: none"> • Interventions provided in support of Health and Wellness issues • Provide change navigation interventions to all employees to assist to cope with rapid changes in the work environment • Manage absenteeism through monitoring of practices, trends and misuse of leave |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

It is expected that the Departmental management and the Corporate Service Centre takes joint responsibility for the execution of the action plans, as well as ownership for delivering the necessary outcomes.

Employee Performance Management Framework

One of the cornerstones of the Staff Performance Management System is the basic requirement that all employees are obliged to do what is expected of them. These expectations and the required performance standards are concretised by means of job descriptions, performance agreements, business plans and / or service level agreements. Rewards and incentives are therefore only granted for work that qualitatively and quantitatively surpasses work for which employees are remunerated.

Employees who are nominated for performance bonuses are assessed by moderation panels, who then examine the evidence of superior performance. Under-performing staff members, on the other hand, are required to complete the actions stipulated in a Performance Improvement Plan. These are closely monitored to ensure absolute compliance with acceptable performance standards.

The framework also seeks to promote a positive workplace culture that encourages formal and informal discussions about performance quality, lead practice and continuous individual improvement.

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSO 12, namely being the best-run regional government in the world.

Employee Wellness

Developing a wellness culture in the Department is of strategic importance to ensure that employees

achieve optimum levels of performance while feeling cared for and supported in the work context. The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee wellbeing and is largely preventative in nature, offering both primary and secondary services. The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy). A quarterly report is prepared by the Directorate: Organisational Behaviour within the Corporate Service Centre that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas; namely, HIV/ AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment, Risk and Quality Management).

3. Human Resource Oversight Statistics

3.1 Personnel related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2). In particular, it provides an indication of the amount spent on personnel in terms of each of the programmes or salary bands within the Department.

The figures in Table 3.1.1 are drawn from the Basic Accounting System and the figures in Table 3.1.2

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are drawn from the PERSAL [Personnel Salary] system. The two systems are not synchronised for salary refunds in respect of staff appointments and

resignations and/or transfers to and from other departments. This means there may be a difference in total expenditure reflected on these systems.

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from here on out.

Programme	Programme Designation
Programme 1	Administration
Programme 2	Local Governance
Programme 3	Development and Planning

Table 3.1.1: Personnel expenditure by programme, 2014/15

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Programme 1	37 054	19 358	1 006	13 215	52.24%	245	79
Programme 2	117 032	79 262	-	13 197	67.73%	278	285
Programme 3	43 393	25 106	729	16 711	57.86%	335	75
Total	197 479	123 726	1 735	43 123	62.65%	282	439

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

Table 3.1.2: Personnel expenditure by programme, 2014/15

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Lower skilled (Levels 1-2)	978	0.8	34	29
Skilled (Levels 3-5)	6 757	5.4	133	51
Highly skilled production (Levels 6-8)	53 200	42.5	231	230
Highly skilled supervision (Levels 9-12)	47 789	38.2	427	112
Senior management (Levels 13-16)	16 536	13.2	973	17
Total	125 260	100.0	285	439

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical

assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2014/15

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	13 668	10.9	169	0.1	443	0.4	641	0.5
Programme 2	56 251	44.9	649	0.5	2 112	1.7	4 123	3.3
Programme 3	17 763	14.2	71	0.1	241	0.2	588	0.5
Total	87 682	70.0	889	0.7	2 796	2.2	5 352	4.3

Note: Salaries, overtime, housing allowance and medical assistance are calculated as a % of the total personnel expenditure which appears in Table 3.1.2 above. Furthermore, the table does not make provision for other expenditure such as Pensions, Bonuses and other allowances which make up the total personnel expenditure. Therefore, Salaries, Overtime, Housing Allowance and Medical Assistance amount to 77.2% of the total personnel expenditure.

The totals in Tables 3.1.3 & 3.1.4 balance. The data may, however, reflect differently as a result of the grouping per programme or salary band and the rounding off to thousands

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary bands, 2014/15

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower skilled (Levels 1-2)	964	0.8	10	0.007	0	0.0	0	0.0
Skilled (Levels 3-5)	4 664	3.7	81	0.1	257	0.2	357	0.3
Highly skilled production (Levels 6-8)	38 156	30.5	461	0.4	1 833	1.5	3 730	3.0
Highly skilled supervision (Levels 9-12)	33 746	26.9	337	0.3	536	0.4	1 019	0.8
Senior management (Levels 13-16)	10 153	8.1	0	0.0	170	0.1	245	0.2
Total	87 683	70.0	889	0.7	2 796	2.2	5 351	4.3

Note: The totals in Tables 3.1.3 & 3.1.4 balance. The data may, however, reflect differently as a result of the grouping per programme or salary band and the rounding off to thousands

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3.2 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees and the percentage of vacant posts. This information is presented in terms of three key variables: programme (Table 3.2.1), salary band

(Table 3.2.2) and critical occupations (Table 3.2.3). Departments have identified critical occupations that need to be monitored. Table 3.2.3 provides establishment and vacancy information for the key critical occupations of the department.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2015

Programme	Number of funded posts	Number of posts filled	Vacancy rate %
Programme 1	72	57	20.8%
Programme 2	263	251	4.6%
Programme 3	60	52	13.3%
Total	395	360	8.9%

Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2015

Salary Band	Number of funded posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	0	0	0%
Skilled (Levels 3-5)	39	37	5.1%
Highly skilled production (Levels 6-8)	230	218	5.2%
Highly skilled supervision (Levels 9-12)	109	90	17.4%
Senior management (Levels 13-16)	17	15	11.8%
Total	395	360	8.9%

Note: The information in each case reflects the situation as at 31 March 2015. For an indication of changes in staffing patterns over the year under review, please refer to section 3.4 of this report.

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2015

Critical Occupations	Number of funded posts	Number of posts filled	Vacancy rate %
Project Manager	2	2	0.0%
Engineer	4	4	0.0%
Total	6	6	0.0%

3.3 Job Evaluation

The Public Service Regulations, 2001 as amended, introduced post evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework,

executing authorities may evaluate or re-evaluate any post in his or her organisation.

Table 3.3.1 summarises the number of posts that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.3.1: Job evaluation, 1 April 2014 to 31 March 2015

Salary Band	Total number of posts	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	% of number of posts	Number	% of number of posts
Lower skilled (Levels 1-2)	0	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	39	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	230	3	0.8	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	109	21	5.3	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	13	0	0.0	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	3	0	0.0	0	0.0	0	0.0
Senior Management Service Band C (Level 15)	1	0	0.0	0	0.0	0	0.0
Total	395	24	6.1	0	0.0	0	0.0

Note: Existing Public Service policy requires departments to subject specifically identified posts (excluding Educator and OSD [occupation-specific dispensation] posts) to a formal job evaluation process. These include newly created posts, as well as posts where the job content has changed significantly. This job evaluation process determines the grading and salary level of a post.

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Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2014 to 31 March 2015

Beneficiaries	African	Indian	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

Note: Existing Public Service policy requires departments to subject specifically identified posts (excluding Educator and OSD [occupation-specific dispensation] posts) to a formal job evaluation process. These include newly created posts, as well as posts where the job content has changed significantly. This job evaluation process determines the grading and salary level of a post.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per Major Occupation, 1 April 2014 to 31 March 2015

Major Occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Deputy Director	1	11	-	2 notch increment	Attraction
Personal Assistant	1	7	-	5 notch increment	Attraction
Total					2
Percentage of total employment					0.6

Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per Major Occupation, 1 April 2014 to 31 March 2015

Beneficiaries	African	Indian	Coloured	White	Total
Female	2	0	0	0	2
Male	0	0	0	0	0
Total	2	0	0	0	2
Employees with a disability					0

3.4. Employment Changes

Turnover rates provide an indication of trends in the employment profile of the department during

the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupations (Table 3.4.2).

Table 3.4.1: Annual turnover rates by salary band, 1 April 2014 to 31 March 2015

Salary Band	Number of employees as at 31 March 2014	Turnover rate 2013/14	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2014/15
Lower skilled (Levels 1-2)	0	0.0	0	1	1	0	0.0
Skilled (Levels 3-5)	35	25.9	13	5	10	1	31.4
Highly skilled production (Levels 6-8)	218	2.8	5	3	5	3	3.7
Highly skilled supervision (Levels 9-12)	99	9.4	11	2	16	6	22.2
Senior Management Service Band A (Level 13)	13	0.0	0	0	0	2	15.4
Senior Management Service Band B (Level 14)	3	0.0	0	0	0	0	0.0
Senior Management Service Band C (Level 15)	1	0.0	0	0	0	0	0.0
Senior Management Service Band D (Level 16)	0	0.0	0	0	0	0	0.0
Total	369	6.2	29	11	32	12	11.9
			40		44		

Note: Existing Public Service policy requires departments to subject specifically identified posts (excluding Educator and OSD [occupation-specific dispensation] posts) to a formal job evaluation process. These include newly created posts, as well as posts where the job content has changed significantly. This job evaluation process determines the grading and salary level of a post.

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Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2014 to 31 March 2015

Critical Occupation	Number of employees as at 31 March 2014	Turnover rate 2013/14	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2014/15
Project manager	2	0.0	0	0	0	0	0.0
Engineer	4	25.0	1	0	2	0	50.0
Total	6	33.3	1	0	2	0	33.3

Table 3.4.3: Staff leaving the employ of the department, 1 April 2014 to 31 March 2015

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2015
Death	0	0.0	0.0
Resignation *	18	40.9	4.9
Expiry of contract	9	20.5	2.4
Dismissal - operational changes	0	0.0	0.0
Dismissal - misconduct	1	2.3	0.3
Dismissal - inefficiency	0	0.0	0.0
Discharged due to ill-health	1	2.3	0.3
Retirement	3	6.8	0.8
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	0	0.0	0.0
Transfers to other Public Service departments	12	27.3	3.3
Total	44	100.0	11.9

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department.
* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2014 to 31 March 2015

Resignation Reasons	Number	% of total resignations
Bad Health	1	5.6
Better Remuneration	1	5.6
Other Occupation	2	11.1
Resigning of Position	14	77.8
Total	18	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2014 to 31 March 2015

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	0	0.0
Ages 25 to 29	6	33.3
Ages 30 to 34	3	16.7
Ages 35 to 39	5	27.8
Ages 40 to 44	2	11.1
Ages 45 to 49	2	11.1
Ages 50 to 54	0	0.0
Ages 55 to 59	0	0.0
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
Total	18	100.0

Table 3.4.6 Employee initiated severance packages.

Total number of employee initiated severance packages in 2014/ 2015	None
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Table 3.4.7: Promotions by salary band, 1 April 2014 to 31 March 2015

Salary Band	Employees as at 31 March 2014	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Lower skilled (Levels 1-2)	0	0	0.0	0	0.0
Skilled (Levels 3-5)	35	0	0.0	6	17.1
Highly skilled production (Levels 6-8)	218	0	0.0	172	78.9
Highly skilled supervision (Levels 9-12)	99	1	1.0	59	59.6
Senior management (Levels 13-16)	17	0	0.0	10	58.8
Total	369	1	0.3	247	66.9

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Table 3.4.8: Promotions by critical occupation, 1 April 2014 to 31 March 2015

Critical Occupation	Employees as at 31 March 2014	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Project manager	2	0	0.0	2	100.0
Works inspector	0	0	0.0	0	0.0
Engineer	4	0	0.0	2	50.0
Total	6	0	0.0	4	66.7

3.5. Employment Equity

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2015

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	1	0	0	1
Senior management (Levels 13-14)	1	4	0	4	2	1	1	1	0	0	14
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	10	19	2	9	16	23	0	10	1	0	90
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	30	49	1	0	62	71	0	5	0	0	218
Semi-skilled and discretionary decision making (Levels 3-5)	1	9	0	2	8	16	0	1	0	0	37
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	42	81	3	15	88	111	1	18	1	0	360
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	42	81	3	15	88	111	1	18	1	0	360

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees. Furthermore the information is presented by salary level and not post level.

For the number of employees with disabilities, refer to Table 3.5.2.

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2015

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	0	0	0	0	2	0	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	6	0	0	4	0	0	0	0	0	12
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	1	0	0	0	0	1
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	2	6	0	0	4	3	0	0	0	0	15
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	2	6	0	0	4	3	0	0	0	0	15

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational level include all permanent, part-time and contract employees. Furthermore the information is presented by salary level and not post level.

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Table 3.5.3: Recruitment, 1 April 2014 to 31 March 2015

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	4	0	1	2	1	0	2	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	2	0	0	2	2	0	1	0	0	8
Semi-skilled and discretionary decision making (Levels 3-5)	0	3	0	1	9	4	0	1	0	0	18
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	0	0	1
Total	4	10	0	2	13	7	0	4	0	0	40
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	4	10	0	2	13	7	0	4	0	0	40

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to new employees, including transfers into the Department, as per Table 3.4.1.

Table 3.5.4: Promotions, 1 April 2014 to 31 March 2015

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	0	0	0	0	0	0	1	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	1	0	0	1
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	0	0	0	0	0	0	0	1	0	0	1

A = African; C = Coloured; I = Indian; W = White.

Note: Promotions refer to the total number of employees promoted within the Department, as per Table 3.4.7.

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Table 3.5.5: Terminations, 1 April 2014 to 31 March 2015

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	1	1	0	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	5	0	5	3	3	0	3	0	0	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	2	0	0	1	3	0	0	0	0	8
Semi-skilled and discretionary decision making (Levels 3-5)	1	3	0	0	2	4	0	1	0	0	11
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	0	0	1
Total	7	12	0	5	6	10	0	4	0	0	44
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	7	12	0	5	6	10	0	4	0	0	44

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to new employees, including transfers into the Department, as per Table 3.4.1.

Table 3.5.6: Disciplinary actions, 1 April 2014 to 31 March 2015

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Dismissal/desertion	0	0	0	0	0	1	0	0	0	0	1
TOTAL	0	0	0	0	0	1	0	0	0	0	1

A = African; C = Coloured; I = Indian; W = White.

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and types of misconduct addressed at disciplinary hearings, please refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2014 to 31 March 2015

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	1	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	6	15	2	10	4	13	0	13	63
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	17	0	1	22	30	0	1	72
Semi-skilled and discretionary decision making (Levels 3-5)	2	11	0	0	9	31	0	6	59
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	1
Total	9	44	2	12	35	74	0	20	196
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	9	44	2	12	35	74	0	20	196

A = African; C = Coloured; I = Indian; W = White.

Note: The above table refers to the total number of personnel (including all categories of interns) who received training, and not the number of training courses attended by individuals. For further information on the actual training provided, please refer to Table 3.13.2

3.6. Signing of Performance Agreements by SMS Members

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 August 2014

SMS Level	Number of funded SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Director-General/ Head of Department	1	1	1	100.0
Salary Level 14	3	3	3	100.0
Salary Level 13	13	13	13	100.0
Total	17	17	17	100.0

Note: The allocation of performance-related rewards (cash bonus) for Senior Management Service members is dealt with later in the report. Please refer to Table 3.8.5.

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Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS on 31 August 2014

Reasons for not concluding Performance Agreements with all SMS

Not Applicable

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 August 2014

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements

None Required

3.7. Filling of SMS Posts

Table 3.7.1: SMS posts information, as at 30 September 2014

SMS Level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.00	0	0.00
Salary Level 14	3	3	100.00	0	0.00
Salary Level 13	13	13	100.00	0	0.00
Total	17	17	100.00	0	0.00

Table 3.7.2: SMS posts information, as at 31 March 2015

SMS Level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.00	0	0.00
Salary Level 14	3	3	100.00	0	0.00
Salary Level 13	13	11	84.62	2	15.38
Total	17	15	88.24	2	11.76

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2015

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 Months but filled in 12 months
Head of Department	0	0	0
Salary Level 14	0	0	0
Salary Level 13	2	0	0
Total	2	0	0

Table 3.7.4: Reasons for not having complied with the filling of funded vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant

SMS Level	Reasons for non-compliance
Director-General/ Head of Department	N/A
Salary level 16, but not HOD	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	N/A

Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months
None

3.8. Employee Performance

Table 3.8.1: Notch progressions by salary band, 1 April 2014 to 31 March 2015

Salary Band	Employees as at 31 March 2014	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	0	0	0.0
Skilled (Levels 3-5)	35	6	17.1
Highly skilled production (Levels 6-8)	218	172	78.9
Highly skilled supervision (Levels 9-12)	99	59	59.6
Senior management (Levels 13-16)	17	10	58.8
Total	369	247	66.9

Table 3.8.2: Notch progressions by critical occupation, 1 April 2014 to 31 March 2015

Critical Occupations	Employees as at 31 March 2014	Progressions to another notch within a salary level	Notch progressions as a % of employees by critical occupation
Project Manager	2	2	100.0
Engineer	4	2	50.0
Total	6	4	66.7

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To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2013/14, but paid in the financial year 2014/15. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2014 to 31 March 2015

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2014	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	42	122	34.4	522	12 415
Male	13	43	30.2	169	12 973
Female	29	79	36.7	353	12 165
Coloured	89	194	45.9	1 010	11 350
Male	34	79	43.0	444	13 051
Female	55	115	47.8	566	10 299
Indian	3	4	75.0	70	23 243
Male	2	3	66.7	31	15 293
Female	1	1	100.0	39	39 144
White	15	36	41.7	328	21 852
Male	7	18	38.9	184	26 279
Female	8	18	44.4	144	17 978
Employees with a disability	2	13	15.4	23	11 502
Total	151	369	40.9	1 953	12 928

Note: The above table relates to performance rewards for the performance year 2013/14 and payment effected in the 2014/15 reporting period.

Table 3.8.4: Performance rewards by salary bands for personnel below Senior Management Service level, 1 April 2014 to 31 March 2015 to 31 March 2015

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2013	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	0	0	0.0	0	0	0.0
Skilled (Levels 3-5)	6	35	17.1	42	6 924	0.0
Highly skilled production (Levels 6-8)	84	218	38.5	665	7 920	0.6
Highly skilled supervision (Levels 9-12)	53	99	53.5	874	16 484	0.8
Total	143	352	40.6	1 581	11 052	1.5

Note: The above table relates to performance rewards for the performance year 2013/14 and payment effected in the 2014/15 reporting period.

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2014 to 31 March 2015

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2013	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	4	13	30.8	165	41 138	1.0
Senior Management Service Band B (Level 14)	3	3	100.0	143	47 686	0.9
Senior Management Service Band C (Level 15)	1	1	100.0	64	64 037	0.4
Senior Management Service Band D (Level 16)	0	0	0.0	0	0	0.0
Total	8	17	47.1	372	46 456	2.2

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 13-16, reflected in Table 3.1.2.

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Table 3.8.6: Performance rewards by critical occupations, 1 April 2014 to 31 March 2015

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2014	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
Project manager	1	2	50.0	20	20 109	0.0
Works inspector	0	0	0.0	0	0	0.0
Engineer	0	4	0.0	0	0	0.0
Total	1	6	16.7	20	20 109	0.0

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 3.9.1: Foreign Workers by salary band, 1 April 2014 to 31 March 2015

Salary Band	1 April 2014		31 March 2015		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	1	100.0	1	100.0	0	0.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0.0
Total	1	100.0	1	100.0	0	0.0

Note: The table above excludes non-citizens with permanent residence in the Republic of South Africa.

Table 3.9.2: Foreign Workers by major occupation, 1 April 2014 to 31 March 2015

Major Occupation	1 April 2014		31 March 2015		Change	
	Number	% of total	Number	% of total	Number	% change
Financial Management	1	100.0	1	100.0	0	0.0
Total	1	100.0	1	100.0	0	0.0

Note: The table above excludes non-citizens with permanent residence in the Republic of South Africa.

3.10. Leave Utilisation for the period 1 January 2014 to 31 December 2014

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 (Table 3.10.1) and incapacity leave (Table 3.10.2). In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2014 to 31 December 2014

Salary Band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	0	0.0	0	0
Skilled (Levels 3-5)	262	73.7	37	43	86.0	7	125
Highly skilled production (Levels 6-8)	1 233	84.6	159	226	70.4	8	852
Highly skilled supervision (Levels 9-12)	760	75.8	91	112	81.3	8	1 060
Senior management (Levels 13-16)	99	79.8	15	17	88.2	7	217
Total	2 354	80.3	302	398	75.9	8	2 254

Table 3.10.2: Incapacity leave, 1 January 2014 to 31 December 2014

Salary Band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	0	0.0	0	0
Skilled (Levels 3-5)	0	0.0	0	43	0.0	0	0
Highly skilled production (Levels 6-8)	277	100.0	7	226	3.1	40	185
Highly skilled supervision (Levels 9-12)	61	100.0	2	112	1.8	31	65
Senior management (Levels 13-16)	0	0.0	0	17	0.0	0	0
Total	338	100.0	9	398	2.3	38	250

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA). Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

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Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Commission Bargaining Chamber (PSCBC) in 2000 requires management

of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

Table 3.10.3: Annual Leave, 1 January 2014 to 31 December 2014

Salary Band	Total days taken	Total number employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled (Levels 3-5)	690	42	16
Highly skilled production (Levels 6-8)	4 505	218	21
Highly skilled supervision (Levels 9-12)	2 250	105	21
Senior management (Levels 13-16)	369	17	22
Total	7 814	382	20

Table 3.10.4: Capped leave, 1 January 2014 to 31 December 2014

Salary Band	Total capped leave available as at 31 Dec 2013	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2014	Total capped leave available as at 31 Dec 2014
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	109	1	1	1	5	109.49
Highly skilled supervision (Levels 9-12)	700	5	3	2	17	349.64
Senior management (Levels 13-16)	349	0	0	0	6	348.91
Total	1 159	6	4	2	28	808

Note: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total.

Table 3.10.5 summarises payments made to employees as a result of leave that was not taken.

Table 3.10.5: Leave pay-outs, 1 April 2014 to 31 March 2015

Reason	Total Amount (R'000)	Number of Incidents	Average payment per employee
Leave pay-outs for 2014/15 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service for 2014/15	0	0	0
Current leave pay-outs on termination of service 2014/15	0	0	0
Total	0	0	0

3.11. HIV and AIDS & Health Promotion Programmes

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2014 to 31 March 2015

Units/categories of employees identified as high risk for contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV/AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department	<p>HIV/AIDS Counselling and Testing [HCT] and Wellness screenings sessions were conducted in general. The outsourced Health and Wellness contract (Employee Health and Wellness Programme [EHWP]) provides employees and their immediate family members [it means the spouse or partner of an employee or children living with an employee</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (6 + 2 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online E-Care services and • Training, coaching and targeted Interventions where these were required.

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Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes, 1 April 2014 to 31 March 2015

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.	√		Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier).
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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.	√		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) participating departments.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and wellbeing of employees in the eleven (11) departments.</p> <p>The unit consists of a Deputy Director, two (2) Assistant Directors, and four (4) team members.</p> <p>Budget : R2 m</p>
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	√		<p>The Department has entered into a service level agreement with ICAS [Service Provider] to render an Employee Health and Wellness Service to the eleven departments participating within the Corporate Services Centre [CSC].</p> <p>The Department conducted interventions; namely, Employee Advocacy & Awareness, Stress & Resilience, Emotional, Physical and Sexual Abuse, TB Intervention, Managerial Referral, Diversity Management, Relationship Enrichment and Coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme [EHWP] reports provided by the service provider, ICAS, for the period 2013/14. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, managers and supervisors as well as executive coaching for SMS members.</p> <p>The Department also provided information sessions, as requested by various departments in the Western Cape Government [WCG] to inform employees of the EHW service, how to access the Employee Health and Wellness Programme [EHWP]. Promotional material such as pamphlets, posters and brochures were distributed.</p>

Question	Yes	No	Details, if yes
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.	√		<p>A new Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Local Government is represented by the following committee members:</p> <p>F Matthee & K Adams</p>
5. Has the department reviewed the employment policies and practices of your department 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.	√		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness [EHW] in the Public Service and that coordinate the programmes and services in a uniform manner.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>During the period under review, the Department of the Premier has developed a Transversal Employee Health and Wellness policy. The draft document is being consulted for ratification.</p> <p>Further to this, the Department of Health has currently approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>

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Question	Yes	No	Details, if yes
<p>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.</p>	√		<p>The Department implemented the Provincial Strategic Plan on HIV/AIDS, STIs and TB 2012-2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> • Zero new HIV, STI and TB infections • Zero deaths associated with HIV and TB • Zero discrimination <p>Also, the department is conducting the HCT and Wellness screening sessions to ensure that every employee in the department is tested for HIV and screened for TB, at least annually,</p> <p>The aim was to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that Employee Relations Directorate addresses complaints or grievances and provides training to employees. <p>Other key elements that addressed anti HIV/AIDS discrimination issues were: Wellness Screenings and TB Testing Sessions with specific requests from departments were conducted, posters and pamphlets were distributed, HIV/AIDS counselling [HCT] and TB Testing were conducted, condom programme and spot talks, including [HIV/AIDS speak out programme] were conducted as well.</p>
<p>7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.</p>	√		<p>HCT SESSIONS:</p> <p>The following screening sessions were conducted:</p> <p>Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <p>The Department of Local Government participated in 5 HCT and Wellness screening sessions.</p> <p>149 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STIs).</p> <p>There were 0 clinical referrals for TB, HIV or any other STIs.</p>

Question	Yes	No	Details, if yes
8. Has the department developed measures/ indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	√		<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external EAP service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by the External Service Provider. The most recent annual health review period was 1 April 2014 - 2015.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no. of cases.</p> <p>The review further provides amongst others service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place</p>

3.12. Labour Relations

The following collective agreements were entered into with trade unions within the department. year under review.

Table 3.12.1: Collective agreements, 1 April 2014 to 31 March 2015

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2014 to 31 March 2015

Outcomes of disciplinary hearings	Number	% of total
Dismissal/ desertion	1	100.0
Total	1	100
Percentage of total employment		0.2

Note: Outcomes of disciplinary hearings refer to formal cases only.

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2014 to 31 March 2015

Type of misconduct	Number	% of total
Abscondment	1	100.0
Total	1	100.0

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Table 3.12.4: Grievances lodged, 1 April 2014 to 31 March 2015

Disputes lodged with Councils	Number	% of total
Number of grievances resolved	0	0.0
Number of grievances not resolved	5	100.0
Total number of grievances lodged	5	100.0

Note: Grievances lodged refers to cases that were finalised within the reporting period. Grievances not resolved refers to cases finalised, but where the outcome was not in favour of the aggrieved and found to be unsubstantiated.

Table 3.12.5: Disputes lodged with Councils, 1 April 2014 to 31 March 2015

Strike actions	Number	% of total
Number of disputes upheld	0	0.0
Number of disputes dismissed	2	100.0
Total number of grievances lodged	2	100.0

Note: Councils refer to the Public Service Coordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC).

Table 3.12.6: Strike actions, 1 April 2014 to 31 March 2015

Strike actions	Number
Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 3.12.7: Precautionary suspensions, 1 April 2014 to 31 March 2015

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

Note: Note: Precautionary suspensions refer to staff being suspended with pay whilst the case is being investigated.

3.13. Skills Development Development

The following collective agreements were entered into with trade unions within the department.

Table 3.13.1: Training needs identified, 1 April 2014 to 31 March 2015

Occupational Categories	Gender	Number of employees as at 1 April 2014	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	6	0	6
	Male	11	0	3	0	3
Professionals	Female	112	0	3	0	3
	Male	78	0	1	0	1
Technicians and associate professionals	Female	54	0	22	0	22
	Male	37	0	27	0	27
Clerks	Female	44	0	3	0	3
	Male	19	0	20	0	20
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	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	1	0	0	0	0
Sub Total	Female	221	0	34	0	34
	Male	154	0	51	0	51
Total		375	0	85	0	85
Employees with disabilities	Female	5	0	0	0	5
	Male	8	0	0	0	8

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Work Place Skills Plan.

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Table 3.13.2: Training provided, 1 April 2014 to 31 March 2015

Occupational Categories	Gender	Number of employees as at 31 March 2014	Training provided within the reporting period			
			Learner-ships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	0	0	0
	Male	9	0	1	0	1
Professionals	Female	113	0	30	0	30
	Male	71	0	17	0	17
Technicians and associate professionals	Female	47	0	31	0	31
	Male	37	0	25	0	25
Clerks	Female	66	0	66	0	66
	Male	29	0	22	0	22
Service and sales workers	Female	0	0	2	0	2
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	2	0	2	0	2
Sub Total	Female	238	0	129	0	129
	Male	156	0	67	0	67
Total		394	0	196	0	196
Employees with disabilities	Female	6	0	0	0	6
	Male	8	0	0	0	8

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Work Place Skills Plan.

3.14. Injury on Duty

Table 3.14.1 provides basic information on injury on duty.

Table 3.14.1: Injury on duty, 1 April 2014 to 31 March 2015

Nature of injury on duty	Number	% of total
Required basic medical attention only	3	75
Temporary disablement	1	25
Permanent disablement	0	0
Fatal	0	0
Total	4	100
Percentage of total employment		0.9

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3.15. Utilisation of Consultants

Report of consultant appointments using appropriated funds 2014/15										
Programme	Consulting firm	Name of project/consultancy	Total number of consultants that worked on the project	Number of consultants from hdi group that worked on the project	Duration: work days/hours	% Ownerships by hdi group	Contract value in Rand	Amount paid in 2014/2015 financial year	HDI value in rand (percentage of HDI ownership to the total contract value)	Total number of projects
Programme 1	Department of Cultural Affairs and Sport	Translations	N/A	N/A	N/A	N/A	R 67 841.00	R 67 841.00	N/A	7
	E. Schmidt Manufacturing Agency	Website Development and support	4	1	126 Days	0.00%	R 181 260.00	R 181 260.00	R-	1
	Clarity Editorial	Development of George Communication Strategy	2	1	30 days	75.00%	R 177 612.00	R 177 612.00	R133 209.00	1
	Young and Rubicam	A2 Posters Illustrations	1	1	16 days	25.10%	R 91 200.00	R 91 200.00	R22 891.20	1
	Young and Rubicam	Social Media Audit	2	2	30 days	25.10%	R 146 330.40	R 146 330.40	R36 728.93	1
	Meropa Communications	Media Training	6	4	60 Days	41.00%	R 332 145.38	R 332 145.38	R136 179.61	1
	Young and Rubicam	IDP Communications Toolkit	1	1	3 days	25.10%	R 7 752.00	R 7 752.00	R1 945.75	1
	Young and Rubicam	Fire Awareness Booklets	2	2	30 days	25.10%	R 61 092.03	R 61 092.03	R15 334.10	1

Report of consultant appointments using appropriated funds 2014/15

Programme	Consulting firm	Name of project/consultancy	Total number of consultants that worked on the project	Number of consultants from hdi group that worked on the project	Duration: work days/hours	% Ownerships by hdi group	Contract value in Rand	Amount paid in 2014/2015 financial year	HDI value in rand (percentage of HDI ownership to the total contract value)	Total number of projects
Programme 1	Young and Rubicam	Fire awareness communications plan	2	2	10 days	25.10%	R 27 907.20	R 27 907.20	R7 004.71	1
	Translogic	Financial Management Support and Asset Management	5	5	120 days	100.00%	R210 680.00	R210 680.00	R210 680.00	
	GAB Consulting	Evaluation of Impact of the Community Projects Supported by CDW	1	1	30 Days	100.00%	R427 500.00	R427 500.00	R427 500.00	1

PART D

Report of consultant appointments using appropriated funds 2014/15

Programme	Consulting firm	Name of project/consultancy	Total number of consultants that worked on the project	Number of consultants from hdi group that worked on the project	Duration: work days/hours	% Ownerships by hdi group	Contract value in Rand	Amount paid in 2014/2015 financial year	HDI value in rand (percentage of HDI ownership to the total contract value)	Total number of projects
Programme 2	Access Employment Skills Development Agency	Community Based Planning (CBP) Train-the-Trainer training to Municipal Officials	3	3	8 Days	100.00%	R157 263.00	R 157 263.00	R157 263.00	1
	On Time Transcribers	Transcription Services	1	1	10 Days	0.00%	R15 320.00	R 15 320.00	R-	2
	Work Dynamics	Market related remuneration packages for Municipal Managers, Chief Financial Officers and Technical Managers	2	2	11 days	41.90%	R188 527.00	R 188 527.00	R78 992.81	
	Ignite Advisory Services	Shared services model and business operational strategy	2	0	60 Days	0.00%	R893 495.00	R 401 362.78	R-	1
	HRN Consulting	Qualitative analysis of key development and performance challenges	12	5	180 Days	0.00%	R347 000.00	R 347 000.00	R-	1
	Dimension Data	Specialised consultancy to develop a generic ICT disaster recovery and business continuity plan and five (5) generic ICT policies which will be customised for twenty nine (29) municipalities in the Western Cape.	6	2	90 Days	30.33%	R400 160.52	R 400 160.52	R121 368.68	1

Report of consultant appointments using appropriated funds 2014/15

Programme	Consulting firm	Name of project/consultancy	Total number of consultants that worked on the project	Number of consultants from hdi group that worked on the project	Duration: work days/hours	% Ownerships by hdi group	Contract value in Rand	Amount paid in 2014/2015 financial year	HDI value in rand (percentage of HDI ownership to the total contract value)	Total number of projects
Programme 2	Bluegrass Technologies (Pty) Ltd	Appointment of a service provider to develop a municipal website platform and content management system (CMS) to be adopted and rolled out to ten (10) municipalities in the Western Cape.	10	0	185 Days	0.00%	R883 642.00	R 530 185.20	R-	1
	ESRI South Africa	Appointment of a service provider to strengthen the development of a GIS in the Eden District	6	0	90 Days	0.00%	R362 064.00	R 147 060.00	R-	1
	Department of The Premier	Municipal Management Development Program	N/A	N/A	N/A	N/A	R225 000.00	R 225 000.00	N/A	1
	Various municipalities	Transfers to Various municipalities for Mediation Training and Commercial Mediation Training	N/A	N/A	300	N/A	R623 000.00	R 623 000.00	N/A	15
	Various municipalities	Implementation of the Compliance Model	N/A	N/A	365	N/A	R671 600.00	R 671 600.00	N/A	7
	Work Dynamics	Market related remuneration packages for municipal managers	2	2	11 days	41.90%	R75 000.00	R75 000.00	R31 425.00	1

PART D

Report of consultant appointments using appropriated funds 2014/15

Programme	Consulting firm	Name of project/consultancy	Total number of consultants that worked on the project	Number of consultants from hdi group that worked on the project	Duration: work days/hours	% Ownerships by hdi group	Contract value in Rand	Amount paid in 2014/2015 financial year	HDI value in rand (percentage of HDI ownership to the total contract value)	Total number of projects
Programme 3	Department of Cultural Affairs and Sport	Translations	N/A	N/A	N/A	N/A	R4 078.25	R4 078.25	N/A	4
	Kambro Diggers	Fire and Flood awareness campaign	6	5	15 Days	87.50%	R254 540.00	R254 540.00	R222 722.50	1
	Stephen Berrisford Consulting CC	Development of a protocol document to establish and Ad Hoc Committee (IDP Assessments)	4	2	120 Days	0.00%	R448 218.26	R67 232.74*	R-	1
	Aurecon	MIG Project	3	1	365 Days	39.73%	R2 950 776.00	R1 233 730.85	R1 172 343.30	1
	Aurecon	Western Cape Flood Related Data Consolidation	4	3	180 days	39.73%	R178 938.96	R178 938.96	R71 092.45	1
	Royal Haskoning	Electrical Distribution network plans for two municipalities	12	5	180 Days	44.05%	R666 913.69	R666 913.69	R293 775.48	1
	Disaster Risk Management (Pty) Ltd	Cederberg Community Based Risk Assessment	1	0	120 days	28.00%	R199 386.00	R199 386.00	R55 828.08	1
	Disaster Risk Management (Pty) Ltd	Knysna Community Based Risk Assessment	1	0	120 days	28.00%	R125 616.60	R125 616.60	R35 172.65	1

Report of consultant appointments using appropriated funds 2014/15

Programme	Consulting firm	Name of project/consultancy	Total number of consultants that worked on the project	Number of consultants from hdi group that worked on the project	Duration: work days/hours	% Ownerships by hdi group	Contract value in Rand	Amount paid in 2014/2015 financial year	HDI value in rand (percentage of HDI ownership to the total contract value)	Total number of projects
Programme 3	Disaster Risk Management (Pty) Ltd	Beaufort West Community Based Risk Assessment	1	0	120 days	28.00%	R 135 397.80	R 135 397.80	R37 911.38	1
	Disaster Risk Management (Pty) Ltd T/A DMS	Development and implementation of a Grading System in all District municipalities in the Western Cape	3	0	58 days	28.00%	R 195 168.00	R 195 168.00	R54 647.04	1
	Young and Rubicam	Fire Awareness Campaign	6	4	5 Days	25.10%	R 25 396.92	R 25 396.92	R6 374.63	1
	Other Various consultancy		N/A	N/A	N/A	N/A	R 12 347.40	R 21 282.40	N/A	4
	Various municipalities	Implementation of the Compliance Model	N/A	N/A	365	N/A	R671 600.00	R 671 600.00	N/A	7
Grand total							R11 770 169.41	R8 620 480.72		

* The balance of R380 985.52 was paid during the 2013/14 financial year.

PART E



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Report of the Audit Committee for the year ended 31 March 2015

We are pleased to present our report for the financial year ended 31 March 2015.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee has adopted appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

We reviewed the findings of Internal Audit's work which were based on the risk assessments conducted in the department.

The following assurance and consulting engagements were approved in the 2014/15 Internal Audit Plan and completed during the year:

- Financial Accounting: Interim Financial Statements;
- District and Local Performance Monitoring (Consultation);
- Transfer Payments; and
- Public Participation (Ward Committees).

The areas for improvements, as noted by Internal Audit during the performance of their work, were agreed to by management. The Audit Committee continues to monitor the implementation of the agreed actions on an ongoing basis.

In-Year Management and Monthly/Quarterly Report

The department has reported monthly and quarterly to the Treasury as is required by the PFMA.

The Audit Committee is satisfied with the content and quality of the quarterly financial and performance reports prepared and issued by the

Accounting Officer of the Department during the year under review.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed the audited annual financial statements as presented in the annual report, with the Auditor-General of South Africa and the Accounting Officer,
- Reviewed the Auditor-General of South Africa's management report and management's responses thereto;
- Considered changes to the accounting policies and practices and where applicable, that these are reported in the annual financial statements;
- Reviewed the Department's processes to ensure compliance with legal and regulatory provisions;
- Reviewed the information on predetermined objectives as reported in the annual report;
- Reviewed material adjustments resulting from the audit of the Department (where appropriate); and
- Reviewed the interim financial statements as presented by the Department for the six months ending 30 September 2014.

Internal Audit

Internal Audit has been effective in completing its plan. The Audit Committee remains concerned about the adequacy of Internal Audit Resources to ensure complete coverage of high risk areas.

The combined assurance approach will continue to be applied, to effectively focus limited Internal Audit resources.

Risk Management

The Department has taken responsibility and ownership for the implementation of the Enterprise-wide Risk Management (ERM) methodology and

function and the process is reviewed on a quarterly basis by the Audit Committee.

Auditor-General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been addressed as reported by the Auditor-General.

The Audit Committee has met with the Auditor-General and the Department to ensure that there are no unresolved issues emanating from the regulatory audit.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual

financial statements.

Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Department, the Auditor-General and the Corporate Assurance Branch for the co-operation and information they have provided to enable us to fulfil our mandate and to compile this report.



Mervyn Burton
Chairperson of the Audit Committee
Western Cape Department of Local Government

Report of Accounting Officer for the year ended 31 March 2015

1. General review of the state of financial affairs

The Department made an internal virement from savings within compensation of employee of R1,280 million to cover overspending in the Provincial and Local Government Municipal Support Grants in four municipalities; namely, Bergrivier, Swellendam, Kannaland and Prince Albert. The virement was undertaken within the guidelines of Provincial Treasury.

The Department spent 99.2% of its total budget allocation.

2. Capacity constraints

The Department of Local Government is in the process of filling the remaining posts within the Office of the Chief Financial Officer.

3. Utilisation of donor funds

None.

4. Trading entities and public entities

None.

5. Organisations to whom transfer payments have been made

All transfer payments and the purposes for the payments made are reported in note 30 and Annexures 1A - 1D of the Notes to the Annual Financial Statements.

Accountability arrangements in place for each transfer payment are stipulated in the individual agreements to the entities receiving the transfer payments.

6. Public private partnerships (PPP)

The Department did not enter into any PPPs during the year under review.

7. Corporate governance arrangements

The internal audit and enterprise risk management functions were performed by the Corporate Services Centre.

Internal Audit continues to be offered independently by the shared Internal Audit Activity that was corporatised to the Corporate Services Centre in the Department of the Premier.

In line with the PFMA and KING III the Internal Audit Activity provides the Audit Committee and management with assurance that the internal controls relating to governance, risk management and control processes are adequate and effective. Consistent with the PFMA and King III, a risk-based 3-Year Rolling Strategic and Annual Operational Internal Audit Plan was approved by the Audit Committee, and the Audit Committee monitored the execution of the operational plan and management's implementation of corrective actions.

No further funding was made available for the increase of Internal Audit capacity and this year the focus was on the optimal utilisation of the existing resources.

Internal Audit continues to recognise the role played by other assurance providers and envisages a combined assurance approach for the next year which will ensure that internal audit resources are applied to the most relevant risk areas.

The Department is served by the Governance and Administration Cluster Audit Committee, and all members are independent members, appointed by the head of Provincial Treasury after consultation with the relevant Executive Authorities. The Audit committee operates according to the Terms of Reference, approved on 18 July 2012.

The Audit Committee meets at least on a quarterly basis to give effect to its responsibilities as per the approved Terms of Reference. The Audit

Committee further meets privately with the Executive Authority and Accounting Officer to discuss matters of concern.

The Department has an Anti-fraud and Anti-corruption Strategy comprising the following:

- The Fraud and Corruption Policy
- The Fraud and Corruption Prevention Plan
- The Fraud Response Plan
- The Fraud Risk Register
- Code of Conduct

The updated risk register informed the internal audit plan for 2012/13. Through co-operation between the Department, the Special Investigations Unit and the Forensic Investigative Unit of the Department of the Premier, the Department is making progress in the investigation of alleged corruption at municipalities.

The Department had regular engagements with the Audit Committee and other governance structures throughout the year. The Department has implemented a system to manage the conflicts of interest of employees by ensuring that all Senior Managers and all members of Bid Committees declare their conflict of interest annually.

8. Discontinued activities/activities to be discontinued

None.

9. New/proposed activities

None.

10. Asset management

The Supply Chain Management (SCM) unit within the Department allocates unique asset numbers to the Department's assets for verification, reconciliation and location purposes. All assets have been captured in an asset register and monthly reconciliations were performed between the register and BAS. The asset register complies

with the minimum requirements.

Due to the new modernisation standards, the department in its new premises has standardised furniture. The Department will be embarking upon a process of disposing the assets that will not be utilised in the new building.

11. Events after the reporting date

Assets located at the ISM Building, at 27 Wale Street were stolen; this was discovered and reported after the reporting date, 31 March 2015.

12. Information on predetermined objectives

As the five year cycle in government planning comes to an end, the Department has reflected on some of its achievements as well as the challenges facing Local Government.

The Department is mandated with a core function of supporting municipalities to deliver effective services to all citizens. This has been done through continuously aligning projects to address both the national and provincial priorities.

Partnerships were developed with all spheres of government, community stakeholders and private sector in order to fulfil its mandate. At the beginning of the five period, the Province was faced with various challenges; with the National GDP growth averaging at a rate of between 4 and 5 percent, and inflation between 4 and 7 percent, millions of citizens found themselves either without work or unable to provide sufficiently for their families. The status was even made more dire through millions not having access to basic or government services. Given this situation, the Department was faced with a challenge of designing its projects in such a way that they can make meaningful impact on the lives of its residents.

These efforts were not in vain and the recent audit outcomes bear testimony when it comes to improved compliance in municipalities. Further

Report of Accounting Officer for the year ended 31 March 2015

to this, Census 2011 indicates that performance in terms of delivering basic services to communities by municipalities has improved over the last five years. In the Western Cape, access to basic services has increased: access to piped water is 99.1%, sanitation is 96.4% and electricity is 93.4%. This has been the case despite the increase in the population of this Province.

The support provided includes, but is not limited to supporting municipalities during 2011 local government elections by setting up a helpdesk to assist municipalities with legal advice. Through various engagement platforms, the Department supported municipalities with putting in place anti-corruption strategies. The pool of expertise programme was introduced to support municipalities with various governance and organisational-related issues with the aim of improving effectiveness in service delivery.

With the aim of reducing poverty and encouraging active citizenry, the Department brought services closer to residents. This was done through introducing the Thusong programme, which currently assists over 1 million people annually to gain access to government services.

Dedicated Community Development Workers, who are located in all districts, assisted communities to access basic services such as social grants and Identity Document (IDs). The CDWs also assisted communities to become self-reliant by helping them to start projects which assist them to generate income and food security. Examples of such projects are food gardens, starting cooperatives and skills development. In addition, CDWs educate communities on health and environmental issues.

The Province is susceptible to disasters such as flood and fires, which are seasonal. The Department has assisted municipalities and other stakeholders to build their disaster management capability. To date, a credible disaster profile of the province has been developed and the plans are in place to ensure

quick response in the event that disasters occur. Further to this, the Department has proactively created awareness in communities, as they are the ones who feel the pressure when exposed to these risks.

Legislation was developed to further provide for measures to support municipalities and includes the provision for the monitoring of suspected non-performance and maladministration. This legislation is the Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014) that came into effect on 6 June 2014.

During the year under review, the Department achieved the following deliverables:

Improving municipal governance and compliance:

The key to good governance in municipalities is pieces of legislation and ordinances which guide how certain activities should be conducted in municipalities. The Department reviewed the Western Cape Local Government Laws: Rationalisation Act. Eight municipalities were supported with the compliance model, 6 with Municipal Codes, and a training programme on ethics for municipal officials. Additional to this, 5 municipalities requiring assistance on critical governance issues were supported through informal interventions.

Municipalities are required through legislation to comply with various requirements; the Department has provided capacity building by hosting workshops on predetermined objectives and standard operating procedures. This was aimed at assisting municipalities to be able to meet their compliance requirements. The Department also assessed performance agreements of 63 s57 managers against service delivery and budget implementation plans (SDBIPs). Further to this, the Department monitored the performance of municipalities using platforms such as Municipal Governance Review Outlook (MGRO) and Regional Management Teams.

Joint coordination, planning and community involvement:

Effective and efficient service delivery in municipalities rests on two pillars; the first is synchronised planning and budgeting by all spheres of government. To realise this, the Department continued to facilitate the process of getting the sector Departments to assess the integrated development plans (IDPs) of municipalities. The IDP Indabas were used as a platform to identify short to medium-term projects that could be done jointly within a municipal space. This process recognises that the IDP is the most important vehicle for development in communities. Therefore, it should be a foundation aligning budgets of municipalities with the needs of the communities they serve. During this financial year, the Department in partnership with Provincial Treasury, the Department of Environmental Affairs and Development Planning and the Department of Premier, facilitated a Joint Planning Initiative (JPI). Through this initiative, the Western Cape Government with all municipalities identified a set of priorities to be implemented over the next 5 to 15 years. This initiative recognises that planning in the Province has matured to a level where joint planning and implementation is a key element in ensuring sustainable and integrated service delivery in communities.

The second pillar is the participation of residents in the process of determining what must be prioritised based on the available resources. The Department continues to support municipalities to work with stakeholders within communities to find sustainable ways of improving their living conditions and quality of life. Nine municipalities were supported with training on Community/Area Based Planning. A further 13 municipalities were supported with initiatives such as 'Know Your Ward Committee' campaign, ward committee summits and public participation workshops. Training initiatives on communication were provided to 20 municipalities. This support is in realisation of the fact that participation of residents in government decision-making processes is a priority.

The Thusong programmes along with the Community Development Worker Programme continue to play a critical role in ensuring that information and government services are accessed by the intended recipients. Twenty-five Thusong mobiles were held, mostly covering the outlying areas of the Province and over 30 000 residents were served. The Community Development Workers conducted 619 information sessions and received over 30 000 cases which were referred for government services.

Enhancing Capacity in municipalities: Capacity and an embedded culture of performance, promotes effective and efficient local government, which needs to be continuously strengthened. Municipalities were supported through various capacity-building initiatives such as the LGTAS, and transversal support initiatives. In addition, quarterly focus groups were held to provide advice and guidance to municipal practitioners regarding the implementation of Municipal Property Rates.

Critical to service delivery is functional infrastructure; to this effect 5 municipalities were supported with the development of infrastructure growth plans, 2 other municipalities were supported with the review of these plans, and an additional 2 municipalities were supported with the development of electrical master plans.

Enhancing Provincial response to disaster risks:

Timely response to potential disaster risks facing the Province is critical in ensuring that negative impacts posed are minimised. To this effect, the Department supported 2 municipalities and 2 Provincial Departments with disaster preparedness plans, and ensured that the Provincial Disaster Management Centre remains fully functional and is used as a central coordination point for disasters in the Province. Four disaster damage assessments were conducted. Lack of awareness of potential effects and how to prevent hazards is a major contributor to disasters happening. The Department conducted hazard awareness

Report of Accounting Officer for the year ended 31 March 2015

programmes in communities and schools. The opening of the Wolwekloof facility as a training centre for emergency response was a major

milestone for the Province in dealing with capacity of the emergency and rescue personnel.

13. SCOPA Resolutions

Below were the concerns and recommendations of the committee:

BACKGROUND/CONCERNS	RECOMMENDATIONS	ACTION DATE
The Department maybe setting its targets low hence overachievement in a number of targets.	In the determination of annual targets, the Department should set credible targets that encourage it to improve on the previous financial year's progress. Where it is more appropriate, such as for example disaster preparedness, the Department should develop qualitative indicators to monitor its progress.	The overachievement is due to the targets of the Department being influenced either by demand or additional requests from stakeholders and this was confirmed by the AG during 2014/15 audit of predetermined objectives.
The Department's interpretation of functionality of ward committees makes it difficult to monitor attainment of participatory objectives.	The Department redefine how functionality is interpreted in relation to Ward Committees in such a manner that the attainment of participatory objectives of ward committees is monitored.	The Department of Cooperative Governance and Traditional Affairs is currently reviewing the framework for ward committees and this will effectively deal with the issue of functionality of ward committees
Lack of service providers who are Historically Disadvantaged Individuals (HDI).	The Department must ensure that its service providers accommodate Historically Disadvantaged Individuals (HDI) in the completion of contracted work to ensure that a transfer of skills takes place. .	In 2014/15 financial year, the Department contracted service providers which accommodate HDI.

13.1 List of information required

The Committee requested that the Department, by 30 November 2014, submit:

- A report on the 49 case referrals emanating from provincial Intergovernmental Relations (IGR) meetings including the nature of the cases and progress with regards to resolving each.
- Errata for pages 68 and 84 of the Annual Report and communicate the corrections to the public.
- In relation to table 3.3.1. "Job Evaluation", an overview of the 13 positions for which job evaluations have been completed as well as i. the rationale informing the initiation of this process for these positions and ii. The positions for which salaries were subsequently upgraded.
- In relation to table 3.4.3. "Staff leaving the employ of the Department", an overview of the nature of the charges that resulted in dismissals on account of misconduct including an indication of which directorates these employees were located in.
- In relation to table 3.4.7 "Promotions by salary band" the number of employees per salary band who did not qualify for salary notch

increases and the reasons why they were not eligible.

- In relation to table 3.15.1. "Utilisation of consultants", the hourly rate for the transcription of disciplinary hearings of code of conduct matters for Stellenbosch and City of Cape Town municipalities respectively.

14. Prior modifications to audit reports

None

15. Exemptions and deviations received from the National Treasury

None

16. Interim Financial Statements

The Department has complied with the requirements of quarterly interim financial statements.

17. Approval

The Annual Financial Statements set out on pages 116 to 169 have been approved by the Accounting Officer.



ACCOUNTING OFFICER
DATE: 31 August 2015

Report of Auditor General for the year ended 31 March 2015

Report of the Auditor-General to the Western Cape Provincial Parliament on vote no. 14: Western Cape Department of Local Government

Report on the financial statements

Introduction

1. I have audited the financial statements of the Western Cape Department of Local Government set out on pages 116 to 169, which comprise the appropriation statement, the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (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.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical

requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Local Government as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Additional matter

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

Unaudited supplementary schedules

8. The supplementary information set out on pages 166 to 169 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2015:

- Programme 2: Local governance, on pages 26 to 39
- Programme 3: Development and planning, on pages 40 to 48

11. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

12. I evaluated the usefulness of the reported performance information to determine whether

it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information.

13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

14. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2: local governance
- Programme 3: development and planning

Additional matters

15. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

Achievement of planned targets

16. Refer to the annual performance report on pages 27 to 39 and 41 to 48 for information on the achievement of the planned targets for the year.

Unaudited supplementary information

17. The supplementary information set out on pages 49 to 53 does not form part of the annual performance report and is presented as additional information. I have not audited this information and, accordingly, I do not report thereon.

Report of Auditor General for the year ended 31 March 2015

Compliance with legislation

18. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

19. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town
29 July 2015



Appropriation Statement for the year ended 31 March 2015

Appropriation per programme									
Programmes	2014/15							2013/14	
	Adjust- ed Appropriation	Shift- ing of Funds	Vire- ment	Final Appro- pria- tion	Actual Expend- iture	Vari- ance	Ex- pendi- ture as % of final ap- propriation	Final Appro- pria- tion	Actual Expendi- ture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	38,783	-	(978)	37,805	37,054	751	98.0	32,150	32,098
2. Local Governance	116,050	-	1,280	117,330	117,032	298	99.7	97,739	94,746
3. Development and Planning	44,296	-	(302)	43,994	43,393	601	98.6	45,658	45,218
4. Traditional Institutional Management	1	-	-	1	-	-	-	1	-
Programme subtotal	199,130	-	-	199,130	197,479	1,651	99.2	175,548	172,062
Total	199,130	-	-	199,130	197,479	1,651	99.2	175,548	172,062
Reconciliation with Statement of Financial Performance									
Add: Departmental receipts				621				437	
Actual amounts per Statement of Financial Performance (Total Revenue)				199,751				175,985	
Actual amounts per Statement of Financial Performance Expenditure					197,479				172,062

Appropriation Statement for the year ended 31 March 2015

Appropriation per Economic classification									
Economic classification	2014/15							2013/14	
	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
Current payments	173,307	(4,238)	(1,280)	167,789	166,852	937	99.4	159,722	156,353
Compensation of employees	128,699	(3,548)	(1,280)	123,871	123,726	145	99.9	119,304	117,410
Salaries and wages	111,827	(2,631)	(1,275)	107,921	107,792	129	99.9	-	-
Social contributions	16,872	(917)	(5)	15,950	15,934	16	99.9	-	-
Goods and services	44,608	(693)	-	43,915	43,123	792	98.2	40,418	38,943
Administrative fees	292	234	-	526	502	24	95.4	-	-
Advertising	1,034	243	-	1,277	1,246	31	97.6	-	-
Minor assets	767	10	-	777	769	8	99.0	-	-
Audit costs: External	2,210	491	-	2,701	2,701	-	100.0	-	-
Bursaries: Employees	170	113	-	283	283	-	100.0	-	-
Catering:	2,949	(1,236)	-	1,713	1,373	340	80.2	-	-
Departmental									
Communication (G&S)	1,386	(233)	-	1,153	1,143	10	99.1	-	-
Computer services	853	112	-	965	965	-	100.0	-	-
Consultants: Business and advisory services	11,481	(2,823)	-	8,658	8,621	37	99.6	-	-
Legal services	1,124	(232)	-	892	892	-	100.0	-	-
Contractors	6,055	1,975	-	8,030	8,019	11	99.9	-	-
Agency and support/outsourced services	181	12	-	193	187	6	96.9	-	-
Entertainment	34	(9)	-	25	22	3	88.0	-	-
Fleet services (including government motor transport)	1,885	(26)	-	1,859	1,859	-	100.0	-	-
Consumable supplies	632	211	-	843	813	30	96.4	-	-
Consumable: Stationery, printing and office supplies	1,037	(117)	-	920	920	-	100.0	-	-
Operating leases	696	(173)	-	523	523	-	100.0	-	-
Property payments	354	(146)	-	208	208	-	100.0	-	-
Transport provided: Departmental activity	178	(6)	-	172	159	13	92.4	-	-
Travel and subsistence	6,432	47	-	6,479	6,355	124	98.1	-	-
Training and development	993	742	-	1,735	1,735	-	100.0	-	-
Operating payments	2,020	(655)	-	1,365	1,365	-	100.0	-	-
Venues and facilities	1,595	763	-	2,358	2,203	155	93.4	-	-
Rental and hiring	250	10	-	260	260	-	100.0	-	-

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Appropriation Statement for the year ended 31 March 2015

Appropriation per Economic classification									
Economic classification	2014/15							2013/14	
	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
Interest and rent on land	-	3	-	3	3	-	100.0	-	-
Interest (Incl. interest on unitary payments (PPP))	-	3	-	3	3	-	100.0	-	-
Transfers and subsidies	21,578	2,548	1,280	25,406	25,388	18	99.9	9,551	9,486
Provinces and municipalities	20,559	1,620	1,280	23,459	23,441	18	99.9	8,211	8,146
Municipalities	20,559	1,620	1,280	23,459	23,441	18	99.9	-	-
Municipal bank accounts	20,559	1,620	1,280	23,459	23,441	18	99.9	-	-
Departmental agencies and accounts	379	-	-	379	379	-	100.0	370	370
Departmental agencies (nonbusiness entities)	379	-	-	379	379	-	100.0	-	-
Higher education institutions	-	200	-	200	200	-	100.0	200	200
Non-profit institutions	593	-	-	593	593	-	100.0	587	587
Households	47	728	-	775	775	-	100.0	183	183
Social benefits	47	728	-	775	775	-	100.0	-	-
Payment for capital assets	4,102	1,640	-	5,742	5,046	696	87.9	6,075	6,075
Machinery and equipment	3,972	1,665	-	5,637	4,952	685	87.8	5,882	5,882
Transport equipment	1,827	468	-	2,295	1,640	655	71.5	-	-
Other machinery and equipment	2,145	1,197	-	3,342	3,312	30	99.1	-	-
Software and other intangible	130	(25)	-	105	94	11	89.5	193	193
Payment for financial assets	143	50	-	193	193	-	100.0	200	148
Total	199,130	-	-	199,130	197,479	1,651	99.2	175,548	172,062

Appropriation Statement for the year ended 31 March 2015

Sub-Programme	2014/15							2013/14	
	Ad-justed Ap-propri-ation	Shift-ing of Funds	Vire-ment	Final Ap-pro-ri-ation	Actual Ex-pen-diture	Vari-ance	Ex-pen-diture as % of fi-nal ap-pro-ri-ation	Final Ap-pro-ri-ation	Actual Ex-pen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC	-	-	-	-	-	-	-	-	-
1.2 Corporate Services	38,783	-	(978)	37,805	37,054	751	98.0	32,150	32,098
Total	38,783	-	(978)	37,805	37,054	751	98.0	32,150	32,098

Economic classification	2014/15							2013/14	
	Ad-justed Ap-pro-ri-ation	Shift-ing of Funds	Vire-ment	Final Ap-pro-ri-ation	Actual Ex-pen-diture	Vari-ance	Ex-pen-diture as % of fi-nal ap-pro-ri-ation	Final Ap-pro-ri-ation	Actual Ex-pen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	34,825	(1,216)	(978)	32,631	32,576	55	99.8	27,600	27,600
Compensation of employees	20,809	(473)	(978)	19,358	19,358	-	100.0	18,078	18,078
Salaries and wages	18,450	(344)	(978)	17,128	17,128	-	100.0	-	-
Social contributions	2,359	(129)	-	2,230	2,230	-	100.0	-	-
Goods and services	14,016	(746)	-	13,270	13,215	55	99.6	9,522	9,522
Administrative fees	212	(28)	-	184	184	-	100.0	-	-
Advertising	1,033	212	-	1,245	1,245	-	100.0	-	-
Minor assets	292	46	-	338	330	8	97.6	-	-
Audit costs: External	2,210	491	-	2,701	2,701	-	100.0	-	-
Bursaries: Employees	170	113	-	283	283	-	100.0	-	-
Catering: Departmental	224	(204)	-	20	20	-	100.0	-	-
Communication (G&S)	833	(123)	-	710	710	-	100.0	-	-
Computer services	503	23	-	526	526	-	100.0	-	-
Consultants: Business and advisory services	2,887	(1,184)	-	1,703	1,666	37	97.8	-	-
Contractors	11	53	-	64	54	10	84.4	-	-
Entertainment	6	(1)	-	5	5	-	100.0	-	-
Fleet services (including government motor transport)	1,885	(26)	-	1,859	1,859	-	100.0	-	-
Consumable supplies	63	198	-	261	261	-	100.0	-	-

Appropriation Statement for the year ended 31 March 2015

Appropriation per Economic Classification continues

Economic classification	2014/15							2013/14	
	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
Consumable: Stationery, printing and office supplies.	922	(32)	-	890	890	-	100.0	-	-
Operating leases	444	(96)	-	348	348	-	100.0	-	-
Property payments	-	-	-	-	-	-	100.0	-	-
Travel and subsistence	279	(60)	-	219	219	-	100.0	-	-
Training and development	800	206	-	1,006	1,006	-	100.0	-	-
Operating payments	962	(286)	-	676	676	-	100.0	-	-
Venues and facilities	280	(48)	-	232	232	-	100.0	-	-
Interest and rent on land	-	3	-	3	3	-	100.0	-	-
Interest (Incl. interest on unitary payments (PPP))	-	3	-	3	3	-	100.0	-	-
Transfers & subsidies	10	2	-	12	12	-	100.0	82	82
Departmental agencies & accounts	4	-	-	4	4	-	100.0	-	-
Departmental agencies (nonbusiness entities)	4	-	-	4	4	-	100.0	-	-
Households	6	2	-	8	8	-	100.0	82	82
Social benefits	6	2	-	8	8	-	100.0	-	-
Payment for capital assets	3,805	1,226	-	5,031	4,335	696	86.2	4,268	4,268
Machinery and equipment	3,675	1,251	-	4,926	4,241	685	86.1	4,118	4,118
Transport equipment	1,827	468	-	2,295	1,640	655	71.5	-	-
Other machinery and equipment	1,848	783	-	2,631	2,601	30	98.9	-	-
Software and other intangible	130	(25)	-	105	94	11	89.5	150	150
Payment for financial assets	143	(12)	-	131	131	-	100.0	200	148
Total	38,783	-	(978)	37,805	37,054	751	98.0	32,150	32,098

Subprogramme: 1.2: Corporate Services

Economic classification	2014/15							2013/14	
	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
Current payments	34,825	(1,216)	(978)	32,631	32,576	55	99.8	27,600	27,600
Compensation of employees	20,809	(473)	(978)	19,358	19,358	-	100.0	18,078	18,078
Goods and services	14,016	(746)	-	13,270	13,215	55	99.6	9,522	9,522

Appropriation Statement for the year ended 31 March 2015

Subprogramme: 1.2: Corporate Services									
Economic classification	2014/15							2013/14	
	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
Interest and rent on land	-	3	-	3	3	-	100.0	-	-
Transfers & subsidies	10	2	-	12	12	-	100.0	82	82
Departmental agencies and accounts	4	-	-	4	4	-	100.0	-	-
Households	6	2	-	8	8	-	100.0	82	82
Payments for capital assets	3,805	1,226	-	5,031	4,335	696	86.2	4,268	4,268
Machinery and equipment	3,675	1,251	-	4,926	4,241	685	86.1	4,118	4,118
Software and other intangible	130	(25)	-	105	94	11	89.5	150	150
Payment for financial assets	143	(12)	-	131	131	-	100.0	200	148
Total	38,783	-	(978)	37,805	37,054	751	98.0	32,150	32,098

Programme 2: Local Governance									
Economic classification	2014/15							2013/14	
	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
1. Municipal Administration	9,222	17	-	9,239	9,239	-	100.0	9,836	9,716
2. Public Participation	6,204	(250)	-	5,954	5,928	26	99.6	6,401	6,221
3. Capacity Development	10,446	842	-	11,288	11,270	18	99.8	14,461	13,385
4. Municipal Performance, Monitoring, Reporting and Evaluation	25,573	446	1,280	27,299	27,196	103	99.6	6,165	5,654
5. Service Delivery Integration	11,194	(949)	-	10,245	10,188	57	99.4	9,578	8,788
6. Community Development Worker Programme	53,411	(106)	-	53,305	53,211	94	99.8	51,298	50,982
Total	116,050	-	1,280	117,330	117,032	298	99.7	97,739	94,746

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Appropriation Statement for the year ended 31 March 2015

Economic classification	2014/15							2013/14	
	Adjust- ed Appro- priation	Shift- ing of Funds	Vire- ment	Final Appro- priation	Actual Ex- pendi- ture	Vari- ance	Ex- pendi- ture as % of fi- nal ap- propri- ation	Final Appro- priation	Actual Ex- pendi- ture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	95,235	(2,496)	-	92,739	92,459	280	99.7	88,403	85,475
Compensation of employees	81,495	(2,132)	-	79,363	79,262	101	99.9	77,093	75,419
Salaries and wages	69,642	(1,551)	-	68,091	68,006	85	99.9	-	-
Social contributions	11,853	(581)	-	11,272	11,256	16	99.9	-	-
Goods and services	13,740	(364)	-	13,376	13,197	179	98.7	11,310	10,056
Administrative fees	56	211	-	267	256	11	95.9	-	-
Minor assets	63	18	-	81	81	-	100.0	-	-
Catering: Departmental	1,115	(304)	-	811	802	9	98.9	-	-
Communication (G&S)	241	(63)	-	178	176	2	98.9	-	-
Consultants: Business and advisory services	5,219	(749)	-	4,470	4,470	-	100.0	-	-
Legal services	1,124	(232)	-	892	892	-	100.0	-	-
Contractors	42	(8)	-	34	34	-	100.0	-	-
Agency and support / outsourced services	181	12	-	193	187	6	96.9	-	-
Entertainment	18	(4)	-	14	12	2	85.7	-	-
Consumable supplies	82	(42)	-	40	40	-	100.0	-	-
Consumable: Stationery, printing and office supplies	113	(95)	-	18	18	-	100.0	-	-
Operating leases	31	(16)	-	15	15	-	100.0	-	-
Property payments	101	(93)	-	8	8	-	100.0	-	-
Transport provided: Departmental activity	178	(6)	-	172	159	13	92.4	-	-
Travel and subsistence	3,714	470	-	4,184	4,060	124	97.0	-	-
Operating payments	460	(82)	-	378	378	-	100.0	-	-
Venues and facilities	754	609	-	1,363	1,351	12	99.1	-	-
Rental and hiring	248	10	-	258	258	-	100.0	-	-
Transfers and subsidies	20,808	2,424	1,280	24,512	24,494	18	99.9	8,526	8,461
Provinces and municipalities	20,559	1,620	1,280	23,459	23,441	18	99.9	8,211	8,146
Municipalities	20,559	1,620	1,280	23,459	23,441	18	99.9	-	-
Municipal bank accounts	20,559	1,620	1,280	23,459	23,441	18	99.9	-	-
Higher education institutions	-	200	-	200	200	-	100.0	-	-
Non-profit institutions	218	-	-	218	218	-	100.0	218	218
Households	31	604	-	635	635	-	100.0	97	97
Social benefits	31	604	-	635	635	-	100.0	-	-
Payments for capital assets	7	15	-	22	22	-	100.0	810	810
Machinery and equipment	7	15	-	22	22	-	100.0	767	767
Other machinery and equipment	7	15	-	22	22	-	100.0	-	-
Software and other intangible	-	-	-	-	-	-	-	43	43
Payment for financial assets	-	57	-	57	57	-	100.0	-	-
Total	116,050	-	1,280	117,330	117,032	298	99.7	97,739	94,746

Appropriation Statement for the year ended 31 March 2015

Subprogramme: 2.1: Municipal Administration									
Economic classification	2014/15							2013/14	
	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
Current payments	9,222	15	-	9,237	9,187	50	99.5	9,830	9,710
Compensation of employees	7,287	(150)	-	7,137	7,087	50	99.3	6,957	6,887
Goods and services	1,935	165	-	2,100	2,100	-	100.0	2,873	2,873
Payments for capital assets	-	-	-	-	-	-	-	6	6
Machinery and equipment	-	-	-	-	-	-	-	6	6
Total	9,222	15	-	9,237	9,187	50	99.5	9,836	9,716

Subprogramme: 2.2: Public Participation									
Economic classification	2014/15							2013/14	
	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
Current payments	6,195	(250)	-	5,945	5,919	26	99.6	6,393	6,213
Compensation of employees	4,582	53	-	4,635	4,635	-	100.0	4,971	4,791
Goods and services	1,613	(303)	-	1,310	1,284	26	98.0	1,422	1,422
Transfers and subsidies	9	-	-	9	9	-	100.0	-	-
Households	9	-	-	9	9	-	100.0	-	-
Payments for capital assets	-	-	-	-	-	-	-	8	8
Machinery and equipment	-	-	-	-	-	-	-	8	8
Total	6,204	(250)	-	5,954	5,928	26	99.6	6,401	6,221

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Appropriation Statement for the year ended 31 March 2015

Subprogramme: 2.3: Capacity Development									
Economic classification	2014/15							2013/14	
	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
Current payments	10,446	81	-	10,527	10,509	18	99.8	10,387	9,311
Compensation of employees	8,722	(152)	-	8,570	8,570	-	100.0	7,930	7,930
Goods and services	1,724	233	-	1,957	1,939	18	99.1	2,457	1,381
Transfers and subsidies	-	761	-	761	761	-	100.0	4,000	4,000
Provinces and municipalities	-	-	-	-	-	-	-	4,000	4,000
Higher education institutions	-	200	-	200	200	-	100.0	-	-
Households	-	561	-	561	561	-	100.0	-	-
Payments for capital assets	-	-	-	-	-	-	-	74	74
Machinery and equipment	-	-	-	-	-	-	-	31	31
Software and other intangible	-	-	-	-	-	-	-	43	43
Total	10,446	842	-	11,288	11,270	18	99.8	14,461	13,385

Subprogramme: 2.4: Municipal Performance, Monitoring, Reporting and Evaluation									
Economic classification	2014/15							2013/14	
	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
Current payments	10,216	(1,173)	-	9,043	8,990	53	99.4	6,163	5,652
Compensation of employees	5,998	(76)	-	5,922	5,922	-	100.0	5,674	5,201
Goods and services	4,218	(1,097)	-	3,121	3,068	53	98.3	489	451
Transfers and subsidies	15,350	1,620	1,280	18,250	18,250	-	100.0	-	-
Provinces and municipalities	15,350	1,620	1,280	18,250	18,250	-	100.0	-	-
Payments for capital assets	7	1	-	8	8	-	100.0	2	2
Machinery and equipment	7	1	-	8	8	-	100.0	2	2
Total	25,573	448	1,280	27,301	27,248	53	99.8	6,165	5,654

Appropriation Statement for the year ended 31 March 2015

Subprogramme: 2.5: Service Delivery Integration									
Economic classification	2014/15							2013/14	
	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
Current payments	8,760	(973)	-	7,787	7,730	57	99.3	7,991	7,201
Compensation of employees	6,097	(564)	-	5,533	5,533	-	100.0	5,535	4,751
Goods and services	2,663	(409)	-	2,254	2,197	57	97.5	2,456	2,450
Transfers and subsidies	2,434	10	-	2,444	2,444	-	100.0	1,573	1,573
Provinces and municipalities	2,216	-	-	2,216	2,216	-	100.0	1,308	1,308
Non-profit institutions	218	-	-	218	218	-	100.0	218	218
Households	-	10	-	10	10	-	100.0	47	47
Payments for capital assets	-	14	-	14	14	-	100.0	14	14
Machinery and equipment	-	14	-	14	14	-	100.0	14	14
Total	11,194	(949)	-	10,245	10,188	57	99.4	95,78	8,788

Subprogramme: 2.6: Community Development Worker Programme									
Economic classification	2014/15							2013/14	
	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
Current payments	50,396	(196)	-	50,200	50,124	76	99.8	47,639	47,388
Compensation of employees	48,809	(1,243)	-	47,566	47,515	51	99.9	46,026	45,859
Goods and services	1,587	1,047	-	2,634	2,609	25	99.1	1,613	1,529
Transfers and subsidies	3,015	33	-	3,048	3,030	18	99.4	2,953	2,888
Provinces and municipalities	2,993	-	-	2,993	2,975	18	99.4	2,903	2,838
Households	22	33	-	55	55	-	100.0	50	50
Payments for capital assets	-	-	-	-	-	-	-	706	706
Machinery and equipment	-	-	-	-	-	-	-	706	706
Payment for financial assets	-	57	-	57	57	-	100.0	-	-
Total	53,411	(106)	-	53,305	53,211	94	99.8	51,298	50,982

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Appropriation Statement for the year ended 31 March 2015

Sub-Programme	2014/15							2013/14	
	Ad-justed Ap-propriation	Shift-ing of Funds	Vire-ment	Final Ap-propriation	Actual Ex-penditure	Vari-ance	Ex-penditure as % of fi-nal ap-propriation	Final Ap-propriation	Actual Ex-penditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Municipal Infrastructure	11,883	(687)	-	11,196	11,196	-	100.00	10,351	10,132
2. Disaster Management	25,321	1,201	-	26,522	26,462	60	99.8	27,200	27,081
3. Intergrated Development Planning Coordination	7,092	(514)	(302)	6,276	5,735	541	91.4	8,107	8,005
Total	44,296	-	(302)	43,994	43,393	601	98.6	45,658	45,218

Economic classification	2014/15							2013/14	
	Ad-justed Ap-propriation	Shift-ing of Funds	Vire-ment	Final Ap-propriation	Actual Ex-penditure	Vari-ance	Ex-penditure as % of fi-nal ap-propriation	Final Ap-propriation	Actual Ex-penditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43,246	(526)	(302)	42,418	41,817	601	98.6	43,718	43,278
Compensation of employees	26,394	(943)	(302)	25,149	25,106	43	99.8	24,132	23,913
Salaries and wages	23,734	(736)	(297)	22,701	22,658	43	99.8	-	-
Social contributions	2,660	(207)	(5)	2,448	2,448	-	100.0	-	-
Goods and services	16,852	417	-	17,269	16,711	558	96.8	19,586	19,365
Administrative fees	24	51	-	75	62	13	82.7	-	-
Advertising	1	31	-	32	1	31	3.1	-	-
Minor assets	412	(54)	-	358	358	-	100.0	-	-
Catering: Departmental	1,610	(728)	-	882	551	331	62.5	-	-
Communication (G&S)	312	(47)	-	265	257	8	97.0	-	-
Computer services	350	89	-	439	439	-	100.0	-	-
Consultants: Business and advisory services	3,375	(890)	-	2,485	2,485	-	100.0	-	-
Contractors	6,002	1,930	-	7,932	7,931	1	100.0	-	-
Entertainment	10	(4)	-	6	5	1	83.3	-	-
Consumable supplies	487	55	-	542	512	30	94.5	-	-
Consumable: Stationery, printing and office supplies	2	10	-	12	12	-	100.0	-	-
Operating leases	221	(61)	-	160	160	-	100.0	-	-
Property payments	253	(53)	-	200	200	-	100.0	-	-
Travel and subsistence	2,439	(363)	-	2,076	2,076	-	100.0	-	-
Training and development	193	536	-	729	729	-	100.0	-	-
Operating payments	598	(287)	-	311	311	-	100.0	-	-
Venues and facilities	561	202	-	763	620	143	81.3	-	-
Rental and hiring	2	-	-	2	2	-	100.0	-	-

Appropriation Statement for the year ended 31 March 2015

Economic classification	2014/15							2013/14	
	Ad-justed Ap-pro-riation	Shift-ing of Funds	Vire-ment	Final Ap-pro-riation	Actual Ex-pen-diture	Vari-ance	Ex-pen-diture as % of fi-nal ap-pro-riation	Final Ap-pro-riation	Actual Ex-pen-diture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	760	122	-	882	882	-	100.0	943	943
Departmental agencies and accounts	375	-	-	375	375	-	100.0	370	370
Departmental agencies (non-business entities)	375	-	-	375	375	-	100.0	-	-
Higher education institutions	-	-	-	-	-	-	-	200	200
Non-profit institutions	375	-	-	375	375	-	100.0	369	369
Households	10	122	-	132	132	-	100.0	4	4
Social benefits	10	122	-	132	132	-	100.0	-	-
Payments for capital assets	290	399	-	689	689	-	100.0	997	997
Machinery and equipment	290	399	-	689	689	-	100.0	-	-
Other machinery and equipment	290	399	-	689	689	-	100.0	-	-
Payment for financial assets	-	5	-	5	5	-	100.0	-	-
Total	44,296	-	(302)	43,994	43,393	601	98.6	45,658	45,218

Subprogramme: 3.1: Municipal Infrastructure									
Economic classification	2014/15							2013/14	
	Adjusted Appropriation	Shift-ing of Funds	Vire-ment	Final Appropriation	Actual Expenditure	Vari-ance	Ex-pen-diture as % of fi-nal ap-pro-riation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11,883	(799)	-	11,084	11,084	-	100.0	10,321	10,102
Compensation of employees	9,367	(578)	-	8,789	8,789	-	100.0	8,047	7,828
Goods and services	2,516	(221)	-	2,295	2,295	-	100.0	2,274	2,274
Transfers and subsidies	-	112	-	112	112	-	100.0	4	4
Households	-	112	-	112	112	-	100.0	4	4
Payments for capital assets	-	-	-	-	-	-	-	26	26
Machinery and equipment	-	-	-	-	-	-	-	26	26
Total	11,883	(687)	-	11,196	11,196	-	100.0	10,351	10,132

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Appropriation Statement for the year ended 31 March 2015

Subprogramme: 3.2: Disaster Management									
Economic classification	2014/15							2013/14	
	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
Current payments	24,271	799	-	25,070	25,010	60	99.8	25,308	25,189
Compensation of employees	12,311	(353)	-	11,958	11,958	-	100.0	11,153	11,153
Goods and services	11,960	1,152	-	13,112	13,052	60	99.5	14,155	14,036
Transfers and subsidies	760	-	-	760	760	-	100.0	939	939
Departmental agencies and accounts	375	-	-	375	375	-	100.0	370	370
Higher education institutions	-	-	-	-	-	-	-	200	200
Non-profit institutions	375	-	-	375	375	-	100.0	369	369
Households	10	-	-	10	10	-	100.0	-	-
Payments for capital assets	290	399	-	689	689	-	100.0	953	953
Machinery and equipment	290	399	-	689	689	-	100.0	953	953
Payment for financial assets	-	3	-	3	3	-	100.0	-	-
Total	25,321	1,201	-	26,522	26,462	60	99.8	27,200	27,081

Subprogramme: 3.3: Intergrated Development Planning Coordination									
Economic classification	2014/15							2013/14	
	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
Current payments	7,092	(526)	(302)	6,264	5,723	541	91.4	8,089	7,987
Compensation of employees	4,716	(12)	(302)	4,402	4,359	43	99.0	4,932	4,932
Goods and services	2,376	(514)	-	1,862	1,364	498	73.3	3,157	3,055
Transfers and subsidies	-	10	-	10	10	-	100.0	-	-
Households	-	10	-	10	10	-	100.0	-	-
Payments for capital assets	-	-	-	-	-	-	-	18	18
Machinery and equipment	-	-	-	-	-	-	-	18	18
Payment for financial assets	-	2	-	2	2	-	100.0	-	-
Total	7,092	(514)	(302)	6,276	5,735	541	91.4	8,107	8,005

Appropriation Statement for the year ended 31 March 2015

Programme 4: Traditional Institutional Management									
Sub Programme	2014/15							2013/14	
	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
1. Traditional Institutional Management	1	-	-	1	-	1	-	1	-
Total	1	-	-	1	-	1	-	1	-

Economic classification	2014/15							2013/14	
	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
Current payments	1	-	-	1	-	1	-	1	-
Compensation of employees	1	-	-	1	-	1	-	1	-
Salaries and wages	1	-	-	1	-	1	-	-	-
Total	1	-	-	1	-	1	-	1	-

Subprogramme: 4.1: Traditional Institutional Management									
Economic classification	2014/15							2013/14	
	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
Current payments	1	-	-	1	-	1	-	1	-
Compensation of employees	1	-	-	1	-	1	-	1	-
Total	1	-	-	1	-	1	-	1	-

Notes to the Appropriation Statement for the year ended
31 March 2015**Notes to the Appropriation
Statement****1. Detail of transfers and subsidies
as per Appropriation Act (after
Virement):**

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-D) 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**

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Administration	37,805	37,054	751	2.0

The underspending on goods and services and machinery and equipment is due outstanding invoices for office furniture, Information Technology (IT) equipment and the updating of communication and security systems due to the relocation of the department from Wale Street to Waldorf Building.

Local Governance	117,330	117,032	298	0.2
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The underspending on goods and services and transfer to provinces and municipalities is due to invoices on consultants that came in lower than anticipated and a Memorandum of Agreement not signed by the City of Cape Town.

Development and Planning	43,994	43,393	601	1.4
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Underspending on compensation of employees and goods and services is due to officials leaving the department and delays in filling the posts and outstanding invoices that could not be completed before the end of the financial year.

Notes to the Appropriation Statement for the year ended
31 March 2015

4.2 Per economic classification

Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	123,871	123,726	145	0.1
Goods and services	43,915	43,123	792	1.7
Interest and rent on land	3	3	-	-
Transfers and subsidies				
Provinces and municipalities	23,459	23,441	18	0.1
Departmental agencies and accounts	379	379	-	-
Higher education institutions	200	200	-	-
Non-profit institutions	593	593	-	-
Households	775	775	-	-
Payments for capital assets				
Machinery and equipment	5,637	4,952	685	12.7
Software and other intangible assets	105	94	11	10.5
Payments for financial assets	193	193	-	-
	199,130	197,479	1,651	0.8

PART E

WESTERN CAPE PROVINCE
DEPARTMENT OF LOCAL GOVERNMENT VOTE 14Statement of Financial Performance for the year ended
31 March 2015

	Note	2014/15 R'000	2013/14 R'000
REVENUE			
Annual appropriation	1	199,130	175,548
Departmental revenue	2	621	437
TOTAL REVENUE		199,751	175,985
EXPENDITURE			
Current expenditure			
Compensation of employees	3	123,726	117,410
Goods and services	4	43,123	38,943
Interest and rent on land	5	3	-
Total current expenditure		166,852	156,353
Transfers and subsidies			
Transfers and subsidies	7	25,388	9,486
Total transfers and subsidies		25,388	9,486
Expenditure for capital assets			
Tangible assets	8	4,952	5,882
Intangible assets	8	94	193
Total expenditure for capital assets		5,046	6,075
Payments for financial assets	6	193	148
TOTAL EXPENDITURE		197,479	172,062
SURPLUS FOR THE YEAR		2,272	3,923
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		1,651	3 486
Departmental revenue and PRF Receipts	13	621	-
SURPLUS/(DEFICIT) FOR THE YEAR		2,272	3 923

Statement of Financial Position for the year ended
31 March 2015

	Note	2014/15 R'000	2013/14 R'000
ASSETS			
Current Assets		1,835	3,594
Cash and cash equivalents	9	670	3 151
Prepayments and advances	10	813	30
Receivables	11	352	413
Non-Current Assets		8	-
Receivables		8	-
TOTAL ASSETS		1,843	3,594
LIABILITIES			
Current Liabilities		1,788	3,490
Voted funds to be surrendered to the Revenue Fund	12	1,651	3,486
Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund	13	6	(2)
Payables	14	131	6
Non-Current Liabilities		-	-
TOTAL LIABILITIES		1,788	3,490
NET ASSETS		55	104
Represented by:			
Recoverable revenue		55	104
TOTAL		55	104

PART E

WESTERN CAPE PROVINCE
DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Statement of Changes in Net Assets as at 31 March 2015

	Note	2014/15	2013/14
		R'000	R'000
Recoverable revenue			
Opening balance		104	135
Transfers		(49)	(31)
Debts recovered (included in departmental receipts)		(80)	(160)
Debts raised		31	129
Closing balance		55	104
TOTAL		55	104

Cash Flow Statement for the year ended 31 March 2015

	Note	2014/15	2013/14
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
		199,777	176 035
Annual appropriated funds received	1.1	199,130	175,548
Departmental revenue received	2	643	479
Interest received	2.2	4	8
Net (increase)/ decrease in working capital		(605)	22
Surrendered to Revenue Fund		(4,149)	(893)
Current payments		(166,849)	(156,353)
Interest paid	5	(3)	-
Payments for financial assets		(193)	(148)
Transfers and subsidies paid		(25,388)	(9,486)
Net cash flow available from operating activities	15	2,590	9,177
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(5,046)	(, 075)
Proceeds from sale of capital assets	2.3	24	-
Net cash flows from investing activities		(5,022)	(6,075)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(49)	(31)
Net cash flows from financing activities		(49)	(31)
Net increase/ (decrease) in cash and cash equivalents		(2,481)	3,071
Cash and cash equivalents at beginning of period		3,151	80
Cash and cash equivalents at end of period	16	670	3,151

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.

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

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

1. Basis of preparation

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

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

Cash flows arising from foreign currency

transactions are translated into South African Rands using the 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.

Accounting Policies for the year ended 31 March 2015

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.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

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

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

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

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 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.

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.

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.

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

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

- Cost, being the fair value of the asset; or

- The sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

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.

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.

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

11. Prepayments and advances

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

Prepayments and advances are initially and

subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

13. Investments

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

14. 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

Loans and payables are recognised in the statement of financial position at cost.

16. Capital Assets

16.1 Immovable capital assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Immovable capital assets are subsequently carried

Accounting Policies for the year ended 31 March 2015

at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

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 accurately, 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.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the

department commences the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

17. Provisions and Contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not

recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

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

17.4 Commitments

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

18 Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

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

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

19. Fruitless and wasteful expenditure

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.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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.

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. 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.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

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.

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively 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 change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

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

Accounting Policies for the year ended 31 March 2015

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

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Departures from the MCS requirements

The Department had no departures from the MCS requirements.

24. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are

recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

25. Recoverable revenue

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

26. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

Notes to the Annual Financial Statements for the year
ended 31 March 2015

1. Annual Appropriation

	2014/15		2013/14	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation Received
	R'000	R'000	R'000	R'000
1.1 Annual Appropriation				
Programmes				
Administration	37,805	38,783	(978)	31,643
Local governance	117,330	116,050	1,280	98,246
Development and Planning	43,994	44,296	(302)	45,658
Traditional institutional management	1	1	-	1
Total	199,130	199,130	-	175,548

2. Departmental Revenue

	Note	2014/15	2013/14
		R'000	R'000
Sales of goods and services other than capital assets	2.1	88	70
Interest, dividends and rent on land	2.2	4	8
Sales of capital assets	2.3	24	-
Transactions in financial assets and liabilities	2.4	555	409
Total revenue collected		671	487
Less: Own revenue included in appropriation	13	(50)	(50)
Departmental revenue collected		621	437

During the current financial year, R350 000 was received from Santam to offset expenditure incurred for the radio campaign held in the 2013/14 financial year and is not recognised as Departmental Revenue. This amount was paid over to the Revenue Fund by year end.

2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		76	70
Other sales		76	70
Sales of scrap, waste and other used current goods		12	-
Total		88	70

Notes to the Annual Financial Statements for the year
ended 31 March 2015

	Note	2014/15 R'000	2013/14 R'000
2.2 Interest, dividends and rent on land	2		
Interest		4	8
Total		4	8

2.3 Sales of capital assets	2		
Tangible assets		24	-
Machinery and equipment	27	24	-
Total		24	-

2.4 Transactions in financial assets and liabilities	2		
Other Receipts including Recoverable Revenue		555	409
Total		555	409

3. Compensation of employees

3.1 Salaries and wages			
Basic salary		85,908	82,280
Performance award		1,952	1,475
Service Based		45	112
Compensative/circumstantial		3,424	2,292
Other non-pensionable allowances		16,463	15,741
Total		107,792	101,900

3.2 Social Contributions			
Employer contributions			
Pension		10,570	10,019
Medical		5,338	5,468
Bargaining council		26	23
Total		15,934	15,510
Total compensation of employees		123,726	117,410
Average number of employees		382	366

The increase is due to permanent appointments.

Notes to the Annual Financial Statements for the year
ended 31 March 2015

4. Goods and Services

	Note	2014/15	2013/14
		R'000	R'000
Administrative fees		502	237
Advertising		1,246	956
Minor assets	4.1	769	189
Bursaries (employees)		283	87
Catering		1,373	2,067
Communication		1,143	1,138
Computer services	4.2	965	422
Consultants, Business and advisory		8,621	5,635
Legal services		892	1,193
Contractors		8,019	10,779
Agency and support/outsourced services		187	199
Entertainment		22	51
Audit cost - external	4.3	2,701	2,796
Fleet services		1,859	1,760
Consumables	4.4	1,733	2,139
Operating leases		523	802
Property payments	4.5	208	117
Rental and hiring		260	488
Transport provided as part of the departmental activities		159	246
Travel and subsistence	4.6	6,355	4,371
Venues and facilities		2,203	1,229
Training and development		1,735	800
Other operating expenditure	4.7	1,365	1,242
Total		43,123	38,943

Administrative fees include travel agency fees (R331 414).

Advertising includes Fire awareness campaign (R132 416) and production cost of fire awareness educational booklet (R855 288).

Consultants includes Municipal Infrastructure Grant (MIG) support (R1 233 731), drafting of policies (R400 161), compliance model (R671 600) and mediation training (R637 500).

The increase in venues and facilities costs is due to catering costs included in venue hire.

Training and development includes Municipal Management Competency (MMC) Training (R223 689) and skills and development training (R495 672).

The SCOA version 4 was implemented effective from 1 April 2014, resulting in a change in accounting policy with the reclassifications of 2013/14 AFS information:

- Inventory expenditure to the value of R2 139 (rounded to nearest thousand) in the 2013/14 reclassified as Consumables
- Travel and Subsistence expenditure to the value of R1 760 (rounded to nearest thousand) in 2013/14 reclassified as Fleet Services

Notes to the Annual Financial Statements for the year
ended 31 March 2015

	Note	2014/15	2013/14
		R'000	R'000
4.1 Minor assets	4		
Tangible assets		769	189
Machinery and equipment		769	189
Total		769	189

Included in minor assets was office furniture purchased for the new office space to be consistent with the modernised furniture.

4.2 Computer services	4		
SITA computer services		850	131
External computer service providers		115	291
Total		965	422

SITA computer costs includes transversal systems and the relocation of the video wall network (R358 272).

4.3 Audit cost - external	4		
Regularity audits		2,701	2,796
Total		2,701	2,796

Regularity audits: audit costs of the Auditor-General.

4.4 Consumables	4		
Consumable supplies		813	454
Uniform and clothing		231	23
Household supplies		91	391
Building material and supplies		220	-
Communication accessories		6	-
IT consumables		128	10
Other consumables		137	30
Stationery, printing and office supplies		920	1,685
Total		1,733	2,139

Inventory was reclassified as consumables and the comparative amount has been adjusted accordingly.

Notes to the Annual Financial Statements for the year
ended 31 March 2015

	Note	2014/15 R'000	2013/14 R'000
4.5 Property payments	4		
Municipal services		1	2
Other		207	115
Total		208	117

Other: includes security services at the Disaster Management Centre (R198 279).

	Note	2014/15 R'000	2013/14 R'000
4.6 Travel and subsistence	4		
Local		6,146	4,371
Foreign		209	-
Total		6,355	4,371

The kilometre tariff of government vehicles has been reclassified as fleet services. The comparative amount has been adjusted accordingly.

	Note	2014/15 R'000	2013/14 R'000
4.7 Other operating expenditure	4		
Professional bodies, membership and subscription fees		8	3
Resettlement costs		84	93
Other		1,273	1,146
Total		1,365	1,242

Included in memberships is Association of Municipal Electricity Utilities.

Other: Includes printing and publications such as photocopies, Ward Committee Calendars and flipcharts for fire services.

Notes to the Annual Financial Statements for the year
ended 31 March 2015

5. Interest and Rent on Land

	Note	2014/15	2013/14
		R'000	R'000
Interest paid		3	-
Total		3	-

6. Payments for financial assets

Other material losses written off	6.1	167	57
Debts written off	6.2	26	91
Total		193	148

6.1 Other material losses written off

Nature of losses			
GG Vehicle damages		138	42
Equipment		29	15
Total		167	57

Material losses includes 3 laptops and damage to 7 vehicles that was written off based upon the State Attorney recommendation.

6.2 Debts written off

Nature of debts written off			
Clearance certificates		3	56
Payment to supplier		-	35
Equipment		23	-
Total debt written off		26	91

Notes to the Annual Financial Statements for the year
ended 31 March 2015

7. Transfers and Subsidies

	Note	2014/15	2013/14
		R'000	R'000
Provinces and municipalities	30	23,441	8,145
Departmental agencies and accounts	ANNEXURE 1A	379	371
Higher education institutions	ANNEXURE 1B	200	200
Non-profit institutions	ANNEXURE 1C	593	587
Households	ANNEXURE 1D	775	183
Total		25,388	9,486

8. Expenditure for capital assets

Tangible assets		4,952	5,882
Machinery and equipment	27	4,952	5 882
Intangible assets		94	193
Software	28	94	193
Total		5,046	6 075

8.1 Analysis of funds utilised to acquire capital assets - 2014/15

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	4,952	-	4,952
Machinery and equipment	4,952	-	4,952
Intangible assets	94	-	94
Software	94	-	94
Total	5,046	-	5,046

8.2 Analysis of funds utilised to acquire capital assets - 2013/14

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	5,882	-	5,882
Machinery and equipment	5,882	-	5,882
Intangible assets	193	-	193
Software	193	-	193
Total	6,075	-	6,075

Notes to the Annual Financial Statements for the year
ended 31 March 2015

	2014/15	2013/14
	R'000	R'000
8.3 Finance lease expenditure included in Expenditure for capital assets		
Tangible assets		
Machinery and equipment	1,640	1,706
Total	1,640	1,706

9. Cash and Cash Equivalents

Consolidated Paymaster General Account	650	3,141
Cash on hand	20	10
Total	670	3,151

10. Prepayments and Advances

Travel and subsistence	21	30
Prepayments	792	-
Total	813	30

Prepayments were made to Government Motor Transport (R665 000) for vehicles, and to Cape Subscriptions (R126 700) for newspapers.

11. Receivables

	Note	2014/15			2013/14	
		Less than one year	One to three years	Older than three years	Total	
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1 Annex 3	124	-	-	124	-
Recoverable expenditure	11.2	16	85	17	118	255
Staff debt	11.3	52	65	1	118	156
Fruitless and wasteful expenditure	11.4	-	-	-	-	2
Total		192	150	18	360	413

Notes to the Annual Financial Statements for the year
ended 31 March 2015

	Note	2014/15	2013/14
		R'000	R'000
11.1 Claims recoverable	11		
National departments		124	-
Total		124	
11.2 Recoverable expenditure (disallowance accounts)	11		
Disallowance account: Miscellaneous		-	7
Damages : GG-vehicles		90	196
Theft : Laptops		13	41
Overpayment of supplier		5	5
Theft: Equipment		5	6
Salary Reversal: CA		5	-
Total		118	255
11.3 Staff debt	11		
Bursaries		13	1
Income tax		7	3
Telephone		4	3
Salary		24	33
Recovery of assets		41	104
Other		29	12
			-
Total		118	156
Other: Two leave without pay cases Included in staff debt are two non-current cases amount to R8 253.69.			
11.4 Fruitless and wasteful expenditure	11		
Opening balance		2	-
Less amounts recovered		(2)	-
Less amounts written off			
Transfers from note 22 Fruitless and Wasteful expenditure		-	2
Total		-	2

Notes to the Annual Financial Statements for the year
ended 31 March 2015

	Note	2014/15	2013/14
		R'000	R'000
11.5 Impairment of receivables			
Estimate of impairment receivables		169	284
Total		169	284

12. Voted Funds to be Surrendered to the Revenue Fund

Opening balance		3,486	499
Transfer from statement of financial performance (as restated)		1,651	3,486
Paid during the year		(3,486)	(499)
Closing balance		1,651	3,486

13. Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund

Opening balance		(2)	(95)
Transfer from Statement of Financial Performance (as restated)		621	437
Own revenue included in appropriation		50	50
Paid during the year		(663)	(394)
Closing balance		6	(2)

14. Payables - current

Clearing accounts	14.1	118	6
Other payables	14.2	13	-
Total		131	6

14.1 Clearing accounts	14		
Salary clearing accounts - Pension		5	2
Salary clearing accounts - Income Tax		113	4
Total		118	6

14.2 Clearing accounts	14		
Disallowance Miscellaneous		13	-
Total		13	

Notes to the Annual Financial Statements for the year
ended 31 March 2015

15. Net cash flow available from operating activities

	Note	2014/15	2013/14
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		2,272	3,923
Add back non cash/cash movements not deemed operating activities		318	5,254
(Increase)/decrease in receivables – current		53	34
(Increase)/decrease in prepayments and advances		(783)	(18)
Increase/(decrease) in payables – current		125	6
Proceeds from sale of capital assets		(24)	-
Expenditure on capital assets		5,046	6,075
Surrenders to Revenue Fund		(4,149)	(893)
Own revenue included in appropriation		50	50
Net cash flow generated by operating activities		2,590	9,177

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

Consolidated Paymaster General account	650	3,141
Cash on hand	20	10
Total	670	3,151

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities				
Liable to				
Claims against the department		Annex 2	-	1,000
Intergovernmental payables (unconfirmed balances)		Annex 4	6	16
Total			6	1,016

Contingent assets

The Department of Public Services and Administration (DPSA) contracted Metropolitan Health (Pty) Ltd on 17 October 2014, as the preferred Health Risk Manager to evaluate and finalise the stockpiled PILLAR cases. Metropolitan Health collected all the stockpiled PILLAR cases on 15 January 2015 which consists of ill health, retirements and death cases, to be finalized by no later than 31 March 2016.

The Department of the Premier (Corporate Services Centre) confirmed the DPSA agreement with Metropolitan Health (Pty) Ltd in an agreement signed by the Director-General on 8 December 2014.

The Department of Local Government forwarded 10 cases to Metropolitan Health and received 2 back from Metropolitan Health to date.

The CSC continuously monitors these cases with Metropolitan.

Notes to the Annual Financial Statements for the year
ended 31 March 2015

18. Commitments

	Note	2014/15 R'000	2013/14 R'000
Current expenditure			
Approved and contracted		1,880	1,519
		1,880	1,519
Capital Expenditure			
Approved and contracted		30	236
		30	236
Total Commitments		1,910	1,755

Current Expenditure: Commitment for MIG programme is for 3 years (ending 2015/16 financial year).
Travel tender with Travel with Flair is a two year contract ending 30 November 2016.
Security services with Distinctive Choice ends 31 December 2016.

19. Accruals and payables not recognised

Listed by economic classification	30 Days	30+ Days	Total	Total
Other	122	-	122	306
Goods and services	1,610	-	1,610	634
Capital assets	8	-	8	49
Total	1,740	-	1,740	989

Listed by programme level	Note	2014/15 R'000	2013/14 R'000
Programme 1: Administration		862	509
Programme 2: Local Governance		701	321
Programme 3: Development and Planning		177	159
Total		1,740	989

2013/14: Reclassification of accruals from employee benefits

Confirmed balances with departments	Annex 4	379	282
Total		379	282

Notes to the Annual Financial Statements for the year
ended 31 March 2015

20. Employee benefits

	Note	2014/15	2013/14
		R'000	R'000
Leave entitlement		3,417	3,388
Service bonus (Thirteenth cheque)		3,276	3,107
Performance awards		2,173	1,919
Capped leave commitments		1,350	1,805
Other		18	-
Total		10,234	10,219

Leave with negative balances amounting to R591 432 were added back to the leave entitlement amount.

Other: Due to a revised reporting requirement, accruals for Compensation of Employees, the comparative amount has been reclassified as accruals.

Other: One official qualifies for long service award in 2015/16.

21. Lease Commitments

21.1 Operating leases expenditure					
2014/15	Specialised military assets	Land	Buildings & other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	432	432
Later than 1 year and not later than 5 years	-	-	-	633	633
Total lease commitments	-	-	-	1,065	1,065
2013/14					
Not later than 1 year	-	-	-	465	465
Later than 1 year and not later than 5 years	-	-	-	217	217
Total lease commitments	-	-	-	682	682

Operating leases are for photocopy machines.

Notes to the Annual Financial Statements for the year
ended 31 March 2015

21.2 Finance leases expenditure						
2014/15						
	Special- ised mil- itary as- sets R'000	Land R'000	Build- ings & oth- er fixed structures R'000	Machinery and equip- ment R'000	Total R'000	
Not later than 1 year	-	-	-	1,635	1,635	
Later than 1 year and not later than 5 years	-	-	-	5,210	5,210	
Later than five years	-	-	-	150	150	
Total lease commitments	-	-	-	6,995	6,995	
2013/14						
Not later than 1 year	-	-	-	1,601	1,601	
Later than 1 year and not later than 5 years	-	-	-	5,110	5,110	
Later than five years	-	-	-	699	699	
Total lease commitments	-	-	-	7,410	7,410	

The Department of Local Government leased 34 vehicles from GMT as at 31 March 2015 (March 2014: 32). Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement. The implicit interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where they are sold on auction for the benefit of the lessor. Other finance leases are cellphones and datacards.

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure			
	Note	2014/15 R'000	2013/14 R'000
Opening balance		310	310
Add: Irregular expenditure - relating to current year		63	17
Less: Current year amounts condoned		-	(17)
Less: Amounts not condoned and not recoverable		(310)	-
Irregular expenditure awaiting condonation		63	310
Analysis of awaiting condonation per age classification			
Prior years		-	310
Total		-	310

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Notes to the Annual Financial Statements for the year
ended 31 March 2015

22.2 Details of irregular expenditure - current year		2014/15
		R'000
Incident	Disciplinary steps taken/ criminal proceedings	
Non compliance to cost containment measures	Under investigation	7
Incorrect service provider captured as winning supplier	Under investigation	56
Total		63

22.3 Details of irregular expenditure not recoverable (not condoned)		2014/15
		R'000
Incident	Condoned by (condoning authority)	
Tax clearance certificates from suppliers not obtained and quotations not evaluated in terms of the PPF Act (preference point system)	National Treasury	310
Total		310

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure			
	Note	2014/15	2013/15
		R'000	R'000
Opening balance		5	-
Fruitless and wasteful expenditure - relating to current year		-	7
Less: Amounts resolved		(3)	-
Less: Amounts transferred to receivables for recovery	11.4	-	(2)
Fruitless and wasteful expenditure awaiting res- olution		2	5

23.2 Analysis of awaiting resolution per economic classification			
Current		2	5
Total		2	5

Notes to the Annual Financial Statements for the year
ended 31 March 2015

24. Related party transactions

The Department of Local Government occupies part of two buildings free of charge (27 Wale Street and Waldorf Building) managed by the provincial Department of Transport and Public Works. Parking space is also provided for government officials at an approved fee that is not market-related.

The Department of Local Government received corporate services from the Corporate Services Centre of the Department of the Premier in the Western Cape Province with effect from 1 November 2010 in respect of the following service areas:

- Information and Communication Technology
- Organisation Development
- Provincial Training (transversal)
- Human Resource Management
- Enterprise Risk Management
- Internal Audit
- Forensic investigations
- Legal Services
- Corporate Communication

In addition to the above, the Department received services from the Department of the Premier for the audit committee.

A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Departments. This relationship is based on an arm's length transaction in terms of tariffs approved by the Department of Local Government.

The Department of Local Government received Security Advisory Services and Security Operations from the Department of Community Safety in the Western Cape.

All expenditure relating to the MEC - Local Government, Environmental Affairs and Development Planning - is carried by the Department of Environmental Affairs and Development Planning.

25. Key management personnel

	No. of Individuals	2014/15 R'000	2013/14 R'000
Level 15 to 16	1	1,553	1,469
Level 14 (incl CFO if at a lower level)	4	4,084	3,806
Total		5,637	5,275

26. Non-adjusting events after reporting date

Non-adjusting events after reporting date	2014/15 R'000
35 Assets were stolen. The break in at ISM Building 27 Wale Street was only discovered and reported after 31 March 2015	368

Notes to the Annual Financial Statements for the year
ended 31 March 2015

27. Moveable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	16,769	3,906	875	19,800
Transport assets	4,289	868	413	4,744
Computer equipment	7,624	1,880	390	9,114
Furniture and office equipment	3,399	263	5	3,657
Other machinery and equipment	1,457	895	67	2,285
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	16,769	3,906	875	19,800

Movable Tangible Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are Assets that are under investigation:		
Machinery and equipment	3	122
Assets could not be verified and are under investigation.		

27.1 Additions					
ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	4,951	868	(1,913)	-	3,906
Transport assets	1,640	868	(1,640)	-	868
Computer equipment	1,880	-	-	-	1,880
Furniture and office equipment	263	-	-	-	263
Other machinery and equipment	1,168	-	(273)	-	895
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	4,951	868	(1,913)	-	3,906

Notes to the Annual Financial Statements for the year
ended 31 March 2015

27.2 Disposals				
DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015				
	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received
	R'000	R'000	R'000	Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	390	485	875	24
Transport assets	-	413	413	-
Computer equipment	390	-	390	24
Furniture and office equipment	-	5	5	-
Other machinery and equipment	-	67	67	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	390	485	875	24

27.3 Movement for 2013/14					
MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	12,617	55	5,316	1,219	16,769
Transport assets	4,173	(177)	1,512	1,219	4,289
Computer equipment	4,767	223	2,634	-	7,624
Furniture and office equipment	2,924	(29)	504	-	3,399
Other machinery and equipment	753	38	666	-	1,457
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	12,617	55	5,316	1,219	16,769

Prior period error	Note	2013/14
		R'000
Nature of prior period error		
Relating to 2013/14		55
Transport assets incorrectly capitalised		(177)
Other assets incorrectly classified		167
Pre-existing computer equipment		65
Total		55

Notes to the Annual Financial Statements for the year
ended 31 March 2015**27.4 Minor assets****MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015**

	Special- ised mil- itary as- sets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	3,387	-	3,387
Additions	-	-	-	841	-	841
Disposals	-	-	-	165	-	165
TOTAL MINOR ASSETS	-	-	-	4,063	-	4,063

	Special- ised mil- itary as- sets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Number of minor assets at cost	-	-	-	1,405	-	1,405
TOTAL NUMBER OF MINOR ASSETS	-	-	-	1,405	-	1,405

Minor Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are Assets that are under investigation:		
Machinery and equipment	36	60
Assets could not be verified and are under investigation.		

MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Special- ised mil- itary as- sets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Opening Balance	-	3	-	3,361	-	3,364
Prior Period Errors	-	(3)	-	(50)	-	(53)
Additions	-	-	-	76	-	76
TOTAL MINOR ASSETS	-	-	-	3,387	-	3,387

Notes to the Annual Financial Statements for the year
ended 31 March 2015

Prior period error	Note	2013/14 R'000
Nature of prior period error		
Relating to 2013/14		(53)
Relates to assets purchased and not on asset register and derecognition of		(53)
Total		(53)

Assets to the value of R97 794,51 were derecognised as minor assets.

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Software	362	104	-	466
TOTAL INTANGIBLE CAPITAL ASSETS	362	104	-	466

28.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
	Cash	Non-cash	(Devel- opment work-in- progress current costs)	Received current, not paid (Paid current year, re- ceived pri- or year	Total
	R'000	R'000	R'000	R'000	R'000
Software	94	-	-	10	104
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	94	-	-	10	104

Notes to the Annual Financial Statements for the year
ended 31 March 2015

28.2 Movement for 2013/14 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
	Opening balance	Prior Peri- od Error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	169	-	193	-	362
TOTAL INTANGIBLE CAPITAL ASSETS	169	-	193	-	362

29. Immovable Intangible Capital Assets

29.1 Movement 2013/14 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
BUILDINGS AND OTHER FIXED STRUC- TURES	79	(79)	-	-	-
Non-residential buildings	79	(79)	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPI- TAL ASSETS	79	(79)	-	-	-

PRIOR PERIOD ERROR	NOTE	2013/14 R'000
Nature of prior period error		
Relating to 2013/14 financial year		(79)
Asset has been derecognised		(79)
Total		(79)

Notes to the Annual Financial Statements for the year
ended 31 March 2015

30. Statement of Conditional/unconditional Grants Paid to Municipalities

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			2013/14
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	National Treasury or National Department	Total Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
CDW Operational cost grant								
City of Cape Town	1,032	-	17	1,049	1,032	-	-	984
Cape Winelands	70	-	-	70	70	-	-	66
Beaufort West	192	-	-	192	192	-	-	208
Bergrivier	35	-	-	35	35	-	-	33
Bitou	35	-	-	35	35	-	-	33
Breede Valley	105	-	(17)	88	88	-	-	98
Cape Agulhas	70	-	(18)	52	52	-	-	49
Cederberg	157	-	-	157	157	-	-	147
Drakenstein	123	-	(18)	105	105	-	-	115
George	88	-	-	88	87	-	-	98
Kannaland	105	-	-	105	105	-	-	98
Knysna	53	-	-	53	53	-	-	49
Laingsburg	70	-	-	70	70	-	-	76
Matzikama	157	-	(17)	140	140	-	-	164
Mossel Bay	70	-	-	70	70	-	-	66
Oudtshoorn	70	-	-	70	70	-	-	66
Overstrand	52	-	18	70	70	-	-	49
Overberg	-	-	66	66	66	-	-	-
Prince Albert	70	-	-	70	70	-	-	76
Saldanha Bay	35	-	-	35	35	-	-	49
Stellenbosch	52	-	-	52	52	-	-	49
Swartland	-	-	59	59	59	-	-	-
Theewaterskloof	122	-	-	122	122	-	-	131
Witzenberg	140	-	-	140	140	-	-	131
Swellendam	-	-	-	-	-	-	-	66
Thusong Operational Support								
Beaufort West	222	-	-	222	222	-	-	-
Bitou	221	-	(221)	-	-	-	-	218
Breede Valley	-	-	222	222	222	-	-	-
Cape Agulhas	221	-	1	222	222	-	-	-
George	221	-	(3)	218	218	-	-	-
Hessequa	-	-	-	-	-	-	-	218
Laingsburg	-	-	-	-	-	-	-	218
Langeberg	222	-	-	222	222	-	-	218
Mossel Bay	221	-	1	222	222	-	-	-
Overstrand	-	-	-	-	-	-	-	218

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Notes to the Annual Financial Statements for the year
ended 31 March 2015

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			2013/14
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	National Treasury or National Department	Total Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Prince Albert	222	-	-	222	222	-	-	-
Saldanha Bay	222	-	(222)	-	-	-	-	218
Swartland	-	-	222	222	222	-	-	-
Swellendam	-	-	222	222	222	-	-	-
Witzenberg	-	-	222	222	222	-	-	-
IDP Hands-on Support								
Beaufort West	-	-	200	200	200	-	-	-
Cederberg	-	-	200	200	200	-	-	-
Cape Winelands	-	-	200	200	200	-	-	-
Kannaland	-	-	200	200	200	-	-	-
Swellendam	-	-	200	200	200	-	-	-
Municipal Infrastructure Support								
Beaufort West	-	-	500	500	500	-	-	-
Bergrivier	-	-	1,745	1,745	1,745	-	-	-
Bitou	-	-	1,000	1,000	1,000	-	-	-
Cederberg	-	-	750	750	750	-	-	-
Kannaland	-	-	1,850	1,850	1,850	-	-	-
Laingsburg	-	-	2,000	2,000	2,000	-	-	-
matzikama	-	-	250	250	250	-	-	-
Oudtshoorn	-	-	207	207	207	-	-	-
Prince Albert	-	-	1,200	1,200	1,200	-	-	-
Swellendam	-	-	1,000	1,000	1,000	-	-	-
Theewaterskloof	-	-	1,018	1,018	1,018	-	-	-
Witzenberg	-	-	730	730	730	-	-	-
Municipal Performance Management Grant								
Matzikama	-	-	100	100	100	-	-	-
West Coast	-	-	50	50	50	-	-	-
Cape Winelands	-	-	50	50	50	-	-	-
Swellendam	-	-	100	100	100	-	-	-

Notes to the Annual Financial Statements for the year
ended 31 March 2015

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			2013/14
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	National Treasury or National Department	Total Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Overberg	-	-	50	50	50	-	-	-
oudtshoorn	-	-	200	200	200	-	-	-
Eden	-	-	50	50	50	-	-	-
Prince Albert	-	-	150	150	150	-	-	-
Beaufort West	-	-	200	200	200	-	-	-
Central Karoo	-	-	50	50	50	-	-	-
Municipal Capacity Building Grant								
Matzikama	-	-	500	500	500	-	-	-
Langeberg	-	-	500	500	500	-	-	-
Cape Agulhas	-	-	500	500	500	-	-	-
Overberg	-	-	500	500	500	-	-	-
Hessequa	-	-	500	500	500	-	-	-
Beaufort West	-	-	500	500	500	-	-	-
Central Karoo	-	-	1000	1000	1000	-	-	-
Western Cape Management support grant (Governance)								
Breede Valley	-	-	-	-	-	-	-	100
Theewaterskloof	-	-	-	-	-	-	-	200
Swellendam	-	-	-	-	-	-	-	1,100
Kannaland	-	-	-	-	-	-	-	200
George	-	-	-	-	-	-	-	1,100
Knysna	-	-	-	-	-	-	-	800
Laingsburg	-	-	-	-	-	-	-	500
	4,675	-	18,784	23,459	23,441	-	-	8,209

PART E

WESTERN CAPE PROVINCE DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

Annexure to the Annual Financial Statements for the year ended 31 March 2015

Annexure 1A

Statement Of Transfers To Departmental Agencies And Accounts

DEPARTMENT/ AGENCY AC- COUNT	TRANSFER ALLOCATION				Transfer		2013/14
	Adjusted appropriation	Roll Overs	Adjust-ments	Total Avail-able	Actual Transfer	% of Avail-able Funds transferred	Appropri-ation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
NSRI (National Sea Rescue Institute)	375	-	-	375	375	100	369
SABC	-	-	4	4	4	100	1
Total	375	-	4	379	379	-	370

Annexure 1B

Statement Of Transfers To Higher Education Institutions

Institution Name	TRANSFER ALLOCATION				Transfer			2013/14
	Adjusted appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Amount not Trans-ferred	% of Avail-able Funds trans-ferred	Appropri-ation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Stellenbosch University	-	-	200	200	200	-	100	200
Total	-	-	200	200	200	-	-	200

Annexure to the Annual Financial Statements for the year
ended 31 March 2015

Annexure 1C

Statement Of Transfers To Non-Profit Institutions

Non-Profit Institutions	TRANSFER ALLOCATION				Expenditure		2013/14
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
NGOs: Thusong Centre management	218	-	-	218	218	100	218
Lifesaving SA	375	-	-	375	375	100	369
						-	-
Total	593	-	-	593	593	-	587

Annexure 1D

Statement Of Transfers To Households

Households	TRANSFER ALLOCATION				Expenditure		2013/14
	Adjusted appropriation Act	Roll Overs	Adjustments	Total available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuities	47	-	727	774	774	100	44
Claims against the state	-	-	-	-	-	-	74
Injury on duty	-	-	1	1	1	100	41
Total	47	-	728	775	775	-	159

Annexure to the Annual Financial Statements for the year
ended 31 March 2015

Annexure 1E

Statement of Gifts, Donations and Sponsorships Received

Name of Organisation		2014/15 R'000	2013/14 R'000
Received in cash			
Santam	Sponsorship towards fire awareness radio campaign	350	-
Total		350	-

Annexure 2

Statement Of Contingent Liabilities As At 31 March 2015

Nature of liability	Opening balance 1 April 2014 R'000	Liabilities incurred during the year R'000	Liabilities paid/ can- celled/ re- duced dur- ing the year R'000	Liabilites recovera- ble (Pro- vide details hereunder) R'000	Closing balance 31 March 2015 R'000
Claims against the department					
Andile Lili v IEC, MEC of Local Government	500	-	500	-	-
Christiaan McPherson & 13 Others v Johannes NH Stoffels	500	-	500	-	-
TOTAL	1,000	-	1,000	-	-

Annexure to the Annual Financial Statements for the year
ended 31 March 2015

Annexure 3

Claims Recoverable

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2014/5	
	31/03/15	31/03/14	31/03/15	31/03/14	31/03/15	31/03/14	Receipt date up to (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		
Department								
EC: Local Government and Traditional Affairs	-	3	-	-	-	3	-	-
KZN: Co-operative Governance and Traditional Affairs	73	-	-	-	73	-	-	-
Home Affairs	51	-	-	-	51	-	-	-
Total	124	3	-	-	124	3	-	-

Annexure 4

Intergovernment Payables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2014/5	
	31/03/15	31/03/14	31/03/15	31/03/14	31/03/15	31/03/14	Receipt date up to (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		
Departments								
Current								
Government Motor Transport	341	260	6	16	347	276	-	-
WC: Human Settlements	-	8	-	-	-	8	-	-
WC: Premier	25	14	-	-	25	14	-	-
WC: Agriculture	13	-	-	-	13	-	-	-
Total	379	282	6	16	385	298	-	-

Western Cape | Local Government
Private Bag x9076 | 80 St. George's Mall, Waldorf Building, Cape Town, 8000
Tel: 021 483 8986 | Fax: 021 483 0632
Provincial website: www.westerncape.gov.za

To obtain additional copies of this document, please contact:
Directorate: Policy and Strategic Support
e-mail: Albert.Dlwengu@westerncape.gov.za



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PR330/2015
ISBN: 978-0-621-44055-3