



**Western Cape
Government**

Local Government



Annual Report 2017/18
Department of Local Government

Western Cape Government
Department of
Local Government
Vote 14

ANNUAL REPORT

2017/18

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PART A: GENERAL INFORMATION

1. Department's General Information

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2. Abbreviations

AGSA:	Auditor General of South Africa
AO:	Accounting Officer
APP:	Annual Performance Plan
BAS:	Basic Accounting System
CDW:	Community Development Worker
CSC:	Corporate Service Centre
CWP:	Community Work Programme
D: ERM:	Directorate: Enterprise Risk Management
DCF:	District Co-ordinating Forum
DCFTECH:	District Co-ordinating Forum Technical Committee
DCOG:	Department of Co-operative Governance
DEADP:	Department of Environmental Affairs and Development Planning
DM:	District Municipality
DORA:	Division of Revenue Act
DPSA:	Department of Public Service and Administration
DRA	Drought Risk Atlas
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:	The General Public Service Sector Bargaining Council
HAT:	High Altitude Training
HCT:	HIV & AIDS Counseling and Testing
HDI:	Historically Disadvantaged Individuals
HIV/AIDS:	Human Immunodeficiency Virus /Acquired Immune Deficiency Syndrome
HR:	Human Resources
HRDC:	Human Resource Development Committee
ICASA:	The Independent Communications Authority of South Africa
ICT:	Information and Communications Technology
ID:	Identity Document
IDP:	Integrated Development Plan
IFM:	Integrated Fire Management
IGR:	Intergovernmental Relations
IPSS:	Integrated Performance Support System
ISDF:	Integrated Strategic Development Framework
JPI:	Joint Planning Initiative
LGTAS:	Local Government Turnaround Strategy
LRA:	Labour Relations Act, 1995 (Act 66 of 1995)

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M&E:	Monitoring & Evaluation
MEC:	Member of Executive Council
MIG:	Municipal Infrastructure Grant
MINMAY:	Forum of Provincial Minister of Local Government and Executive Mayors
MINMAYTECH:	Forum of Head of Department: Local Government and Municipal Managers
MPAT:	Management Performance Assessment Tool
MPRA:	Municipal Property Rates Act, 2004 (Act 6 of 2004)
MSA:	Municipal System Act, 2000 (Act, 32 of 2000)
MTEF:	Medium Term Expenditure Framework
NDMC:	National Disaster Management Centre
NEMA:	National Environmental Management Act, 1998 (Act No.107 of 1998)
NTPSRMF:	National Treasury Public Sector Risk Management Framework
OD:	Organisational Design
OPMS:	Organisational Performance Management System
OSD:	Occupation-Specific Dispensation
PAIA:	Promotion of Access to Information Act, 2000 (Act 2 of 2000)
PAJA:	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
PCF:	Premier's Co-ordinating Forum
PDMC:	Provincial Disaster Management Centre
PFMA:	Public Financial Management Act, 2003 (Act 56 of 2003)
PILIR:	Policy on Incapacity Leave and Ill-Health Retirement
PMS:	Performance Management System
PSCBC:	Public Service Co-ordinating Bargaining Council
RDP:	Reconstruction & Development Programme
SALGA:	South Africa Local Government Association
SAPS:	South African Police Service
SASSA:	South African Social Security Agency
SCM:	Supply Chain Management
SDBIPs:	Service Delivery & Budget Implementation Plans
SDIP:	Service Delivery Improvement Plan
SHE:	Safety, Health and Environment
SIU:	Special Investigations Unit
SLA:	Service Level Agreement
SMMEs:	Small Medium and Micro Enterprises
SMS:	Senior Management Service
SoE:	State-owned Enterprises
Stats SA:	Statistics South Africa
UIF:	Unemployment Insurance Fund
UNAIDS:	The United Nations Programme on HIV & AIDS
WCG:	Western Cape Government
WP:	Wellness Programme
WSP:	Workplace Skills Plan

3. Minister's foreword

Water is life and one of the basic human rights that everyone should have access to, but when water is limited, everyone is at risk. During the year under review, the Province experienced the impact of drought when water scarcity became a reality. This has been the worst drought in recent memory, which required all the key role-players to work together to develop plans and strategies to prevent water shortages. The impact of the drought disaster manifest itself at various fronts, including on business, tourism, agricultural sectors and specifically those employed by these sectors. Our collective efforts yielded positive results. This is thanks to a combination of augmentation efforts and above all, the residents of this Province who responded positively to the call to save water. My Department will continue to provide both technical and financial assistance to municipalities to increase water security.

The municipal council is an important enabler to ensure that service delivery happens in a municipality. The year under review witnessed the first full year of governing of the new councils. It was therefore important that councils were exposed to ongoing training to ensure that they are able to effectively discharge their responsibilities. Despite these efforts, the Department continuously received complaints and enquiries from councillors and municipalities with respect to the roles and responsibilities of councillors which required ongoing support. Amongst a number of initiatives, my Department developed Practice Notes: Conduct of Councillors in Council Meetings, with the aim of providing guidance on specific matters related to council meetings and furthermore serve as a guide to councillors in performing their roles and responsibilities.

As public servants, our responsibility is to serve the interests of the public. Therefore, the need for all key role players to be always mindful of poverty and unemployment which continues to challenge the people of this Province in living lives that they value cannot be overemphasised. As part of the expansion of the Thusong Programme as hubs for poverty reduction, job creation and broad based community development, my Department explored using Thusong Service Centres as implementers



of capacity building and small scale economic development projects. To this end, a project support grant introduced in two Thusong Service Centres has shown initial results in providing capacity-building and mentorship to 10 young entrepreneurs from the Grabouw area. Furthermore, 70 small scale opportunities ranging from enterprise development to food security were supported through the Community Development Worker Programme.

The visually impaired persons have no access to documented information on ward committees, consequently this restricts their participation in ward committees. During the year under review, the ward committee handbook was translated into Braille in all three official languages of the Western Cape. The handbooks were distributed to all the municipalities with the request that they should be made available in all local libraries and other public spaces for easy access. The translation of the ward committee handbook into Braille was the first in the country and as a result of the keen interest shown by other provinces, the copies were made available for use nationally.

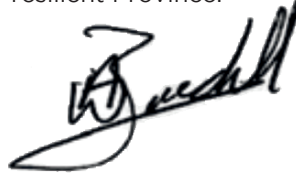
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It is estimated that people living in informal settlements have on average, less than two minutes to get out of their dwellings once a fire starts. It was this reality that propelled the Department to launch a provincial wide Smoke Alarm Campaign aimed at reducing deaths and injuries from home fires through the installation of smoke alarms. Together with our partners, we have already saved many lives by installing more than 8 000 smoke alarms in high risk municipalities.

I am pleased to report that since the installation of smoke alarms, not a single fire death has occurred in areas where we installed the smoke alarms.

During the year under review, as the citizens of the Province, we have shown that collectively we can conquer and going forward I believe that together we are the most important pillar in building a resilient Province.



Mr AW Bredell
Minister of Local Government,
Environmental Affairs and Development Planning

4. Accounting Officer's Overview

The core function of municipalities is to render a variety of essential basic services to communities. Over the years, the Department has focused its efforts on improving access to these services. The year under review presented a different challenge to all the role players in that we had to face the ongoing effects of drought across the Province which threatened the availability of a critical service, being water. A provincial state of disaster was declared by the Premier earlier in the year, which culminated in a national declaration due to shortage of water.

The Department together with the affected municipalities and various role players in the municipal space provided technical and financial support to municipalities regarding water augmentation, water conservation and demand management. Due diligence efforts in dealing with the threat to water resources paid off as shortage of water was avoided. The Department, being the central co-ordination point for planning and management of the drought response in the Province, had to maintain a balance between pooling its resources, redirecting them towards increasing water security and having to leave resources to fulfil its annual performance plan targets. Despite these realities, staff at all levels worked collectively to enable the Department to achieve most of its targets set for the financial year.

During the 2017/18 financial year, we deepened our support to municipalities following the 2016 local government elections. On the administrative side, municipalities dealt with the appointment of senior managers. The Department assessed the compliance of these appointments with the relevant legislative prescripts. These assessments revealed a general level of compliance however, the Department had to address exceptional cases of non-compliance in some municipalities.

Building from previous experiences and guided by legislation, the Department provided support to councillors to effectively execute their roles and responsibilities. One such support initiative was the Councillor Training Programme which was conducted in collaboration with various stakeholders



such as the Provincial Treasury, the Department of the Premier, SALGA and the Nelson Mandela University. A total of 395 councillors participated in this programme. In addition, targeted workshops were conducted with municipal councillors of various municipalities.

Enshrined in the Constitution of the Republic of South Africa, is the right for every citizen to participate in government matters. Following the establishment of new councils, the Department was faced with the responsibility to support municipalities to enhance public participation and strengthen the interface between communities and municipalities. Various initiatives including the establishment of formal participatory structures such as ward committees were implemented to institutionalise public participation in municipalities. The Department further recognised that as much as the citizens have a right to participate, they also have an obligation to practise or access that right. Regarding the latter, the Department started the Civic Education Programme on public participation with the aim of educating and empowering citizens with information that will enable them to participate meaningfully in the affairs of local government. This is a series of public educational videos covering various topics aimed at unlocking the citizen's understanding of their right to participate. The

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videos are available in the three official languages of the Province.

Customised support plans which were implemented as part of the Back to Basics Programme have started to show positive outcomes in a number

of municipalities. This is evident from the number of municipalities that are now able to function independently after exiting from the programme, and there are number of municipalities that have shown improvement during the programme.

Departmental Receipts

	2017/2018			2016/2017		
	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	52	101	(49)	37	110	(73)
Interest, dividends and rent on land	1	1	-	13	2	11
Sales of capital assets	-	32	(32)	-	61	(61)
Financial transactions in assets and liabilities	-	926	(926)	-	54	(54)
Total	53	1 060	(1 007)	50	227	(177)

Spending trends:

The Department utilised 95,6% of its total budget allocation. The total underspending during the 2017/18 financial year amounting to R15 901 million relates to earmarked funds which could not be utilised for any other purpose than what was initially intended such as Compensation of Employees and Goods and Services.

Virements/rollover

The Department made internal virements from savings to cover overspending mainly on the following:

- Goods and Services due to reprioritisation of funds projected within the Programmes 2 and 3;
- Payment of capital assets due to the procurement of computer equipment according to the departmental ICT refresh plan, the purchasing of additional computer equipment for the additional staff to assist with the management of drought within the Department as well as the IT requirements required in terms of the Departmental Business Continuity Plan respectively.

The virement was undertaken within the guidelines of Provincial Treasury.

5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report

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

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by the 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 2018.

Yours faithfully



Mr Graham Pause
Accounting Officer
Department of Local Government
Date 31 August 2018

6. Strategic Overview

6.1 Vision

An efficient and dynamic team that enables well-governed municipalities to deliver services to communities in a responsive, sustainable and integrated manner.

6.2 Mission

To monitor, coordinate and support municipalities to be effective in fulfilling their developmental mandate and facilitate service delivery and disaster resilience through engagement with government spheres and social partners.

6.3 Values

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

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

6.4 Legislative and other Mandates

6.4.1 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 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.

6.4.2 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.

No	Legislation	Mandate
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 of 1998 and 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 co-ordinate municipalities under its jurisdiction.
C	Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)	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.

No	Legislation	Mandate
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 co-ordinated 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	Disaster Management Amendment Act, 2015 (Act 16 of 2015)	The Disaster Management Amendment Act seeks, amongst others, to clarify the policy focus on rehabilitation and functioning of disaster management centres; to align the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction; to provide for the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures, strengthen the disaster risk reporting system in order to improve the country's ability to manage potential disasters.
G	Inter-governmental 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 inter-governmental relationships, and to provide mechanisms and procedures to facilitate the settlement of inter-governmental disputes.
H	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, co-ordination and a 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.

6.4.3 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, 2011 (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).

6.4.4 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).

6.4.5 Local Government Policy Mandates

The following provide the policy framework for local government:

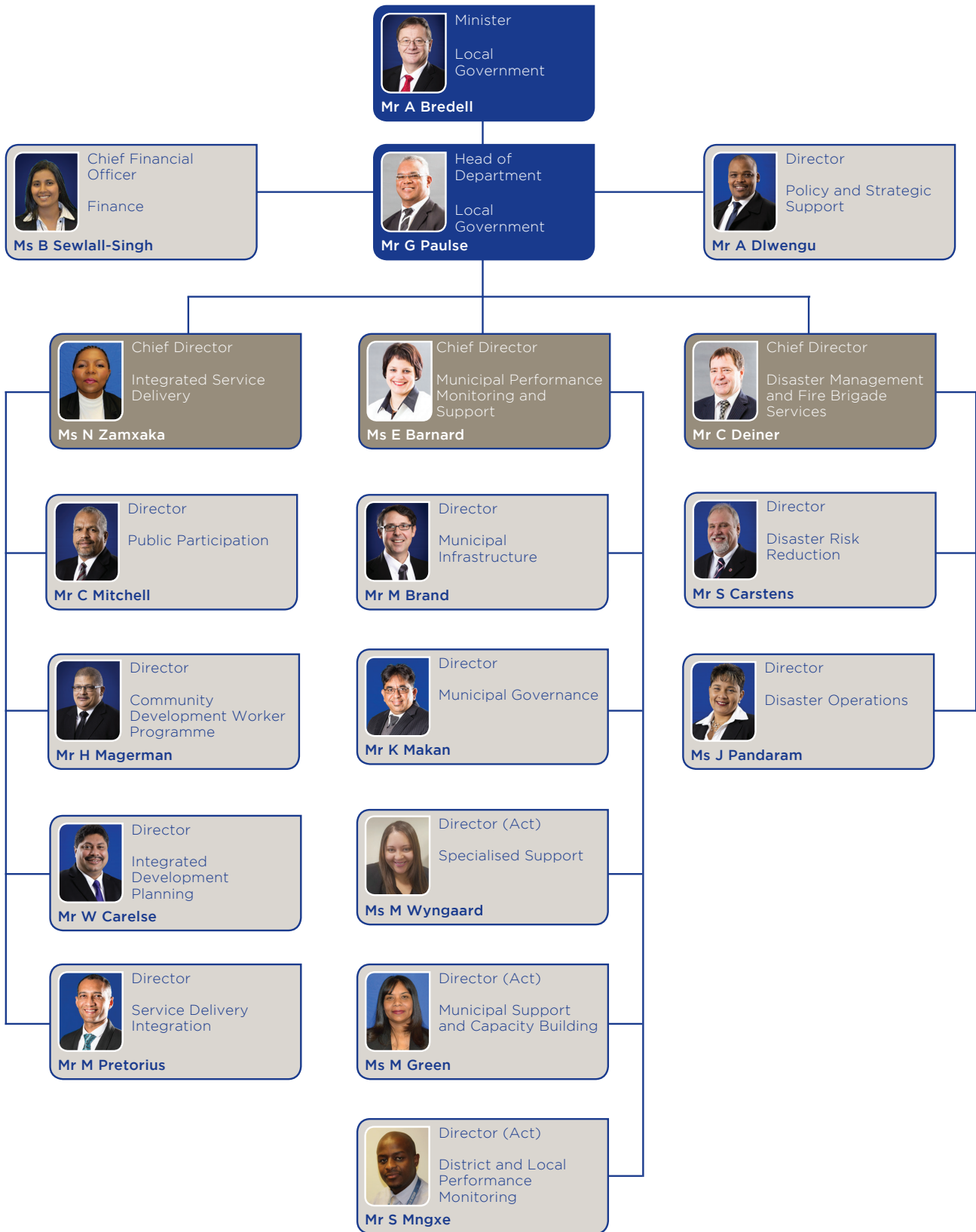
- White Paper on Local Government, 1998;
- National Local Government Turn Around Strategy 2009;
- Local Government Anti-Corruption Strategy, 2006;
- Free Basic Services Policy, 2000/01;
- National Public Participation Framework, 2007; and
- National Back to Basics Strategy, 2014

6.4.6 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 System, 2007;
- Framework for Managing Programme Performance Information, 2007 (FMPPi);
- South African Statistical Quality Assurance Framework, 2007;
- National Spatial Development Perspective, 2002;
- Provincial Spatial Development Framework, 2014;
- National Disaster Management Framework, 2005; and
- National Development Plan (Vision 2030).

6.5 Organisational Structure





PART B: PERFORMANCE INFORMATION

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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: pages 145-148).

2. Overview of Departmental Performance

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2.1 Service Delivery Environment

During the year under review, the Department's support to municipalities was largely focused on maintaining stability and promoting good governance following the 2016 local government elections. As part of the support provided to councillors to execute their roles and responsibilities, a nine module Councillor Training Programme was rolled-out with a total of 395 councillors attending the programme. The training programme covered areas such as the delegation of powers in local government; functioning of oversight committees; code of conduct for councillors; procedures for disciplinary hearings and investigations; role of councillors, mayors and speakers in local government; role of councillors in the appointment and discipline of senior officials, as well as public participation and communication. In addition, targeted workshops with municipalities on similar issues were conducted with municipal councillors and speakers of various municipalities.

A set of Practice Notes were developed on the Conduct of Councillors in Council Meetings with the aim of providing guidance on specific matters related to council meetings and furthermore serve as a guide to councillors in performing their roles and responsibilities.

As part of equipping municipal officials with skills and competencies to fulfil their roles and responsibilities, a number of municipal officials at middle management level completed a Middle Management Development Programme. The Department further rolled out a Municipal Middle

Managers Mentoring and Coaching Programme, with the aim of increasing the level of expertise, exposure and experience in middle management in the Western Cape municipalities.

The Department has a responsibility to guide municipalities with the interpretation and implementation of various pieces of legislation applicable to local government. The Department, therefore, hosted the Legislative and Constitutional Task Team Engagements to discuss various legislative topics and serves as a platform to provide legal guidance to municipalities. In addition, a number of municipalities were assisted with the review and/or amendment of by-laws. Support was also provided on interpretation of legislative prescripts, by way of on-hand legal advice and distribution of Circulars to municipalities.

The Local Government: Municipal Systems Act read with the Regulations, prescribe that the municipal council must, within 14 days of the date of appointment of a municipal manager or a manager directly accountable to a municipal manager, inform the MEC for Local Government of the appointment process and outcome. Upon receiving such information, the MEC must conduct an assessment in order to determine if the appointment process was consistent with the relevant legislative prescripts. Assessments of 39 senior manager appointments and renewals were conducted and 15 of these were appointments or renewals for municipal managers as of at the end of March 2018.

In terms of Chapter 7, of the Local Government: Municipal Property Rates Act, the MEC for Local Government is mandated to establish Valuation Appeals Boards. During the year under review, the Local Government: Municipal Property Rates Act: Focus Group provided a platform for municipalities to discuss and exchange practices and knowledge on issues relating to property rates through focused workshops. The assistance provided to municipalities included the appointment of Valuation Appeal Board members and a Help Desk which assisted municipalities with various matters relating to Property Rates.

Municipal monitoring and support

In fulfilling its monitoring and reporting role over municipalities, using the Integrated Performance

Support System (IPSS), the Department conducted a baseline assessment report that provided the state of governance in municipalities in the Province. This report highlighted the challenges and concerns that may negatively impact on the achievement of service delivery in municipalities. The Department in partnership with the Provincial Treasury and other sector departments further engaged with municipalities through the Technical Integrated Municipal Engagements in a drive to address the challenges highlighted in the report and further developed bespoke support plans that will be implemented over the short and medium term.

Regarding municipal infrastructure, the Department supported municipalities with the spending of the Municipal Infrastructure Grant (MIG). In partnership with the National Department of Co-operative Governance, focused support was provided to municipalities through regular assessments, site visits and engagements.

Improving access to government services and improving citizen participation.

Access to government services and information has a potential to improve the living conditions of citizens. The Thusong and the Community Development Worker Programmes are central to the Department's contribution towards increasing access to government services and information to communities.

For the year under review, over 1,3 million government services and information were accessed by citizens through the Thusong Service Centres located in various municipalities and the Thusong Outreaches which are conducted in remote locations, including farming areas based on the needs of each community. To support the functionality of the Thusong Service Centres, the Department conducts quarterly functionality assessments of these centres using a score card. The results of the assessments inform the development of support plans and consideration of operational and maintenance funding.

The Community Development Workers located in the districts and the Metro, assist with providing information directly to communities. At the end of the financial year, the Community Development Worker Programme provided support to 70 small

scale initiatives aimed at improving access to economic opportunities across the Province. These initiatives are classified as food security and local economic development and these focus areas have contributed towards a positive impact on the lives of beneficiaries.

One of the objectives of local government in terms of section 152(1)(a) of the Constitution of the Republic of South Africa, is for a municipality to encourage the involvement of communities in the matters of local government. Development of frameworks within which public participation will be conducted in a municipality, indicates its commitment to encourage structured community participation and create a conducive environment for the engagement with the public. Following the establishment of the ward committees in municipalities after the 2016 local government elections, the Department provided training to ward committees and further supported municipalities with the review of public participation and ward committee policies. Furthermore, assistance was provided with the development of ward committee operational plans, including initiatives such as the "know your ward committee campaign".

Realising that citizens also have an obligation to participate in the affairs of their municipality, the Department identified a need to conduct civic education on public participation. To this end, eight civic education videos were completed at the end of the financial year, which cover the following topics:

- What is local government?
- What are municipalities and how are they structured?
- What is the role of a municipal council?
- What can I expect from my municipality?
- What are municipal services?
- What is the role of ward committees in a municipality?
- What is a responsive citizen?
- How can people participate in municipal processes?

Budget allocation gives effect to the realisation of the goals and objectives including targets contained in the strategic planning documents of a municipality. It is therefore of outmost importance that alignment must be maintained between

planning and budgeting within a municipality. To support municipalities in this regard, the Department annually assesses the Integrated Development Plans (IDPs) of municipalities. During the year under review, the focus of the IDP assessment was mainly on the alignment between planning and budgeting.

Support with drought declarations

The 2017/18 financial year was an extremely busy period for the Department due to the ongoing impact of climate change being experienced in the Province. Consequently, a number of environmental challenges such as drought, fires and health related threats severely affected various areas across the Province. A provincial state of disaster was declared in terms of section 41 of the Disaster Management Act, (Act 57 of 2002), on 23 May 2017 by the Premier. The effects of the climate change did not affect the Province only, as a national state of disaster for drought was declared by the National Minister of Co-operative Governance in three provinces (Western Cape, Northern Cape and the Eastern cape) on 13 March 2018.

Through the Provincial Disaster Management Centre, the Department acted as a point of coordination for drought in the Province where plans of various stakeholders were discussed and response measures with the following four focus areas were put in place:

- Water Security Risk: Access to sufficient water to drink and maintain health and hygiene;
- Optimising essential mandated service delivery;
- Humanitarian Security Risk: Access to appropriate humanitarian assistance;
- Economic Security Risk: Protect the economy, livelihoods and economic opportunities; and
- Safety & Security Risk: Enable Constitutionally-guaranteed rights.

As part of water security, the Department supported municipalities to prevent water shortages through providing technical and financial assistance to municipalities with regards to water augmentation programmes as well as water conservation and demand management. Geo-

hydrologists were appointed to assist municipalities with geo-hydrological services and to oversee the installation of borehole data loggers to ensure the long term sustainable abstraction of aquifers. Water augmentation measures, such as the drilling and equipping of boreholes and the associated linking of infrastructure were undertaken in various municipalities.

Preventing water shortages, implies that water resources must be managed effectively. To this end, making use of various media platforms, the Department intensified its assistance to municipalities by conducting awareness campaigns in a drive towards reducing the demand and thereby providing adequate time for the various water augmentation schemes to come on board. Additional to the use of media platforms, the CDWs in some parts of the Province conducted door to door campaigns. The fire and flood awareness campaigns which are conducted in schools were extended to include water conservation/drought. The campaign was conducted in 110 primary schools in the West Coast District reaching a total of 47 865 learners. The collective efforts of the various stakeholders, including the community, yielded fruits as communities responded positively to the call to reduce water usage.

Various working streams responsible for preparedness planning to ensure that the Province is ready in the event that there was limited or restricted water were established by the Department. The Department continues to implement a long-term water planning approach to ensure resilience of the Province given the predicted impact of climate change in the future.

The PDMC in collaboration with Corporate GIS, developed the Western Cape Drought Risk Atlas (DRA) which is a web-based tool containing a variety of data sets relevant to the drought. It includes the latest dam levels, critical infrastructure, risk levels of towns and municipalities as well as the spatial extent of dams over a time series. The DRA allows decision makers to make informed decisions regarding risk reduction interventions and contingencies.

PERFORMANCE INFORMATION

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 Outreach and Services Centres	<ul style="list-style-type: none"> Communities 	1 099 703 citizens were provided with a platform to access government services through the Thusong Outreaches and Services Centres	1 000 000 citizens accessing government services	1 388 253 services were accessed through the Thusong Outreaches and Services Centres platforms
Support initiatives to improve access to government services	<ul style="list-style-type: none"> Communities 	22 initiatives to improve access to government services were held throughout municipalities in the Province	20 initiatives to improve access to government services	43 initiatives to improve access to government services were held throughout municipalities in the Province

B

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Outreaches and Service Centres		
Consultation: a. Consultation/planning meetings with departments and communities held b. Written Correspondence as required c. Communication as required d. 24 Thusong Outreaches held e. Evaluation forms completed by the communities are analysed	Consultation: a. Consultation/planning meetings with departments and communities b. Written Correspondence c. Communication d. Thusong Outreaches e. Evaluation forms completed by the communities	Consultation: a. Consultation/planning meetings with stakeholder departments and communities were held prior to the Outreaches b. Written Correspondence was conducted prior to each Outreach c. 13 Thusong Outreaches were held throughout the Province during the period d. Evaluation forms completed by the communities were analysed to inform improvements

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Outreaches and Service Centres ... continued		
<p>Access:</p> <ul style="list-style-type: none"> a. 80 St Georges Mall, Waldorf Building b. Thusong Centres within the Province c. Government facilities in the communities d. Thusong Outreach venues as scheduled 	<p>Access:</p> <ul style="list-style-type: none"> a. 80 St Georges Mall, Waldorf Building b. Thusong Centres c. Government facilities in the communities d. Thusong Outreach venues 	<p>Access:</p> <ul style="list-style-type: none"> a. 80 St Georges Mall, Waldorf Building b. There are 28 Thusong Centres throughout the Districts, all are functioning c. To cut cost, government facilities in the communities were used for some Outreaches d. Thusong Outreaches were scheduled ahead of time to ensure all possible risks were addressed
<p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community are analysed b. Report to Project Manager c. Identified persons available at Thusong Outreaches where community can lodge complaints d. Senior Managers of departments e. Information desk/complaints centre available at Thusong Outreaches 	<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 Outreaches where community can lodge complaints d. Senior Managers of departments e. Information desk/complaints centre at Thusong Outreaches 	<p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms were completed and analysed, recommendations were used to make improvements for the next sessions b. Quarterly progress reports were provided by Project Managers to SMS c. All officials assisting at the Thusong Outreaches were clearly identifiable, making it easier for citizens to ask assistance or lodge complaints, where required d. Senior managers from the Service Delivery Integration Directorate, attended most of the Thusong Outreaches. e. Information desk/complaints stations were made available at all Thusong Outreaches and Centres
<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagements platforms safety forums with departments and communities in place b. Written correspondence communication as required c. 24 Thusong Outreaches held d. Evaluation forms completed by community e. Annual Report 	<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagements platforms safety forums with departments and communities b. Written correspondence communication c. Thusong Outreaches d. Evaluation forms completed by community e. Annual Report 	<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagements took place quarterly with stakeholders b. Written correspondence to the hosting community was done prior to each Outreach c. A total of 13 Thusong Outreaches were held during the period under review d. Evaluation forms completed by communities were analysed to inform improvements e. Final output will be reflected in both the Departmental Annual Report and Citizen's Report

B

PERFORMANCE INFORMATION

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Outreaches and Service Centres ... continued		
<p>Value for Money:</p> <p>a. Yes, communities were able to access services at the Thusong Outreach venue close to their homes. The total project budget amounted to R 1 410 000.</p>	<p>Value for Money:</p> <p>a. Yes, communities were able to access services at the Thusong Outreach venue.</p>	<p>Value for Money:</p> <p>a. Communities were able to access services directly at a Thusong Outreach or Service Centre located close to their homes. The total expenditure budget for the project amounted to R 1 494 000.</p>
Support initiatives to improve access to government services		
<p>Consultation:</p> <p>a. In communities CDW's participate in different community engagement platforms and safety forums such as Ward Committee meetings</p> <p>b. 47 IDP meetings in Cape Winelands, 2 IDP meetings in Central Karoo, 12 IDP meetings in Overberg and 32 IDP meetings in Eden were held</p> <p>c. Community meetings, etc.</p> <p>d. These meetings are a mechanism provider for communities</p>	<p>Consultation:</p> <p>a. In communities CDW's participate in different community engagements platforms and safety forums such as Ward Committee meetings</p> <p>b. IDP meetings, CDW</p> <p>c. Community meeting, etc.</p> <p>d. These meetings provide space for communities to make their inputs</p>	<p>Consultation:</p> <p>a. CDW's participated in different community engagement platforms and safety forums such as Ward Committee meetings and IDP forums</p> <p>b. CDW's attended 115 IDP and 119 Ward Committee meetings held at various communities in each District throughout the Province</p> <p>c. Approximately 56 community meetings were held at various communities in each District throughout the Province</p> <p>d. These meetings provided communities with a platform to provide input in matters that affect them</p>
<p>Access:</p> <p>a. Initiatives are conducted in communities</p>	<p>Access:</p> <p>b. In communities</p>	<p>Access:</p> <p>a. All programmes/engagements were conducted within communities</p>
<p>Courtesy:</p> <p>a. CDW's available to communities</p> <p>b. CDW supervisors available</p> <p>c. Regional Coordinators available</p> <p>d. Municipal offices in place</p> <p>e. No negative conduct/behaviour was reported to the Department of Local Government (CDW section)</p>	<p>Courtesy:</p> <p>a. Communities can make use of CDW's</p> <p>b. CDW supervisors</p> <p>c. Regional Coordinators</p> <p>d. Municipal offices</p> <p>e. Negative conduct/behaviour can also be reported to the Department of Local Government (CDW section)</p>	<p>Courtesy:</p> <p>a. CDW's are available to communities on a daily basis</p> <p>b. CDW supervisors available when required</p> <p>c. Regional Coordinators available when required</p> <p>d. Municipal offices are in place and accessible</p> <p>e. No negative conduct/behaviour was reported to the Department of Local Government (CDW section)</p>

B

PERFORMANCE INFORMATION

Current/actual arrangements	Desired arrangements	Actual achievements
Support initiatives to improve access to government services ... continued		
Openness and Transparency: a. CDWs participate in different community meetings	Openness and Transparency: a. CDWs participate in different community meetings	Openness and Transparency: a. CDWs participated in different community meetings throughout the year
Value for Money: a. The total compensation budget for the unit amounts to R 52,932 million	Value for Money: a. The total compensation budget for the unit amounts to R 49,189 million	Value for Money: a. The total compensation budget for the unit amounts to R 56,433 million b. The total CDW staff component consist of 146 CDWs, 13 Supervisors and 8 Regional Coordinators who are employed by the Department on salary levels 6, 8 & 9 respectively

B

Service delivery information tool

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Outreaches and Service Centres		
a. Posters available b. Pamphlets available c. Loud hailing done within community d. No newspaper articles were published e. No Radio broadcasting, announcements regarding services were done f. Emails/telephone utilised as required g. Annual Report available	a. Posters b. Pamphlets c. Loud hailing d. Newspaper articles e. Radio broadcasting, announcements regarding services f. Emails/telephone g. Annual Report	a. ± 5 000 Posters were printed and made available at various Centres and Outreaches b. ± 5 000 Pamphlets were printed and made available at various Centres and Outreaches c. Loud hailing was done within different communities prior to each Outreach d. No newspaper articles were published e. No Radio broadcasting during the period f. Emails/telephone communication with hosting municipalities or stakeholders were conducted prior to each engagement g. Annual progress will be reported in both the Departmental Annual Report and Citizens report. These reports are published in all 3 official languages
Support initiatives to improve access to government services		
a. Posters available b. Pamphlets available c. Loud hailing done within community prior to initiatives d. Community meetings held	a. Posters b. Pamphlets c. Loud hailing d. Community meetings e. Ward Committees f. IDP & CDW meetings	a. Posters were made available at various information sessions b. Pamphlets were made available at various information sessions c. Where necessary, loud hailing was done in the communities prior to the start of a project

PERFORMANCE INFORMATION

Service delivery information tool

Current/actual arrangements	Desired arrangements	Actual achievements
Support initiatives to improve access to government services ... continued		
<p>e. 132 Ward Committee meetings in Eden and 57 Ward Committee meetings in Cape Winelands were supported</p> <p>f. 47 IDP meetings in Cape Winelands, 2 IDP meetings in Central Karoo, 12 IDP meetings in Overberg and 32 IDP meetings in Eden were attended</p>		<p>d. 56 Various community meetings were supported throughout all District and Municipalities</p> <p>e. 119 Ward Committee meetings were supported throughout all Districts</p> <p>f. 115 IDP meetings were held throughout all Districts</p>

B

Complaints mechanism

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Outreaches and Service Centres		
<p>a. Evaluation forms completed by community are analysed and actioned</p> <p>b. No complaints reported to Project Manager</p> <p>c. No complaints were lodged with Identified persons at Thusong Mobiles</p> <p>d. No complaints were received at the Information desk/ complaints centre at Thusong Mobiles</p>	<p>a. Evaluation forms completed by community</p> <p>b. Report to Project Manager</p> <p>c. Identified persons at Thusong Mobiles where community can lodge complaints</p> <p>d. Information desk/ complaints centre at Thusong Mobiles</p>	<p>a. Evaluation forms completed by Communities were analysed and the appropriated improvements were made.</p> <p>b. No complaints were reported to Project Managers</p> <p>c. No complaints were reported to any relevant stakeholder at the Outreaches</p> <p>d. No complaints were lodged at Thusong Centres</p>
Support initiatives to improve access to government services		
<p>a. Communities lodged three complaints which were resolved in Metro one, West Coast and Metro two</p> <p>b. CDW supervisors, regional co-ordinators & municipal offices and the Department of Local Government attended to three complaints</p>	<p>a. Communities can make use of CDWs</p> <p>b. CDW supervisors, regional co-ordinators & municipal offices and The Department of Local Government</p>	<p>a. CDW supervisors, regional co-ordinators & officials at the municipal offices addressed the complaints</p>

2.3 Organisational Environment

The year under review has been challenging for the Department, in that it had to do more with little resources available at its disposal. Given the implementation of cost containment measures across government departments, the Department had to innovate so that it was able to achieve its planned targets. This included partnering with stakeholders so as to achieve economies of scale. Due to its role in local government, the Department acted as a central point of co-ordination for planning and management of the drought in the Province. This meant that the resources had to be stretched to meet the new demands on the Department.

To assist municipalities to deal with the severe effects of drought experienced in the Province, the Department appointed eight engineers and allocated them to the districts to support municipalities with water augmentation measures. Geo-hydrologist were appointed to oversee the drilling and equipping of boreholes.

The Department has a total staff compliment of 360 active posts of which 350 (97,2%) positions were filled as at end March 2018, thus resulting in a vacancy rate of 2,8% for the year. The vacancy rate for levels 1 to 12 is 9,6% while SMS vacancy rate is 17,6%. This is owed to three (3) Senior Manager positions which became vacant during the course of the year. Despite this, the Department ensured that stability and continuity was maintained as all acting arrangements were in place for the vacant SMS posts. The posts were advertised within six months of becoming vacant and appointments will be finalised during the 2018/19 financial year.

The Department is currently in the process of reviewing its organisational structure to ensure that it is aligned to the legislative mandate and it is anticipated that this process will be completed during the 2018/19 financial year.

Employment and vacancies by programme, as at 31 March 2018

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	59	56	5,1
Programme 2	245	238	2,9
Programme 3	56	56	0,0
Total	360	350	2,8

2.4 Key Policy Developments and Legislative Changes

There were no key policy developments or legislative changes in 2017/18.

3. Strategic Outcome Oriented Goals

The Department's work is guided by the National Development Plan, which is incorporated in outcome 9: responsive, accountable, effective and efficient developmental local government (MTSF Chapter on Local Government) and the Back to Basics approach. The achievements in this regard have been reported on in the performance tables below.

At Provincial Level the Department contributes to Provincial Strategic Goal 5: embed good governance and integrated service delivery through partnerships, some of the deliverables for the Department in 2017/18 were:

- Customised support plans which were implemented as part of the Back to Basics Programme, have started to show positive outcomes to a number of municipalities that are participating. Some municipalities exited the programme and others are in the process of exiting during the 2018/19 financial year.
- There has been a steady increase in the number of municipalities receiving unqualified audit outcomes with no findings outcomes (clean audits), increasing from two municipalities in the 2010/2011 financial year to 22 in the 2016/2017 financial year. Four municipalities obtained unqualified audit

opinion with findings; bringing a total of 26 out of 30 municipalities having received unqualified audit Outcomes.

- Increasing physical services and outreach facilities in rural areas, over 1,3 million services were accessed by communities during the year.
- Municipalities were supported with risk and vulnerability assessments.
- The Integrated Performance and Support System (IPSS) was launched in all municipalities, this is a single electronic reporting tool which enables gathering of data to be used in developing municipal support plans.

The automation of the IPSS system has enabled the Provincial Government to:

- Improve the co-ordination in information request from municipalities by creating a single portal that can be used to extract information and reduce the burden of reporting by municipalities;
- Better understand the state of governance in municipalities; and
- Enable the design of an inclusive, tailor-made support plan, which addresses the specific support requirements of each municipality.

4. Performance Information by Programme

4.1 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 partner with programmes so they can meet their service delivery requirements.
Strategic Goal	Efficient and effective department that delivers quality services.
Progress	All units within the Department were supported to achieve their planned targets this included the development and submission of strategic and financial reports in compliance with the relevant prescripts.

A. Strategic Objectives Indicators

Programme 1: Administration Sub-programme 1.2: Corporate Services								
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. To partner with programmes so they can meet their service delivery requirements	1.1 Sub-mission of strategic reports	8	8	7	7	7	-	
	1.2 Number of financial reports submitted	19	17	17	17	17	-	

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1	Submission of Annual Performance Plan	1	1	1	1	1	-	
1.2	Submission of Quarterly Performance Reports	4	4	4	4	4	-	
1.3	Submission of Annual Report	1	1	1	1	1	-	
1.4	Programme impact evaluation report	2	2	1	1	1	-	
<hr/>								
2.1	In-year monitoring reports submitted to PT	13	12	12	12	12	-	
2.2	Properly costed budget aligned with APP/ Strategic Plan	1	1	1	1	1	-	
2.3	Submission of Annual Financial Statements	1	1	1	1	1	-	
2.4	Submission of Interim Financial Statements	3	4	3	3	3	-	

Strategy to overcome areas of underperformance/Changes to planned targets

- There were no changes to planned targets, all targets set were met and there were no significant over achievements for the Programme.

PERFORMANCE INFORMATION

Linking Performance with Budgets: Programme 1: Administration Sub-Programme Expenditure

Sub-programmes	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Office of the MEC ¹	-	-	-	-	-	-
Corporate Services	43 447	42 153	1 294	35 319	33 940	1 379
Total	43 447	42 153	1 294	35 319	33 940	1 379

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¹ The budget of the MEC is reflected under the Department of Environmental Affairs and Development Planning

4.2 Programme 2: Local Governance

Programme Purpose	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes.
Sub-programme 2.1: Municipal Administration: Municipal Governance and Specialised Support	
Strategic Objective	To promote good governance in municipalities.
Purpose	To provide management and support services to local government within a regulatory framework.
Strategic Goal	Well governed and capacitated municipalities that deliver services to all.
Progress	Legal support was provided to municipalities to ensure good governance.
Sub-programme 2.2: Public Participation	
Strategic Objectives	To strengthen public participation through effective communication between municipalities and communities. To provide support and capacity-building initiatives to municipalities.
Purpose	To enhance community participation and delivery at local level and to strengthen relations between local government and the community.
Strategic Goal	Unlock opportunities through improved access to government services and active community participation.
Progress	Municipalities were supported with public participation programmes and customised municipal communication support.
Sub-programme 2.3: Capacity Development	
Strategic Objective	To provide support and capacity-building initiatives to municipalities.
Purpose	To capacitate municipalities to deliver effective services.
Strategic Goal	Well governed and capacitated municipalities that deliver services to all.
Progress	Municipalities were supported with capacity building initiatives such as shared services, Back to Basics, ICT, Municipal training and MPRA related matters.

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Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation

Strategic Objective	To monitor and evaluate municipal performance.
Purpose	To monitor and evaluate municipal performance.
Strategic Goal	Well-governed and capacitated municipalities that deliver services to all.
Progress	The performance of municipalities was monitored throughout the financial year through various projects, one such project is the Integrated Performance Support System (IPSS). The main aim of this system is to decrease the burden of reporting on municipalities, by capturing all municipal reporting information into one system that will serve as a hub of all municipal data in the Province.

Sub-programme 2.5: Service Delivery Integration

Strategic Objectives	To co-ordinate improved access to government information, services and socio-economic opportunities. To support co-operative governance between the three spheres of government.
Purpose	To manage the Thusong Programme and support co-operative governance between the three spheres of government.
Strategic Goal	Unlocked opportunities through improved access to government services and active community participation.
Progress	During financial year over 1,3 million citizens received access to government services through the Thusong Programme, and various intergovernmental platforms were facilitated to create synergy in delivering services.

Sub-programme 2.6: Community Development Worker Programme

Strategic Objective	To co-ordinate improved access to government information, services and socio-economic opportunities.
Purpose	To provide information to communities to access government services and to facilitate community access to socio-economic opportunities.
Strategic Goal	Unlocked opportunities through improved access to government services and active community participation.
Progress	The Community Development Workers located in the City of Cape Town and all five Districts continue to improve access of citizens in need to government services, through strengthening partnerships with various stakeholders.

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 2: Local Governance Sub-programme 2.1: Municipal Administration: Municipal Governance and Specialised Support								
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. To promote good governance in municipalities	1.1 Decision-making programmes enhanced	12	11	15	12	12	-	

B

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1 Municipalities supported with Legislation Development	-	5	3	8	9	1	The following municipalities were supported with legislation related matters: Swellendam, Langeberg, Cape Winelands District, Bergrivier, Kannaland, Mossebay, Theewaterskloof, Cederberg and Oudtshoorn. More requests were received from municipalities.

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.2	Legal Support provided to municipalities: (Hosting of the Legislative and Constitutional Task Team)	2	2	2	2	2	-	The Department provided guidance to municipalities by way of hosting the Legislative and Constitutional Task Team meetings covering different topics on legislation affecting local government.
1.3	Municipalities supported with Legal Advice	-	23	20	20	22	2	Municipalities were supported with legal advice on various issues. Municipalities requested more support.
1.4	Research: Practise Note on Conduct in Council meetings	-	-	1	1	1	-	The Department developed a Governance Framework Practise Note to be utilised as a guide by all municipalities.
1.5	Assessment of Municipal Public Account Committees (MPACs)	-	10	-	10	10	-	MPACs were assessed in the following Municipalities: Overstrand, Hessequa, City of Cape Town, Breede Valley, Drakenstein, Saldanha, George, Laingsburg, Knysna & Eden District Municipality.

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.6 Municipalities supported to strengthen and ensure efficient and effective Governance	11	8	5	10	12	2	<p>The following municipalities were supported with training such as anti-corruption, MPAC, Rules of Order By-law and By-Law Development process.</p> <p>Cape Agulhas, George, Oudtshoorn, Cederberg, Central Karoo District, Prince Albert, Kannaland, Eden District, Knysna, Mossel Bay, Bitou & Hessequa Municipality.</p> <p>More requests were received from municipalities hence the over-achievement.</p>
1.7 Assessment of Senior Manager Appointments in accordance with legal prescripts	-	5	36	15	39	24	<p>Assessments of senior managers posts in various municipalities were conducted.</p> <p>These appointments were based on vacancies arising which amongst others, may be as a result of resignations or expiry of contracts.</p>
1.8 Assessing Code of Conduct cases to ensure legislative compliance	-	-	6	5	2	(3)	<p>Code of Conduct matters were assessed in Swellendam and Kannaland municipalities assessments on code of conduct matters are based on requests received by the MEC for Local Government or appeals to the MEC for Local Government.</p>

B

PERFORMANCE INFORMATION

B

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.9	Report on Legal responses and/or enquiries in relation to allegations of fraud, mal-administration, corruption and/or failures to adhere to statutory obligations at a municipal level	4	4	4	4	4	-	Quarterly reports were compiled reflecting informal investigations that were conducted in the following municipalities: Laingsburg, Swellendam, Drakenstein, George Matzikama, Beaufort West, Kannaland, Theewaterskloof and Cederberg Municipalities.
1.10	Report on the assessment of complaints concerning municipalities	4	4	4	4	4	-	Consolidated quarterly reports were compiled reflecting assessments of complaints from the following municipalities: Matzikama, Beaufort West, Kannaland, Mossel Bay, Cape Agulhas, Swellendam, Stellenbosch, and City of Cape Town.
1.11	Report on support provided in respect of investigations conducted in terms of Section 106 of the Municipal Systems Act or Section 154 of the Constitution	1	1	1	1	1	-	Section 106 Interventions were conducted in the following municipalities: Matzikama, Beaufort West, Cape Agulhas, Mossel Bay, Kannaland, Swellendam Stellenbosch, and City of Cape Town Municipalities.
1.12	Report on support provided in respect of formal provincial interventions justified or required in terms of Section 139 of the Constitution	1	1	1	1	1	-	Formal Provincial Interventions were conducted in Kannaland and Oudtshoorn municipalities.

PERFORMANCE INFORMATION

C. Nationally Prescribed Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.	Number of municipalities supported to comply with MSA regulations	-	5	30	8	30	22	The target was set based on individual support that was envisaged to be provided to municipalities, however, this approach was reviewed and support was provided to all municipalities in terms of Circulars.
2.	Number of reports produced on the extent to which municipalities comply with the implementation of the anti-corruption measures	1	1	1	1	1	-	
3.	Number of reports on fraud, corruption and maladministration cases reported and investigated	-	-	-	1	1	-	

B

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 2: Local Governance Sub-programme 2.2: Public Participation

Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/general comments
1. To strengthen public participation through effective communication between municipalities and communities	1.1. Programmes to improve public participation in municipalities	6	6	7	8	8	-	-
2. To provide support and capacity-building initiatives to municipalities	2.1. Municipalities supported with capacity-building initiatives on gender mainstreaming	4	3	3	3	3	-	-

B

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1	Support programmes to improve Public Participation	4	4	4	5	5	-	To ensure functionality of the ward committees, the Department provided the following support to municipalities: <ul style="list-style-type: none"> • Know Your Ward Committee campaign; • Ward Committee Operational Plans; • Civic Education Programmes, • Review of Ward Committee & Public Participation Policies; and • Public Participation Training.
1.2	Reports on ward committee functionality	4	4	4	4	4	-	
1.3	Communication support programmes provided to municipalities	1	2	2	4	4	-	Support with communication was provided for the following programmes: Smoke Alarm, Drought Activation, Shared Internship, and Winter Water Savings Campaigns.
1.4	Specialised communication training provided to municipalities	4	5	2	2	2	-	Municipalities were supported with the following specialised communication training: <p>Social Media Training</p> <ul style="list-style-type: none"> • West Coast District Municipalities. <p>Traditional Media Training</p> <ul style="list-style-type: none"> • Worcester Municipality.
2.1	Municipalities supported with gender mainstreaming programmes	4	3	3	3	3	-	Municipalities supported with gender mainstreaming projects were: <ul style="list-style-type: none"> • Bitou Municipality; • Matzikama Municipality; and • Central Karoo District Municipality.

B

PERFORMANCE INFORMATION

C. Nationally Prescribed Indicators

	Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
B	1. Number of work opportunities created through the Community Work Programme in Municipalities	6 890	8 342	11 867	10 500	12 831	2 331	An average of 12 831 work opportunities was created through the CWP. More work opportunities became available hence the over-achievement.
	2. Number of ward committees supported on implementation of Ward Operational Plans	14	10	5	8	16	8	The Department combined the support to some municipalities which allowed for additional wards receiving support.
	3. Report on the number of community report back meetings convened by councillors in each ward	-	1	1	1	1	-	This indicator is linked to the Provincial indicator (reports on ward committee functionality).
	4. Number of municipalities supported to roll-out gender policy framework	4	3	3	3	3	-	This indicator is linked to the Provincial indicator (municipalities supported with capacity-building initiatives on gender mainstreaming).
	5. Number of municipalities supported on the development of a ward-level database with community concerns and remedial actions produced	-	20	-	20	12	(8)	Other municipalities have functional systems in place hence the under-achievement.

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 2: Local Governance Sub-programme 2.3: Capacity Development								
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. To provide support and capacity-building programmes to municipalities	1.1. Programmes implemented to support and capacitate municipalities	3	6	10	12	12	-	

B

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1 Capacity-building programmes implemented in municipalities (on going)	16	10	5	4	4	-	Four programmes implemented to capacitate municipalities were: <ul style="list-style-type: none"> • Back to Basics; • Municipal Middle Management Mentoring and Coaching; • Integrated Performance Support System; and • Shared Services-CKM.
1.2 Programmes to support municipalities with the enhancement of ICT	2	3	4	2	2	-	The following ICT Initiatives were provided to support municipalities on ICT: <ul style="list-style-type: none"> • ICT Data Governance; and • Targeted support as requested by municipalities.
1.3 Research: utilising shared services methodology as an alternative service delivery model	-	1	1	1	1	-	The research conducted focused on the understanding of the utilisation of shared services methodology as an alternative service delivery model in municipalities.
1.4 Training and development programmes for municipal officials and councillors	3	2	2	2	2	-	Two training programmes implemented were: <ul style="list-style-type: none"> • Municipal Official Training; and • Councillor Training.
1.5 Programmes to support municipalities with the implementation of the MPRA	1	1	1	2	2	-	Municipalities were supported through: <ul style="list-style-type: none"> • MPRA Helpdesk; and • Quarterly MPRA Focus Group engagements.
1.6 Municipalities supported with the appointment of Valuation Appeal Board members	-	-	10	7	10	3	New appointments were done earlier than anticipated as a result of resignations.

PERFORMANCE INFORMATION

C. Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. Number of capacity-building interventions conducted in municipalities	16	10	5	4	4	-	This indicator is linked to the Provincial indicator (capacity-building programmes implemented in municipalities - on going).
2. Number of municipalities guided to comply with MPRA	25	25	25	25	25	-	Quarterly task team meetings were convened to support municipalities with MPRA related matters. This indicator is linked to the Provincial indicator (programmes to support municipalities with the implementation of the MPRA).
3. Report on implementation of "Back to Basics" support plans by municipalities	-	-	1	1	1	-	A consolidated report was developed. This indicator is linked to the Provincial indicator (capacity-building programmes implemented in municipalities - on going).

A. Strategic Objectives Indicators

Programme 2: Local Governance Sub-programme 2.4: Municipal Performance Monitoring and Evaluation								
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. To monitor and evaluate municipal performance	1.1. Municipal performance Monitoring Programmes	4	4	4	4	4	-	

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1 Quarterly Municipal Performance Reports	4	4	4	4	2	(2)	The Department embarked on a journey to both streamline the reporting process as well as to reduce the reporting fatigue experienced by municipalities. The frequency of reporting was reviewed to factor in the activities required to be performed prior to each assessment report being produced using the new system of reporting. The outcome of this review has resulted in the Performance Assessments to be conducted on a bi-annual basis as opposed to quarterly.
1.2 Assessment of alignment between Performance Agreements of Sec 57 managers against key performance indicators contained in the SDBIP	63	30	30	60	60	-	Performance agreements of S57 managers in all Districts were assessed to ensure alignment with the SDBIPs.
1.3 Conduct assessment of Draft Municipal SDBIPs in-line with MFMA Circular 13	-	29	30	30	30	-	
1.4 Research to enhance the provincial perspective on stakeholder governance	-	-	1	1	1	-	Research was conducted to examine the governance model for Local Government in the Western Cape with a specific focus on the review of the system of local government i.e. Executive Mayoral System.

B

PERFORMANCE INFORMATION

C. Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. Number of municipal performance reports compiled as per the requirements of Section 47 of the Municipal System Act(MSA)	1	1	1	1	1	-	
2. Number of municipalities supported to implement indigent policies	-	8	3	15	15	-	
3. Number of municipalities supported to institutionalise Performance Management System (PMS)	29	20	2	10	10	-	

B

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 2: Local Governance Sub-programme 2.5: Service Delivery Integration

Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. To co-ordinate improved access to government information services, and socio-economic opportunities	1.1 Projects implemented to improve access to government services	6	6	3	3	3	-	
2. To support co-operative governance between the three spheres of government	1.2 Programmes supporting co-operative governance between the three spheres of government	3	3	5	3	3	-	

B

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1	Number of services accessed through the Thusong Programme	-	-	1 099 703	1 000 000	1 388 253	388 253	More people required access to government services.
1.2	Reports on the Functionality of Thusong Service Centres	4	4	4	4	4	-	
1.3	Support actions to ensure effective functioning of the Thusong Programme	5	4	5	4	4	-	The support actions provide were: <ul style="list-style-type: none"> Operational & Maintenance Funding; Thusong Programme Forum Meetings; Thusong Training of Staff; and Support Plans for Municipalities.
2.1	Support actions to improve functionality of IGR Fora	3	3	5	3	3	-	Support actions consisted of the following: <ul style="list-style-type: none"> Facilitation on case referrals emanating from IGR Fora; Support establishment of strategic agendas; and Facilitation/Monitoring the involvement of sector Departments at District Level.

B

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 2: Local Governance Sub-programme 2.6: Community Development Worker Programme									
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments	
1.	To co-ordinate improved access to government information, services, and socio-economic opportunities	1.1 Programmes improving access to and information about government services	5	5	3	2	2	-	

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1 Support Programmes to improve access to government services	27	26	22	20	43	23	A variety of support initiatives were conducted to improve access to government services. The Department intensified networks and engagements with stakeholders resulting the overachievement of the target.
1.2 Support Programmes to improve access to small scale economic opportunities	60	60	76	70	70	-	Initiatives ranged from Food Gardens, establishment of co-operatives, ECD, and skills development.

PERFORMANCE INFORMATION

Strategy to overcome areas of underperformance/Changes to planned targets

- There were no changes to planned targets.
- Reasons for deviating on all targets both partially achieved and significantly over achieved have been provided in the above performance tables.

Linking Performance with budgets: Programme 2: Local Governance Sub-programme Expenditure

Sub-programmes	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Municipal Administration	9 090	8 115	975	9 713	9 312	401
Public Participation	9 760	9 678	82	9 668	9 635	33
Capacity Development	11 823	11 480	343	12 955	12 848	107
Municipality Performance Monitoring, Reporting and Evaluation	105 160	103 971	1 189	31 933	31 329	604
Service Delivery Integration	10 877	10 748	129	9 968	9 690	278
Community Development Worker Programme	63 807	62 683	1 124	59 579	59 433	146
Total	210 517	206 675	3 842	133 816	132 247	1 569

B

4.3 Programme 3: Development and Planning

Programme Purpose	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure, and promote integrated planning.
Sub-programme 3.1: Municipal Infrastructure	
Strategic Objective	To support municipalities to provide and maintain economic and social infrastructure.
Purpose	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure.
Strategic Goal	Well governed and capacitated municipalities that deliver services to all.
Progress	During 2017/18 financial year transfers were made to municipalities in support of various infrastructure projects such as water and electricity demand management, drilling of boreholes, replacement of faulty water meters as well as drought relief support. The Directorate also monitored the utilisation of MIG allocations.
Sub-programme 3.2: Disaster Management	
Strategic Objectives	To co-ordinate effective disaster management preparedness, intergovernmental relations and recovery. To co-ordinate reduction of potential risks posed by hazards. To improve the Fire and Rescue Services capability.
Purpose	To manage disaster management at the provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms.
Strategic Goal	A disaster-resilient Province.
Progress	Disaster Preparedness plans, disaster declarations, fire and flood awareness sessions, intergovernmental engagements, risks assessment and training programmes are some of the projects implemented towards ensuring a disaster resilient Province and co-ordination of drought planning and response in the Province.
Sub-programme 3.3: Integrated Development Planning	
Strategic Objectives	To improve the quality of IDPs to give effect to service delivery. To strengthen intergovernmental planning and budgeting through the establishment of IDP as the single co-ordinating plan of Government.
Purpose	To strengthen inter-governmental planning and budgeting through establishment of IDP as the single co-ordinating plan of Government.
Strategic Goal	Effective Integrated Development Planning by all spheres of government that accelerates delivery within municipal areas.
Progress	All municipalities were supported with the development of credible IDPs.

B

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 3: Development and Planning Sub-programme 3.1: Municipal Infrastructure								
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. To support municipalities to provide and maintain economic and social infrastructure	1.1 Support programmes on infrastructure projects	3	5	4	5	4	(1)	The research project could not be completed because the focus shifted to drought related projects.

B

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1 Municipalities supported with the development of Electricity Master Plans	2	4	4	2	2	-	Electricity master plans were developed for the following Municipalities: <ul style="list-style-type: none"> • Hessequa; and • Cederberg.
1.2 Municipalities supported to implement the MIG programme	24	24	24	24	24	-	
1.3 Infrastructure support Programmes implemented at municipalities	1	3	1	2	2	-	Support programmes implemented at municipalities: <ul style="list-style-type: none"> • Infrastructure Growth Plans; and • Specific support via the Local Government Support Grant.

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.4	Research in resources sufficiency development	-	-	1	1	0	(1)	The research project could not be completed because the focus shifted to drought related projects.
1.5	Programmes to support municipalities with drought mitigation measures	-	-	-	2	2	-	Transfers were made to municipalities in support of projects such water infrastructure capacity upgrading, water argumentation and projects in support of water demand management.

C. Nationally Prescribed Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.	Number of municipalities supported with service delivery programmes	24	24	24	24	24	-	This indicator is inked to the Provincial indicator (municipalities supported to spend MIG).

PERFORMANCE INFORMATION

A. Strategic Objectives Indicators

Programme 3: Development and Planning Sub-programme 3.2: Disaster Management and Fire Brigade Service									
Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments	
1.	To co-ordinate effective disaster management preparedness Inter-governmental relations and recovery	1.1 Programmes to co-ordinate effective disaster preparedness, inter-governmental relations and recovery	5	7	7	6	6	-	
2.	To co-ordinate reduction of risks posed by hazards	2.1 Programmes to reduce potential risks	3	4	4	4	4	-	
3.	To improve Fire and Rescue Services capability	3.1 Programmes to improve fire and rescue services capability	10	28	26	20	23	3	Additional funding received during the adjustment process resulted in more training programmes conducted.

B

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1 Stakeholders assisted in developing disaster preparedness plans	4	5	2	2	2	-	Assistance with the development of disaster preparedness plans was provided to: Municipalities: • Bitou Disaster Management Plan. SOEs: • Transnet Disaster Management Plan.
1.2 Centre enhancements to ensure functional Western Cape Disaster Management Centre	1	1	1	1	1	-	
1.3 Provincial Disaster Management Annual Report	1	1	1	1	1	-	
1.4 Meetings inter-governmental disaster management fora	4	4	4	4	4	-	

B

PERFORMANCE INFORMATION

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.5 Disaster Damage assessments/ verifications conducted	4	6	5	1	8	7	<p>The following disaster assessments/ verifications were conducted:</p> <ul style="list-style-type: none"> • Drought Assessments: CoCT, Knysna, Bitou, Witzenberg and Theewaterskloof; • Fire Assessment: CoCT-ImizamoYethu, Hassequa Forest Station, Swartland Hospital and Eden District fire damage assessment; • Round 2 of the Provincial drought assessments at 10 additional municipalities devlared during the 2nd Quarter; • Knysna drought mitigation rebuilding the Garden Route Assessment; • Provincial Assessment: (Beaufort West, Cederberg, Matzikama, Swartland, Saldanha, Drakenstein, Stellenbosch); • Drought Assessment - CoCT (Atlantis Silver Stream Aquifers and Monthly Provincial Declaration of Drought and Fire/Storms Assessment - CoCT); • Verifications of damage incurred by storms in the Province and Drought Assessments on 45 farms in West Coast, to request additional funding of the agri sector; and • Extension of Disaster Declarations: Drought and Fire/Storms. <p>The target is dependent on actual disasters happening during a specific period.</p>

B

PERFORMANCE INFORMATION

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.6 Disaster recovery programmes monitored and supported	7	2	1	1	4	3	<p>The Department conducted monthly and quarterly assessments on key drought and fire related disasters throughout the Province, such as monitoring the drought declaration in the Hessequa Municipality, the drought emergency found at Theewaterskloof (TWC), and the City of Cape Town (CoCT), the declared state of disasters at Swartland Hospital Fires and ImizamoYetu Fires and the drought funded projects (CoCT, Bitou, TWC and Agriculture).</p> <p>The target is dependent on actual disasters happening during a specific period.</p>
2.1 Municipalities supported with risk and vulnerability assessments	4	4	3	3	5	2	<p>The following municipalities were supported with risk and vulnerability assessments:</p> <ul style="list-style-type: none"> • Knysna, George, Cape Agulhas, Swartland and Prince Albert. <p>The Department combined the support to some municipalities which allowed for additional municipalities receiving support.</p>
2.2 Municipalities supported to develop Disaster Risk Reduction Measures in IDPs	6	6	6	3	3	-	<p>The following municipalities received additional customised support:</p> <ul style="list-style-type: none"> • Overstrand, Beaufort West; and • Prince Albert.

B

PERFORMANCE INFORMATION

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
2.3	Maintenance of Data Repository at Western Cape Disaster Management Centre	-	1	1	1	1	-	<p>The Decision Support Tool (DST) has been updated with the latest electricity master planning data, infrastructure information for Kannaland, Prince Albert, Beaufort West, Swellendam and Cape Agulhas Municipalities.</p> <p>The PDMC in collaboration with Corporate GIS, developed the Western Cape Drought Risk Atlas (DRA).</p>
2.4	Disaster Hazard Awareness Programme	1	2	1	1	1	-	<p>The Fire & Flood Awareness Campaign Roadshow was successfully implemented in 110 primary schools, reaching over 47 000 pupils in the West Coast District.</p>
3.1	Provincial Emergency Services Training Centre programmes at Wolwekloof	1	10	15	5	8	3	<p>A total of 8 different courses ranging from HAT Induction, Safety, Health and Environment (SHE) Training, Swift Water Training, Basic Fire Training, ICS 200 Training, Crew Leader Training and High Angle Rope Rescue Training were presented.</p> <p>Additional funding received resulted in more training programmes conducted.</p>
3.2	Aerial Fire-Fighting and Ground Support Programmes	-	3	2	3	3	-	<p>The Department facilitated the following:</p> <ul style="list-style-type: none"> • Wildfire Season Preparedness Launch; • Provincial agreement with Working on Fire; and • Municipal agreement with Working on Fire.

B

PERFORMANCE INFORMATION

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
3.3	Emergency Management Skills Capacity Development (Incident Command) Programmes	-	4	2	3	3	-	The Department provided the following support programmes: <ul style="list-style-type: none"> • Incident Command Systems Training; • Incident Command Fire Weather Training; and • Incident Command- ICS Books.
3.4	Fire and Life Safety Programmes	4	9	6	7	7	-	Fire and Safety Training supported: <ul style="list-style-type: none"> • Smoke Alarm Project; • Fire is Everyone's Fight campaign; • Public Information Officer Training; • Fire and Life Safety Programmes; • Fire-Line Safety Firefighters booklets; • Presentation on Informal Fires WC; and • Fire and Life Safety Booklets.
3.5	Special Operations Capacity-building Programmes	4	2	1	2	2	-	Special Operations Capacity-building Programmes: <ul style="list-style-type: none"> • High Angle Rope Rescue Training; and • Specialised Wildland Firefighting Crews.

B

PERFORMANCE INFORMATION

C. Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/general comments
1. Number of municipalities supported with functional Municipal Disaster Management Centres	6	6	6	6	6	-	All Municipal Disaster Management Centres in the Province are functional. The centres are situated in all Districts and Metro.
2. Provincial fire brigade services established by target date	1	1	1	1	1	-	The Provincial Fire Brigade Services is established under the Chief Directorate: Disaster Management and Fire Brigade.

B

A. Strategic Objectives Indicators

Programme 3: Development and Planning Sub-programme 3.3: Integrated Development Planning								
Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/general comments
1. To improve the quality of IDPs to give effect to service delivery	1.1 Programmes to improve the quality of IDPs	5	4	3	2	2	-	
2. To strengthen Inter-governmental planning and budgeting through establishment of IDP as the single co-ordinating plan of Government	2.1 Programme to improve inter-governmental planning in IDPs	-	-	1	1	-	(1)	This programme was partially achieved because budget priorities of sector departments determine funding of JPI projects.

PERFORMANCE INFORMATION

B. Provincial Performance Indicators

Performance Indicators		Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1.1	IDP Assessment Reports determining alignment of planning and budget allocation	-	-	-	50%	68%	18%	30 IDP Assessment reports that determine alignment between the IDP and budget were compiled. This is a new indicator and the baseline was only established during this year.
1.2	Planning alignment of the district municipality and the local municipalities within its area	-	-	-	40%	41%	1%	The over-achievement is due to more local municipalities aligning their plans to their District Municipality than anticipated.
2.1	Percentage JPI agreements facilitated to reflect in the respective planning instruments of stakeholders	-	-	74,4%	80%	55%	(25%)	This programme was partially achieved because budget priorities of sector departments determine funding of JPI projects. The Department will continue to emphasise the importance of including JPIs in the stakeholders plans and budgets in the coming year.

PERFORMANCE INFORMATION

C. Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comments on deviations/ general comments
1. Number of municipalities supported with development of legally compliant IDP	6	18	30	30	30	-	All 30 municipalities were supported with the planning, drafting, adoption and review of the IDPs during the 2017/2018.

B

Strategy to overcome areas of underperformance/Changes to planned targets

- There were no changes to planned targets.
- Reasons for deviating on all targets not achieved, partially achieved and significantly over achieved have been provided in the above performance tables.

Linking Performance with budgets: Programme 3: Development and Planning Sub-Programme Expenditure

Sub-programmes	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Municipal Infrastructure	39 060	36 524	2 536	18 335	18 250	85
Disaster Management	59 627	51 635	7 992	45 238	45 087	151
Integrated Development Planning	7 061	6 825	236	6 038	5 410	628
Total	105 748	94 984	10 764	69 611	68 747	864

PERFORMANCE INFORMATION

Linking Performance with Budgets: Programme 4: Traditional Institutional Administration

Sub-programme	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
4.1 Traditional Institutional Management	1	-	1	1	-	1
Total	1	-	1	1	-	1

B

Departmental Grand Total

Department of Local Government	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Grant Total	359 713	343 812	15 901	238 747	234 934	3 813

PERFORMANCE INFORMATION

4.4 Transfer Payments

4.4.1 Transfer payments to Public Entities N/A

4.4.2 Transfer Payments (transfer payments made for the period 1 April 2017 to 31 March 2018)

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
CDW Operational Cost Grant					
Beaufort West	CDW Operational Cost Grant	Yes	204	96	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Bitou	CDW Operational Cost Grant	Yes	19	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Breede Valley	CDW Operational Cost Grant	Yes	93	76	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Cape Agulhas	CDW Operational Cost Grant	Yes	56	29	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Cape Winelands District Municipality	CDW Operational Cost Grant	Yes	74	18	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Cederberg	CDW Operational Cost Grant	Yes	167	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
City of Cape Town	CDW Operational Cost Grant	Yes	1 036	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Drakenstein	CDW Operational Cost Grant	Yes	111	50	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
George	CDW Operational Cost Grant	Yes	93	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Kannaland	CDW Operational Cost Grant	Yes	111	8	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Knysna	CDW Operational Cost Grant	Yes	56	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Laingsburg	CDW Operational Cost Grant	Yes	93	2	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Langeberg	CDW Operational Cost Grant	Yes	19	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Matzikama	CDW Operational Cost Grant	Yes	111	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Mossel Bay	CDW Operational Cost Grant	Yes	56	30	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Oudtshoorn	CDW Operational Cost Grant	Yes	56	3	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Overberg District Municipality	CDW Operational Cost Grant	Yes	56	56	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Overstrand	CDW Operational Cost Grant	Yes	74	65	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Prince Albert	CDW Operational Cost Grant	Yes	74	38	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Saldanha Bay	CDW Operational Cost Grant	Yes	74	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Stellenbosch	CDW Operational Cost Grant	Yes	56	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Swartland	CDW Operational Cost Grant	Yes	37	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Theewaterskloof	CDW Operational Cost Grant	Yes	130	67	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP.
West Coast Municipality	CDW Operational Cost Grant	Yes	56	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Witzenberg	CDW Operational Cost Grant	Yes	148	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP.
Thusong Operational Support Grant					
Beaufort West	Thusong Operational Support Grant	Yes	330	-	Funds was transferred in January 2018 and the project to commenced in June 2018. Municipality will apply for roll-over for the unspent funds.
Cederberg	Thusong Operational Support Grant	Yes	109	-	Funds was transferred in January 2018 and will be spend by June 2018 and the Municipality will apply for roll-over for the unspent funds.
George	Thusong Operational Support Grant	Yes	212	111	Funds were transferred in January 2018 and will be will be spent by June 2018.
Kannaland	Thusong Operational Support Grant	Yes	212	212	Project completed.
Matzikama	Thusong Operational Support Grant	Yes	100	-	Funds was transferred by January 2018. Municipality started with the tender process and will apply for roll-over.
Oudtshoorn	Thusong Operational Support Grant	Yes	100	-	Funds transferred in January 2018 and will be spend by June 2018.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Theewaterskloof	Thusong Operational Support Grant	Yes	212	153	Funds transferred in January 2018 and will be spend by June 2018. the Municipality will apply for roll-over for the unspent funds.
Municipal Infrastructure Support Grant					
Cederberg	Municipal Infrastructure Support Grant	Yes	797	797	Project completed.
Hessequa	Municipal Infrastructure Support Grant	Yes	600	600	Project completed.
Swartland	Municipal Infrastructure Support Grant	Yes	250	250	Project completed.
Municipal Service Delivery and Capacity Building Grant					
Beaufort West	Municipal Service Delivery and Capacity Building Grant	Yes	480	480	Project completed.
Bitou	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Breede Valley	Municipal Service Delivery and Capacity Building Grant	Yes	66	25	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Cape Winelands District Municipality	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Cederberg	Municipal Service Delivery and Capacity Building Grant	Yes	66	22	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Central Karoo District Municipality	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Drakenstein	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Hessequa	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Kannaland	Municipal Service Delivery and Capacity Building Grant	Yes	550	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Laingsburg	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Matzikama	Municipal Service Delivery and Capacity Building Grant	Yes	250	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Mossel Bay	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Oudtshoorn	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Overberg District Municipality	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Overstrand	Municipal Service Delivery and Capacity Building Grant	Yes	426	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Saldanha Bay	Municipal Service Delivery and Capacity Building Grant	Yes	466	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Swellendam	Municipal Service Delivery and Capacity Building Grant	Yes	66	-	The municipality is busy with the recruitment and selection process and will apply for the roll-over of the funds.
Theewaterskloof	Municipal Service Delivery and Capacity Building Grant	Yes	370	68	Funds were paid to the municipality during 2017/18 and municipality will apply for roll-over for the committed funds.
West Coast District Municipality	Municipal Service Delivery and Capacity Building Grant	Yes	330	-	The municipality is busy with the recruitment and selection process.
Witzenberg	Municipal Service Delivery and Capacity Building Grant	Yes	286	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Fire Service Capacity Building Grant					
Beaufort West	Fire Service Capacity Building Grant	Yes	800	-	Requested roll-over to 2018/19.
Bitou	Fire Service Capacity Building Grant	Yes	1 450	1 450	Project completed.
Cape Winelands District Municipality	Fire Service Capacity Building Grant	Yes	800	-	Requested roll-over to 2018/19.
Central Karoo District Municipality	Fire Service Capacity Building Grant	Yes	800	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Eden Distr Mun	Fire Service Capacity Building Grant	Yes	800	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
George	Fire Service Capacity Building Grant	Yes	800	800	Project completed.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Langeberg	Fire Service Capacity Building Grant	Yes	800	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Mossel Bay	Fire Service Capacity Building Grant	Yes	800	800	Project completed.
Overberg District Municipality	Fire Service Capacity Building Grant	Yes	800	800	Project completed.
Overstrand	Fire Service Capacity Building Grant	Yes	800	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Saldanha Bay	Fire Service Capacity Building Grant	Yes	800	800	Project completed.
Stellenbosch	Fire Service Capacity Building Grant	Yes	800	800	Project completed.
Swartland	Fire Service Capacity Building Grant	Yes	800	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
West Coast District Municipality	Fire Service Capacity Building Grant	Yes	1 450	1 450	Project completed.
Municipal Drought Relief Grant					
Knysna	Municipal Drought Relief Grant	Yes	2 600	260	Requested roll-over to 2018/19.
Matzikama	Municipal Drought Relief Grant	Yes	2 000	216	Requested roll-over to 2018/19.
Saldanha Bay	Municipal Drought Relief Grant	Yes	3 010	2 300	Requested roll-over to 2018/19.

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PERFORMANCE INFORMATION

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Beaufort West	Municipal Drought Relief Grant	Yes	2 000	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Cederberg	Municipal Drought Relief Grant	Yes	6 000	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Drakenstein	Municipal Drought Relief Grant	Yes	14 780	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Hessequa	Municipal Drought Relief Grant	Yes	7 500	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Laingsburg	Municipal Drought Relief Grant	Yes	7 300	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Langeberg	Municipal Drought Relief Grant	Yes	4 200	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Matzikama	Municipal Drought Relief Grant	Yes	10 720	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Prince Albert	Municipal Drought Relief Grant	Yes	2 000	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Saldanha Bay	Municipal Drought Relief Grant	Yes	20 300	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Swartland	Municipal Drought Relief Grant	Yes	7 700	-	Funds were paid to the municipality during the last quarter of 2017/18 thereafter the municipality could proceed with the design and procurement process. The Municipality will apply for roll-over of the funds.
Emergency Disaster Relief Grant					
Beaufort West	Emergency Disaster Relief Grant	Yes	2 000	2 000	Project completed.
Kannaland	Emergency Disaster Relief Grant	Yes	1 300	900	Funds were paid to the municipality during 2017/18 and municipality will apply for roll-over for the committed funds.
Langeberg	Emergency Disaster Relief Grant	Yes	3 000	2 376	Funds were paid to the municipality during 2017/18 and municipality will apply for roll-over for the committed funds.
Theewaterskloof	Emergency Disaster Relief Grant	Yes	2 700	1 900	Funds were paid to the municipality during 2017/18 and municipality will apply for roll-over for the committed funds.
Ground Water Level Monitoring Grant					
Central Karoo District Municipality	Ground Water Level Monitoring Grant	Yes	800	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Disaster Management Grant					
Central Karoo District Municipality	Disaster Management Grant	Yes	70	-	Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.

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Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Overberg District Municipality	Disaster Management Grant	Yes	90	90	Project completed.
Eden District Municipality	Disaster Management Grant	Yes	2 000		Funds were paid to the municipality during the last quarter of 2017/18 and Municipality will apply for roll-over of the funds.
Municipal Drought Capacity Support Grant					
Beaufort West	Municipal Drought Capacity Support Grant	Yes	1 300	1 000	Funds were paid to the municipality during the last quarter of 2017/18 and the municipality will apply for roll-over for the unspent committed funds.
Bitou	Municipal Drought Capacity Support Grant	Yes	1 800	330	Funds were paid to the municipality during the last quarter of 2017/18 and the municipality will apply for roll-over for the unspent committed funds.
Kannaland	Municipal Drought Capacity Support Grant	Yes	2 500	200	Funds were paid to the municipality during the last quarter of 2017/18 and the municipality will apply for roll-over for the unspent committed funds.
Knysna	Municipal Drought Capacity Support Grant	Yes	1 000	100	Funds were paid to the municipality during the last quarter of 2017/18 and the municipality will apply for roll-over for the unspent committed funds.
Other					
Departmental agencies and accounts	Operational Support	Yes	414	414	N/A
Departmental agencies and accounts	SABC: TV license	Yes	3	3	N/A
Non-Profit Institutions	Operational Support	Yes	414	414	N/A
Households	Leave Gratuities	Yes	283	283	N/A
Households	Injury on duty	Yes	4	4	N/A

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4.5 Conditional grants and earmarked funds received

Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Municipal Drought Relief
Expected outputs of the grant	<ol style="list-style-type: none"> Water Source Augmentation, supporting a new diversified water source mix: <ul style="list-style-type: none"> Ground Water Augmentation projects; and Desalination Plants. Bulk Water Infrastructure Capacity upgrades: <ul style="list-style-type: none"> Bulk Water pipeline projects; and Water Treatment Works upgrade.
Actual outputs achieved	<ol style="list-style-type: none"> Water Source Augmentation, supporting a new diversified water source mix: <ul style="list-style-type: none"> 10 x Ground Water Augmentation project in progress; and 3 x Desalination Plants in progress. Bulk Water Infrastructure Capacity upgrades: <ul style="list-style-type: none"> 1 x Bulk Water pipeline projects; and 1 x Water Treatment Works upgrade.
Amount per amended DORA	N/A
Amount received	R 80 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 80 million
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Quarterly financial and non-financial reporting

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PERFORMANCE INFORMATION

Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Drought Relief
Expected outputs of the grant	<ol style="list-style-type: none"> 1. Water Source Augmentation, supporting a new diversified water source mix: <ul style="list-style-type: none"> • Ground Water Augmentation projects; and • Geo-hydrologist Support.
Actual outputs achieved	<ol style="list-style-type: none"> 2. Water Source Augmentation, supporting a new diversified water source mix: <ul style="list-style-type: none"> • 3 x Ground Water Augmentation projects; and • 4 x Hydrogeologists appointed on term contracts – Hydrogeological Consulting Services delivered i.e. geophysical surveys, supervision of the drilling of new boreholes and supervision of the testing of boreholes in the following areas: Overberg (Cape Agulhas), West Coast (Saldanha Bay & Swartland), Eden (Hessequa & Mossel Bay) and Cape Winelands (Langeberg).
Amount per amended DORA	N/A
Amount received	R 10,610 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 10,610 million
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Quarterly financial and non-financial reporting

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PERFORMANCE INFORMATION

Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Municipal support (strengthening of governance)
Expected outputs of the grant	<p>The Municipal Service Delivery and Capacity Building Grant expected outputs are as follows:</p> <ul style="list-style-type: none"> • Improved infrastructure, systems, structures and processes; • Improved level of corporate governance; • Linkages between municipal strategies and municipal systems, processes and structures; and • Improved productivity and service delivery in municipalities.
Actual outputs achieved	<ul style="list-style-type: none"> • Improved the capacity of municipalities to deliver services; • Improved corporate governance in municipalities; • Improved Municipal sustainability; • Achieved cost effective service delivery outcomes as envisage by specific strategic objectives which is outlined in the Municipal Integrated Development Plans (IDP's); • Bring government information and services closer to the people to promote access to opportunities as a basis for improved livelihoods; • Provided cost-effective, integrated, efficient and sustainable service provision to better serve the needs of citizens; and • Created a platform for greater dialogue between citizens and government.
Amount per amended DORA	N/A
Amount received	R 17,924 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 16,930 million
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> • R 500 000 was committed for the Directorate: Specialised Support and an application for roll over was submitted to Provincial Treasury (PT) as the project will be concluded during the 2018/19 financial year. • R 494 000 was for IPSS user fees were lower than anticipated and the unspent funds were paid back into the Provincial Revenue Fund.
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	The Department of Local Government (DLG) has formed a Local Government Support Grant Committee (LGSGC) which is responsible for monitoring progress and expenditure of projects on quarterly basis. The Project Managers also attend Project Steering Committees.

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Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Hazardous material response capacity along major routes, as well as firefighting capacity across the Province.
Expected outputs of the grant	<p>Support municipalities to establish and maintain functional and complaint Fire Services, develop and maintain capacity to respond to Hazardous Materials incidents along all major routes along the Western Cape.</p> <p>A further outcome is the reinforcement of Municipal Fire Services by providing assistance with the procurement of firefighting equipment.</p>
Actual outputs achieved	<ul style="list-style-type: none"> • Conditional grants to the value of R 12,5 million were transferred to the 14 identified municipalities. • A total of 14 additional Fire Fighting Vehicles were acquired by the following municipalities: Swartland, Saldanha, West Coast District, Bitou, Mosselbay, Hessequa, Knysna, George, Eden District, Langeberg, Stellenbosch, Cape Winelands District, Overstrand, Overberg District.
Amount per amended DORA	N/A
Amount received	R 12,5 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 12,5 million
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	<p>In terms of the approved business plans as well as conditions stipulated in the Transfer Payment Agreement, the Sub Directorate Fire and Rescue Services serve on the project steering committees.</p> <p>Although of a technical nature, the project risk is classified as low.</p>

PERFORMANCE INFORMATION

Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Aerial fire fighting
Expected outputs of the grant	Provision of specialised Aerial Fire Fighting support.
Actual outputs achieved	A total amount of R 9,266 million was earmarked for Integrated Fire Management: Disaster Management support: Aerial Fire Fighting. On the 31 March 2018, a total amount of R 2,559 million has been committed.
Amount per amended DORA	N/A
Amount received	R 9,266 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 2,559 million
Reasons for the funds unspent by the entity	The dynamic nature of fires, especially the unpredictable nature of climatic and meteorological conditions makes it virtually impossible to forecast expenditure. Despite the extreme drought far less serious fires occurred during the summer fire season.
Reasons for deviations on performance	As above.
Measures taken to improve performance	Expenditure is closely monitored in terms of the conditions applicable to the earmarked funding. Memorandums of Agreement are in place with the various municipalities.
Monitoring mechanism by the receiving department	Quarterly financial and non-financial reporting

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PERFORMANCE INFORMATION

Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Municipal Infrastructure requirements
Expected outputs of the grant	<ul style="list-style-type: none"> R4 million allocated for Hydrogeological Consulting Services to Municipalities in the Western Cape Districts. The tender for the Geo-hydrologist (R800 000) in Central Karoo District Municipality (CKDM) has been adjudicated subject to the approval of the roll-over of funds. We expect the roll-over of funds to be approved by PT during August 2018. Funds were allocated to appoint additional capacity within the Department to assist and support the response to the Drought disaster in the Western Cape.
Actual outputs achieved	<ul style="list-style-type: none"> R4 million – Four Hydrogeologists appointed on term contracts – Hydrogeological Consulting Services delivered i.e. geophysical surveys, supervision of the drilling of new boreholes and supervision of the testing of boreholes in the following areas: Overberg (Cape Agulhas), West Coast (Saldanha Bay & Swartland), Eden (Hessequa & Mossel Bay) and Cape Winelands (Langeberg). No physical outputs achieved to date on the data loggers on the R800 000. The CKDM is awaiting the approval of the roll-over by PT before the work can start. As at 31 March 2018 the 8 additional capacity (drought engineers) were appointed to assist with the management of the drought.
Amount per amended DORA	N/A
Amount received	R 7,265 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 4,8 million
Reasons for the funds unspent by the entity	The additional capacity funds were allocated during the 2017 Adjustment process, but due to the delays in the filling of posts, the drought capacity posts could only be filled during March 2018.
Reasons for deviations on performance	As above.
Measures taken to improve performance	<ul style="list-style-type: none"> Expenditure is closely monitored in terms of the conditions applicable to the earmarked funding. Memorandums of Agreement are in place with the various Municipalities. Constant following up with the Corporate Services Centre has resulted in some of the processes being expedited.
Monitoring mechanism by the receiving department	Quarterly financial and non-financial reporting

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PERFORMANCE INFORMATION

Department who transferred earmarked allocation	Provincial Treasury
Purpose of the earmarked funds	Drought capacity and requirement
Expected outputs of the grant	<ul style="list-style-type: none"> Funds were allocated to appoint additional capacity within the Department to assist and support the response to the Drought disaster in the Western Cape. The Department co-ordinated and communicated the drought status to the various stakeholders and effected parties including comprehensive media coverage in high risk municipal areas.
Actual outputs achieved	<ul style="list-style-type: none"> At 31 March 2018 the posts were advertised and the recruitment process were concluded and all posts to be filled during the 2018/19 financial year. The Department provided media coverage in high risk and various campaigning including radio, print of pamphlets, digital and branded goods.
Amount per amended DORA	N/A
Amount received	R 3,049 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R 1,5 million
Reasons for the funds unspent by the entity	The additional capacity funds were allocated during the 2017 Adjustment process, but due to the delays in the filling of the drought capacity posts the process could not be concluded by 31 March 2018.
Reasons for deviations on performance	As above.
Measures taken to improve performance	Constant following up with the Corporate Services Centre has resulted in some of the processes being expedited, however this has only had a minor impact.
Monitoring mechanism by the receiving department	Quarterly financial and non-financial reporting

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4.6 Conditional grants and earmarked funds paid

The Department does not pay conditional grants and earmarked funds.

4.7 Donor funds

The Department did not receive donor funds.

4.8 Capital investment, maintenance and asset management plan

The Department does not have infrastructure projects.

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PART C: GOVERNANCE



C

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 Statement which sets out the WCG's overall intention with regard to ERM. The Department adopted an ERM Policy for the period 2016/17 – 2017/18, approved by the Accounting Officer on 20 April 2016; and an ERM Strategy and Implementation Plan for 2017/18, approved by the Accounting Officer on 7 April 2017. The ERM Implementation Plan gave effect to the departmental ERM Policy and 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 strategically and on a programme level, 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 his responsibilities relating to risk management. The Committee operated under a Terms of Reference approved by the Accounting Officer on 29 March 2017. ERMCO in the main evaluated the effectiveness of the mitigating strategies implemented to address the risks of the Department and recommended further action where relevant.

The Governance and Administration Cluster Audit Committee furthermore monitors the risk management process independently as part of its quarterly review of the Department.

Impact on institutional performance

Enterprise Risk Management continues to be an integral part of day to day engagements within the Department. 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

Fraud and corruption represent significant potential risks to the Department's assets and can negatively impact on service delivery efficiency and the Department's reputation.

The Western Cape Government (WCG) adopted an Anti-Fraud and Corruption Strategy which confirms the Province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy the Department is committed to zero-tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes by all legal means available, any parties who engage in such practices or attempt to do so.

The Department has an approved Fraud and Corruption Prevention Plan and a Fraud Prevention Implementation Plan which gives effect to the Prevention Plan.

Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy and the Departmental Fraud and Corruption Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit 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 to generate statistics for the Province and Department.

Employees who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). In this regard the transversal Whistle-blowing Policy provides guidelines to employees on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external

institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. 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, theft or corruption is confirmed after completion of an investigation, the relevant employee who participated in these acts is 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 to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the Department noting the following:

Open Cases as at 1 April 2017	1
New cases (2017/18)	0
Closed cases (2017/18)	1
Open cases as at 31 March 2018	0

The following table further analyses the closed cases indicated above:

Outcome of cases closed	
Outcome	Number
Allegations substantiated	1
Only preliminary investigation with no adverse findings	0
Only preliminary investigation with no findings but with recommendations	0

3. 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:

- Contingency plans for the Department of Local Government were reviewed for all offices of the department, including regional office. The HOD approved all contingency plans and they were implemented.

- Occupational Health and Safety assessment were conducted at 21 sites of the Department, including regional offices and departmental Public events.
- Two (2) prescribed evacuation exercises were conducted (1 unannounced & 1 unannounced) and dry runs were conducted for all regional offices.
- 21 Occupational Health and Safety training was provided to all volunteers to ensure safe working environment. (8 x Fire Marshalls; 9 x First Aiders; 3 x Floor Marshals & 1 x OHS Rep.)
- Occupational Health and Safety policy was approved by the Head of Department and implemented.
- Four occupational Health and Safety Awareness sessions were conducted at four different sites of the department.

4. Promotion of Access to Information

- During the 2017/18 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
- The department submitted PAIA 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 (PAIA manual) was also submitted to the Human Rights Commission and is available on the official website in all 3 official

5. Scopa Resolutions

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
	<p>The Department of Local Government briefed the Committee on the following matters which relates to CDWs:</p> <ul style="list-style-type: none"> The roles and responsibilities of CDWs; The facilitation of the community development work done to assist communities with economic opportunities within the municipalities; including the social and economic impact of these developmental work; The level of training and the cost involved to capacitate CDWs The partnership programmes that are facilitated by different departments of the WCG to enhance the functioning of the CDWs; A breakdown of the funding received for the CDWs programme for the 2016/17 financial year; An indication in which municipal areas the CDWs are operational, including an indication where they are not. 	The Department presented.	Yes
	That the Department provides a footnote, in all future annual reports, to indicate where the budget and expenditure of the MEC reflects for each financial year.	Footnote has been included in all future Annual Reports of the Department.	Yes

6. List of Information Requested

The Committee requested that the Department of Local Government provides it with the following:

- A list of bursaries that were awarded to the employees of the Department, including the salary/job levels of the incumbents, as reflected on page 122 of the Annual Report.
- A report on the R111 502, 13 cost that was incurred on the vehicle that was involved in an accident after year end (13 April 2017) as reflected on page 181 of the Annual Report.

- 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.

Internal Audit work completed during the year under review for the Department included three assurance engagements, five consulting engagements and four follow-ups. The details of these engagements are included in the Audit Committee report.

7. 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 should assist 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;

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which include oversight and review of the following:

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- AGSA management and audit report;
- Departmental In year Monitoring;
- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives; and
- Ethics and Forensic Investigations.

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)	External	N/A	01 January 2015 (2nd term)	2 nd term expired 31 December 2017	6
Mr Kerry Raymond Larkin	B Compt; ND FIS; FIIASA CIA; CRMA; CCSA	External	N/A	1 January 2018 (1 st term)	N/A	2

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms Merle Kinnes	BA; LLB; Higher Certificate in Forensics Examination; Attorney of the High Court	External	N/A	1 January 2016 (1 st term)	N/A	8
Mr Mohamed Yaseen Ismail	BCom, PGDA, Certificate in Advanced Taxation, Certificate in Forensic and Investigative auditing, CA(SA), RA(SA), CFE	External	N/A	1 May 2016 (1 st term)	N/A	8
Mr Jeremy James Fairbairn	Certificate in General Management and Consultancy; Hons B Com (Bus. anagement), B. Com (Hons.), Higher Diploma in Education; B Com (Law)	External	N/A	1 January 2017 (1 st term)	N/A	6

8. Audit Committee Report

Please refer to PART E (AFS) for the full report of the Audit Committee on pages 139-140.

PART D: HUMAN RESOURCE MANAGEMENT

Western Cape
Government

Local Government

BETTER GOVERNANCE



1. Introduction

Our unique contribution to the work of the Western Cape Government is as a result of the persistent, and often selfless, efforts of the people within the Department of Local Government.

To consistently deliver improved services to the citizens of the Western Cape Province is not without its own challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are inter-dependent and inter-related, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored.

These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of “doing more with less”.

Despite the changing patterns and increased demands impacting on the modern workplace, the consistent hard work of our people, has resulted in remarkable achievements and service delivery improvement during the year under review.

Through this process the Department annually assesses its workforce profile against current and future organisational needs.

- The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.
- The Workforce Plan 2016-2021, is therefore aligned to the vision and mission of the Department’s Strategic Plan, as well as the People Management Strategy.
- The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that the strategies (as per the listed priorities) would achieve its outcomes:
 - A diverse workforce with equal opportunities for all;
 - Shared values and culture alignment contributing to staff retention;
 - Department adequately staffed;
 - Reduced time frames to fill advertised posts;
 - Reduced turn-around time for filling of posts;
 - Reduced contract appointments;
 - Greater representation of women in management;
 - Greater representation of people with disabilities in Department;
 - A performance conducive workplace;
 - Competent people in the right numbers at the right place at the right time with the right attitude;
 - Availability of a pool of competent employees ready to fill vacant positions in scarce and critical occupations

D 2. Status of People Management at the Department

2.1 Departmental Workforce Planning

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work.

2.2 Employee Performance Management

The purpose of Performance Management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the

projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the Western Cape Government has devised an electronic system, namely PERMIS (Performance Management Information System), that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the Corporate Services Centre (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

2.3 Employee Wellness

The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee well-being 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 and Quality).

2.4 People Management Monitoring

The Department, in collaboration with the CSC monitors the implementation of a range of people management compliance indicators. The monthly Barometer Fact File, that is developed by the Chief-Directorate: People Management Practices within the CSC, provides the Department with regular updates on the workforce profile and other relevant people management data to enable decision-making. The indicators include, inter alia, staff establishment information, headcount, people expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement, employment equity etcetera.

During the year under review, the Department furthermore participated in the implementation of the annual Management Performance Assessment Tool (MPAT 1.7) co-ordinated by the Department of Planning Monitoring and Evaluation (DPME). In this regard, an average score of 3.8 out of 4 was achieved for the people management key performance area (KPA3). This is amongst the highest scores achieved for this performance area nationally.



3. People Management 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).

The figures in Table 3.1.1 are drawn from the Basic Accounting System and the figures in Table 3.1.2 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 the 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 this point forward.

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

Table 3.1.1: Personnel expenditure by programme, 2017/18

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 remunerated
Programme 1	42 153	25 535	786	13 198	60,6	370	69
Programme 2	206 675	93 370	1 787	17 395	45,2	348	268
Programme 3	94 984	30 715	523	27 589	32,3	473	65
Total	343 812	149 620	3 096	58 182	43,5	372	402

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number is accumulative and not a snapshot as at a specific date.

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Table 3.1.2: Personnel expenditure by salary band, 2017/18

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)	1 026	0,7	38	27
Skilled (Levels 3-5)	6 189	4,1	172	36
Highly skilled production (Levels 6-8)	64 657	42,9	302	214
Highly skilled supervision (Levels 9-12)	61 390	40,8	563	109
Senior management (Levels 13-16)	17 348	11,5	1 084	16
Total	150 609	100,0	375	402

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number is accumulative and not a snapshot as at a specific date.

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. These tables do not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2017/18

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	17 959	11,9	337	0,2	638	0,4	1 255	0,8
Programme 2	66 366	44,1	340	0,2	2 818	1,9	5 093	3,4
Programme 3	21 907	14,5	90	0,1	497	0,3	1 012	0,7
Total	106 232	70,5	766	0,5	3 953	2,6	7 361	4,9

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2017/18

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)	1 019	0,7	5	0,0	0	0,0	0	0,0
Skilled (Levels 3-5)	4 165	2,8	63	0,0	322	0,2	615	0,4
Highly skilled production (Levels 6-8)	46 460	30,8	301	0,2	2 685	1,8	4 898	3,3
Highly skilled supervision (Levels 9-12)	43 904	29,2	396	0,3	719	0,5	1 648	1,1
Senior management (Levels 13-16)	10 684	7,1	0	0,0	226	0,2	200	0,1
Total	106 232	70,5	766	0,5	3 953	2,6	7 361	4,9

3.2 Employment and Vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Minister), and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2018

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	59	56	5,1
Programme 2	245	238	2,9
Programme 3	56	56	0,0
Total	360	350	2,8

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2018

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	0	0	0,0
Skilled (Levels 3-5)	30	28	67
Highly skilled production (Levels 6-8)	208	204	1,9
Highly skilled supervision (Levels 9-12)	105	104	1,0
Senior management (Levels 13-16)	17	14	17,6
Total	360	350	2,8



Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2018

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Disaster Manager	19	19	0,0
Engineer	8	8	0,0
GIS Technologist	1	1	0,0
Management Accountant	2	2	0,0
Supply Chain Management Practitioner	9	7	22,2
Town and Regional Planner	7	7	0,0
Total	46	44	4,3%

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the department, the function/services will collapse.

3.3 Job Evaluation

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

Table 3.3.1: Job evaluation, 1 April 2017 to 31 March 2018

Salary Band	Number of active posts as at 31 March 2018	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	0	0	0,0	0	0,0	0	0,0
Skilled (Levels 3-5)	30	0	0,0	0	0,0	0	0,0
Highly skilled production (Levels 6-8)	208	0	0,0	0	0,0	0	0,0
Highly skilled supervision (Levels 9-12)	105	0	0,0	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)	0	0	0,0	0	0,0	0	0,0
Senior Management Service Band D (Level 16)	1	0	0,0	0	0,0	0	0,0
Total	360	0	0,0	0	0,0	0	0,0

Note: The "Number of posts evaluated" per Salary Band reflects the Final Approved Post Level after Job Evaluation.

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Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2017 to 31 March 2018

Beneficiaries	African	Coloured	Indian	White	Total
None					

Note: Table 3.3.2 is a breakdown of posts upgraded in table 3.3.1.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2017 to 31 March 2018

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
None					

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2017 to 31 March 2018

Beneficiaries	African	Coloured	Indian	White	Total
None					

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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 occupation (Table 3.4.2). This section does not include intern information.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2017 to 31 March 2018

Salary Band	Number of employees as at 31 March 2017	Turnover rate 2016/17 %	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2017/18 %
Lower skilled (Levels 1-2)	0	100,0	0	0	0	0	0,0
Skilled (Levels 3-5)	26	30,0	11	4	10	3	50,0
Highly skilled production (Levels 6-8)	200	5,3	10	2	4	3	3,5
Highly skilled supervision (Levels 9-12)	102	4,3	7	1	8	1	8,8
Senior Management Service Band A (Level 13)	12	0,0	0	0	1	1	16,7
Senior Management Service Band B (Level 14)	3	33,3	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	344	7,5	28	7	23	8	9,0
			35		31		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally)

HUMAN RESOURCE MANAGEMENT

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2017 to 31 March 2018

Critical Occupation	Number of employees as at 31 March 2017	Turnover rate 2016/17 %	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2017/18 %
Disaster Manager	18	10,5	0	0	1	0	5,6
Engineer	5	0,0	1	1	1	0	20,0
GIS Technologist	0	0,0	1	0	0	0	0,0
Management Accountant	2	0,0	0	0	0	0	0,0
Supply Chain Management Practitioner	8	0,0	1	0	0	0	0,0
Town and Regional Planner	7	0,0	1	0	0	0	0,0
Total	40	6,5	4	1	2	0	5,0
			5		2		

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Table 3.4.3: Staff leaving the employ of the Department, 1 April 2017 to 31 March 2018

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2017
Death	1	3,2	0,3
Resignation *	9	29,0	2,6
Expiry of contract	13	41,9	3,8
Dismissal – operational changes	0	0,0	0,0
Dismissal – misconduct	0	0,0	0,0
Dismissal – inefficiency	0	0,0	0,0
Discharged due to ill-health	0	0,0	0,0
Retirement	0	0,0	0,0
Employee initiated severance package	0	0,0	0,0
Transfers to Statutory Body	0	0,0	0,0
Transfers to other Public Service departments	8	25,8	2,3
Total	31	100,0	9,0

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 2017 to 31 March 2018

Resignation Reasons	Number	% of total resignations
Insufficient progression possibilities	1	11,1
No reason provided	8	88,9
Total	9	100,0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2017 to 31 March 2018

Age group	Number	% of total resignations
Ages <19	0	0,0
Ages 20 to 24	0	0,0
Ages 25 to 29	0	0,0
Ages 30 to 34	1	11,1
Ages 35 to 39	4	44,4
Ages 40 to 44	2	22,2
Ages 45 to 49	0	0,0
Ages 50 to 54	1	11,1
Ages 55 to 59	0	0,0
Ages 60 to 64	0	0,0
Ages 65 >	1	11,1
Total	9	100,0

Table 3.4.6 Employee initiated severance packages.

Total number of employee initiated severance packages offered in 2017/18	None
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HUMAN RESOURCE MANAGEMENT

Table 3.4.7: Promotions by salary band, 1 April 2017 to 31 March 2018

Salary Band	Number of Employees as at 31 March 2017	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	0	0	0,0	0	0,0
Skilled (Levels 3-5)	26	0	0,0	17	65,4
Highly skilled production (Levels 6-8)	200	1	0,5	171	85,5
Highly skilled supervision (Levels 9-12)	102	3	2,9	61	59,8
Senior management (Levels 13-16)	16	0	0,0	10	62,5
Total	344	4	1,2	259	75,3

Note: Promotions reflect the salary level of an employee after he/she was promoted.

Table 3.4.8: Promotions by critical occupation, 1 April 2017 to 31 March 2018

Critical Occupation	Number of Employees as at 31 March 2017	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Disaster Manager	18	1	5,6	11	61,1
Engineer	5	0	0,0	1	20,0
GIS Technologist	0	0	0,0	0	0,0
Management Accountant	2	0	0,0	2	100,0
Supply Chain Management Practitioner	8	0	0,0	4	50,0
Town and Regional Planner	7	0	0,0	4	57,1
Total	40	1	2,5	22	55,0

Note: Promotions reflect the salary level of an employee after he/she was promoted.

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 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	1	0	0	0	0	0	0	0	0	1
Senior management (Levels 13-14)	1	4	1	3	1	1	1	1	0	0	13
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	13	24	0	8	19	32	0	7	1	0	104
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	23	49	0	0	58	68	1	6	0	0	205
Semi-skilled and discretionary decision making (Levels 3-5)	1	5	0	2	5	12	0	1	0	0	26
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	38	83	1	13	83	113	2	15	1	0	349
Temporary employees	0	1	0	0	0	0	0	0	0	0	1
Grand total	38	84	1	13	83	113	2	15	1	0	350

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

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. 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.

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Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2018

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	1	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	6	0	0	4	0	0	0	0	0	11
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	1	6	0	0	4	1	0	0	0	0	12
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	6	0	0	4	1	0	0	0	0	12

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

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



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Table 3.5.3: Recruitment, 1 April 2017 to 31 March 2018

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	1	0	2	1	3	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	1	0	0	4	4	0	1	0	0	10
Semi-skilled and discretionary decision making (Levels 3-5)	1	4	0	2	1	10	0	0	0	0	18
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	1	6	0	4	6	17	0	1	0	0	35
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	6	0	4	6	17	0	1	0	0	35

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

Note: Recruitment refers to the appointment of new employees to the staff establishment of the Department, but exclude interns. The totals include transfers from other government departments and / or institutions, as per Table 3.4.1.

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Table 3.5.4: Promotions, 1 April 2017 to 31 March 2018

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	1	0	0	0	2	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	0	0	1	0	0	0	0	1
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	1	0	0	0	3	0	0	0	0	4
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	0	1	0	0	0	3	0	0	0	0	4

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

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, as per Table 3.4.7.



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Table 3.5.5: Terminations, 1 April 2017 to 31 March 2018

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	1	0	1	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	2	1	2	1	2	0	1	0	0	9
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	0	1	0	3	2	0	0	0	0	7
Semi-skilled and discretionary decision making (Levels 3-5)	0	5	0	0	1	7	0	0	0	0	13
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	1	8	2	3	5	11	0	1	0	0	31
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	8	2	3	5	11	0	1	0	0	31

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

Note: Terminations refer to those employees (excluding interns) who have left the employ of the Department, including transfers to other departments, as per Table 3.4.1.

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Table 3.5.6: Disciplinary actions, 1 April 2017 to 31 March 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
None											

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 the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3

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Table 3.5.7: Skills development, 1 April 2017 to 31 March 2018

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	1	0	0	0	0	0	0	1
Senior management (Levels 13-14)	1	5	1	4	1	1	1	1	15
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	14	24	1	9	19	30	0	7	104
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	25	49	1	0	57	69	1	5	207
Semi-skilled and discretionary decision making (Levels 3-5)	0	7	0	2	5	14	0	1	29
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0
Total	40	86	3	15	82	114	2	14	356
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	40	86	3	15	82	114	2	14	356

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

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

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3.6. Signing of Performance Agreements by SMS Members

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2017

SMS Post Level	Number of active 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	12	12	100,0
Total	17	16	16	100,0

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard.

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2017

Reasons for not concluding Performance Agreements with all SMS

N/A

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2017

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

None required

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3.7. Filling of SMS Posts

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

Table 3.7.1: SMS posts information, as at 30 September 2017

SMS Level	Number of active 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
Director-General/ Head of Department	1	1	100,0	0	0,0
Salary Level 14	3	3	100,0	0	0,0
Salary Level 13	13	11	84,6	2	15,4
Total	17	15	88,2	2	11,8

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

Table 3.7.2: SMS posts information, as at 31 March 2018

SMS Level	Number of active 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
Director-General/ Head of Department	1	1	100,0	0	0,0
Salary Level 14	3	3	100,0	0	0,0
Salary Level 13	13	10	76,9	3	23,1
Total	17	14	82,4	3	17,6

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2018

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
Director-General/ Head of Department	0	0	0
Salary Level 14	0	0	0
Salary Level 13	4	0	0
Total	4	0	0

Table 3.7.4: Reasons for not having complied with the filling of active 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 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
None

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3.8. Employee Performance

The following tables note the number of staff by salary band (table 3.8.1) and staff within critical occupations (3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 - 5 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2017 to 31 March 2018

Salary Band	Employees as at 31 March 2017	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)	26	17	65,4
Highly skilled production (Levels 6-8)	200	171	85,5
Highly skilled supervision (Levels 9-12)	102	61	59,8
Senior management (Levels 13-16)	16	10	62,5
Total	344	259	75,3

Table 3.8.2: Notch progressions by critical occupation, 1 April 2017 to 31 March 2018

Critical Occupations	Employees as at 31 March 2017	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Disaster Manager	18	11	61,1
Engineer	5	1	20,0
GIS Technologist	0	0	0,0
Management Accountant	2	2	100,0
Supply Chain Management Practitioner	8	4	50,0
Town and Regional Planner	7	4	57,1
Total	40	22	55,0

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To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2016/17, but paid in the financial year 2017/18. 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 2017 to 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	9	115	7,8	200	22 209
Male	5	38	13,2	102	20 316
Female	4	77	5,2	98	24 576
Coloured	37	185	20,0	674	18 221
Male	17	79	21,5	366	21 546
Female	20	106	18,9	308	15 394
Indian	1	5	20,0	38	37 592
Male	0	3	0,0	0	0
Female	1	2	50,0	38	37 592
White	8	27	29,6	258	32 214
Male	4	12	33,3	149	37 180
Female	4	15	26,7	109	27 248
Employees with a disability	0	12	0,0	0	0
Total	55	344	16,0	1 170	21 261

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Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2017 to 31 March 2018

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% 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)	3	26	11,5	27	9 123	0,0
Highly skilled production (Levels 6-8)	25	200	12,5	320	12 819	0,2
Highly skilled supervision (Levels 9-12)	23	102	22,5	656	28 505	0,5
Total	51	328	15,5	1 003	19 676	0,8

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12 employees, reflected in Table 3.1.2

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Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2017 to 31 March 2018

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% 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)	3	12	25,0	120	39 946	0,7
Senior Management Service Band B (Level 14)	1	3	33,3	46	46 046	0,3
Senior Management Service Band C (Level 15)	0	1	0,0	0	0	0,0
Total	4	16	25,0	166	41 471	1,0

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

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Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2017 to 31 March 2018

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Disaster Manager	7	18	38,9	238	33 930	0,2
Engineer	1	5	20,0	57	57 180	0,0
GIS Technologist	0	0	0,0	0	0	0,0
Management Accountant	0	2	0,0	0	0	0,0
Supply Chain Management Practitioner	2	8	25,0	28	14 097	0,0
Town and Regional Planner	2	7	28,6	62	30 810	0,0
Total	12	40	30,0	385	32 042	0,3

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12 employees, reflected in Table 3.1.2

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). 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 2017 to 31 March 2018

Salary Band	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0,0	0	0,0	0	0
Skilled (Levels 3-5)	0	0,0	0	0,0	0	0
Highly skilled production (Levels 6-8)	0	0,0	0	0,0	0	0
Highly skilled supervision (Levels 9-12)	1	100,0	1	100,0	0	0
Senior management (Levels 13-16)	0	0,0	0	0,0	0	0
Total	1	100,0	1	100,0	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 2017 to 31 March 2018

Major Occupation	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Engineering Technician	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 2017 to 31 December 2017

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 instances, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2017 to 31 December 2017

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)	110	70,0	36	27	133,3	3	19
Skilled (Levels 3-5)	250	83,2	28	36	77,8	9	152
Highly skilled production (Levels 6-8)	1 529	85,7	159	214	74,3	10	1 362
Highly skilled supervision (Levels 9-12)	817	74,7	94	109	86,2	9	1 339
Senior management (Levels 13-16)	81	76,5	12	16	75,0	7	210
Total	2 787	81,4	329	402	81,8	8	3 082

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. The three-year sick leave cycle started in January 2016 and ends in December 2018. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2



Table 3.10.2: Incapacity leave, 1 January 2017 to 31 December 2017

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	27	0,0	0	0
Skilled (Levels 3-5)	95	100,0	3	36	8,3	32	57
Highly skilled production (Levels 6-8)	130	100,0	8	214	3,7	16	108
Highly skilled supervision (Levels 9-12)	77	100,0	4	109	3,7	19	137
Senior management (Levels 13-16)	4	100,0	2	16	12,5	2	10
Total	306	100,0	17	402	4,2	18	312

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: Annual Leave, 1 January 2017 to 31 December 2017

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Lower skilled (Levels 1-2)	390	49	8
Skilled (Levels 3-5)	583	33	18
Highly skilled production (Levels 6-8)	5 117	210	24
Highly skilled supervision (Levels 9-12)	2 372	107	22
Senior management (Levels 13-16)	353	16	22
Total	8 815	415	21



Table 3.10.4: Capped leave, 1 January 2017 to 31 December 2017

Salary Band	Total capped leave available as at 31 Dec 2016	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 2017	Total capped leave available as at 31 Dec 2017
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)	108	0	0	0	5	191
Highly skilled supervision (Levels 9-12)	360	1	1	1	17	347
Senior management (Levels 13-16)	349	1	1	1	3	182
Total	818	2	2	1	25	721

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: Leave pay-outs, 1 April 2017 to 31 March 2018

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave pay-outs during 2016/17 due to non-utilisation of leave for the previous cycle	85	1	84 735
Capped leave pay-outs on termination of service	0	0	0
Current leave pay-outs on termination of service	277	15	18 496
Total	362	16	103 231

3.11. Health Promotion Programmes, Including HIV and AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2017 to 31 March 2018

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<p>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>	<p>HIV & AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. The outsourced Health and Wellness contract for the 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) with a range of services. These services include the following:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (four-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.



Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2017 to 31 March 2018

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, 2016? 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 has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to the eleven (11) departments, including the Department of Local Government.</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 well-being of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director (vacant from February 2018), three (3) Assistant Directors, and three (3) EHW Practitioners. Budget: R2,65 m</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	✓		<p>The Department of the Premier has entered into a service level agreement with ICAS (external service provider) to render an Employee Health and Wellness Service to the eleven departments of the Corporate Services Centre (CSC).</p> <p>The following interventions were conducted: Financial Management and Dispute Resolutions, Managerial Referral, Sexual Harassment, Resilience Training, Team Cohesion, Diversity Management, Wellness Ambassador Training, Employee Information desks, HCT and Wellness Screening and Coaching for managers.</p> <p>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 2017/18. 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 employees and managers.</p> <p>Information sessions were also provided to inform employees of the EHW service and how to access the Employee Health and Wellness Programme (EHWP). Promotional material such as pamphlets, posters and brochures were distributed.</p>

HUMAN RESOURCE MANAGEMENT

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, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Local Government is represented by F. Matthee and K. Adams.</p>
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	✓		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape 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>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>Whilst the four (4) Provincial Employee Health and Wellness Policies were ratified and approved during the previous financial year, the workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>One of the policies, HIV & AIDS and TB Management, responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Cape Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</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>The Provincial Strategic Plan on HIV & AIDS, STIs and TB 2017-2022 has been implemented 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 to reduce the number of new HIV infections and the number of TB cases. Through expanded treatment and care services, the province aims to meet the 90-90-90 targets for both HIV and TB, as well as to achieve a 75% treatment success rate for drug-resistant TB.</p> <p>HIV 90-90-90 target, as recommended by UNAIDS, provides that by 2020:</p> <ul style="list-style-type: none"> • 90% of all people living with HIV will know their HIV status; • 90% of all people with an HIV diagnosis receive sustained antiretroviral therapy; and • 90% of all people receiving antiretroviral therapy achieve viral suppression.



Question	Yes	No	Details, if yes
			<p>TB 90-90-90 target provides for:</p> <ul style="list-style-type: none"> • 90% of vulnerable groups should have been screened for TB • 90% of people with TB should be diagnosed and started on treatment, and • 90% of those treated for TB should be cured • The department participated in HCT and Wellness screenings to ensure that every employee is tested for HIV and screened for TB, at least annually.
7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	✓		<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 4 HCT and Wellness screening sessions.</p> <p>65 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</p> <p>There were 0 clinical referrals for TB, HIV, STIs or any other similar condition.</p>
8. Has the Department developed measures/ indicators to monitor & evaluate the impact of its 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 service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by (ICAS). The most recent annual health review period was 1 April 2017 – 31 March 2018.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, number of cases, etc.</p> <p>The review further provides, amongst others, details pertaining to service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the workplace.</p>



3.12. Labour Relations

The following provincial collective agreements were entered into with trade unions for the period under review.

Table 3.12.1: Collective agreements, 1 April 2017 to 31 March 2018

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2017 to 31 March 2018

Outcomes of disciplinary hearings	Number of cases finalised	% of total
None		

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2017 to 31 March 2018

Type of misconduct	Number	% of total
None		

Table 3.12.4: Grievances lodged, 1 April 2017 to 31 March 2018

Grievances lodged	Number	% of total
Number of grievances resolved	7	77,8
Number of grievances not resolved	2	22,2
Total number of grievances lodged	9	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.

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Table 3.12.5: Disputes lodged with Councils, 1 April 2017 to 31 March 2018

Disputes lodged with Councils	Number	% of total
None		

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is “upheld”, it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is “dismissed”, it means that the Council is not ruling in favour of the aggrieved.

Table 3.12.6: Strike actions, 1 April 2017 to 31 March 2018

Strike actions	Number
None	

Table 3.12.7: Precautionary suspensions, 1 April 2017 to 31 March 2018

Precautionary suspensions	Number
None	

Note: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.

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3.13. Skills Development

This section highlights the efforts of the Department with regard to skills development. Table 3.13.1 reflect the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

Table 3.13.1: Training needs identified, 1 April 2017 to 31 March 2018

Occupational Categories	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4	0	8	0	8
	Male	12	0	15	0	15
Professionals	Female	54	0	342	0	342
	Male	45	0	199	0	199
Technicians and associate professionals	Female	126	0	178	0	178
	Male	74	0	55	0	55
Clerks	Female	19	0	102	0	102
	Male	6	0	18	0	18
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	3	0	3	0	3
	Male	1	0	2	0	2
Sub Total	Female	206	0	633	0	633
	Male	138	0	289	0	289
Total		344	0	922	0	922
Employees with disabilities	Female	5	0	0	0	0
	Male	7	0	0	0	0

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

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Table 3.13.2: Training provided, 1 April 2017 to 31 March 2018

Occupational Categories	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4	0	2	0	2
	Male	10	0	5	0	5
Professionals	Female	58	0	165	0	165
	Male	46	0	126	0	126
Technicians and associate professionals	Female	133	0	52	0	52
	Male	72	0	23	0	23
Clerks	Female	18	0	59	0	59
	Male	9	0	22	0	22
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	0	0	2	0	2
Sub Total	Female	213	0	278	0	278
	Male	137	0	178	0	178
Total		350	0	456	0	456
Employees with disabilities	Female	5	0	0	0	0
	Male	7	0	0	0	0

Note: The above table identifies the number of training courses attended by individuals during the period under review.

3.14. Injury on Duty

This section provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2017 to 31 March 2018

Nature of injury on duty	Number	% of total
None		

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3.15. Utilisation of Consultants

Table 3.15.1: Consultant Appointments Using Appropriated Funds

Programme	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE Level
1	Department of Cultural Affairs	Translation	Translation claim	2	1 month	R 9 024.00	1	N/A
	Department of Cultural Affairs	Translation	Translation claim	1	1 month	R 5 322.00	1	N/A
	FCB Cape Town	Water Campaign	Radio Broadcast	1	1 month	R 112 756.00	1	1
	FCB Cape Town	Smoke Alarm Campaign	Radio Broadcast	1	6 months	R 8 048.00	1	1
	WC Department of the Premier	Barrett Value Survey	Interdepartmental Claim	1	1 month	R 64 546.00	1	N/A
2	Ignite Advisory Services	Shared Services Model	Development of an Engineering Shared Services Model in municipalities	2	4 months	R 375 972.00	1	0
	Ignite Advisory Services	Shared Services Model	Development of an Engineering shared services model	1	6 months	R 294 120.00	1	0
	AA Wilson	Fire and Flood awareness campaign	Industrial Theatre Educational Roadshow - Matzikama and Cederberg	2	1 month	R 381 750.00	1	4
	Aurecon South Africa (Pty) Ltd	Disaster Management Groundwater Programme	Groundwater Programme	2	6 months	R 409 944.00	1	2
	Chris Swartz Engineers	Skills and training needs assessment	Assessment of skills and training needs of personnel working at Wastewater Treatment Plants affecting the Breede River	1	20 days	R 114 000.00	1	0

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Programme	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE Level
2	Chris Swartz Engineers	Assessment of Operations and Maintenance plans	Assessment of Operations and Maintenance plans at Wastewater Treatment Plants affecting the Breede River	1	20 days	R 91 200.00	1	0
	Development Bank of Southern Africa	Support with the Infrastructure and Growth Plans	Support with the Infrastructure and Growth Plans	2	2 years	R 814 000.00	1	N/A
	Ignite Advisory Services	User licence and maintenance fees	Hosting of the Integrated Performance and Support Sytem (IPSS) user licence fees	1	12 months	R 468 540.00	1	0
	University of the Western Cape	Research and development of a Governance model	Research and development of a Governance model for Municipalities in the Western Cape	1	3 months	R 250 000.00	1	0
	Work Dynamics	Research and development	Research and development of a model for the determination of market-related salaries	2	3 months	R 459 736.00	1	0
	Bradley Conradie Halton Cheadle	Fees for professional services	Legal fees	1	4.5 hours	R 13 388.00	1	2
	Bradley Conradie Halton Cheadle	Fees for professional services	Legal fees	1	4 hours	R 7 022.00	1	2
	Bradley Conradie Halton Cheadle	Fees for professional services	Legal fees	1	1 hour	R 1 089.00	1	2
	Price-Waterhouse-Coopers	Forensic investigative service	Appointment of a service provider to provide a forensic investigative service at a municipality	3	6 months	R 506 228.00	1	1
	On Time Transcribers	Transcription	Transcription services	1	5 hours	R 2 772.00	1	4

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Programme	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE Level
2	On Time Transcribers	Transcription	Transcription services	1	4.5 hours	R 3 082.00	1	4
	Transcriptions Four-Zero-Six	Transcription	Transcription services	1	8.5 hours	R 7 225.00	1	4
3	AA Wilson	Fire and Flood awareness campaign	Industrial Theatre Educational Roadshow - Bergrivier, Saldanha and Swartland	2	2 months	R 401 050.00	1	4
	JM Strauss Consulting	Disaster Risk Assessment	Disaster Risk Assessment at Cape Agulhas Local Municipality	1	3 months	R 99 925.00	1	4
	Luticento	Disaster risk assessment	Disaster Risk Assessment at Swartland Local Municipality	1	3 months	R 82 488.00	1	4
	Luticento	Disaster risk assessment	Disaster Risk Assessment at Prince Albert Local Municipality	1	3 months	R 86 488.00	1	4
	Luticento	Disaster risk assessment	Disaster Risk Assessment at George Local Municipality	1	3 months	R 96 488.00	1	4
	Luticento	Disaster risk assessment	Disaster Risk Assessment at Knysna Local Municipality	1	4 months	R 105 488.00	1	4
	Vulcan Wildfire Management	Assessment and analysis of the Knysna Wildfire disaster	Development of a factual matrix of the Knysna Fire	3	3 months	R 237 006.00	1	4
	Vulcan Wildfire Management	Assessment and analysis of the Knysna Wildfire disaster	Assessment and analysis report of the Knysna Wildfire disaster	3	4 months	R 487 463.00	1	4
	Ages Omega	Hydro-geological Consulting Services	Desktop studies and site assessments	1	2 months	R 634 757.00	1	2

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Programme	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE Level
3	Ages Omega	Hydro-geological Consulting Services	Project management	1	3 months	R 164 452.00	1	2
	Ages Omega	Hydro-geological Consulting Services	Bredasdorp borehole evaluation and rehabilitation	1	1 month	R 426 774.00	1	2
	Aurecon South Africa (Pty) Ltd	MIG support	Project management services for the MIG Programme	4	1 month	R 108 553.00	1	2
	Aurecon South Africa (Pty) Ltd	MIG support	Project management services for the MIG Programme	2	3 months	R 322 718.00	1	2
	Aurecon South Africa (Pty) Ltd	Hydro-geological Consulting Services	Meeting and co-ordination	1	1 month	R 178 918.00	1	2
	Aurecon South Africa (Pty) Ltd	Hydro-geological Consulting Services	Disaster Management Groundwater Programme	1	4 months	R 413 823.00	1	2
	GHT Consulting	Hydro-geological Consulting Services	Disaster Management Groundwater Programme	1	5 months	R 726 988.00	1	0
	GHT Consulting	Hydro-geological Consulting Services	Desktop studies and site assessments	1	2 months	R 375 550.00	1	0
	GHT Consulting	Hydro-geological Consulting Services	Meeting and co-ordination	1	2 months	R 34 437.00	1	0
GHT Consulting	Hydro-geological Consulting Services	Geophysical Surveys	1	2 months	R 344 605.00	1	0	



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Programme	Consulting Firm	Project Title	Nature of the Project	Total Number of Consultants that Worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE Level
3	JG Afrika (Pty) Ltd	Hydro-geological Consulting Services	Desktop studies and site assessments	1	2 months	R 749 903.00	1	1
	JG Afrika (Pty) Ltd	Hydro-geological Consulting Services	Tulbach Groundwater Exploration	1	3 months	R 936 779.00	1	1
						R 11 414 417.00		



PART E:
FINANCIAL
INFORMATION 

WESTERN CAPE GOVERNMENT DEPARTMENT OF LOCAL GOVERNMENT VOTE 14

ANNUAL FINANCIAL STATEMENTS For the year ended 31 March 2018

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Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2018.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and Treasury Regulations, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The following internal audit engagements were approved by the audit committee and completed by the internal audit during the year under review:

Assurance Engagements:

- DPSA Delegations Framework;
- Transfer Payments; and
- IT Governance Framework Setting (ICT Audit Plan).

Consulting Engagements:

- COSO Consulting Engagement:
 - Control Environment Questionnaire;
 - Fire Business Process;
 - Municipal Infrastructure Business Process;
 - Integrated Development Planning Business Process; and
 - Municipal Support and Capacity Building Business Process.

The above assignments were completed during the year.

The areas for improvement, as noted by Internal Audit during performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

In-Year Management and Monthly/Quarterly Report

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's responses thereto; and
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

Provincial Forensics Services

The Provincial Forensic Services (PFS) presented us with statistics. The Audit Committee monitors the progress of the PFS reports on a quarterly basis. There were no matters brought to our attention that required further reporting by the Audit Committee.

Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

Auditor General's Report

We have on a quarterly basis reviewed the Department's implementation plan for audit issues

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raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements, and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

The Audit Committee commends the Department for maintaining an unqualified audit opinion with no material findings.

The Audit Committee wishes to express their appreciation to the management of the department, the AGSA and the WCG Corporate Assurance Branch for the information and co-operation that they provided to enable us to compile this report.



Mr Kerry R. Larkin
Chairperson of the Governance & Administration
Cluster Audit Committee
Western Cape Department of Local Government
07 August 2018

Report of the Accounting Officer

1. General review of the state of financial affairs

The Department utilised 95,6% of its total budget allocation. The total underspending during 2017/18 financial year amounting to R15 901 million relates to earmarked funds which could not be utilised for any other purpose than what was initially intended such as Compensation of Employees and Goods and services.

The Department made internal virements from savings to cover overspending mainly on the following:

- Goods and Services due to reprioritisation of funds projected within the Programmes 2 and 3 for 2017/18 financial year; and
- Payment of capital assets due to the procurement of computer equipment according to the departmental ICT refresh plan, the purchasing of additional computer equipment for the additional staff to assist with the management of drought within the Department as well as the IT requirements required in terms of the Departmental Business Continuity Plan respectively.

The virement was undertaken within the guidelines of Provincial Treasury.

2. Capacity constraints

The under-spending on Compensation of Employees amounting to R7 137 million mainly due to the slower than anticipated filling of vacant posts and retraining of staff for the 2017/18 financial year.

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 27 and

- Annexures 1A – 1D of the Notes to the Annual Financial Statements.
- Accountability arrangements are in place for each transfer payment as 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

- This is covered under Section C.

8. Discontinued activities/activities to be discontinued

- No activities were discontinued during the 2017/18 financial year.

9. New/proposed activities

- None.

10. Events after the reporting date

- None.

11. Information on predetermined objectives

During the year under review, the Department's support to municipalities was largely focused on maintaining stability and promoting good governance following the 2016 local government elections. As part of the support provided to councillors to execute their roles and responsibilities, a nine module Councillor Training Programme was rolled-out with a total of 395 councillors attending the programme. The training programme covered areas such as the delegation of powers in local government; functioning of oversight committees; code of conduct for councillors; procedures for disciplinary hearings and investigations; role of councillors, mayors and speakers in local government; role of councillors in the appointment and discipline of senior officials, as well as public participation and communication. In addition,

targeted workshops with municipalities on similar issues were conducted with municipal councillors and speakers of various municipalities.

A set of Practice Notes were developed on the Conduct of Councillors in Council Meetings with the aim of providing guidance on specific matters related to council meetings and furthermore serve as a guide to councillors in performing their roles and responsibilities.

As part of equipping municipal officials with skills and competencies to fulfil their roles and responsibilities, a number of municipal officials at middle management level completed a Middle Management Development Programme. The Department further rolled out a Municipal Middle

Managers Mentoring and Coaching Programme, with the aim of increasing the level of expertise, exposure and experience in middle management in the Western Cape municipalities.

The Department has a responsibility to guide municipalities with the interpretation and implementation of various pieces of legislation applicable to local government. The Department, therefore, hosted the Legislative and Constitutional Task Team Engagements to discuss various legislative topics and serves as a platform to provide legal guidance to municipalities. In addition, a number of municipalities were assisted with the review and/or amendment of by-laws. Support was also provided on interpretation of legislative prescripts, by way of on-hand legal advice and distribution of Circulars to municipalities.

The Local Government: Municipal Systems Act read with the Regulations, prescribe that the municipal council must, within 14 days of the date of appointment of a municipal manager or a manager directly accountable to a municipal manager, inform the MEC for Local Government of the appointment process and outcome. Upon receiving such information, the MEC must conduct an assessment in order to determine if the appointment process was consistent with the relevant legislative prescripts. Assessments of 39 senior manager appointments and renewals were conducted and 15 of these were appointments or renewals for municipal managers as of at the end of March 2018.

In terms of Chapter 7, of the Local Government: Municipal Property Rates Act, the MEC for Local Government is mandated to establish Valuation Appeals Boards. During the year under review, the Local Government: Municipal Property Rates Act: Focus Group provided a platform for municipalities to discuss and exchange practices and knowledge on issues relating to property rates through focused workshops. The assistance provided to municipalities included the appointment of Valuation Appeal Board members and a Help Desk which assisted municipalities with various matters relating to Property Rates.

Municipal monitoring and support

In fulfilling its monitoring and reporting role over municipalities, using the Integrated Performance Support System (IPSS), the Department conducted a baseline assessment report that provided the state of governance in municipalities in the Province. This report highlighted the challenges and concerns that may negatively impact on the achievement of service delivery in municipalities. The Department in partnership with the Provincial Treasury and other sector departments further engaged with municipalities through the Technical Integrated Municipal Engagements in a drive to address the challenges highlighted in the report and further developed bespoke support plans that will be implemented over the short and medium term.

Regarding municipal infrastructure, the Department supported municipalities with the spending of the Municipal Infrastructure Grant (MIG). In partnership with the National Department of Co-operative Governance, focused support was provided to municipalities through regular assessments, site visits and engagements.

Improving access to government services and improving citizen participation.

Access to government services and information has a potential to improve the living conditions of citizens. The Thusong and the Community Development Worker Programmes are central to the Department's contribution towards increasing access to government services and information to communities.

For the year under review, over 1,3 million government services and information were

accessed by citizens through the Thusong Service Centres located in various municipalities and the Thusong Outreaches which are conducted in remote locations, including farming areas based on the needs of each community. To support the functionality of the Thusong Service Centres, the Department conducts quarterly functionality assessments of these centres using a score card. The results of the assessments inform the development of support plans and consideration of operational and maintenance funding.

The Community Development Workers located in the districts and the Metro, assist with providing information directly to communities. At the end of the financial year, the Community Development Worker Programme provided support to 70 small scale initiatives aimed at improving access to economic opportunities across the Province. These initiatives are classified as food security and local economic development and these focus areas have contributed towards a positive impact on the lives of beneficiaries.

One of the objectives of local government in terms of section 152(1)(a) of the Constitution of the Republic of South Africa, is for a municipality to encourage the involvement of communities in the matters of local government. Development of frameworks within which public participation will be conducted in a municipality, indicates its commitment to encourage structured community participation and create a conducive environment for the engagement with the public. Following the establishment of the ward committees in municipalities after the 2016 local government elections, the Department provided training to ward committees and further supported municipalities with the review of public participation and ward committee policies. Furthermore, assistance was provided with the development of ward committee operational plans, including initiatives such as the “know your ward committee campaign”.

Realising that citizens also have an obligation to participate in the affairs of their municipality, the Department identified a need to conduct civic education on public participation. To this end, eight civic education videos were completed at the end of the financial year, which cover the following topics:

- What is local government?
- What are municipalities and how are they structured?
- What is the role of a municipal council?
- What can I expect from my municipality?
- What are municipal services?
- What is the role of ward committees in a municipality?
- What is a responsive citizen?
- How can people participate in municipal processes?

Budget allocation gives effect to the realisation of the goals and objectives including targets contained in the strategic planning documents of a municipality. It is therefore of outmost importance that alignment must be maintained between planning and budgeting within a municipality. To support municipalities in this regard, the Department annually assesses the Integrated Development Plans (IDPs) of municipalities. During the year under review, the focus of the IDP assessment was mainly on the alignment between planning and budgeting.

Support with drought declarations

The 2017/18 financial year was an extremely busy period for the Department due to the ongoing impact of climate change being experienced in the Province. Consequently, a number of environmental challenges such as drought, fires and health related threats severely affected various areas across the Province. A provincial state of disaster was declared in terms of section 41 of the Disaster Management Act, (Act 57 of 2002), on 23 May 2017 by the Premier. The effects of the climate change did not affect the Province only, as a national state of disaster for drought was declared by the National Minister of Co-operative Governance in three provinces (Western Cape, Northern Cape and the Eastern Cape) on 13 March 2018.

Through the Provincial Disaster Management Centre, the Department acted as a point of coordination for drought in the Province where plans of various stakeholders were discussed and response measures with the following four focus areas were put in place:

- Water Security Risk: Access to sufficient water to drink and maintain health and hygiene;

- Optimising essential mandated service delivery;
- Humanitarian Security Risk: Access to appropriate humanitarian assistance;
- Economic Security Risk: Protect the economy, livelihoods and economic opportunities; and
- Safety & Security Risk: Enable Constitutionally-guaranteed rights.

As part of water security, the Department supported municipalities to prevent water shortages through providing technical and financial assistance to municipalities with regards to water augmentation programmes as well as water conservation and demand management. Geo-hydrologists were appointed to assist municipalities with geo-hydrological services and to oversee the installation of borehole data loggers to ensure the long term sustainable abstraction of aquifers. Water augmentation measures, such as the drilling and equipping of boreholes and the associated linking of infrastructure were undertaken in various municipalities.

Preventing water shortages, implies that water resources must be managed effectively. To this end, making use of various media platforms, the Department intensified its assistance to municipalities by conducting awareness campaigns in a drive towards reducing the demand and thereby providing adequate time for the various water augmentation schemes to come on board. Additional to the use of media platforms, the CDWs in some parts of the Province conducted door to door campaigns. The fire and flood awareness campaigns which are conducted in schools were extended to include water conservation/drought. The campaign was conducted in 110 primary schools in the West Coast District reaching a total of 47 865 learners. The collective efforts of the various stakeholders, including the community, yielded fruits as communities responded positively to the call to reduce water usage.

Various working streams responsible for preparedness planning to ensure that the Province is

ready in the event that there was limited or restricted water were established by the Department. The Department continues to implement a long-term water planning approach to ensure resilience of the Province given the predicted impact of climate change in the future.

The PDMC in collaboration with Corporate GIS, developed the Western Cape Drought Risk Atlas (DRA) which is a web-based tool containing a variety of data sets relevant to the drought. It includes the latest dam levels, critical infrastructure, risk levels of towns and municipalities as well as the spatial extent of dams over a time series. The DRA allows decision makers to make informed decisions regarding risk reduction interventions and contingencies.

12. Prior modifications to audit reports

- None.

13. Exemptions and deviations received from the National Treasury

- None.

14. Interim Financial Statements

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

15. Approval

- The Annual Financial Statements set out on pages 149 - 215 have been approved by the Accounting Officer.



Mr Graham Paulse
ACCOUNTING OFFICER
DATE: 31 August 2018

Auditor General's Report

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Department of Local Government set out on pages 149 - 206, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, 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 to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Local Government as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the Department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have

fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matter

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

Material underspending of vote

7. As disclosed in note 4.1 to the appropriation statement, the department materially underspent its overall budget by R15,9 million (4,4%). The explanations of material variances from amounts voted per programme and the standard classifications are set out in notes 4.1 and 4.2 to the appropriation statement.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 207 - 215 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.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements

that are free from material misstatement, whether due to fraud or error.

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

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

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

Report on the audit of the annual performance report

Introduction and scope

- 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 material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

- My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

- I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 - local governance	35 - 50
Programme 3 - development and planning	53 - 63

- I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- I did not raise 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

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 35 - 50 and 53 - 63 for information on the achievement of planned targets for the year and explanations for the under- or overachievement of a significant number of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

Other information

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

24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

Auditor General

Cape Town
31 July 2018



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure -Auditor-general's responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the

financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease continuing as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

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

I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

APPROPRIATION STATEMENT for the year ended 31 March 2018

Appropriation per programme

2017/18								2016/17	
Voted funds and Direct charges	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Programme									
1. Administration	42 023	-	1 424	43 447	42 153	1 294	97,0	35 319	33 940
2. Local Governance	211 104	-	(587)	210 517	206 675	3 842	98,2	133 816	132 247
3. Development and Planning	106 585	-	(837)	105 748	94 984	10 764	89,8	69 611	68 747
4. Traditional Institutional Management	1	-	-	1	-	1	-	1	-
Total	359 713	-	-	359 713	343 812	15 901	95,6	238 747	234 934
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				1 007				177	
Actual amounts per Statement of Financial Performance (Total Revenue)				360 720				238 924	
Actual amounts per Statement of Financial Performance Expenditure					343 812				234 934

APPROPRIATION STATEMENT for the year ended 31 March 2018

Appropriation per programme

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	224 282	(102)	(477)	223 703	207 802	15 901	92,9	190 061	186 248
Compensation of employees	156 836	(79)	-	156 757	149 620	7 137	95,4	141 239	137 473
Salaries and wages	135 337	(14)	-	135 323	128 739	6 584	95,1	122 077	118 738
Social contributions	21 499	(65)	-	21 434	20 881	553	97,4	19 162	18 735
Goods and services	67 446	(23)	(477)	66 946	58 182	8 764	86,9	48 822	48 775
Administrative fees	501	34	(11)	524	524	-	100,0	409	409
Advertising	4 159	192	680	5 031	5 031	-	100,0	3 792	3 792
Minor assets	179	(27)	(3)	149	149	-	100,0	514	514
Audit costs: External	2 352	187	267	2 806	2 806	-	100,0	2 018	2 018
Bursaries: Employees	317	(122)	-	195	195	-	100,0	378	378
Catering: Departmental activities	1 818	(84)	(36)	1 698	1 698	-	100,0	1 963	1 963
Communication (G&S)	1 073	(56)	(16)	1 001	1 001	-	100,0	868	868
Computer services	1 447	(281)	-	1 166	1 166	-	100,0	2 632	2 632
Consultants: Business and advisory services	14 272	(639)	(844)	12 789	11 415	1 374	89,3	5 088	5 088
Legal services	1 008	(30)	(23)	955	955	-	100,0	1 710	1 710
Contractors	20 520	307	(27)	20 800	13 991	6 809	67,3	11 720	11 720
Agency and support / outsourced services	121	(121)	-	-	-	-	-	171	171
Entertainment	61	(17)	-	44	44	-	100,0	26	26
Fleet services (including government motor transport)	2 477	172	(50)	2 599	2 599	-	100,0	2 410	2 410
Consumable supplies	965	(199)	(93)	673	673	-	100,0	588	588
Consumable: Stationery, printing and office supplies	518	62	(3)	577	577	-	100,0	729	729
Operating leases	398	(39)	-	359	359	-	100,0	523	523
Property payments	2 106	(1,107)	(11)	988	988	-	100,0	892	892

APPROPRIATION STATEMENT for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Transport provided: Departmental activity	130	141	-	271	271	-	100,0	165	165
Travel and subsistence	7 410	(406)	(14)	6 990	6 409	581	91,7	5 704	5 704
Training and development	2 365	878	(147)	3 096	3 096	-	100,0	2 884	2 884
Operating payments	1 926	1,214	(94)	3 046	3 046	-	100,0	2 380	2 333
Venues and facilities	1 201	(55)	(52)	1 094	1 094	-	100,0	967	967
Rental and hiring	122	(27)	-	95	95	-	100,0	291	291
Transfers and subsidies	132 140	80	-	132 220	132 220	-	100,0	43 947	43 947
Provinces and municipalities	131 102	-	-	131 102	131 102	-	100,0	41 262	41 262
Municipalities	131 102	-	-	131 102	131 102	-	100,0	41 262	41 262
Municipal bank accounts	131 102	-	-	131 102	131 102	-	100,0	41 262	41 262
Departmental agencies and accounts	416	1	-	417	417	-	100,0	1 039	1 039
Departmental agencies (non-business entities)	416	1	-	417	417	-	100,0	1 039	1 039
Non-profit institutions	414	-	-	414	414	-	100,0	986	986
Households	208	79	-	287	287	-	100,0	660	660
Social benefits	208	79	-	287	287	-	100,0	148	148
Other transfers to households	-	-	-	-	-	-	-	512	512
Payments for capital assets	3 223	61	477	3 761	3 761	-	100,0	4 651	4 651
Machinery and equipment	3 223	61	477	3 761	3 761	-	100,0	4 634	4 634
Transport equipment	2 075	22	143	2 240	2 240	-	100,0	2 125	2 125
Other machinery and equipment	1 148	39	334	1 521	1 521	-	100,0	2 509	2 509
Payment for financial assets	68	(39)	-	29	29	-	100,0	88	88
Total	359 713	-	-	359 713	343 812	15 901	95,6	238 747	234 934

APPROPRIATION STATEMENT for the year ended 31 March 2018

Programme 1: ADMINISTRATION

2017/18								2016/17	
Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Office of the MEC	-	-	-	-	-	-	-	-	-
2. Corporate Services	42 023	-	1 424	43 447	42 153	1 294	97,0	35 319	33 940
Total	42 023	-	1 424	43 447	42 153	1 294	97,0	35 319	33 940

2017/18								2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	39 043	37	947	40 027	38 733	1 294	96,8	31 570	30 191
Compensation of employees	26 830	(1)	-	26 829	25 535	1 294	95,2	22 290	20 911
Salaries and wages	23 193	(1)	-	23 192	21 991	1 201	94,8	19 357	18 130
Social contributions	3 637	-	-	3 637	3 544	93	97,4	2 933	2 781
Goods and services	12 213	38	947	13 198	13 198	-	100,0	9 280	9 280
Administrative fees	209	(15)	-	194	194	-	100,0	119	119
Advertising	2 650	315	680	3 645	3 645	-	100,0	881	881
Minor assets	105	(31)	-	74	74	-	100,0	306	306
Audit costs: External	2 352	187	267	2 806	2 806	-	100,0	2 018	2 018
Bursaries: Employees	317	(122)	-	195	195	-	100,0	378	378
Catering: Departmental activities	41	74	-	115	115	-	100,0	82	82
Communication (G&S)	383	12	-	395	395	-	100,0	325	325
Computer services	364	(19)	-	345	345	-	100,0	317	317
Consultants: Business and advisory services	160	40	-	200	200	-	100,0	8	8
Contractors	246	(223)	-	23	23	-	100,0	22	22
Entertainment	15	(4)	-	11	11	-	100,0	6	6

APPROPRIATION STATEMENT for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Fleet services (including government motor transport)	2 166	158	-	2 324	2 324	-	100,0	2 057	2 057
Consumable supplies	85	26	-	111	111	-	100,0	167	167
Consumable: Stationery, printing and office supplies	459	50	-	509	509	-	100,0	561	561
Operating leases	298	(41)	-	257	257	-	100,0	362	362
Property payments	8	(2)	-	6	6	-	100,0	31	31
Travel and subsistence	410	-	-	410	410	-	100,0	275	275
Training and development	841	(55)	-	786	786	-	100,0	489	489
Operating payments	775	(139)	-	636	636	-	100,0	750	750
Venues and facilities	329	(173)	-	156	156	-	100,0	126	126
Transfers and subsidies	16	2	-	18	18	-	100,0	23	23
Departmental agencies and accounts	2	1	-	3	3	-	100,0	2	2
Departmental agencies (non-business entities)	2	1	-	3	3	-	100,0	2	2
Households	14	1	-	15	15	-	100,0	21	21
Social benefits	14	1	-	15	15	-	100,0	21	21
Payments for capital assets	2 896	-	477	3 373	3 373	-	100,0	3 638	3 638
Machinery and equipment	2 896	-	477	3 373	3 373	-	100,0	3 638	3 638
Transport equipment	2 020	-	143	2 163	2 163	-	100,0	1 977	1 977
Other machinery and equipment	876	-	334	1 210	1 210	-	100,0	1 661	1 661
Payment for financial assets	68	(39)	-	29	29	-	100,0	88	88
Total	42 023	-	1 424	43 447	42 153	1 294	97,0	35 319	33 940

APPROPRIATION STATEMENT for the year ended 31 March 2018

Sub-programme 1.2: Corporate Services

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	39 043	37	947	40 027	38 733	1 294	96,8	31 570	30 191
Compensation of employees	26 830	(1)	-	26 829	25 535	1 294	95,2	22 290	20 911
Goods and services	12 213	38	947	13 198	13 198	-	100,0	9 280	9 280
Transfers and subsidies	16	2	-	18	18	-	100,0	23	23
Departmental agencies and accounts	2	1	-	3	3	-	100,0	2	2
Households	14	1	-	15	15	-	100,0	21	21
Payments for capital assets	2 896	-	477	3 373	3 373	-	100,0	3 638	3 638
Machinery and equipment	2 896	-	477	3 373	3 373	-	100,0	3 638	3 638
Payment for financial assets	68	(39)	-	29	29	-	100,0	88	88
Total	42 023	-	1 424	43 447	42 153	1 294	97,0	35 319	33 940

APPROPRIATION STATEMENT for the year ended 31 March 2018

Programme 2: LOCAL GOVERNMENT

		2017/18						2016/17	
Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Municipal Administration	9 150	-	(60)	9 090	8 115	975	89,3	9 713	9 312
2. Public Participation	9 627	133	-	9 760	9 678	82	99,2	9 668	9 635
3. Capacity Development	12 253	-	(430)	11 823	11 480	343	97,1	12 955	12 848
4. Municipal Performance, Monitoring, Reporting And Evaluation	105 160	-	-	105 160	103 971	1 189	98,9	31 933	31 329
5. Service Delivery Integration	10 971	(58)	(36)	10 877	10 748	129	98,8	9 968	9 690
6. Community Development Worker Programme	63 943	(75)	(61)	63 807	62 683	1 124	98,2	59 579	59 433
Total	211 104	-	(587)	210 517	206 675	3 842	98,2	133 816	132 247

APPROPRIATION STATEMENT for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	115 300	(106)	(587)	114 607	110 765	3 842	96,6	108 078	106 509
Compensation of employees	96 262	(78)	-	96 184	93 370	2 814	97,1	89 603	88 034
Salaries and wages	82 198	(25)	-	82 173	79 786	2 387	97,1	76 622	75 271
Social contributions	14 064	(53)	-	14 011	13 584	427	97,0	12 981	12 763
Goods and services	19 038	(28)	(587)	18 423	17 395	1 028	94,4	18 475	18 475
Administrative fees	158	50	-	208	208	-	100,0	175	175
Advertising	1 501	(292)	-	1 209	1 209	-	100,0	1 491	1 491
Minor assets	34	(1)	(3)	30	30	-	100,0	16	16
Catering: Departmental activities	1 019	(121)	(36)	862	862	-	100,0	990	990
Communication (G&S)	343	(56)	-	287	287	-	100,0	238	238
Computer services	824	(262)	-	562	562	-	100,0	2 044	2 044
Consultants: Business and advisory services	6 053	(438)	(430)	5 185	4 187	998	80,8	3 492	3 492
Legal services	1 008	(30)	(23)	955	955	-	100,0	1 710	1 710
Contractors	1 029	(649)	-	380	380	-	100,0	1 070	1 070
Agency and support / outsourced services	121	(121)	-	-	-	-	-	171	171
Entertainment	31	(7)	-	24	24	-	100,0	13	13
Fleet services (including government motor transport)	304	12	(50)	266	266	-	100,0	343	343
Consumable supplies	142	(81)	-	61	61	-	100,0	22	22
Consumable: Stationery, printing and office supplies	57	4	(3)	58	58	-	100,0	75	75
Operating leases	9	(9)	-	-	-	-	-	-	-
Property payments	167	(29)	(11)	127	127	-	100,0	103	103
Transport provided: Departmental activity	130	134	-	264	264	-	100,0	165	165

APPROPRIATION STATEMENT for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Travel and subsistence	4 200	(517)	-	3 683	3 653	30	99,2	3 292	3 292
Training and development	866	933	(12)	1 787	1 787	-	100,0	1 578	1 578
Operating payments	579	1,371	(19)	1 931	1 931	-	100,0	816	816
Venues and facilities	341	108	-	449	449	-	100,0	380	380
Rental and hiring	122	(27)	-	95	95	-	100,0	291	291
Transfers and subsidies	95 680	78	-	95 758	95 758	-	100,0	25 540	25 540
Provinces and municipalities	95 635	-	-	95 635	95 635	-	100,0	24 632	24 632
Municipalities	95 635	-	-	95 635	95 635	-	100,0	24 632	24 632
Municipal bank accounts	95 635	-	-	95 635	95 635	-	100,0	24 632	24 632
Departmental agencies and accounts	-	-	-	-	-	-	-	30	30
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	30	30
Non-profit institutions	-	-	-	-	-	-	-	242	242
Households	45	78	-	123	123	-	100,0	636	636
Social benefits	45	78	-	123	123	-	100,0	124	124
Other transfers to households	-	-	-	-	-	-	-	512	512
Payments for capital assets	124	28	-	152	152	-	100,0	198	198
Machinery and equipment	124	28	-	152	152	-	100,0	181	181
Transport equipment	55	21	-	76	76	-	100,0	148	148
Other machinery and equipment	69	7	-	76	76	-	100,0	33	33
Software and other intangible assets	-	-	-	-	-	-	-	17	17
Total	211 104	-	(587)	210 517	206 675	3 842	98,2	133 816	132 247

APPROPRIATION STATEMENT for the year ended 31 March 2018

Sub-programme: 2.1: Municipal Administration

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	9 140	(8)	(60)	9 072	8 097	975	89,3	9 713	9 312
Compensation of employees	7 363	(7)	-	7 356	6 381	975	86,7	6 939	6 538
Goods and services	1 777	(1)	(60)	1 716	1 716	-	100,0	2 774	2 774
Transfers and subsidies	-	7	-	7	7	-	100,0	-	-
Households	-	7	-	7	7	-	100,0	-	-
Payments for capital assets	10	1	-	11	11	-	100,0	-	-
Machinery and equipment	10	1	-	11	11	-	100,0	-	-
Total	9 150	-	(60)	9 090	8 115	975	89,3	9 713	9 312

Sub-programme: 2.2: Public Participation

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	9 626	116	-	9 742	9 660	82	99,2	9 658	9 625
Compensation of employees	7 004	(1)	-	7 003	6 921	82	98,8	6 899	6 866
Goods and services	2 622	117	-	2 739	2 739	-	100,0	2 759	2 759
Transfers and subsidies	1	1	-	2	2	-	100,0	7	7
Households	1	1	-	2	2	-	100,0	7	7
Payments for capital assets	-	16	-	16	16	-	100,0	3	3
Machinery and equipment	-	16	-	16	16	-	100,0	3	3
Total	9 627	133	-	9 760	9 678	82	99,2	9 668	9 635

APPROPRIATION STATEMENT for the year ended 31 March 2018

Sub-programme: 2.3: Capacity Development

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	12 243	(4)	(430)	11 809	11 466	343	97,1	12 938	12 831
Compensation of employees	9 459	(4)	-	9 455	9 112	343	96,4	8 992	8 885
Goods and services	2 784	-	(430)	2 354	2 354	-	100,0	3 946	3 946
Transfers and subsidies	10	4	-	14	14	-	100,0	-	-
Households	10	4	-	14	14	-	100,0	-	-
Payments for capital assets	-	-	-	-	-	-	-	17	17
Software and other intangible assets	-	-	-	-	-	-	-	17	17
Total	12 253	-	(430)	11 823	11 480	343	97,1	12 955	12 848

Sub-programme: 2.4: Municipal Performance, Monitoring, Reporting and Evaluation

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	13 860	(58)	-	13 802	12 613	1 189	91,4	11 377	10 773
Compensation of employees	5 977	(58)	-	5 919	5 758	161	97,3	5 887	5 283
Goods and services	7 883	-	-	7 883	6 855	1 028	87,0	5 490	5 490
Transfers and subsidies	91 300	58	-	91 358	91 358	-	100,0	20 556	20 556
Provinces and municipalities	91 300	-	-	91 300	91 300	-	100,0	20 526	20 526
Departmental agencies and accounts	-	-	-	-	-	-	-	30	30
Households	-	58	-	58	58	-	100,0	-	-
Total	105 160	-	-	105 160	103 971	1 189	98,9	31 933	31 329

APPROPRIATION STATEMENT for the year ended 31 March 2018

Sub-programme: 2.5: Service Delivery Integration

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	9 690	(69)	(36)	9 585	9 456	129	98,7	8 648	8 370
Compensation of employees	7 439	-	-	7 439	7 310	129	98,3	6 417	6 139
Goods and services	2 251	(69)	(36)	2 146	2 146	-	100,0	2 231	2 231
Transfers and subsidies	1 275	-	-	1 275	1 275	-	100,0	1 288	1 288
Provinces and municipalities	1 275	-	-	1 275	1 275	-	100,0	1 046	1 046
Non-profit institutions	-	-	-	-	-	-	-	242	242
Payments for capital assets	6	11	-	17	17	-	100,0	32	32
Machinery and equipment	6	11	-	17	17	-	100,0	32	32
Total	10 971	(58)	(36)	10 877	10 748	129	98,8	9 968	9 690

Sub-programme: 2.6: Community Development Worker Programme

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	60 741	(83)	(61)	60 597	59 473	1 124	98,1	55 744	55 598
Compensation of employees	59 020	(8)	-	59 012	57 888	1 124	98,1	54 469	54 323
Goods and services	1 721	(75)	(61)	1 585	1 585	-	100,0	1 275	1 275
Transfers and subsidies	3 094	8	-	3 102	3 102	-	100,0	3 689	3 689
Provinces and municipalities	3 060	-	-	3 060	3 060	-	100,0	3 060	3 060
Households	34	8	-	42	42	-	100,0	629	629
Payments for capital assets	108	-	-	108	108	-	100,0	146	146
Machinery and equipment	108	-	-	108	108	-	100,0	146	146
Total	63 943	(75)	(61)	63 807	62 683	1 124	98,2	59 579	59 433

APPROPRIATION STATEMENT for the year ended 31 March 2018

Programme 3: DEVELOPMENT AND PLANNING

2017/18								2016/17	
Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Municipal Infrastructure	39 089	-	(29)	39 060	36 524	2 536	93,5	18 335	18 250
2. Disaster Management	60 214	5	(592)	59 627	51 635	7 992	86,6	45 238	45 087
3. Integrated Development Planning Co-ordination	7 282	(5)	(216)	7 061	6 825	236	96,7	6 038	5 410
Total	106 585	-	(837)	105 748	94 984	10 764	89,8	69 611	68 747

APPROPRIATION STATEMENT for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	69 938	(33)	(837)	69 068	58 304	10 764	84,4	50 412	49 548
Compensation of employees	33 743	-	-	33 743	30 715	3 028	91,0	29 345	28 528
Salaries and wages	29 945	12	-	29 957	26 962	2 995	90,0	26 097	25 337
Social contributions	3 798	(12)	-	3 786	3 753	33	99,1	3 248	3 191
Goods and services	36 195	(33)	(837)	35 325	27 589	7 736	78,1	21 067	21 020
Administrative fees	134	(1)	(11)	122	122	-	100,0	115	115
Advertising	8	169	-	177	177	-	100,0	1 420	1 420
Minor assets	40	5	-	45	45	-	100,0	192	192
Catering: Departmental activities	758	(37)	-	721	721	-	100,0	891	891
Communication (G&S)	347	(12)	(16)	319	319	-	100,0	305	305
Computer services	259	-	-	259	259	-	100,0	271	271
Consultants: Business and advisory services	8 059	(241)	(414)	7 404	7 028	376	94,9	1 588	1 588
Contractors	19 245	1 179	(27)	20 397	13 588	6 809	66,6	10 628	10 628
Entertainment	15	(6)	-	9	9	-	100,0	7	7
Fleet services (including government motor transport)	7	2	-	9	9	-	100,0	10	10
Consumable supplies	738	(144)	(93)	501	501	-	100,0	399	399
Consumable: Stationery, printing and office supplies	2	8	-	10	10	-	100,0	93	93
Operating leases	91	11	-	102	102	-	100,0	161	161
Property payments	1 931	(1 076)	-	855	855	-	100,0	758	758
Transport provided: Departmental activity	-	7	-	7	7	-	100,0	-	-
Travel and subsistence	2 800	111	(14)	2 897	2 346	551	81,0	2 137	2 137
Training and development	658	-	(135)	523	523	-	100,0	817	817

APPROPRIATION STATEMENT for the year ended 31 March 2018

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Operating payments	572	(18)	(75)	479	479	-	100,0	814	767
Venues and facilities	531	10	(52)	489	489	-	100,0	461	461
Transfers and subsidies	36 444	-	-	36 444	36 444	-	100,0	18 384	18 384
Provinces and municipalities	35 467	-	-	35 467	35 467	-	100,0	16 630	16 630
Municipalities	35 467	-	-	35 467	35 467	-	100,0	16 630	16 630
Municipal bank accounts	35 467	-	-	35 467	35 467	-	100,0	16 630	16 630
Departmental agencies and accounts	414	-	-	414	414	-	100,0	1 007	1 007
Departmental agencies (non-business entities)	414	-	-	414	414	-	100,0	1 007	1 007
Non-profit institutions	414	-	-	414	414	-	100,0	744	744
Households	149	-	-	149	149	-	100,0	3	3
Social benefits	149	-	-	149	149	-	100,0	3	3
Payments for capital assets	203	33	-	236	236	-	100,0	815	815
Machinery and equipment	203	33	-	236	236	-	100,0	815	815
Transport equipment	-	1	-	1	1	-	100,0	-	-
Other machinery and equipment	203	32	-	235	235	-	100,0	815	815
Total	106 585	-	(837)	105 748	94 984	10 764	89,8	69 611	68 747

APPROPRIATION STATEMENT for the year ended 31 March 2018

Sub-programme: 3.1: Municipal Infrastructure

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	18 140	(1)	(29)	18 110	15 574	2 536	86,0	11 505	11 420
Compensation of employees	11 235	-	-	11 235	9 050	2 185	80,6	9 522	9 437
Goods and services	6 905	(1)	(29)	6 875	6 524	351	94,9	1 983	1 983
Transfers and subsidies	20 949	-	-	20 949	20 949	-	100,0	6 830	6 830
Provinces and municipalities	20 807	-	-	20 807	20 807	-	100,0	6 830	6 830
Households	142	-	-	142	142	-	100,0	-	-
Payments for capital assets	-	1	-	1	1	-	100,0	-	-
Machinery and equipment	-	1	-	1	1	-	100,0	-	-
Total	39 089	-	(29)	39 060	36 524	2 536	93,5	18 335	18 250

APPROPRIATION STATEMENT for the year ended 31 March 2018

Sub-programme: 3.2: Disaster Management

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	44 537	(32)	(592)	43 913	35 921	7 992	81,8	32 875	32 724
Compensation of employees	16 487	-	-	16 487	15 880	607	96,3	14 889	14 738
Goods and services	28 050	(32)	(592)	27 426	20 041	7 385	73,1	17 986	17 986
Transfers and subsidies	15 495	-	-	15 495	15 495	-	100,0	11 554	11 554
Provinces and municipalities	14 660	-	-	14 660	14 660	-	100,0	9 800	9 800
Departmental agencies and accounts	414	-	-	414	414	-	100,0	1 007	1 007
Non-profit institutions	414	-	-	414	414	-	100,0	744	744
Households	7	-	-	7	7	-	100,0	3	3
Payments for capital assets	182	37	-	219	219	-	100,0	809	809
Machinery and equipment	182	37	-	219	219	-	100,0	809	809
Total	60 214	5	(592)	59 627	51 635	7 992	86,6	45 238	45 087

Sub-programme: 3.3: Integrated Development Planning Co- ordination

Economic classification	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	7 261	-	(216)	7 045	6 809	236	96,7	6 032	5 404
Compensation of employees	6 021	-	-	6 021	5 785	236	96,1	4 934	4 353
Goods and services	1 240	-	(216)	1 024	1 024	-	100,0	1 098	1 051
Payments for capital assets	21	(5)	-	16	16	-	100,0	6	6
Machinery and equipment	21	(5)	-	16	16	-	100,0	6	6
Total	7 282	(5)	(216)	7 061	6 825	236	96,7	6 038	5 410

APPROPRIATION STATEMENT for the year ended 31 March 2018

Programme 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

2017/18								2016/17	
Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Traditional Institutional Administration	1	-	-	1	-	1	-	1	-
Total	1	-	-	1	-	1	-	1	-

2017/18								2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	1	-	-	1	-	1	-	1	-
Compensation of employees	1	-	-	1	-	1	-	1	-
Salaries and wages	1	-	-	1	-	1	-	1	-
Total	1	-	-	1	-	1	-	1	-

Sub-programme: 4.1: Traditional Institutional Administration

2017/18								2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure 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 2018

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 to 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 R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
ADMINISTRATION	43 447	42 153	1 294	97,0%

Explanation of variance: The under-spending on Compensation of Employees is due to delays in the filling of vacant posts, resignations and promotions of officials as well as earmarked funds allocated for drought capacity.

LOCAL GOVERNANCE	210 517	206 675	3 842	98,2%
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Explanation of variance: The under-spending on Compensation of Employees is due to delays in the filling of vacant posts, resignations and promotions of officials. The underspending on Goods and Services is due to the appointment of a service provider to conduct research work and develop an assessment framework for the Provincial Interventions undertaken in municipalities in the Western Cape. Furthermore, the underspending on Goods and services relates to unspent earmarked funds.

DEVELOPMENT AND PLANNING	105 748	94 984	10 764	89,8%
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Explanation of variance: The under-spending on Compensation of Employees is due to delays in the filling of vacant posts, resignations and promotions of officials as well as earmarked funds allocated for drought capacity. The underspending on Goods and Services is mainly due to the earmarked funds allocated to assist with the Knysna fires. Due to the unpredictable nature of the fire season and the prolonged drought, additional funds were allocated to this project.

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

4.2 Per economic classification

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
Current expenditure				
Compensation of employees	156 757	149 620	7 137	95,4
Goods and services	66 946	58 182	8 764	86,9
Transfers and subsidies				
Provinces and municipalities	131 102	131 102	-	100,0
Departmental agencies and accounts	417	417	-	100,0
Non-profit institutions	414	414	-	100,0
Households	287	287	-	100,0
Payments for capital assets				
Machinery and equipment	3 761	3 761	-	100,0
Payments for financial assets	29	29	-	100,0

Explanation of variance: The under-spending on Compensation of Employees is due to delays in the filling of vacant posts, resignations and promotions of officials. The under-spending on Goods and Services is mainly due to the earmarked funds allocated to assist with the Knysna fires. Due to the unpredictable nature of the fire season and the prolonged drought, additional funds were allocated towards this project. Furthermore, the under-spending on Goods and Services relates to the appointment of a service provider to conduct research work and develop an assessment framework for the Provincial Interventions undertaken in municipalities in the Western Cape as well as unspent earmarked funds.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	359 713	238 747
Departmental revenue	2	1 007	177
TOTAL REVENUE		360 720	238 924
EXPENDITURE			
Current expenditure			
Compensation of employees	3	149 620	137 473
Goods and services	4	58 182	48 775
Total current expenditure		207 802	186 248
Transfers and subsidies			
Transfers and subsidies	6	132 220	43 947
Total transfers and subsidies		132 220	43 947
Expenditure for capital assets			
Tangible assets	7	3 761	4 634
Intangible assets	7	-	17
Total expenditure for capital assets		3 761	4 651
Payments for financial assets	5	29	88
TOTAL EXPENDITURE		343 812	234 934
SURPLUS/(DEFICIT) FOR THE YEAR		16 908	3 990
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		15 901	3 813
Annual appropriation		15 901	3 813
Departmental revenue and NRF Receipts	12	1 007	177
SURPLUS/(DEFICIT) FOR THE YEAR		16 908	3 990

STATEMENT OF FINANCIAL POSITION

as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current Assets		15 911	3 972
Cash an cash equivalents	8	15 584	3 158
Prepayments and advances	9	25	22
Receivables	10	302	792
TOTAL ASSETS		15 911	3 972
LIABILITIES			
Current Liabilities		15 910	3 829
Voted funds to be surrendered to the Revenue Fund	11	15 901	3 813
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	9	16
TOTAL LIABILITIES		15 910	3 829
NET ASSETS		1	143
Represented by:			
Recoverable revenue		1	143
TOTAL		1	143

STATEMENT OF CHANGES IN NET ASSETS as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
NET ASSETS			
Recoverable revenue			
Opening balance		143	29
Transfers		(142)	114
Debts revised		(136)	-
Debts recovered (included in departmental receipts)		(7)	(39)
Debts raised		1	153
Closing balance		1	143
TOTAL		1	143

CASH FLOW STATEMENT

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
		360 741	238,913
Annual appropriated funds received	1.1	359 713	238 747
Departmental revenue received	2	1 027	164
Interest received	2.2	1	2
Net (increase)/ decrease in working capital		487	(407)
Surrendered to Revenue Fund		(4 880)	(5 579)
Current payments		(207 802)	(186 248)
Payments for financial assets		(29)	(88)
Transfers and subsidies paid		(132 220)	(43 947)
Net cash flow available from operating activities	13	16 297	2 644
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(3 761)	(4 651)
Proceeds from sale of capital assets	2.3	32	61
Net cash flows from investing activities		(3 729)	(4 590)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(142)	114
Net cash flows from financing activities		(142)	114
Net increase/ (decrease) in cash and cash equivalents		12 426	(1 832)
Cash and cash equivalents at beginning of period		3 158	4 990
Cash and cash equivalents at end of period	14	15 584	3 158

Summary of significant accounting policies

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

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

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

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

[Cash Flow Statement, Expenditure, Revenue]

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment/ receipt.

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

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

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

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

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

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

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

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

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

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 as a current liability.

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

11. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

Prepayments are recognised as expenditure if the prepayment is material and was budgeted for as an expense in the year in which the actual prepayment was made.

12. Loans and receivables

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

13. Investments

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

14. Financial assets

14.1 Financial assets (not covered elsewhere)

[General Departmental Assets and Liabilities]

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

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

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

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

16. Capital Assets

16.1 Immovable capital assets

[Capital Assets]

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2 Movable capital assets

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

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R 1.

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

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 R 1.

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

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.

16.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

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

17.4 Commitments

Commitments (other than for transfers and subsidies) 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 therefore 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.

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

22. Events after the reporting date

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

23. Principal-Agent arrangements

The Department does not have any Principal-Agent arrangements.

24. Departures from the MCS requirements

The Department had no departures from the MCS requirements.

25. Capitalisation reserve

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

26. Recoverable revenue

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

27. Related party disclosures

27.1 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.

27.2 Key management personnel

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.

28. Inventories

At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements.

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

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and replacement value.

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

29. Public-Private Partnerships

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

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

1. Appropriation

1.1 Annual Appropriation

Programmes	2017/18			2016/17	
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation Received R'000
ADMINISTRATION	43 447	43 447	-	35 871	35 871
LOCAL GOVERNANCE	210 517	210 517	-	136 519	136 519
DEVELOPMENT AND PLANNING	105 748	105 748	-	66 356	66 356
TRADITIONAL INSTITUTIONAL MANAGEMENT	1	1	-	1	1
Total	359 713	359 713	-	238 747	238 747

	Note	2017/18 R'000	2016/17 R'000
2. Departmental Revenue			
Sales of goods and services other than capital assets	2.1	101	110
Interest, dividends and rent on land	2.2	1	2
Sales of capital assets	2.3	32	61
Transactions in financial assets and liabilities	2.4	926	54
Total revenue collected		1 060	227
Less: Own revenue included in appropriation	12	53	50
Departmental revenue collected		1 007	177

2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		97	88
Other sales		97	88
Sales of scrap, waste and other used current goods		4	22
Total		101	110

Other sales consists of commission on insurance and garnishees.

2.2 Interest, dividends and rent on land	2		
Interest		1	2
Total		1	2

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
2.3 Sales of capital assets	2		
Tangible assets		32	61
Machinery and equipment	24	32	61
Total		32	61

Sales of capital assets relates to disposal of redundant/obsolete equipment sold to staff.

2.4 Transactions in financial assets and liabilities	2		
Other Receipts including Recoverable Revenue		926	54
Total		926	54

Included in Other Receipts including Recoverable Revenue are unspent funds of previous financial years received back from municipalities.

3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		105 293	95 371
Performance award		1 169	1 877
Service Based		134	64
Compensative/circumstantial		2 622	3 067
Other non-pensionable allowances		19 521	18 358
Total		128 739	118 737

The increase is due to the impact of the annual salary increase and filling of vacant posts.

3.2 Social contributions			
Employer contributions			
Pension		13 482	11 895
Medical		7 369	6 813
Bargaining council		30	28
Total		20 881	18 736

Total compensation of employees		149 620	137 473
Average number of employees		355	363

The increase is due to the impact of the annual salary increase and filling of vacant posts. Resignations and contracts ending resulted in a decrease of number of employees.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
4. Goods and services			
Administrative fees		524	409
Advertising		5 031	3 792
Minor assets	4.1	149	514
Bursaries (employees)		195	378
Catering		1 698	1 963
Communication		1 001	868
Computer services	4.2	1 166	2 632
Consultants: Business and advisory services		11 415	5 088
Legal services		955	1 710
Contractors		13 991	11 720
Agency and support / outsourced services		-	171
Entertainment		44	26
Audit cost - external	4.3	2 806	2 018
Fleet services		2 599	2 410
Consumables	4.4	1 250	1 317
Operating leases		359	523
Property payments	4.5	988	892
Rental and hiring		95	291
Transport provided as part of the departmental activities		271	165
Travel and subsistence	4.6	6 409	5 704
Venues and facilities		1 094	967
Training and development		3 096	2 884
Other operating expenditure	4.7	3 046	2 333
Total		58 182	48 775

Included in Administrative fees is CMATS (R 146 414), municipal gazettes (R 19 731) and travel agency fees (R 349 957).

Included in Advertising are the drought and fire awareness campaigns (R 4,4 million).

The increase in Communication is due to the increased fees of e-mobility with MTN.

Consultants increased due to the appointment of geohydrologists and geophysical surveys amounting to R 5,431 million.

Included in Contractors is fire fighting (R 13,326 million) which includes the Knysna fires.

Entertainment increased in terms of the departmental entertainment policy.

Included in Training are prepayments amounting to R 1,303 million for Municipal Mentoring and Coaching, Winter school and governance model research.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
4.1 Minor assets	4		
Tangible assets		149	514
Machinery and equipment		149	514
Total		149	514

4.2 Computer services	4		
SITA computer services		604	560
External computer service providers		562	2 072
Total		1 166	2 632

Included in SITA computer services is the maintenance on all audio visual and conference equipment (R 258 593).

4.3 Audit cost - external	4		
Regularity audits		2 806	2 018
Total		2 806	2 018

The increase is due to the tariffs charged by the Office of the Auditor-General and the timing of payments.

4.4 Consumables	4		
Consumable supplies		673	588
Uniform and clothing		-	23
Household supplies		128	95
Building material and supplies		477	462
IT consumables		62	6
Other consumables		6	2
Stationery, printing and office supplies		577	729
Total		1 250	1 317

4.5 Property payments	4		
Municipal services		2	2
Other		986	890
Total		988	892

Included in Other is firefighting and protection services (R496 000) and safeguarding and security (R395 511).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
4.6 Travel and subsistence	4		
Local		6 275	5 592
Foreign		134	112
Total		6 409	5 704

4.7 Other operating expenditure	4		
Professional bodies, membership and subscription fees		5	5
Resettlement cost		14	136
Other		3 027	2 192
Total		3 046	2 333

Included in Other is:

Printing and publications: Photocopies (R 241 971)

Educational flipchart posters (R 152 783)

Development of an awareness toolkit (R 302 332)

Local Government library in case (R 200 575)

Annual Performance Plan (R 143 640) and Annual Report (R 87 381)

5. Payments for financial assets			
Other material losses written off	5.1	29	82
Debts written off	5.2	-	6
Total		29	88

5.1 Other material losses written off	5		
Nature of losses			
GG vehicle damage		17	81
Damage to hired equipment		-	1
Damage to equipment		12	-
Total		29	82

The vehicle damage refers to a third party claim. Damage to equipment was the cost to repair two laptops.

5.2 Debts written off	5		
Nature of debts written off			
Other debt written off			
Salary overpayments		-	6
Total		-	6
Total debt written off		-	6

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
6. Transfers and Subsidies			
Provinces and municipalities	27	131 102	41 262
Departmental agencies and accounts	ANNEXURE 1B	417	1 039
Non-profit institutions	ANNEXURE 1C	414	986
Households	ANNEXURE 1D	287	660
Total		132 220	43 947

Included in the increased amount is the additional funding allocated due to the drought amounting to R 106 510 million.

7. Expenditure for capital assets			
Tangible assets		3 761	4 634
Machinery and equipment	24	3 761	4 634
Intangible assets	25	-	17
Software		-	17
Total		3 761	4 651

7.1 Analysis of funds utilised to acquire capital assets - 2017/18

	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	3 761	-	3 761
Machinery and equipment	3 761	-	3 761
Total	3 761	-	3 761

7.2 Analysis of funds utilised to acquire capital assets - 2016/17

Tangible assets	4 634	-	4 634
Machinery and equipment	4 634	-	4 634
Intangible assets	17	-	17
Software	17	-	17
Total	4 651	-	4 651

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
7.3 Finance lease expenditure included in Expenditure for capital assets			
Tangible assets			
Machinery and equipment		2 465	2 396
Total		2 465	2 396

8. Cash and Cash Equivalents			
Consolidated Paymaster General Account		15 564	3 138
Cash on hand		20	20
Total		15 584	3 158

Indicate any amounts of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments, indicating any restrictions on the use of these facilities; and the amount and nature of restricted cash balances

9. Prepayments and Advances			
Travel and subsistence		25	22
Total		25	22

9.1 Prepayments (Expensed)

	Note	Balance as at 1 April 2017 R'000	Less: Received in the current year R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2018 R'000
Goods and services		250	250	1 369	1 369
Total		250	250	1 369	1 369

Prepayments consist mainly of training and governance model research.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

10. Receivables

	Note	2017/18			2016/17		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	10.1	-	-	-	400	-	400
Recoverable expenditure	10.2	51	-	51	44	-	44
Staff debt	10.3	110	-	110	205	-	205
Fruitless and wasteful expenditure	10.4	-	-	-	2	-	2
Other debtors	10.5	141	-	141	141	-	141
Total		302	-	302	792	-	792

	Note	2017/18 R'000	2016/17 R'000
10.1 Claims recoverable	10		
Provincial departments		-	400
Total		-	400

	Note	2017/18 R'000	2016/17 R'000
10.2 Recoverable expenditure (disallowance accounts)	10		
Damages: GG vehicles		34	21
Theft and damages: Assets		17	23
Total		51	44

	Note	2017/18 R'000	2016/17 R'000
10.3 Staff debt	10		
Bursaries		1	5
Leave without pay		59	136
Income Tax		11	1
Salary		36	63
Subsistence and advance		3	-
Total		110	205

	Note	2017/18 R'000	2016/17 R'000
10.4 Other debtors	10		
SARS		141	141
Total		141	141

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
10.5 Fruitless and wasteful expenditure	10		
Opening balance		2	-
Less amounts recovered		(2)	-
Transfers from note 32 Fruitless and Wasteful expenditure		-	2
Total		-	2

10.6 Impairment of receivables			
Estimate of impairment of receivables		295	228
Total		295	228

The test for impairment of debt is done per individual debtor. Consideration is given to outstanding clearance certificates and out of service officials. The balance of Disallowance damages and losses account is also included due to the cases being under investigation.

11. Voted Funds to be surrendered to the Revenue Fund			
Opening balance		3 813	5 352
As restated		3 813	5 352
Transfer from statement of financial performance (as restated)		15 901	3 813
Paid during the year		(3 813)	(5 352)
Closing balance		15 901	3 813

12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		16	16
As restated		16	16
Transfer from Statement of Financial Performance (as restated)		1 007	177
Own revenue included in appropriation		53	50
Paid during the year		(1 067)	(227)
Closing balance		9	16

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
13. Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		16 908	3 990
Add back non cash/cash movements not deemed operating activities		(611)	(1 346)
(Increase)/decrease in receivables		490	(388)
(Increase)/decrease in prepayments and advances		(3)	(19)
Proceeds from sale of capital assets		(32)	(61)
Expenditure on capital assets		3 761	4 651
Surrenders to Revenue Fund		(4 880)	(5 579)
Own revenue included in appropriation		53	50
Net cash flow generated by operating activities		16 297	2 644

14. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		15 564	3 138
Cash on hand		20	20
Total		15 584	3 158

15. Contingent liabilities and contingent assets			
15.1 Contingent liabilities			
Liable to	Nature		
Intergovernmental payables (unconfirmed balances)	Annex 4	-	246
Total		-	246

15.2 Contingent assets	
A total number of 28 PILIR cases were received by the CSC, however 25 cases were approved and 3 cases were declined. These cases were all finalised but not measurable as at 31 March 2018. All 28 cases were assessed by the current Health Risk Manager (Alexander Forbes).	
At this stage the Department is not able to reliably measure the contingent asset in terms of the Government. Employees Housing Scheme of the Individually Linked Savings Facility (ILSF), relating to resignations and termination of service.	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
16. Commitment			
Current Expenditure			
Approved and contracted		1 669	1 200
		1 669	1 200
Capital Expenditure			
Approved and contracted		167	-
		167	-
Total Commitments		1 836	1 200

Current expenditure:

A total commitment amount of R145 224 for two cleaning service contracts ends in August 2019.
 A commitment amounting to R64 802 for maintenance to the franking machine ends March 2020.
 Two commitments amounting to R59 951 for telephone services ending February 2021.

	30 days	30+ days	2017/18 R'000 Total	2016/17 R'000 Total
17. Accruals and payables not recognised				
17.1 Accruals				
Listed by economic classification				
Goods and services	971	-	971	856
Capital assets	89	-	89	-
Total Commitments	1 060	-	1 060	856

Listed by programme level			
Programme 1: Administration		311	435
Programme 2: Local Governance		380	220
Programme 3: Development and Planning		369	201
Total		1 060	856

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	30 days	30+ days	2017/18 R'000 Total	2016/17 R'000 Total
17.2 Payables not recognised				
Listed by economic classification				
Goods and services	381	10	391	41
Capital assets	9	-	9	-
Total Commitments	390	10	400	41

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Programme 1: Administration		33	-
Programme 2: Local Governance		61	31
Programme 3: Development and Planning		306	10
Total		400	41

Included in the above totals are the following:			
Confirmed balances with departments	Annex 4	6	36
Confirmed balances with other government entities	Annex 4	65	9
Total		71	45

18. Employee benefits			
Leave entitlement		5 247	4 893
Service bonus (Thirteenth cheque)		3 980	3 536
Performance awards		906	1 565
Capped leave commitments		1 368	1 272
Other		384	269
Total		11 885	11 535

At this stage the department is not able to reliably measure the long term portion of the long service awards. Included in Other is long service awards payable in 2018/19 financial year amounting to R 128 513,00. Leave entitlement includes leave with negative balances amounting to R 285 087,68.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

19. Lease commitments

19.1 Operating leases

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2017/18					
Not later than 1 year	-	-	-	294	294
Later than 1 year and not later than 5 years	-	-	-	360	360
Total lease commitments	-	-	-	654	654

2016/17					
Not later than 1 year	-	-	-	299	299
Later than 1 year and not later than 5 years	-	-	-	103	103
Total lease commitments	-	-	-	402	402

Operating leases are for photocopy machines.

19.2 Finance leases

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2017/18					
Not later than 1 year	-	-	-	2 325	2 325
Later than 1 year and not later than 5 years	-	-	-	3 998	3 998
Total lease commitments	-	-	-	6 323	6 323

2016/17					
Not later than 1 year	-	-	-	1 988	1 988
Later than 1 year and not later than 5 years	-	-	-	4 145	4 145
Total lease commitments	-	-	-	6 133	6 133

The Department of Local Government leased 38 vehicles from GMT as at 31 March 2018 (March 2017: 36).

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 the 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
20. Irregular expenditure			
20.1 Reconciliation of irregular expenditure			
Opening balance		63	63
As restated		63	63
Less: Prior year amounts condoned		(56)	-
Irregular expenditure awaiting condonation		7	63

Analysis of awaiting condonation per age classification			
Prior years		7	63
Total		7	63

The opening balance comprises of two cases
- Non compliance to cost containment measures
- Incorrect service provider captured as the winning supplier

20.2 Details of irregular expenditure condoned		
Incident	Condoned by (condoning authority)	
Incorrect service provider captured as the winning supplier	Accounting Officer	56
Total		56

20.3 Details of irregular expenditure under investigation (not included in the main note)		
Incident		
Non compliance to Supply Chain Management Policy		10
Non compliance to preferential procurement regulations: local content		32
Total		42

	Note	2017/18 R'000	2016/17 R'000
21. Fruitless and wasteful expenditure			
21.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		-	1
As restated		-	1
Fruitless and wasteful expenditure - relating to prior year		-	4
Less: Amounts resolved		-	(1)
Less: Amounts transferred to receivables for recovery	10.5	-	(4)
Closing balance		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

22. Related party transactions

The Department of Local Government occupies a building free of charge (Waldorf Building) managed by the 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; Provincial Forensic Services and 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.

Department of Local Government received Security Advisory Services and Security from the Operations Department of Community Safety, 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.

	No. of Individuals	2017/18 R'000	2016/17 R'000
23. Key management personnel			
Political office bearers		-	-
Officials:			
Level 15 to 16	1	1 596	1 482
Level 14 (incl CFO if at a lower level)	4	4 647	4 337
Total		6 243	5 819

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

24. Movable Tangible Capital Assets

Movement in Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and Equipment	21 341	-	2 768	864	23 245
Transport assets	5 830	-	1 432	549	6 713
Computer equipment	7 581	-	929	298	8 212
Furniture and office equipment	3 646	-	152	-	3 798
Other machinery and equipment	4 284	-	255	17	4 522
Total Movable Tangible Capital Assets	21 341	-	2 768	864	23 245

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	23	279
1 Asset not presented for verification during the annual asset verification. 22 Assets under investigation (loss control cases).		

24.1 Additions

Additions to Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2018

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
Machinery and Equipment	3 761	1 432	(2 432)	7	2 768
Transport assets	2 240	1 432	(2 240)	-	1 432
Computer equipment	922	-	-	7	929
Furniture and office equipment	152	-	-	-	152
Other machinery and equipment	447	-	(192)	-	255
Total Additions to Movable Tangible Capital Assets	3 761	1 432	(2 432)	7	2 768

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

24.2 Disposals

Disposals of Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2018

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received Actual R'000
Machinery and Equipment	259	605	864	32
Transport assets	-	549	549	-
Computer equipment	253	45	298	31
Other machinery and equipment	6	11	17	1
Total Disposal of Movable Tangible Capital Assets	259	605	864	32

24.3 Movement for 2016/17

Movement in Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2017

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and Equipment	21 462	36	12 167	12 324	21 341
Transport assets	5 982	-	9 929	10 081	5 830
Computer equipment	8 767	-	946	2 132	7 581
Furniture and office equipment	3 546	-	100	-	3 646
Other machinery and equipment	3 167	36	1 192	111	4 284
Total Movable Tangible Capital Assets	21 462	36	12 167	12 324	21 341

24.3.1 Nature of prior period error

	R'000
Relating to 2016/17 (affecting the opening balance)	36
2 Assets procured in prior year not capitalised	36
Total	36

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

24.4 Minor assets

Movement in Minor Assets per the Asset Register for the year ended 31 March 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	5 947	-	5 947
Additions	-	-	-	148	-	148
Disposals	-	-	-	29	-	29
Total Minor Assets	-	-	-	6 066	-	6 066

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	3 449	-	3 449
Total Number of Minor Assets	-	-	-	3 449	-	3 449

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	25	59
12 Assets not presented for verification during the annual asset verification.		
13 Assets under investigation (loss control cases).		

Minor assets

Movement in Minor Assets per the Asset Register for the year ended 31 March 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	5 659	-	5 659
Prior period error	-	-	-	4	-	4
Additions	-	-	-	697	-	697
Disposals	-	-	-	413	-	413
Total Minor Assets	-	-	-	5 947	-	5 947

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	3 369	-	3 369
Total Number of Minor Assets	-	-	-	3 369	-	3 369

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

24.4.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2016/17 (affecting the opening balance)		4
1 Asset incorrectly removed.		4
Total		4

24.5 Movable assets written off

Movable Assets written off for the year ended 31 March 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	56	-	56
Total Movable Assets written off	-	-	-	56	-	56

Movable Assets written off for the year ended 31 March 2017

Assets written off	-	-	-	1 137	-	1 137
Total Movable Assets written off	-	-	-	1 137	-	1 137

25. Intangible Capital Assets

Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	498	-	-	-	498
Total Intangible Capital Assets	498	-	-	-	498

25.1 Movement for 2016/17

Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2017

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	481	-	17	-	498
Total Intangible Capital Assets	481	-	17	-	498

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

26. Prior period errors

26.1 Correction of prior period errors

	2016/17			
	Note	Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
Assets not capitalised	24.3.1	21 462	36	21 498
Assets incorrectly removed from asset register	24.4.1	5 943	4	5 947
Net effect		27 405	40	27 445

Assets incorrectly classified as Goods and Services in 2016/17.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

27. Statement of Conditional Grants and other transfers to municipalities

Name of municipality	Grant Allocation				Transfer			2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Appropriation Act R'000
CDW Operational support grant								
Beaufort West	204	-	-	204	204	-	-	206
Bergrivier	37	-	(37)	-	-	-	-	37
Bitou	19	-	-	19	19	-	-	19
Breede Valley	93	-	-	93	93	-	-	94
Cape Agulhas	56	-	-	56	56	-	-	56
Cape Winelands District	74	-	-	74	74	-	-	75
Cederberg	167	-	-	167	167	-	-	170
City of Cape Town	1 036	-	-	1 036	1 036	-	-	1 089
Drakenstein	111	-	-	111	111	-	-	113
George	93	-	-	93	93	-	-	75
Hessequa	19	-	(19)	-	-	-	-	-
Kannaland	111	-	-	111	111	-	-	113
Knysna	56	-	-	56	56	-	-	57
Laingsburg	93	-	-	93	93	-	-	75
Langeberg	19	-	-	19	19	-	-	-
Matzikama	111	-	-	111	111	-	-	113
Mossel Bay	56	-	-	56	56	-	-	56
Oudtshoorn	56	-	-	56	56	-	-	56
Overberg District	56	-	-	56	56	-	-	75
Overstrand	74	-	-	74	74	-	-	75
Prince Albert	74	-	-	74	74	-	-	75
Saldanha Bay	74	-	-	74	74	-	-	75
Stellenbosch	56	-	-	56	56	-	-	56
Swartland	37	-	-	37	37	-	-	37
Theewaterskloof	130	-	-	130	130	-	-	113
West Coast	-	-	56	56	56	-	-	-
Witzenberg	148	-	-	148	148	-	-	150

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for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Appropriation Act R'000
Thusong Operational Support Grant								
Beaufort West	330	-	-	330	330	-	-	-
Bitou	-	-	-	-	-	-	-	100
Cape Agulhas	-	-	-	-	-	-	-	211
Cederberg	109	-	-	109	109	-	-	-
George	212	-	-	212	212	-	-	-
Kannaland	212	-	-	212	212	-	-	212
Matzikama	100	-	-	100	100	-	-	100
Mossel Bay	-	-	-	-	-	-	-	211
Oudtshoorn	100	-	-	100	100	-	-	-
Theewaterskloof	212	-	-	212	212	-	-	212
Municipal Infrastructure Support Grant								
Bergrivier	-	-	-	-	-	-	-	1 500
Cape Agulhas	-	-	-	-	-	-	-	500
Cederberg	-	-	797	797	797	-	-	-
George	-	-	-	-	-	-	-	230
Hessequa	-	-	600	600	600	-	-	-
Laingsburg	-	-	-	-	-	-	-	250
Oudtshoorn	-	-	-	-	-	-	-	1 900
Swartland	-	-	250	250	250	-	-	-
Swellendam	-	-	-	-	-	-	-	350
Witzenberg	-	-	-	-	-	-	-	2 100
Municipal Drought Relief Grant								
Knysna	-	-	2 600	2 600	2 600	-	-	-
Matzikama	-	-	2 000	2 000	2 000	-	-	-
Saldanha Bay	-	-	3 010	3 010	3 010	-	-	-
Emergency Disaster Relief Grant								
Beaufort West	-	-	2 000	2 000	2 000	-	-	-
Kannaland	-	-	1 300	1 300	1 300	-	-	-
Langeberg	-	-	3 000	3 000	3 000	-	-	-
Theewaterskloof	-	-	2 700	2 700	2 700	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Appropriation Act R'000
Ground Water Level Monitoring Grant								
Central Karoo District	-	-	800	800	800	-	-	-
Municipal Service Delivery and Capacity Building Grant								
Beaufort West	-	-	480	480	480	-	-	60
Bergrivier	-	-	-	-	-	-	-	3 410
Bitou	-	-	66	66	66	-	-	760
Breede Valley	-	-	66	66	66	-	-	160
Cape Agulhas	-	-	-	-	-	-	-	810
Cape Winelands District	-	-	66	66	66	-	-	60
Cederberg	-	-	66	66	66	-	-	3 660
Central Karoo District	-	-	66	66	66	-	-	360
Drakenstein	-	-	66	66	66	-	-	60
Eden District	-	-	-	-	-	-	-	60
George	-	-	-	-	-	-	-	60
Hessequa	-	-	66	66	66	-	-	1 260
Kannaland	-	-	550	550	550	-	-	1 455
Knysna	-	-	-	-	-	-	-	60
Laingsburg	-	-	66	66	66	-	-	860
Langeberg	-	-	-	-	-	-	-	60
Matzikama	-	-	250	250	250	-	-	1 601
Mossel Bay	-	-	66	66	66	-	-	60
Oudtshoorn	-	-	66	66	66	-	-	1 460
Overberg District	-	-	66	66	66	-	-	460
Overstrand	-	-	426	426	426	-	-	60
Prince Albert	-	-	-	-	-	-	-	560
Saldanha Bay	-	-	466	466	466	-	-	60
Stellenbosch	-	-	-	-	-	-	-	60
Swartland	-	-	-	-	-	-	-	60
Swellendam	-	-	66	66	66	-	-	510
Theewaterskloof	-	-	370	370	370	-	-	260

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Appropriation Act R'000
West Coast District	-	-	330	330	330	-	-	60
Witzenberg	-	-	286	286	286	-	-	2 160
Fire Service Capacity Building Grant								
Beaufort West	800	-	-	800	800	-	-	-
Bitou	1 450	-	-	1 450	1 450	-	-	-
Breede Valley	-	-	-	-	-	-	-	1 500
Cape Winelands District	800	-	-	800	800	-	-	-
Central Karoo District	800	-	-	800	800	-	-	1 300
Eden District	800	-	-	800	800	-	-	-
George	800	-	-	800	800	-	-	-
Hessequa	-	-	-	-	-	-	-	1 200
Knysna	-	-	-	-	-	-	-	1 200
Langeberg	800	-	-	800	800	-	-	-
Mossel Bay	800	-	-	800	800	-	-	-
Oudtshoorn	-	-	-	-	-	-	-	1 200
Overberg District	800	-	-	800	800	-	-	2 200
Overstrand	800	-	-	800	800	-	-	1 200
Saldanha Bay	800	-	-	800	800	-	-	-
Stellenbosch	800	-	-	800	800	-	-	-
Swartland	800	-	-	800	800	-	-	-
West Coast District	1 450	-	-	1 450	1 450	-	-	-
Disaster Management Grant								
Central Karoo District	-	-	70	70	70	-	-	-
Overberg District	-	-	90	90	90	-	-	-
Municipal Drought Relief Grant								
Beaufort West	-	-	2 000	2 000	2 000	-	-	-
Cederberg	-	-	6 000	6 000	6 000	-	-	-
Drakenstein	-	-	14 780	14 780	14 780	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Appropriation Act R'000
Hessequa	-	-	7 500	7 500	7 500	-	-	-
Laingsburg	-	-	7 300	7 300	7 300	-	-	-
Langeberg	-	-	4 200	4 200	4 200	-	-	-
Matzikama	-	-	10 720	10 720	10 720	-	-	-
Prince Albert	-	-	2 000	2 000	2 000	-	-	-
Saldanha Bay	-	-	20 300	20 300	20 300	-	-	-
Swartland	-	-	7 700	7 700	7 700	-	-	-
Disaster Management Grant								
Eden	-	-	2 000	2 000	2 000	-	-	-
Municipal Drought - Capacity Support Grant								
Beaufort West	-	-	1 300	1 300	1 300	-	-	-
Bitou	-	-	1 800	1 800	1 800	-	-	-
Kannaland	-	-	2 500	2 500	2 500	-	-	-
Knysna	-	-	1 000	1 000	1 000	-	-	-
	16 835	-	114 267	131 102	131 102	-	-	41 262

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

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

Name of municipality	Grant Allocation				Transfer			Spent				2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000
CDW Operational support grant												
Beaufort West	204	-	-	204	204	-	-	204	96	108	47,1%	206
Bergvriervier	37	-	(37)	-	-	-	-	-	-	-	-	37
Bitou	19	-	-	19	19	-	-	19	-	19	-	19
Breede Valley	93	-	-	93	93	-	-	93	76	17	81,7%	94
Cape Agulhas	56	-	-	56	56	-	-	56	29	27	51,8%	56
Cape Winelands District	74	-	-	74	74	-	-	74	18	56	24,3%	75
Cederberg	167	-	-	167	167	-	-	167	-	167	-	170
City of Cape Town	1 036	-	-	1 036	1 036	-	-	1 036	-	1 036	-	1 089
Drakenstein	111	-	-	111	111	-	-	111	50	61	45,0%	113
George	93	-	-	93	93	-	-	93	-	93	-	75
Hessequa	19	-	(19)	-	-	-	-	-	-	-	-	-
Kannaland	111	-	-	111	111	-	-	111	8	103	7,2%	113
Knysna	56	-	-	56	56	-	-	56	-	56	-	57
Laingsburg	93	-	-	93	93	-	-	93	2	91	2,2%	75
Langeberg	19	-	-	19	19	-	-	19	-	19	-	-
Matzikama	111	-	-	111	111	-	-	111	-	111	-	113
Mossel Bay	56	-	-	56	56	-	-	56	30	26	53,6%	56
Oudtshoorn	56	-	-	56	56	-	-	56	3	53	5,4%	56
Overberg District	56	-	-	56	56	-	-	56	56	-	100%	75
Overstrand	74	-	-	74	74	-	-	74	65	9	87,8%	75
Prince Albert	74	-	-	74	74	-	-	74	38	36	51,4%	75
Saldanha Bay	74	-	-	74	74	-	-	74	-	74	-	75
Stellenbosch	56	-	-	56	56	-	-	56	-	56	-	56
Swartland	37	-	-	37	37	-	-	37	-	37	-	37
Theewaterskloof	130	-	-	130	130	-	-	130	67	63	51,5%	113
West Coast	-	-	56	56	56	-	-	56	-	56	-	-
Witzenberg	148	-	-	148	148	-	-	148	-	148	-	150

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			Spent				2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000
Thusong Operational Support Grant												
Beaufort West	330	-	-	330	330	-	-	330	-	330	-	-
Bitou	-	-	-	-	-	-	-	-	-	-	-	100
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	211
Cederberg	109	-	-	109	109	-	-	109	-	109	-	-
George	212	-	-	212	212	-	-	212	111	101	52,4%	-
Kannaland	212	-	-	212	212	-	-	212	212	-	100%	212
Matzikama	100	-	-	100	100	-	-	100	-	100	-	100
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	211
Oudtshoorn	100	-	-	100	100	-	-	100	-	100	-	-
Theewaterskloof	212	-	-	212	212	-	-	212	153	59	72,2%	212
Municipal Infrastructure Support Grant												
Bergivier	-	-	-	-	-	-	-	-	-	-	-	1,500
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	500
Cederberg	-	-	797	797	797	-	-	797	797	-	100%	-
George	-	-	-	-	-	-	-	-	-	-	-	230
Hessequa	-	-	600	600	600	-	-	600	600	-	100%	-
Laingsburg	-	-	-	-	-	-	-	-	-	-	-	250
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	1 900
Swartland	-	-	250	250	250	-	-	250	-	250	-	-
Swellendam	-	-	-	-	-	-	-	-	-	-	-	350
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	2 100
Municipal Drought Relief Grant												
Knysna	-	-	2 600	2 600	2 600	-	-	2 600	260	2 340	10,0%	-
Matzikama	-	-	2 000	2 000	2 000	-	-	2 000	216	1 784	10,8%	-
Saldanha Bay	-	-	3 010	3 010	3 010	-	-	3 010	2 300	710	76,4%	-
Emergency Disaster Relief Grant												
Beaufort West	-	-	2 000	2 000	2 000	-	-	2 000	2 000	-	100%	-
Kannaland	-	-	1 300	1 300	1 300	-	-	1 300	900	400	69,2%	-
Langeberg	-	-	3 000	3 000	3 000	-	-	3 000	2 376	624	79,2%	-
Theewaterskloof	-	-	2 700	2 700	2 700	-	-	2 700	1 900	800	70,4%	-

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for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			Spent				2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000
Ground Water Level Monitoring Grant												
Central Karoo District	-	-	800	800	800	-	-	800	-	800	-	-
Municipal Service Delivery and Capacity Building Grant												
Beaufort West	-	-	480	480	480	-	-	480	480	-	100%	60
Bergivier	-	-	-	-	-	-	-	-	-	-	-	3 410
Bitou	-	-	66	66	66	-	-	66	-	66	-	760
Breede Valley	-	-	66	66	66	-	-	66	25	41	37,9%	160
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	810
Cape Winelands District	-	-	66	66	66	-	-	66	-	66	-	60
Cederberg	-	-	66	66	66	-	-	66	22	44	33,3%	3 660
Central Karoo District	-	-	66	66	66	-	-	66	-	66	-	360
Drakenstein	-	-	66	66	66	-	-	66	-	66	-	60
Eden District	-	-	-	-	-	-	-	-	-	-	-	60
George	-	-	-	-	-	-	-	-	-	-	-	60
Hessequa	-	-	66	66	66	-	-	66	-	66	-	1 260
Kannaland	-	-	550	550	550	-	-	550	-	550	-	1 455
Knysna	-	-	-	-	-	-	-	-	-	-	-	60
Laingsburg	-	-	66	66	66	-	-	66	-	66	-	860
Langeberg	-	-	-	-	-	-	-	-	-	-	-	60
Matzikama	-	-	250	250	250	-	-	250	-	250	-	1,601
Mossel Bay	-	-	66	66	66	-	-	66	-	66	-	60
Oudtshoorn	-	-	66	66	66	-	-	66	-	66	-	1,460
Overberg District	-	-	66	66	66	-	-	66	-	66	-	460
Overstrand	-	-	426	426	426	-	-	426	-	426	-	60
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	560
Saldanha Bay	-	-	466	466	466	-	-	466	-	466	-	60
Stellenbosch	-	-	-	-	-	-	-	-	-	-	-	60
Swartland	-	-	-	-	-	-	-	-	-	-	-	60
Swellendam	-	-	66	66	66	-	-	66	-	66	-	510

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			Spent				2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000
Theewaterskloof	-	-	370	370	370	-	-	370	68	302	18,4%	260
West Coast District	-	-	330	330	330	-	-	330	-	330	-	60
Witzenberg	-	-	286	286	286	-	-	286	-	286	-	2 160
Fire Service Capacity Building Grant												
Beaufort West	800	-	-	800	800	-	-	800	-	800	-	-
Bitou	1 450	-	-	1 450	1 450	-	-	1 450	1 450	-	100%	-
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	1 500
Cape Winelands District	800	-	-	800	800	-	-	800	-	800	-	-
Central Karoo District	800	-	-	800	800	-	-	800	-	800	-	1,300
Eden District	800	-	-	800	800	-	-	800	-	800	-	-
George	800	-	-	800	800	-	-	800	800	-	100%	-
Hessequa	-	-	-	-	-	-	-	-	-	-	-	1 200
Knysna	-	-	-	-	-	-	-	-	-	-	-	1 200
Langeberg	800	-	-	800	800	-	-	800	-	800	-	-
Mossel Bay	800	-	-	800	800	-	-	800	800	-	100%	-
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	1 200
Overberg District	800	-	-	800	800	-	-	800	800	-	100%	2 200
Overstrand	800	-	-	800	800	-	-	800	-	800	-	1 200
Saldanha Bay	800	-	-	800	800	-	-	800	800	-	100%	-
Stellenbosch	800	-	-	800	800	-	-	800	800	-	100%	-
Swartland	800	-	-	800	800	-	-	800	-	800	-	-
West Coast District	1 450	-	-	1 450	1 450	-	-	1 450	1 450	-	100%	-
Disaster Management Grant												
Central Karoo District	-	-	70	70	70	-	-	70	-	70	-	-
Overberg District	-	-	90	90	90	-	-	90	90	-	100%	-
Municipal Drought Relief Grant												
Beaufort West	-	-	2 000	2 000	2 000	-	-	2 000	-	2 000	-	-
Cederberg	-	-	6 000	6 000	6 000	-	-	6 000	-	6 000	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

Name of municipality	Grant Allocation				Transfer			Spent				2016/17
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000
Drakenstein	-	-	14 780	14 780	14 780	-	-	14 780	-	14 780	-	-
Hessequa	-	-	7 500	7 500	7 500	-	-	7 500	-	7 500	-	-
Laingsburg	-	-	7 300	7 300	7 300	-	-	7 300	-	7 300	-	-
Langeberg	-	-	4 200	4 200	4 200	-	-	4 200	-	4 200	-	-
Matzikama	-	-	10 720	10 720	10 720	-	-	10 720	-	10 720	-	-
Prince Albert	-	-	2 000	2 000	2 000	-	-	2 000	-	2 000	-	-
Saldanha Bay	-	-	20 300	20 300	20 300	-	-	20 300	-	20 300	-	-
Swartland	-	-	7 700	7 700	7 700	-	-	7 700	-	7 700	-	-
Disaster Management Grant												
Eden	-	-	2 000	2 000	2 000	-	-	2 000	-	2 000	-	-
Municipal Drought - Capacity Support Grant												
Beaufort West	-	-	1 300	1 300	1 300	-	-	1 300	1 000	300	76,9%	-
Bitou	-	-	1 800	1 800	1 800	-	-	1 800	330	1 470	18,3%	-
Kannaland	-	-	2 500	2 500	2 500	-	-	2 500	200	2 300	8,0%	-
Knysna	-	-	1 000	1 000	1 000	-	-	1 000	100	900	10,0%	-
Total	16 835	-	114 267	131 102	131 102	-	-	131 102	21 578	109 524	-	41 262

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/Agency/Account	Transfer Allocation				Transfer		2016/17
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds %	Appropriation Act R'000
NSRI (National Sea Rescue Institute)	414	-	-	414	414	100%	1 007
SABC	2	-	1	3	3	100%	2
South African Local Government Association (SALGA)	-	-	-	-	-	-	30
Total	416	-	1	417	417		1 039

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Department/Agency/Account	Transfer Allocation				Expenditure		2016/17
	Adjusted appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	Appropriation Act R'000
Transfers							
NGO's: Thusong centre management	-	-	-	-	-	-	242
Lifesaving SA	-	-	-	-	-	-	422
Disaster Management Institution of South Africa (DMISA)	-	-	-	-	-	-	80
Lifesaving WC	414	-	-	414	414	100%	242
Total	414	-	-	414	414		986

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

ANNEXURE 1D STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer Allocation				Expenditure		2016/17
	Adjusted appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	Appropriation Act R'000
Transfers							
Leave gratuities	206	-	77	283	283	100%	141
Injury on duty	2	-	2	4	4	100%	7
Arbitration award	-	-	-	-	-	-	512
Total	208	-	79	287	287		660

ANNEXURE 1E STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

Nature of gift, donation or sponsorship	2017/18 R'000	2016/17 R'000
Made in kind		
Donation of fire trucks		
Matzikama Municipality	-	977
Cedarberg Municipality	-	977
Bergriver Municipality	-	977
Witzenberg Municipality	-	977
Prince Albert Municipality	-	977
Laingsburg Municipality	-	977
Beaufort West Municipality	-	977
Kannaland Municipality	-	977
Hessequa Municipality	-	977
Overberg Municipality	-	978
	-	9 771

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2018

ANNEXURE 3 CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18*	
	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	Receipt date up to six (6) working days after year end	Amount R'000
Departments								
WC: Agriculture	-	400	-	-	-	400	-	-
	-	400	-	-	-	400	-	-
Other Government Entities								
WC: Government Motor Transport	-	229	-	-	-	229	-	-
	-	229	-	-	-	229	-	-
Total	-	629	-	-	-	629	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 4 INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18*	
	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	Receipt date up to six (6) working days after year end	Amount R'000
Departments								
Current								
WC: Premier	6	34	-	-	6	34	2018/03/29	7
National: Justice and Constitutional Development	-	2	-	246	-	248	-	-
Total Departments	6	36	-	246	6	282		7
Other Government Entity								
Current								
WC: Government Motor Transport	65	9	-	-	65	9	-	-
Total Other Government Entities	65	9	-	-	65	9	-	-
Total Inter-governmental	71	45	-	246	71	291		-

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