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**PROVINCIAL GOVERNMENT OF THE  
WESTERN CAPE**

**DEPARTMENT OF THE PREMIER**

**Annual Report**

**for the year ended 31 March 2011**

*Tabled in the Western Cape Provincial Parliament*

Cape Town, South Africa

29 September 2011

**PROVINCIAL GOVERNMENT  
OF THE WESTERN CAPE  
DEPARTMENT OF THE PREMIER  
Annual Report  
2010/11 Financial Year**

**HELEN ZILLE**

**PREMIER OF THE WESTERN CAPE**

As Accounting Officer of the Department of the Premier, I hereby submit the Annual Report of the Department of the Premier for the period 1 April 2010 to 31 March 2011 in terms of the Public Finance Management Act, 1999 to the Executive Authority of this Department, Premier Helen Zille.



**ADV. BRENT GERBER**

**Accounting Officer**

**DATE: 31 August 2011**

# DEPARTMENT OF THE PREMIER

## VOTE 1

### 2010/11 ANNUAL REPORT

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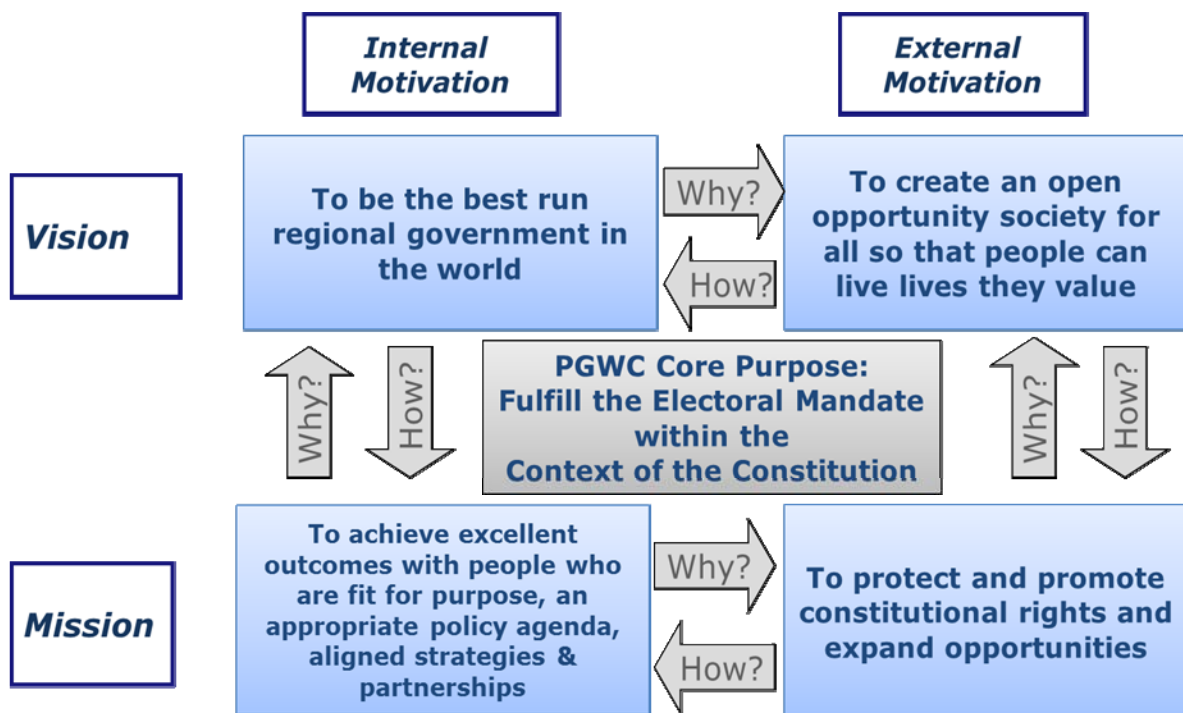
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# 1. GENERAL INFORMATION

## 1.1 Vision and mission

At the beginning of the 2010/11 financial year the Province started off with the vision of “Building an open-opportunity society for all in the Western Cape”. Following an assessment of the organisational culture during the course of the financial year, the Executive refined the provincial vision, mission and values statement and put both an internal and external motivation forward. The vision, mission and values will drive the service delivery of the Provincial Government over the medium term. There is a causal link between values driven leadership and citizen value that passes through employee fulfilment and citizen satisfaction. The refined statements are depicted below.

Figure 1.1.1: Vision and mission of the Provincial Government of the Western Cape



## 1.2 Core values

We commit ourselves to service according to the following values:

### Competence (the ability and capacity to do the job appointed to do)

- We are able to do the job we are appointed to do, and always strive for excellence.
- We develop and grow our people, enabling and empowering them to perform their duties in support of service delivery.
- We empower our employees to, and focus on, rendering an excellent service to the people of the Western Cape.
- We demonstrate knowledge and an understanding of, and work together to execute in terms of, the constitutional, legislative and electoral mandates.

### **Accountability (we take responsibility)**

- We have a clear understanding of our vision, mission, strategic objectives, roles, delegations and responsibilities.
- We deliver on our outcomes and targets with quality, on budget and in time.
- We hold each other accountable as public servants and know we can trust each other to deliver.
- We individually take responsibility and ownership for our work, actions and decisions.

### **Integrity (to be honest and do the right thing)**

- We create an ethical environment by being honest, showing respect and living out positive values.
- We seek the truth and do the right things in the right way in each situation.
- We are reliable and trustworthy and behave consistently in word and in action.
- We act with integrity at all levels and in all instances with zero tolerance for corruption.

### **Responsiveness (to serve the needs of our citizens and employees)**

- Our focus is the citizen, building relationships that allow us to anticipate their needs and deal with them proactively.
- We take each other and citizens seriously, being accessible, listening and hearing their voices.
- We respond with timeous action and within agreed timeframes.
- We collaborate with each other and stakeholders, providing appropriate and reliable information and sharing it responsibly.

### **Caring (to care for those we serve and work with)**

- We value all employees and citizens and treat them with dignity and respect.
- We listen actively and display compassion towards employees and citizens.
- We provide support to, and show interest in, each other as employees as well as in the citizens, thus caring for all our wellbeing.
- We show appreciation and give recognition to employees and citizens.

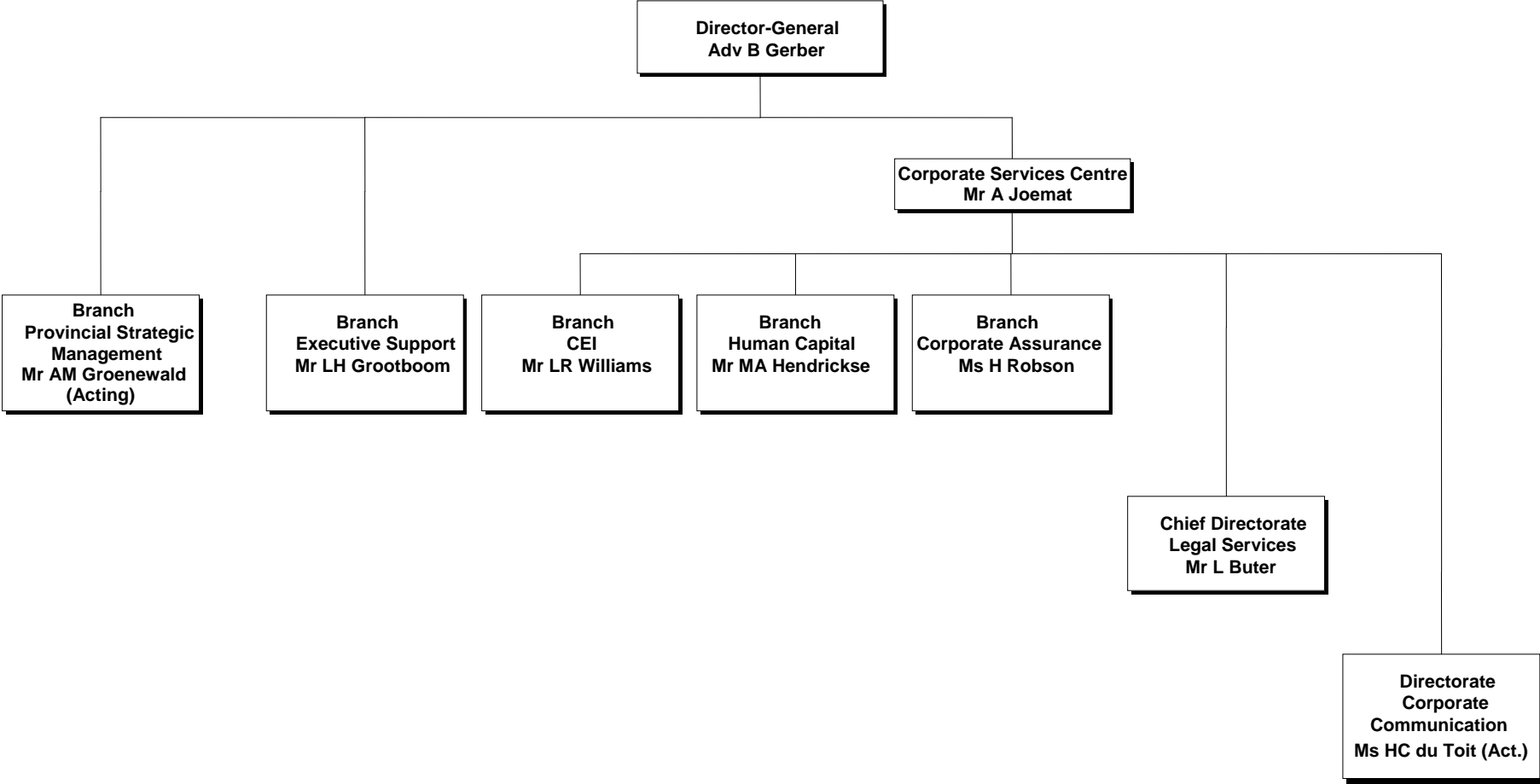
## **1.3 Organisational structure of the Department of the Premier**

The following chart depicts the top-management structure of the Department as at 31 March 2011. It denotes the new departmental organisational structure that was implemented on 1 April 2010.

The Department's senior-management structure is depicted in Part 5 of the report.



Figure 1.3.1: Organisational structure of the Department of the Premier



## 1.4 Revisions to legislative and other mandates

The legislative and other mandates, as reflected below, do not constitute a revision of those presented in the 2010/11 – 2014/15 five-year strategic plan. The recommendations from the modernisation programme's work stream dealing with a review of public entities, however, impacted on legislation pertaining to the Provincial Development Council.

The Constitutional mandates that this department is responsible for relate to the powers, functions and responsibilities of the Provincial Government in upholding the national Constitution, in particular Chapter 6, and Chapter 4 of the Provincial Constitution of the Western Cape.

The acts listed below together with the constitutions guide and direct all actions and responsibilities of the Department.

- Constitution of the Republic of South Africa, 1996
- Constitution of the Western Cape, 1997
- Public Finance Management Act (Act 1 of 1999)
- Intergovernmental Relations Framework Act (Act 13 of 2005)
- Public Service Act, Proclamation 103 of 1994
- Pensions Fund Act (Act 24 of 1956)
- Income Tax Act (Act 58 of 1962)
- Prescription Act (Act 68 of 1969)
- Occupational Health and Safety Act (Act 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993)
- Labour Relations Act (Act 66 of 1995)
- Development Facilitation Act (Act 67 of 1995)
- Government Employees Pension Law, Proclamation 21 of 1996
- National Archives and Record Service of South Africa Act (Act 43 of 1996)
- Extension of Security of Tenure Act (Act 62 of 1997)
- Basic Conditions of Employment Act (Act 75 of 1997 )
- Local Government: Municipal Demarcation Act (Act 27 of 1998)
- Employment Equity Act (Act 55 of 1998)
- Skills Development Act (Act 97 of 1998)
- Local Government: Municipal Structures Act (Act 117 of 1998)
- Skills Development Levies Act (Act 9 of 1999)
- Promotion of Access to Information Act (Act 2 of 2000)
- Promotion of Administrative Justice Act (Act 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act (Act 4 of 2000)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)

- Protected Disclosures Act (Act 26 of 2000)
- Local Government: Municipal Systems Act (Act 32 of 2000)
- Broad-based Black Economic Empowerment Act (Act 53 of 2003)
- Local Government: Municipal Finance Management Act (Act 56 of 2003)
- Local Government: Municipal Property Rates Act (Act 6 of 2004)
- Prevention and Combating of Corrupt Activities Act (Act 12 of 2004)
- Public Audit Act (Act 25 of 2004)
- State Information Technology Agency Act (Act 88 of 1998)
- Government Immovable Asset Management Act (Act 19 of 2007)
- Division of Revenue Act (annually)
- Prevention of Organised Crime Act (Act 121 of 1998)
- Financial Intelligence Centre Act (Act 38 of 2001)
- Electronic Communications Security (Pty) Ltd Act (Act 68 of 2002)
- Electronic Communications and Transactions Act (Act 25 of 2002)
- Western Cape Land Administration Act (Act 6 of 1998)
- Western Cape Law on the Powers and Privileges of the Provincial Legislature (Law 3 of 1995)
- Western Cape Direct Charges Act (Act 6 of 2000)
- Provincial Archives and Records Service of the Western Cape Act (Act 3 of 2005)
- Western Cape Provincial Public Protector (Law 6 of 1994)
- Western Cape Delegation of Powers (Law 7 of 1994)
- Provincial Development Council (Law 5 of 1996)
- Western Cape Coat of Arms Act (Act 7 of 1998)
- Western Cape Provincial Commissions Act (Act 10 of 1998)
- Western Cape Provincial Honours Act (Act 9 of 1999)
- Members of the Western Cape Provincial Parliament Code of Conduct Act (Act 3 of 2002)
- Western Cape Provincial Youth Commission Repeal Act (Act 2 of 2009)
- Provincial Restaurant Ordinance 23 of 1964

## 1.5 Entities reporting to the Premier

The Provincial Development Council reports to the Premier:

Table 1.5.1: *Entities reporting to the Premier*

Name of entity	Legislation	Nature of business
Provincial Development Council	Provincial Development Council (Law 5 of 1996)	<p>The Provincial Development Council was established to facilitate, among stakeholders in the Province, consensus concerning development planning, development strategies and integrated development frameworks.</p> <p>During 2010/11 a Draft Repeal Bill was published for comment to disestablish the Council and comments received will be referred to the Provincial Cabinet for consideration during 2011/12.</p>

## 1.6 Premier's statement

Under the leadership of the Premier, the Provincial Government of the Western Cape finalised twelve strategic objectives. They have been incorporated into each department's Annual Performance Plan and, taken together, they constitute the Provincial Strategic Plan.

One of these strategic objectives is to make the Western Cape the best-run regional government in the world with the Department of the Premier as the lead department. The following has been put in place to achieve this objective:

- The establishment of an Executive Provincial Dashboard to monitor projects linked to the Provincial Strategic Plan.
- The development of a Provincial Transversal Management System to coordinate the implementation of the Provincial Strategic Plan.
- The establishment of a shared Corporate Services Centre in the Department of the Premier comprising Human Capital, Corporate Assurance, E-Innovation, Legal Services and Corporate Communication. This allows other departments to focus on delivery at the coalface and realises significant savings through reduced inefficiencies.
- The reduction of unnecessary expenditure on perks, functions and vehicles through the publication of a provincial ministerial handbook.
- The clamping down on corruption through the passing of the Western Cape Procurement (Business Interests of Employees) Act and improving the capacity of the Forensic Investigation Unit.
- The promotion of bilateral and multilateral relations with other regions through the Regional Leaders Summit held in Cape Town at the end of 2010.

The Premier has taken a special interest in human-rights issues, notably the rights of women, children and persons with disabilities. To this end, she initiated a campaign in 2010 to track down absent fathers who refuse to pay maintenance for their children. She has also begun a series of engagements to raise awareness of the consequences of teenage pregnancy. In addition to these proactive campaigns, the Office of the Premier regularly deals with ad hoc complaints relating to human-rights violations.

The Premier is also driving the Provincial Government's response to the pervasive problem of drug and alcohol abuse in the Western Cape. Last year, the Premier's Office launched a transversal substance-abuse strategy with a focus on expanding access to treatment for addiction. Two new drug treatment centres have been opened, as well as a school-based outpatient treatment programme in the Eastern Metropole. The number of centres providing free treatment has quadrupled from 6 to 24 since 2009.

The Premier embarked on one overseas trip in the financial year under review. The visit to the Kingdom of Saudi Arabia and the United Arab Emirates took place from 9 to 16 December 2010.

The purpose of the visit was to strengthen existing bilateral cooperation between the Western Cape, Saudi Arabia and the United Arab Emirates, particularly in the areas of trade and investment. The Premier was accompanied by the MECs for Finance, Economic Development and Tourism and Agriculture and Rural Development as well as a business delegation.

The benefits that have derived from the visit include the strengthening of bilateral relations between the Western Cape and the Gulf Region, particularly closer cooperation in the fields of renewable energy and agriculture. The business delegation also formed new relationships with their business counterparts in Saudi Arabia and the United Arab Emirates and identified a number of trade and investment opportunities for the future.

## 1.7 Accounting Officer's overview

The 2010/11 financial year saw the implementation of a number of modernisation initiatives which the Provincial Government embarked upon in 2009. The finalisation of a draft Provincial Strategic Plan was a significant achievement for this department. While initially constituting only ten provincial strategic objectives, the plan has subsequently been broadened to include twelve strategic objectives. This plan will guide the delivery of the Provincial Government over the medium term.

The Provincial Transversal Management System was also developed and implemented in support of the Provincial Strategic Plan. The system provides for continuous executive review of the progress with the implementation of the strategic objectives. It further ensures greater strategic coherence across the different departments of the Provincial Government as there is improved alignment and coordination of the efforts of all departments towards the common provincial objectives.

A core set of indicators were developed against which the programmes and projects that underpin the strategic objectives will be measured. It will also measure the ultimate impact of the objectives on the growth and development of the Province.

The establishment of the Corporate Services Centre during the period under review is a significant milestone in this department's endeavour to bring about greater efficiency and efficacy in the Provincial Government. The Corporate Services Centre renders transversal corporate services on a shared-services basis and includes Human Capital, Corporate Assurance, Legal Services, Corporate Communication and the Centre for E-innovation. The human-resource function was fully corporatised during the year under review which completed the full establishment of the centre. The post of Head of the Corporate Services Centre was also filled together with a number of other key positions in the centre. The corporatisation of non-core functions into a shared-services centre yielded efficiency benefits in terms of the use of resources, adherence to transversal policies and practices and space use.

In support of the new strategic direction, the Department implemented a new organisational structure on 1 April 2010. During the course of the year significant effort was made to ensure that the structure was properly resourced. The Department's vacancy rate improved from 27% on 31 March 2010 to 22% by 31 March 2011 while staff numbers increased from 682 in March 2010 to 913 in March 2011.

This department, in collaboration with the City of Cape Town, played a leading and coordinating role in the lead-up to the 2010 FIFA World Cup™ and by all accounts exceeded all expectations. Lessons learnt from the event are being recorded as part of a knowledge-management initiative.

The Province also hosted the Fifth Regional Leaders Summit from 27 to 29 September 2010 in Cape Town. The summit focused primarily on integrated transport and food security. A number of joint initiatives formed part of the final agreement, some with immediate benefits for the Province, while others have the potential for future benefits to accrue to the Province. Immediate benefits included sharing best practice with the State of Georgia (mainly on governance matters) and improved trade with China (mainly focusing on the wine sector). To this end the Shandong Province of the People's Republic of China extended an invitation to the Provincial Government of the Western Cape to undertake an official visit to Shandong during 2011.

The Department spearheaded an organisational culture and values intervention to ascertain the current state of the Provincial Government's organisational culture and its desired state through the application of an internationally accepted tool. The results informed the development of a refined provincial vision, mission and values supported by behaviour statements for each of the values.

Further and more detailed achievements will be highlighted in the report on programme performance. The deliverables mentioned above are indicative of the Department's resolve to perform its role as central agency of the Provincial Government to the best of its ability. The Department remains committed to lead the Provincial Government in pursuit of its aim to become the best-run regional government in the world.

## 2. INFORMATION ON PREDETERMINED OBJECTIVES

### 2.1 Overall performance

#### 2.1.1 Voted funds

Main appropriation R'000	Adjusted appropriation R'000	Actual amount spent R'000	(Over)/under expenditure R'000
545 168	623 369	620 918	2 451
Executive Authority	Helen Zille		
Administering department	Department of the Premier		
Accounting Officer	Director-General: Adv. Brent Gerber		

The difference between the adjusted appropriation and the main appropriation is largely due to the Corporatisation of Human Capital, Internal audit and Enterprise Risk Management functions.

#### 2.1.2 Aim of Vote 1: Department of the Premier

The main role and function of the Department of the Premier is to provide strategic and operational support to the Premier and the Provincial Cabinet in the exercise of their provincial executive authority in accordance with the Constitution of the Republic of South Africa, 1996, and the Constitution of the Western Cape, 1997. This entails coordinating the functions of the Provincial Government and its departments through the development and implementation of legislation and policy.

In support of the role and function of the provincial Director-General, as reflected in section 7(3) (c) of the Public Service Act, the Department rendered the following core functions during the period under review:

- Executive support: providing executive governance support services;
- Provincial strategic management: professionally supporting the Premier and the Cabinet to exercise their executive authority effectively in respect of provincial strategic management matters
- Corporate Services Centre: rendering transversal corporate services on a shared-services basis, including the Centre for E-innovation.

The Department subscribes to the Provincial Strategic Objectives:

- Increasing opportunities for growth and jobs
- Improving education outcomes
- Increasing access to safe and efficient transport
- Increasing wellness
- Increasing safety
- Developing integrated and sustainable human settlements
- Mainstreaming sustainability and optimising resource-use efficiency
- Promoting social inclusion and reducing poverty
- Integrating service delivery for maximum impact
- Creating opportunities for growth and development in rural areas
- Building the best-run regional government in the world

The Department of the Premier contributed to all these strategic objectives but is primarily responsible for building the best-run regional government in the world.

### 2.1.3 Summary of programmes

Below follows a summary of the main purposes and services of each of the Department's budget programmes.

*Table 2.1.3.1: Programme 1: Executive support (administration)*

PURPOSE	MAIN SERVICES
<p><b>To ensure that the Premier or executive is enabled to govern the Province in terms of the constitutional, legal and political mandates.</b></p>	<ul style="list-style-type: none"> <li>• Operational support to the Premier.</li> <li>• Operational and secretariat support to the Cabinet, clusters and the provincial top management, to strategically guide the maintenance of provincial governance and integration systems, including the coordination of mutually supportive relations with other spheres of government and social partners (including international partners), support for high-level decision-making and to provide support to human-rights advocates.</li> <li>• Departmental and operational support to the Director-General, inclusive of departmental strategic management, coordination and good governance and finance and administration.</li> </ul>

*Table 2.1.3.2: Programme 2: Provincial strategic management*

PURPOSE	MAIN SERVICES
<p><b>To ensure that the Premier /executive is enabled to strategically guide the content of provincial policy and its strategic agenda in a focused manner. Furthermore, optimal provincial coherence is attained at the levels of strategic policy, planning, implementation, and communication. This is achieved through the provision of professional support that enables the Premier/executive to exercise their executive powers, duties and functions as prescribed in the Constitution. Similarly, professional support to the Director-General facilitates interdepartmental coordination and integration.</b></p>	<ul style="list-style-type: none"> <li>• Strategically support the executive in the development and implementation of high level provincial policies and strategies.</li> <li>• Strategically support the executive in the monitoring of provincial performance in respect of national and provincial policy, strategy, programme and project implementation.</li> <li>• Facilitate ongoing strategic communication (all departments) between the Provincial Government and its stakeholders.</li> </ul>



Table 2.1.3.3: Programme 3: Corporate Services Centre

PURPOSE	MAIN SERVICES
<p><b>To ensure that the consolidation of common (shared) staff support functions and processes in a single unit - as mandated by the Provincial Cabinet - will provide modern, effective and efficient client-directed support services.</b></p>	<ul style="list-style-type: none"> <li>• Rendering of human-capital services (organisation development, Provincial Training Institute, human-resource management).</li> <li>• Rendering of corporate assurance services (enterprise-risk management, internal audit, forensic investigations).</li> <li>• Rendering of a comprehensive legal support service.</li> <li>• Rendering of corporate-communication services.</li> </ul>

Table 2.1.3.4: Programme 4: Centre for E- innovation

PURPOSE	MAIN SERVICES
<p><b>To optimise service delivery through the optimal utilisation of appropriate information and communication technologies (ICTs)</b></p>	<ul style="list-style-type: none"> <li>• Providing strategic ICT services through: <ul style="list-style-type: none"> <li>➢ advisory services to the Cabinet and provincial top management with regard to e-government and ICTs</li> <li>➢ planning and development of transversal e-government or ICT projects and services</li> <li>➢ rendering integrated e-government services to citizens, business, civil servants and government.</li> </ul> </li> <li>• Providing Government Information Technology Officer (GITO)* management services to the Provincial Government of the Western Cape through: <ul style="list-style-type: none"> <li>➢ managing transversal infrastructure, applications and operations</li> <li>➢ rendering ICT services to departments</li> </ul> </li> </ul>

\*The Government Information Technology Officer (GITO) management services encompass a broad range of information-technology services as described by the Department of Public Service and Administration (DPSA) for all national and provincial departments.

## 2.1.4 Key strategic objectives achievements

During the period under review the Department strived towards achieving the following strategic objectives.

### PROGRAMME 1: EXECUTIVE SUPPORT (ADMINISTRATION)

1. *To render efficient, economic and effective administrative support services to the Premier on a daily basis:*

The Office of the Premier supported the Premier in exercising her powers and duties on a daily basis. The Premier delivered three main speeches, namely the State of the Province Address, the Vote 1 Budget Speech and the Vote 1 Adjustment Budget Speech.

2. *To provide secretariat and related support services to the executive on an annual basis through scheduled engagements of the Cabinet and its related structures, support to two human rights advocates, and managing international incoming and outgoing delegations:*

Secretariat and related support services were provided in respect of 96 engagements. The Fifth Regional Leaders Summit was successfully held during September 2010 with significant benefits for the Province. Two human-rights advocates, appointed by the Premier to advance human rights in the Province, were supported in implementing six priority projects of the Premier.

3. *To provide departmental management support (departmental strategy, finance and administration and operational support) to the Director-General on a daily basis:*

The Department received an unqualified audit report for the 2009/10 financial year, although matters of emphasis were raised. Reasonable progress was made in reducing the 47% vacancy rate in key financial positions to 35,9% by 31 March 2011 through the relaxing of prerequisites. The Department also complied with the tabling of its 2011/12 Annual Performance Plan and 2009/10 Annual Report by the stipulated deadlines.

### PROGRAMME 2: PROVINCIAL STRATEGIC MANAGEMENT

4. *To strategically support the executive in the development and implementation of high-level provincial policies and strategies and the assessment of the achievement thereof on an annual and five-year basis:*

The main achievement against this strategic objective relates to the finalisation and approval by the Cabinet of eleven of the twelve provincial strategic objectives which set the strategic direction of the Province over the medium term. Sixteen Special Purpose Vehicles and five Public Entities were reviewed for which twenty-one review reports were submitted. These reports will inform the Cabinet's decisions on the most efficient ways of performing the associated functions in the Province.

5. *To strategically support the executive in the monitoring of provincial and organisational performance in respect of national and provincial policy, strategy, programme and project implementation in a quarterly, annual and five-year cycle:*

In pursuit of this objective, two strategic frameworks were developed: the Provincial-wide Monitoring and Evaluation Framework which provides for the measurement of the provincial strategic objectives while the Strategic Framework for Spatial Information sets the direction for spatial-information standards and procedures. The first phase of the programme and project-management methodology and standards in the Provincial Government was implemented through the Provincial Executive Dashboard, a system that tracks implementation progress of pre-determined provincial projects in terms of timelines and cost.

6. *To facilitate ongoing coherent and coordinated strategic communication (all departments) between the Provincial Government and its stakeholders on a monthly basis through the implementation of a provincial communication strategy and brand architecture:*

Due to its complexity the procurement of a suitable service provider to assist with the development of a provincial communication strategy and branding architecture was only finalised late in 2010/11. Monthly reports on the evaluation of the impact of provincial communication were submitted to the Provincial Cabinet.

7. *To coordinate 2010 FIFA World Cup™ programmes and projects in pursuance of legacy benefits in the Province by 31 December 2010:*

A highly successful 2010 FIFA World Cup™ event was held in Cape Town and participating local authorities. The PGWC will continue to use the event as a platform to promote tourism, trade and investment opportunities. Two key knowledge-management products were developed: “Capeability”, a publication that captured the Western Cape’s successes during the 2010 FIFA World Cup™ and a “Legacy Report” which outlines how critical lessons learnt may be operationalised in the Provincial Government and between spheres of government and outside partners.

### **PROGRAMME 3: CORPORATE SERVICES CENTRE**

8. *To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices:*

The Chief Directorate Organisational Design completed the organisational designs of five departments as part of aligning structures to the new provincial strategic direction. The provincial assessment centre which provides the capacity to do competency assessments in-house was fully operationalised during the period under review. A Barrett survey, which measures the difference between the current and desired organisational culture, was conducted after which the provincial vision, mission, values and behaviour statements were developed. A leadership-values assessment of provincial Ministers and Heads of Department were conducted and 84 values cascading workshops for 297 senior managers and 1 254 middle managers were facilitated.

An integrated community outreach programme was delivered in 14 communities across the province. It rendered coalface services at accessible venues to enhance access to integrated government services and information.

The human-resource functions, previously managed individually by each provincial department, were corporatised into the Chief Directorate Human Resource Management. The physical corporatisation of the various human-resource functional areas was phased in throughout the year culminating in the corporatisation of the human-resource practices and administration function on 15 November 2010. The Chief Directorate also facilitated the clean-up of personal data on PERSAL through the roll-out of the on-line Human Resource Data Verification System. A pilot was launched to implement a Time and Attendance Management system at a provincial head-office site. Comprehensive reports on human-resource trends were compiled and distributed to Heads of Department to inform management decisions, planning and discussions. The evaluations of Heads of Department for the 2009/10 financial year were successfully finalised. In this regard it should be noted that the Province was the only government body in South Africa that fully complied with this national directive. The Province succeeded in managing the national public-service strike during 2010 and experienced minimal disruption to services.

The Western Cape Provincial Training Institute was awarded full accreditation as a training service provider by the PSETA. The upgrading of facilities at the Kromme Rhee campus ensured a better utilisation of the physical infrastructure.

9. *To ensure a corporate assurance capability in the Provincial Government by rendering consolidated enterprise-risk management, internal audit and forensic investigation services on a daily basis:*

The Branch Corporate Assurance was established with the Chief Directorate Internal Audit, the Directorate Enterprise Risk Management and Directorate Forensic Investigative Unit forming part of the branch. The internal-audit functions of the Provincial Treasury (which was a shared function for the majority of departments) and the Departments of Education and Health were amalgamated during the corporatisation process. The Chief Directorate came over to the Department as a going concern and

some efficiency gains were realised in terms of the consistent application of the internal-audit methodology and utilisation of employees. The unit does, however, experience significant capacity constraints to ensure adequate coverage of the high risk areas in departments.

The Directorate Enterprise Risk Management (ERM) provided enterprise-risk management support services to all departments in the Province. In this year, the ERM direction and methodology were determined and services rendered were focused on achieving compliance with the relevant prescripts at least.

The performance of the Forensic Investigative Unit was significantly impacted on by challenges in the recruitment process and the need to procure additional resources. The unit was, however, successful in reducing the backlog of cases reported prior to 2010/11 significantly from 115 to 40.

10. *To render a comprehensive legal support service to the Provincial Government consisting of legislative drafting services, litigation services, and corporate legal advisory services on a daily basis:*

Further progress was realised with the Legislative Review project in respect of the Provincial Treasury and the Departments of Education, Community Safety and Agriculture. The Western Cape Procurement (Business Interests of Employees) Act, 2010, is ground-breaking legislation which was passed by the Provincial Parliament in December 2010. The Chief Directorate Legal Services responded to 1 976 requests relating to legal opinions, provincial contracts, litigation, Cabinet submissions, legislative drafting and commenting on national legislation.

11. *To render corporate communication services through the production of government communication products, the rendering of events and public-participation services, and the implementation of advertising and marketing campaigns on a daily basis:*

The corporatisation of the corporate-communication function could not be finalised during the year under review as it is subject to the finalisation of the provincial communication strategy and branding architecture. An increased demand for communication products was adequately met.

#### **PROGRAMME 4: CENTRE FOR E-INNOVATION**

12. *To provide strategic direction on information communication technology services to the Provincial Government, as well as to provide e-government services to stakeholders :*

Following previous negative audit outcomes on ICT governance maturity, the programme succeeded in moving its maturity level from a level 1 to a level 3 through the establishment of an IT governance function and the implementation of the IT Governance Improvement Plan. Most of the targets set for the different channels available to citizens to interface with the Provincial Government were exceeded.

The ICT plans of eight departments were reviewed during the financial year.

13. *To provide Government Information Technology Officer (GITO) management services to the Provincial Government of the Western Cape through the provision of transversal infrastructure, applications and operations:*

The Provincial Government's IT operating system was migrated to a technologically more advanced system. Twenty per cent of the existing user base was migrated to the new messaging system and productivity suite. Broadband was fully implemented at 14 priority sites and user satisfaction has improved to 71,6%.

### **2.1.5 Overview of the service-delivery environment for 2010/11**

The Department of the Premier's core function does not lend itself to direct service delivery to the public. It is predominantly a centre of government agency which means that its functions are internally directed. Based on its core functions it supports the Premier and executive in guiding the strategic direction of the Province and renders a corporate support function to the rest of the Provincial Government.

Programme 1 delivered on most of its indicators. The functions relating to occupational health and safety and security matters were transferred to the Office of the Director-General during the Department's mid-year review process and as part of the Adjustment Budget process. The function was transferred without a concomitant post establishment. In order to perform the function, internal reprioritisation of a post of Assistant Director was required. An organisational design process is currently underway to investigate a suitable organisational design for the function.

The Directorate Finance and Administration progressed well with the filling of vacancies. In an effort to expedite the filling of key posts in this strategically important function, it received priority attention for recruitment and selection of appropriate staff. It proved difficult to find suitable candidates given the stringent post requirements and hence the Accounting Officer agreed to the relaxation of some of the requirements to enable candidates who may have the relevant experience but who do not meet all the academic criteria to apply for the positions.

While the Provincial Strategic Plan and supporting Transversal Management System are laudable for their efforts in improving strategic coherence in the Province, it became a lengthy and complex process to craft objectives that would ensure a positive impact on the sustainable growth and development of the province. This complex process impacted on the ability of Programme 2, Provincial Strategic Management, to meet all its targets. It also impacted on Programme 1, Executive Support, in that not all the targets in relation to the number of engagements of the Cabinet and its related structures could be met.

The complexities experienced with the appointment of a service provider to assist with the crafting of a provincial communication strategy and branding architecture also impeded Programme 2 in delivering on all its targets. The thorough tender process impacted on Programme 1, Executive Support, in that the human-rights strategy was dependent on the finalisation of the communication strategy. Similarly, it impacted on Programme 3, Corporate Services Centre, in that the front-office reform and the development of communication products could not be concluded as a result of its dependency on the conclusion of the branding architecture. Despite the delays, the Province remains committed to the development of a single brand and its uniform application across the Provincial Government of the Western Cape.

The refinement of the modernisation process during the course of the year also resulted in functions being shifted out of Programme 2 to the Department of Local Government as indicated in the actual output columns further on in the report.

Programme 3 delivered on most of its performance indicators. The establishment of the Corporate Services Centre has already been highlighted as a significant deliverable. Resource provision for the corporatisation was made through the adjustment budget process which included adjustments to the planned deliverables as reflected in the 2010/11 Annual Performance Plan, while the post establishment was resourced through a matching and placement process as guided by a formal personnel plan and as consulted with organised labour. The corporatisation of the human-resource management function of all departments, excluding that of the provincial Departments of Health and Education, included the corporatisation of the Department of the Premier's human-resource functions. This resulted in the deletion of subprogramme 1.6: Departmental Personnel Management and Special Programmes and the redistribution of the concomitant performance indicators to the new Subprogramme: Human Capital under Programme 3: Corporate Services Centre.

Similarly, there was a need to adjust the performance indicators and targets of the Subprogramme: Corporate Assurance to bring it in line with international best practice in this regard. The adjustments indicated above was approved at a departmental Executive Committee meeting and approved as part of the 2010/11 Adjustment Budget process.



The corporatisation of human-resource functions to the Chief Directorate Human Resource Management impacted significantly on the performance of the Subprogramme Human Resource Management. It entailed a large-scale organisational-change programme. It required different business processes and practices exercised in 11 different departments to be amalgamated into uniform systems and processes. Several policies and plans were developed and/or reviewed. While not all of these strategies, policies and plans were fully implemented as initially anticipated, they remain in various stages of completion.

With regard to the Subprogramme Corporate Assurance in Programme 3 (Corporate Services Centre), it should be noted that most of the targets were met despite significant capacity constraints. These constraints impacted on the ability of the Chief Directorate Internal Audit to ensure adequate coverage of the high-risk areas in departments. The Directorate Forensic Investigations underwent major change in this period which hampered service delivery. The change related to efforts aimed at an appropriate organisational structure and resourcing the structure with appropriately skilled and competent employees. Most efforts were also directed at managing a backlog of investigations successfully. The Directorate Enterprise Risk Management also met most of their targets in an environment requiring major change-management interventions both at a client and staff-member level.

Programme 4, the Centre for E-innovation, achieved most of its targets set for the year under review. In this programme, particular emphasis was placed on the implementation of the IT Service Delivery Improvement Plan with a focus on connectivity and broadband, core infrastructure optimisation and business-productivity optimisation.

During the period under review the Department reported quarterly on delivery progress against the indicators and targets. This enabled management to assess progress and identify mitigation strategies towards achievement of the strategic objectives. A mid-year review was conducted at the beginning of the third quarter which positioned the Department to put forward adjustments to its annual performance indicators and targets and concomitant budget.

The following additional allocations and shifts to other votes were appropriated by Vote 1: Department of the Premier:

- R3 403 000 for improvement of conditions of service (salaries)
- R18 400 000 for purchasing of Microsoft licenses
- R61 273 000 for the corporatisation of functions
- R400 000 for IT installation for the EPWP provincial coordination office
- (R2 400 000) shifted for the Emergency Medical Services functions for the 2010 FIFA World Cup™
- (R5 000 000) for accommodation needs of the Department

#### **Utilisation of rollovers from 2009/10:**

Rollovers of R2 191 000 as well as R727 000 from over-recovered revenue were requested for the upgrade of Philippi Stadium.

The Department's core functions were directed towards ensuring that the Province becomes the best-run regional government in the world. There is significant synergy with national outcome 12, "An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship." A large number of the provincial modernisation-programme initiatives were in direct support of this national outcome, especially as it relates to the deliverables of Programmes 3, Human Capital (including organisational development, the Provincial Training Institute and corporate assurance) and 4, Centre for E-innovation.

## **2.1.6 Overview of the organisational environment for 2010/11**

The new strategic thrust which emerged during the 2009/10 financial year, following the appointment of the new executive, culminated in the implementation of a modernised organisational structure with effect from 1 April 2010. This structure provided for a new Corporate Services Centre which was fully established and operationalised during the course of 2010/11. The corporatisation of the Human Resource Management (all departments, except for Health and Education), Enterprise Risk Management and Internal Audit functions to the Corporate Services Centre had a major impact on the budget baseline of the Department which was addressed in the adjustment budget process.

The post of Director-General was filled on 1 July 2010 and that of Chief Director Office of the Director-General during November 2010. The functions of the Chief Financial Officer are vested in this post which served to raise the level of this designation.

The public-sector strike during August 2010 was managed well in the Province. The Western Cape Province was least affected by the strike in relation to other provinces. The establishment of a task team to manage the operational consequences of the strike mitigated its impact on service delivery.

Management measures were also put in place to ensure continued service delivery during the 2010 FIFA World Cup™. A special leave policy was issued that demanded weekly status reports on time and attendance of employees.

## **2.1.7 Key policy developments and legislative changes**

The development of the Provincial Strategic Plan (PSP) and the approval by the Cabinet of provincial strategic objectives and their directives constitute a redirecting of the annual performance plans of departments of the Provincial Government. The Provincial Strategic Plan was developed through 12 task teams that consisted of Cabinet Ministers, heads of departments and senior managers – in some cases assisted by external expertise. In order to ensure the implementation of the provincial strategic objectives, a Provincial Transversal Management System was developed which the Cabinet approved on 18 August 2010.

## **2.1.8 Departmental revenue, expenditure, and other specific topics**

### ***Collection of departmental revenue***

The Department over-collected revenue by R1 181 000 by ensuring that all revenue is collected on an on-going basis. The better than anticipated performance is mainly due to an advance paid to Government Transport for the purchase of 20 vehicles in 2008 of which only 10 were purchased and the balance paid back to the Department during the 2010/11 financial year. The Department ensures the optimal raising of revenue by evaluating tariffs on an annual basis and the continuous evaluation of measures to ensure efficiency and effectiveness.

Table 2.1.8.1: Sources of revenue of the Department of the Premier:

	2007/08 Actual	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual	% deviation from target
<b>Tax revenue</b>	-	-	-	-	-	-
<b>Non-tax revenue</b>						
Sales of goods and services	-	779	1 132	553	661	19,53%
Transfers received (donation)	690	-	-	-	-	-
Other	75	-	38	10	16	60%
<b>Sales of capital assets (Capital revenue)</b>	-	-	-	-	-	-
<b>Financial transactions (Recovery of loans and advances)</b>	15	(115)	423	-	1 067	-
<b>TOTAL DEPARTMENTAL RECEIPTS</b>	<b>780</b>	<b>664</b>	<b>1 593</b>	<b>563</b>	<b>1 744</b>	<b>209,77%</b>



### 2.1.9 Departmental expenditure

The Department spent 99,61% of its budget. This had no effect on service delivery, while measures were continuously evaluated in order to improve the economy and efficiency of spending. The main reason for the underspending is due to delays with the communications contract and 2010 FIFA World Cup™ Legacy Project still in process.

The table below provides a high-level summary of the expenditure incurred by the Department against budget. More detail can be found in the appropriation statement included in Part 3 of this report.

Table 2.1.9.1: Departmental expenditure against allocated budget for 2010/11

Programmes	Voted for 2010/11 R'000	Roll-overs and adjustments R'000	Virements R'000	Total voted R'000	Actual expenditure R'000	Variance R'000
Programme 1	80 510	69 839	(3 143)	66 696	65 859	837
Programme 2	43 886	38 331	(3 066)	35 265	34 440	825
Programme 3	99 619	166 989	(9 339)	157 650	157 133	517
Programme 4	321 153	348 210	15 548	363 758	363 486	272
<b>Total</b>	<b>545 168</b>	<b>623 369</b>	<b>-</b>	<b>623 369</b>	<b>620 918</b>	<b>2 451</b>

### 2.1.10 Transfer payments

The table below provides a summary of the transfer payments made which, therefore, do not constitute final expenditure by the Department. More detail can be found in the annexures to the Annual Financial Statements included in Part 3 of this report.

NAME OF INSTITUTION	AMOUNT TRANSFERRED R'000	ACTUAL EXPENDITURE R'000
Provincial Development Council	7 500	7 500
WESGRO	28	28
Library Business Corners	5 600	5 600
Cape Higher Education Consortium	500	500
Transfers to non-profit institutions	141	141
Transfers to households (ex gratia payment)	692	692
<b>Total</b>	<b>14 461</b>	<b>14 461</b>

### **2.1.11 Conditional grants and earmarked funds**

The Department received no conditional grants or earmarked allocations from the National Treasury.

### **2.1.12 Capital investment, maintenance and asset management plan**

#### ***Capital investment, asset management and maintenance***

The Department's capital investments are restricted to the movable assets in respect of computer equipment (infrastructure and end-user) and furniture.

Details regarding the amounts in respect of the movable assets of the Department can be found in note 29 of the Annual Financial Statements. The asset register is updated immediately with acquisitions, disposals and any other movements of assets. Information-technology assets include a three-year warranty in the event that an asset breaks down.

The Department submitted its input in terms of the Government Immovable Asset Management Act, 2007 (GIAMA) to the provincial Department of Transport and Public Works.

## 2.2 Programme performance

The activities of the Department were organised in the following programmes:

- Programme 1: Executive Support providing for the Offices of the Premier and Director-General and Executive Secretariat.
- Programme 2: Provincial Strategic Management providing for Policy and Strategy, Strategic Management Information, Strategic Communication and 2010 FIFA World Cup™.
- Programme 3: Corporate Services Centre providing for Human Capital, Corporate Assurance, Legal Services and Corporate Communication.
- Programme 4: Centre for E-innovation providing for Strategic ICT Services and GITO Management Services.

### 2.2.1 Programme 1: Executive Support

#### *Purpose*

The purpose of this programme is to provide executive-governance support services to the Premier, the Cabinet and the Director-General. Provision is made for:

- Operational support to the Premier.
- Operational and secretariat support to Cabinet, Cabinet structures and the provincial top management to strategically guide the maintenance of provincial governance and integration systems including the coordination of mutually supportive relations with other spheres of government and with social partners (including international partners), to render high-level decision support and to provide support to human-rights advocates.
- Departmental management, special executive interventions, and operational support to the Director-General, inclusive of departmental strategic management, coordination and good governance, and finance and administration. Provision was initially made for departmental personnel management and special programmes which were corporatised during the period under review.

#### *Strategic objectives*

##### **Subprogramme 1.2: Office of the Premier**

To render efficient, economic and effective administrative support services to the Premier on a daily basis.

##### **Subprogramme 1.3: Executive secretariat**

To provide secretariat and related support services to the executive on an annual basis through scheduled engagements of the Cabinet and its related structures, support to two human-rights advocates, and managing international incoming and outgoing delegations.

##### **Subprogramme 1.4: Office of the Director-General**

To provide departmental management support (departmental strategy, finance and administration) and operational support to the Director-General on a daily basis.

### ***Service-delivery objectives and indicators***

Programme 1: Executive Support realised a number of significant achievements. The Department redirected its operations as guided by a new five-year strategic plan (2010/11 to 2014/15) and an aligned Annual Performance Plan for 2010/11.

The Department continued to support the Cabinet and its related structures as well as the intergovernmental relations engagements held in the district municipal regions. The implementation of a new Transversal Management System only in the fourth quarter resulted in a number of the engagements of the Cabinet-related structures not taking place. Secretariat services were rendered to 40 engagements of the provincial top management and the departmental management structures.

The Department facilitated a visit by the Deputy President to the Plettenberg Bay area, some 35 visits by foreign dignitaries and administratively supported the hosting of the Fifth Regional Leaders Summit. The summit focused on the themes of food security and integrated transport. Benefits to the Province centred around best practice sharing with the State of Georgia and improved trade with China. Although discussions on possible areas of cooperation were held during bilateral engagements, not all of them result in actual agreements. For this reason only three out of 10 planned international agreements were entered into.

The two human-rights advocates were supported in their coordination of six human-rights projects, as directed by the Premier. The strategy to ensure an integrated approach to human-rights communication and marketing was not developed due to the Draft Human Rights Framework being put on hold. The framework will be informed by the provincial communication strategy and branding architecture and thus awaits its finalisation.

Departmental governance responsibilities were managed from a central position in the Office of the Director-General, enhancing the interrelatedness of financial and non-financial management activities. The Department also received an unqualified audit for the 2009/10 financial year, although with matters of emphasis being raised. The post of Chief Director in the Office of the Director-General was filled with the Chief Financial Officer function vested in the incumbent. Reasonable progress was made in reducing the 47% vacancy rate in the Directorate Finance and Administration.

**Table 2.2.1.1.: Performance of Programme 1: Executive Support**

<b>Programme 1: Executive Support</b>					
	Strategic objective	Measure/Indicator	Actual performance against target		Reason for variance
			Target	Actual	
<b>Subprogramme 1.1: Programme Support</b>					
1.1.1 Subprogramme: Programme Support	1.1.1.1	Number of good governance reports in respect of the branch to ensure compliance with all governance prescripts and guidelines, including timelines	4	Nil	Resources were applied elsewhere. A spreadsheet was developed to report on compliance matters.
<b>Subprogramme 1.2: Office of the Premier</b>					
1.2.1 To render efficient, economic and effective administrative support services to the Premier on a daily basis	1.2.1.2	Number of speeches delivered as part of the annual strategic and budget planning process (State of the Province Address, Vote 1: Budget Speech and Adjustment Budget Speech)	3	3	
<b>Subprogramme 1.3: Executive Secretariat</b>					
1.3.1 To provide secretariat and related support services to the executive on an annual basis through scheduled engagements of the Cabinet and its related structures, support to two human-rights advocates, and managing international incoming and outgoing delegations	1.3.1.1	Secretariat and support services provided for an expected number of engagements of the Cabinet and its related structures	130	96	Due to the delay in the roll-out of the transversal management system and the cancellation of most Cabinet Committees, the targets could not be met. Cabinet meetings, provincial top management meetings, Premier's Coordinating Forum meetings and departmental Executive Committee meetings took place.
	1.3.1.2	Secretariat and support services provided to two provincial human-rights advocates (Women and Children and Substance Abuse) in respect of number of provincial human-rights programmes	12	15	Child maintenance project launched as part of 16 Days of Activism Campaign, Human Trafficking Prevention engagement, the establishment of the Western Cape Substance Abuse Forum, the management of human rights complaints, Ke Mojo project evaluation,

					production of a draft Human Rights Newsletter and implementation of the Substance Abuse project contributed to the targets having been exceeded.
	1.3.1.3	Number of strategies developed and implemented to ensure an integrated approach to human-rights communication and marketing	1	Nil	<p>The strategy was not developed as the supporting Draft Human Rights Framework and Provincial Communication Strategy were not completed during the period under review.</p> <p>The Premier's Priority Projects received focused attention. The following interventions served to promote human rights in the Province:</p> <ul style="list-style-type: none"> <li>• Dialogues on teenage pregnancies</li> <li>• Disability-related matters, including an audit in George and an engagement with the learners with disabilities sector</li> <li>• sexual harassment policy approved</li> <li>• substance abuse forum meetings held</li> <li>• engagements with children sectors</li> <li>• consultative workshop of the National Youth Development Agency</li> <li>• an engagement with Women's Rights Programme at George Municipality.</li> </ul>
	1.3.1.4	Number of governance reports on PDC oversight in planning,	4	4	

		reporting, and governance support rendered			
	1.3.1.5	Expected number of international incoming and outgoing delegations managed	10	22	Although the Directorate had set for itself a target for incoming and outgoing delegations, the number of incoming and outgoing visits was far beyond that which was anticipated. This was particularly true for requests for courtesy calls.
	1.3.1.6	Number of international agreements facilitated and maintained with sustainable value impact	10	3	Although discussions on possible areas of cooperation were held during bilateral engagements, not all of them resulted in actual agreements.
	1.3.1.7	Number of projects managed in hosting the 2010 Regional Leaders Summit	1	3	The prep-summits were held twice due to the volcanic ash in Europe that prevented delegates (other than Shandong) from attending the first summit in April.
	1.3.1.8	Number of projects managed in hosting the Provincial Honours ceremony.	1	Nil	Deliverable reprioritised for 2012 and currently subjected to an evaluation of the legal mandate.
	1.3.1.9	Expected number of bilateral and multilateral engagements managed	1	38	A large number of courtesy calls were arranged for Minister Meyer and various members of the consular and diplomatic corps to promote bilateral relations between the Western Cape Province and strategic regions.
<b>Subprogramme: 1.4 Office of the Director General</b>					
1.4.1 To provide departmental management support (departmental strategy, finance and administration and departmental personnel management and special programmes to be corporatised) and operational support to the Director-General on a	1.4.1.1	Number of milestones reached in respect of two projects implemented to ensure sound departmental planning, performance monitoring and reporting and publication of planning documentation	4	4	

daily basis	1.4.1.2	Number of departmental annual reports published	1	1	
	1.4.1.3	Number of reports and interventions implemented to enhance and improve departmental good governance and departmental coordination	5	4	An office managers' forum was not fully established as there were delays in the filling of the vacancies.
	1.4.1.4	Number of governance reports on the maintenance of an office support service to the Director-General	4	4	
	1.4.1.5	Expected number of strategic projects managed on behalf of the Director-General	4	9	A number of ad hoc projects were managed.
	1.4.1.6	Date by which prescribed occupational health and safety requirements are adhered to at all workplaces in the department.	2011/03/31	Nil	The scope of the work required a post of assistant director to be reprioritised. Three project plans were completed to prioritise the most critical tasks to be undertaken.

#### Subprogramme 1.5: Departmental Finance and Administration

1.5.1 To provide departmental management support (departmental strategy, finance and administration and departmental personnel management and special programmes to be corporatised) and operational support to the Director-General on a daily basis	1.5.1.1	Number of unqualified audit reports received in respect of the department	1	1	
	1.5.1.2	% of maximum underspend deviation on the budget of the Department maintained	2%	0.39%	
	1.5.1.3	Number of financial skills development plans developed in conjunction with the Corporate Services Centre (Human Capital), implemented and managed	1	Nil	Corporatisation was phased in with the final phase in November 2010.
	1.5.1.4	% of maximum average vacancy rate for funded finance posts attained	10%	35.89%	Some posts filled but suitable candidates were not found for others. Certain posts were readvertised with closing date of 5 April 2011 and others to be filled in the 2011/12 financial year. Key employees also left the Department for



					promotional opportunities in other departments.
	1.5.1.5	Maximum number of emphasis of matters raised by the Auditor-General	0	4	In terms of the 2009/10 financial year, four emphasis of matters were raised by the Auditor-General. These were included in the Department's Financial Management Improvement Plan for remedial action.
	1.5.1.6	Number of asset registers maintained in full compliance with Section 38 of the PFMA	1	1	
	1.5.1.7	% of total number of paid invoices finalised within 30 days after receipt in terms of Treasury Regulation 8.2.3	100	86%	Some invoices were received from other departments which were not paid within 30 days. Internal non-compliance was managed through the issuing of Finance Circular 2/2011.
	1.5.1.8	Number of cost savings programmes developed or implemented or refined or maintained for the Department	1	1	
	1.5.1.9	Number of Supply Chain Management policies, including an effective monitoring and evaluation framework, developed or implemented or refined or maintained for the Department	1	1	
	1.5.1.10	Number of procurement plans aligned with the budget and programme deliverables developed or implemented or refined or maintained for the Department	10	Nil	A departmental procurement plan is expected to be finalised at the end of April 2011 for the 2011/12 financial year.

## **2.2.2 Programme 2: Provincial Strategic Management**

### ***Purpose***

The purpose of this programme is to professionally support the Premier and Cabinet to effectively exercise their executive authority in respect of provincial strategic-management matters. Provision is made for the management of provincial strategic content through:

- Strategically supporting the executive in the development and implementation of high-level provincial policies and strategies.
- Strategically supporting the executive in the monitoring of provincial performance in respect of national and provincial policy, strategy, programme and project implementation.; and,
- Facilitating ongoing strategic communication (all departments) between the Provincial Government and its stakeholders.

### ***Strategic objectives***

#### **Subprogramme 2.2: Policy and Strategy**

To strategically support the executive in the development and implementation of provincial policies and strategies and the assessment of the achievement thereof on an annual and five-year basis.

#### **Subprogramme 2.3: Strategic Management Information**

To strategically support the executive in the monitoring of provincial and organisational performance in respect of national and provincial policy, strategy, programme and project implementation for quarterly, annual and five-year cycles.

#### **Subprogramme 2.4: Strategic Communication**

To facilitate ongoing coherent and coordinated strategic communication (all departments) between the Provincial Government and its stakeholders on a monthly basis through the implementation of a provincial communication strategy and brand architecture.

#### **Subprogramme 2.5: 2010 FIFA World Cup™**

To coordinate 2010 FIFA World Cup™ programmes and projects in pursuance of legacy benefits in the Province by 31 December 2010.

### ***Service-delivery objectives and indicators***

The **Subprogramme Policy and Strategy** achieved the following deliverables:

- The Provincial Strategic Plan: The policy unit completed and published the draft Provincial Strategic Plan by November 2010 after a number of content and editorial changes were made. The plan consists of twelve strategic objectives. The Provincial Strategic Plan was developed by twelve task teams comprising MECs, Heads of Department and senior managers and in some cases they were assisted by external expertise. In order to ensure the effective execution of the programmatic interventions proposed in the approved strategic objectives, strategic directives were developed to ensure that the Provincial Government, through its departments, delivers on the outcomes to which it has committed over the medium term.

- The policy unit completed an assessment of the Integrated Development Plans of municipalities jointly with the Department of Local Government to try and align the activities of the departments with that of the municipalities.
- A State of the Province Report and a Poverty Reduction position paper with a draft Poverty Reduction Strategy which have since been handed over to the Department of Social Development.
- A report on the performance of the Provincial Transversal Management System: The policy unit has since approval by Cabinet in September 2010 been involved in the establishment and institutionalisation of the Provincial Transversal Management system. The system was finally launched in February 2011 and is currently being rolled out in the 2011/2012 financial year. Standard operating procedures were also developed in support of the system.
- An analysis of the implementation of the strategic objectives: As part of the implementation of the Provincial Transversal Management System, the policy unit has played a role in the development of steering groups and working groups as part of its extended responsibility. In addition, while the primary role in the formulation of policy resides with the line functions in the working groups, the policy unit is also playing a role in the formulation of the policy positions in a number of policy areas, most notably these include alcohol and substance abuse, early childhood development, road safety and personal injuries reduction, etc. The intention is to review the implementation of the Provincial Transversal Management System and the effectiveness of the steering groups and working groups in the new financial year.
- As part of the Modernisation Programme, the Chief Directorate Policy and Strategy reviewed 16 Special Purpose Vehicles (SPVs) and five Public Entities in the Province and produced 21 review reports. Included in the recommendations is a review of public participation and the proposed creation of a single Economic Development Agency (EDA). The recommendations of those reports were approved by the Cabinet. Some of these recommendations have been implemented and some will be implemented in the 2011/12 financial year.

The **Subprogramme Strategic Management Information** has achieved the targets set for the period under review. Key deliverables included:

- The review of the Provincial-wide Monitoring and Evaluation Framework for measuring the Provincial Strategic Objectives. The framework follows a results-based approach and takes into account the newly established Performance Monitoring and Evaluation System and the newly adopted outcome-based approach of the Presidency.
- The development of a Spatial Information Framework which sets the direction for spatial information standards and procedures for the Province.
- Executive Project Dashboard progress reports and four project milestones were reached in the implementation of programme and project management methodologies and standards. A standard operational procedures document was developed and tabled at the provincial top-management orientation session on 11 November 2010. A series of workshops with the strategic management forums focused on adopting programme and project management methodology, advocacy on data management for the Provincial Strategic Objectives and the strategic application of Geographical information Systems.
- An assessment report on the outcome or impact of 30 indicators in relation to the Provincial Strategic Objectives.
- Monitoring and evaluation reports (3) on departmental subprogrammes of gender, youth, disability and children.

- A performance framework on the implementation of the national outcomes in the context of the Provincial Strategic Objectives.
- An Indicator Framework for outcome indicators relating to eleven (11) of the twelve (12) Provincial Strategic Objectives. In line with the development of the Provincial Strategic Objectives, a compendium of transversal outcome indicators has been developed and quality assured, which serves as a reference database from which a basket of indicators may be used to measure the results of the Provincial Strategic Objective outcomes. A compendium of data sources was also developed and quality assured, which serves as reference to the data availability for the transversal outcome indicators. The release of the first annual indicator measurement for the Provincial Strategic Objectives is in line with the State of the Province Address 2011.
- The development of a Core Directory of Common Data Sources for the purpose of measuring the Provincial Strategic Objectives. The first phase for a central repository consists of Volume 1: Mainstream Data Sources and Volume 2: Provincial Administrative Data Sources.
- The development of the Business Requirement Specifications, Functional Requirements and technical design specifications for the Provincial-wide Monitoring and Evaluation System (PWMES) and the Annual Performance Plan Assessment System (APAS) towards an integrated and automated monitoring and evaluation system.
- The design of a Four-phase Model for an Integrated Spatial Information System towards the establishment of strategic Geographical Information System capacity.

The **Subprogramme: Strategic Communication** produced a single corporate brand strategy, brand positioning and brand iconography. The Directorate facilitated the development of a communication strategy for the Provincial Government. Monthly communication performance reports were submitted to the Cabinet. A stakeholder communication plan for the Provincial Strategic Plan was also developed.

The **Subprogramme: 2010 FIFA World Cup™** has achieved the targets set for the period under review. The Department continued to provide transversal leadership and coordination for the provincial 2010 FIFA World Cup™ programme while seeking to leave a positive and sustainable legacy so that the province, the country and the continent could leverage economic growth from the event, simultaneously increasing environmental awareness and social cohesion within and between communities. Integral to this leadership and coordination was the maintenance of a governance system with solid intradepartmental, interdepartmental and intergovernmental relations as its pillars. This governance system was the integration of a series of dedicated and institutionalised 2010 structures geared for effective interaction between the political and administrative leadership of the different spheres of government. Key examples of these structures were the 2010 Technical Steering Committee (TSC) and the 2010 Western Cape Municipal Forum (WCMF).

Key deliverables for the period under review included:

- The provision of a support service to Team Base Camps and Venue Specific Training Sites (i.e. Philippi Stadium) to meet FIFA requirements. The Philippi Stadium was used by Uruguay as a venue-specific training site prior to and after their semi-final game in the Cape Town Stadium.
- The coordination of projects to improve media and business relations. A series of business breakfasts targeting decision-makers of countries playing at the Cape Town Stadium was rolled out in collaboration with external networks including Wesgro, Accelerate Cape Town, City of Cape Town and the Consular Corps.
- The management of a 2010 FWC marketing and communication plan.

- The provision of marketing support to Fan Jols in five districts beyond the City of Cape Town. Municipalities in partnership with PGWC implemented a local Fan Jol marketing campaign utilising local radio and community newspapers. Additionally a re-engineered Fan Jol roll-out saw internal resources (DotP and DCAS) utilised instead of service providers resulting in a considerable cost-saving for Provincial Government.
- The coordination of a Western Cape Schools Holiday Programme.
- The facilitation of an information support service for visitors (including foreign languages) and locals. Stakeholders seconded staff with tourism competencies to the various information kiosks to improve the value proposition for tourists. Knowledge management products were developed to contribute to the preservation and dissemination of 2010 FIFA World Cup™ related intellectual property.

The Provincial Government used and will continue to use the 2010 FIFA World Cup™ as a platform to promote tourism, trade and investment opportunities. Through Cape Media Services, relationships with the international media have been enhanced with the return on investment as intended. A comparative study showing national and provincial media coverage between 2008 and 2010 concluded that the media shifted from negative portrayal to positive showcasing of the event in relation to issues of readiness for the event, safety and security and capability.

The Department emphasised Knowledge Management post the event. This involved the:

- Review and evaluation of 2010 PGWC interventions, measured against the strategic objectives of the PGWC and the 2006 Strategic Plan drawn up with the City of Cape Town.
- Recording and publicising achievements and challenges of the 2010 FWC project nationally and internationally.
- Dissemination of lessons learnt and sharing best practice with all stakeholders.
- Coordination of the development of sustainability and implementation plans for 2010 FIFA World Cup™ projects.

Two key Knowledge Management products were developed namely:

- “Capeability”: A publication that captures the Western Cape’s successes during 2010 FWC and provides the Province with a major marketing platform for tourism, trade and investment going forward.
- “Legacy report”: This monitoring and evaluation report reflects on the 2010 Strategic Plan and suggests ways in which critical lessons may be operationalised in the Government.

The period has also seen a broadening of the delivery focus to include the strategic assessment of event impact and the consolidation of legacy programmes. This included:

- The incubation of a strategic facilities plan in collaboration with the Department of Cultural Affairs and Sport geared to increase levels of facility use and improve opportunities for income generation at sport facilities.
- The initiation of collaborative research projects with the Department of Economic Development and Tourism and the Department of Health.

Additionally, the successful appointment of a tenant for the Philippi Stadium, who has his roots in Philippi, was concluded. Bafana Bafana has since trained at the Philippi Stadium and Professional Soccer League matches have been played there.

The legacy of the 2010 FWC included improved sporting infrastructure geared to further both elite and community sport. Interventions such as business breakfasts and a steady flow of information to the international and local media and visitors served to fuel the Province's positioning strategy as a preferred global destination for tourism, trade and investment.

Cost minimization was brought about by, for example, the use of in-house resources as opposed to the sole use of consultants and the development of shared marketing platforms. In the context of the Public Viewing Areas (PVAs), this also led to increased economic opportunities in rural areas for the duration of the event.

Intra- and intergovernmental delivery teams on projects, such as the School Holiday Programme, contributed to the optimisation of resources. Critically, the streamlining of implementation systems resulted in heightened impact. These revised delivery methods were captured and will be converted into models that can contribute to improved service delivery in the longer term.

Lastly, lessons learned are being shared with Brazil in their preparations for the 2014 FIFA World Cup™ through visiting delegations, seminars and workshops as well as distribution of written material.

**Table 2.2.2.1: Performance of Programme 2: Provincial Strategic Management**

<b>Programme 2: Provincial Strategic Management</b>					
<b>Strategic objective</b>		<b>Measure/Indicator</b>	<b>Actual performance against target</b>		<b>Reason for variance</b>
			<b>Target</b>	<b>Actual</b>	
<b>Sub-programme 2.1: Programme Support</b>					
<b>2.1.1</b> Subprogramme: Programme Support	2.1.1.1	Number of good governance reports in respect of the branch to ensure compliance to all governance prescripts and guidelines, including timelines	4	Nil	Resources were applied elsewhere. A spreadsheet was developed to report on compliance matters.
<b>Sub-programme 2.2: Policy and Strategy</b>					
<b>2.2.1</b> To strategically support the executive in the development and implementation of high-level provincial policies and strategies and the assessment of the achievement thereof on an annual and five-year basis	2.2.1.1	Number of project milestones reached in publishing, reviewing and communicating the five-year provincial strategic plan	4	4	Draft 1 of the Provincial Strategic Plan has been published. The approval of the Public Participation Policy by the Cabinet is required before an official communication plan can be tabled and signed off.
	2.2.1.2	Number of engagements coordinated of the provincial integrated planning forum	2	Nil	The responsibility for this action has shifted to Department of Local Government. It is currently referred to as the IDP Indaba. The role of the Department of the Premier has been reduced to participant.
	2.2.1.3	Number of reports on the Identification of departmental targets and alignment of Annual Performance Plans with Provincial Strategic Plan objectives in respect of 13 departments	2	12	Reports on the MTEC process were compiled by the Department.
	2.2.1.4	Number of reports on the alignment of Integrated Development Plans with the five-year provincial strategic plan in respect of 30 local authorities	2	Nil	Draft IDPs are submitted on or after 31 March of each year. The Policy Unit participates with the Department of Local Government leading.
	2.2.1.5	Number of engagements of policy forum coordinated (e.g. to develop and implement a provincial	2	Nil	This function now resides with Department of Local Government.



		strategic planning framework)			
	2.2.1.6	Number of provincial strategic objectives in respect of which content is managed in support of the Provincial Cluster System	10	12	The number of strategic objectives was changed during the formulation process. Technical and secretariat support was provided to manage 12 provincial strategic objectives through the Provincial Transversal Management System.
	2.2.1.7	Number of reports delivered on the State of the Province 2010/11	1	1	Published on Cape Gateway.
	2.2.1.8	Number of management reports on support to departments in the design of integrated programmes and projects in support of the Provincial Strategic Plan	4	5	Five integrated and transversal management reports finalised in support of three provincial strategic objectives.
	2.2.1.9	Number of reports on the assessment of progress with, and evaluation of the achievement of provincial strategic objectives	5	Nil	An evaluation of the strategic objectives is premature. It can only be done once they have been implemented.

### Sub-programme 2.3: Strategic Management Information

2.3.1 To strategically support the executive in the monitoring of provincial and organisational performance in respect of national and provincial policy, strategy, programme and project implementation in a quarterly, annual and five-year cycle	2.3.1.1.	Number of provincial-wide monitoring and evaluation frameworks for implementation of the Provincial Strategic Plan reviewed and implemented annually	1	1	Strategic framework for Provincial-wide Monitoring and Evaluation finalised.
	2.3.1.2	Number of project milestones reached in the implementation of programme and project management methodologies and standards in accordance with the Project Management Approach Blueprint	4	4	Milestone 1: Provincial-wide implementation of programme and project-management methodology and standards, Provincial Transversal Management System and standard operating procedures finalised and consulted with heads of department. Milestone 2: Programme and project-management capacity building and training inclusion in the Provincial Training Institute curricula as of 2011/12. Milestone 3: At 31 March 2011 a total number of 241 users trained in the Executive Project Dashboard for



					the given year.  Milestone 4: 171 departmental 2011/12 annual performance plan projects were assessed and quality assured by 12 externally appointed consultants. Two Executive Project Dashboard assessment reports were submitted.
	2.3.1.3	Number of progress reports related to the data and information on the executive projects dashboard	4	7	Three progress reports for the Premier and four EPD analysis reports on data and information.
	2.3.1.4	Number of provincial-wide monitoring and evaluation assessment reports on the implementation of the Provincial Strategic Plan at the levels of outputs, outcomes, and impact	3	4	The demand for reports exceeded the initial planning. Report 1: Provincial-wide assessment report on the outcome or impact of 30 indicators in relation to the Provincial Strategic Objectives. Report 2: Provincial-wide audit (final report) on the departmental subprogrammes of gender, youth, disability and children. Report 3: Provincial-wide monitoring and evaluation (final report) on departmental subprogrammes of gender, youth, disability and children. Report 4: Provincial-wide monitoring and evaluation: budget statement report on departmental subprogrammes of gender, youth, disability and children.
	2.3.1.5	Number of provincial-wide monitoring and evaluation assessment reports on the implementation of national priorities in the provincial context	1	1	A performance framework in alignment with performance and accountability delivery implementation protocol finalised.
	2.3.1.6	Number of annual indicator-release reports produced	1	1	An indicator framework for outcome indicators relating to 11 Provincial Strategic Objectives finalised and quality assured.

	2.3.1.7	Number of phases developed and maintained in compiling a core directory of common data sets	1	1	Phase 1 completed. Core Directory of Common Data Sources, Volume 1. Mainstream Data Sources, volume 2. Provincial Administrative Data Sources finalised and quality assured for the purpose of measuring 12 Provincial Strategic Objectives.
	2.3.1.8	Number of phases developed and implemented towards a province-wide automated monitoring and evaluation system (data management)	1	1	Phase 1: Business Requirement Specifications for the Provincial-wide Monitoring and Evaluation System finalised for system implementation.
	2.3.1.9	Number of phases developed and implemented towards an integrated and automated organisational governance, management and information system	1	1	Phase 1: Business Requirement Specifications for the Provincial-wide Monitoring and Evaluation System and Annual Performance Plans Assessment System finalised for system implementation.
	2.3.1.10	Number of phases established and maintained towards an innovation centre for geographic information system (GIS)	1	1	Phase 1 finalised in setting-up Innovation Centre in collaboration with E-innovation. A four-phase model for an Integrated Spatial Information System finalised in relation to strategic application of GIS in the Provincial Government inclusive of role and function clarification of key stakeholders.
	2.3.1.11	Number of strategic frameworks developed and implemented in respect of a province-wide geographic information system (GIS)	1	1	Provincial-wide Spatial Information Strategy finalised in line with Provincial Business Intelligence Strategy.
<b>Sub-programme 2.4: Strategic Communication</b>					
2.4.1 To facilitate on-going coherent and coordinated strategic communication (all departments) between the Provincial	2.4.1.1	Number of provincial strategic communications strategies developed and implemented	1	1	
	2.4.1.2	Number of provincial communication plans developed, implemented and monitored	1	Nil	The final version of the communication strategy is expected in April 2011.

Government and its stakeholders on a monthly basis through the implementation of a provincial communication strategy and brand architecture		ensuring departments' readiness to plan and implement communications projects and programmes / campaigns against PGWC communications strategies			
	2.4.1.3	Number of projects to implement an effective provincial brand	1	Nil	The final brand is expected in April 2011.
	2.4.1.4	Number of reports evaluating the impact of provincial communication	4	12	A monthly report on the performance of departments is tabled in the Cabinet.
	2.4.1.5	Number of management reports ensuring meaningful analyses of media monitoring as provided by corporate communications	4	4	
	2.4.1.6	Number of project plans approved and implemented in accordance with the annual provincial festivals and events coordinating calendar	4	Nil	The final brand and communication strategy and 15-year events strategy is awaited.
	2.4.1.7	Number of management reports ensuring alignment of communications function with GCIS and other government communications units	4	Nil	The PGWC Strategic Communication unit works daily with all PGWC departments and with GCIS on a project-by-project basis.
<b>Sub-programme 2.5: 2010 FIFA World Cup</b>					
2.5.1 To coordinate 2010 FIFA World Cup programmes and projects in pursuance of legacy benefits in the province by 31 December 2010	2.5.1.1	Date until which a support service is provided to base camp and venue-specific training sites (Philippi) to ensure training sites meet FIFA requirements	31 July 2010	31 July 2010	Support service provided to base camp and venue specific training sites (Philippi) to meet FIFA requirements.
	2.5.1.2	Date until which 2010 FIFA World Cup™ projects, geared to improve media and business relations, are coordinated	30 August 2010	30 August 2010	Projects to improve media and business relations coordinated.
	2.5.1.3	Date until which the marketing and communication plan for 2010 FIFA World Cup™ is managed in the run-up to and after the event	30 August 2010	30 August 2010	2010 marketing and communication plan managed.
	2.5.1.4	Date until which marketing support is provided to public viewing areas in five districts	30 June 2010	30 June 2010	Marketing support provided to public viewing areas in five districts.

	2.5.1.5	Date until which the Western Cape Schools Programme is coordinated	31 July 2010	31 July 2010	Western Cape Schools Programme coordinated.
	2.5.1.6	Date from which a FIFA World Cup™ related telephone information support service for visitors (including foreign languages) and locals is in place	1 June 2010	1 June 2010	Information support services for visitors (including foreign language) and locals put in place.
	2.5.1.7	Number of milestones reached in the development and maintenance of a 2010 FIFA World Cup™ Knowledge Management System to facilitate the preservation and dissemination of FIFA World Cup™-related intellectual property	4	4	Knowledge management products developed to facilitate the preservation and dissemination of FIFA World Cup related intellectual property and lessons being shared with Brazil in their preparation for 2014.

### **Programme 3: Human Capital (Corporate Services Centre)**

#### ***Purpose***

The purpose of this programme is to render transversal corporate services on a shared-services basis, excluding the Centre for e-Innovation. For the purpose of completeness, reference is made to the information communication technology function under this programme as it denotes a strategic objective in support of the goal “effective, efficient, modern, good, clean corporate governance is ensured in the Provincial Government of the Western Cape through the rendering of transversal provincial corporate services”. Given the strategic importance and the quantum of resources supporting Cel, provision is made for it to be managed under a separate programme, Programme 4 Centre for e-Innovation, within the Department’s budget programme structure.

Under this programme provision was made for the rendering of the following services to the Provincial Government.

- a) Human-capital services to the PGWC will be provided as a corporate service on a shared-services basis.

Provision was made for:

- The rendering of a professional organisation-development consultancy service that contributes to the creation of an enabling organisational environment that will enhance efficient and effective service delivery. The strategic intent of this service is continuous organisational improvement. The core functions focus mainly on interventions relating to organisational behaviour, organisation design, process design and improvement.
- The coordination and enhancement of learning and development within the PGWC through the services rendered at the Provincial Training Institute focusing on programme design and programme delivery. This function is the topic of a separate blueprint which provides for a more comprehensive approach to the management of the human-capital development function in the Province, including the upgrading of infrastructure to ensure optimal functioning as an accredited training and development facility. The blueprint also provides for enhancing the capacity of the institute.
- The rendering of human-resource management services to departments in the PGWC including policy and planning, human-capital practices and administration, performance management and development and the promotion of sound employee relations. The re-aligned approach makes provision for high-level advisory support to the executive and Heads of Department whilst, at the same time, allowing for both the consistent application of human-resource policy and the more effective use of resources. This approach also allows for Departmental employees at all levels to focus on their primary line-function work.

- b) Corporate assurance services to the PGWC (including Health and Education) were provided as a corporate service on a shared-services basis.

Provision was made for:

- Enterprise Risk Management services which replaced the departmental units (or Chief Risk Officers), and which rendered a fully-fledged integrated enterprise risk management support service to all departments in the Provincial Government. The Provincial Treasury retained its statutory regulatory role with regard to this function.
- An internal audit unit to conduct risk-based internal audits for all departments providing independent assurance on the achievement of objectives. This service was corporatised on a “going concern” basis from the Provincial Treasury and Departments of Health and Education.

- A provincial forensic investigative unit aimed at the prevention, detection and investigation of alleged cases of fraud, theft and corruption.

These units represent a natural value chain and the integrative corporate-assurance ability incorporates, for the first time, all the elements associated with this environment.

- c) Legal services to the PGWC are provided as corporate services on a shared-services basis.

Provision was made for:

- The strategic management of the legislative drafting requirements of the provincial executive.
- Legal support service in respect of litigation matters.
- The management of corporate legal advisory services.

- d) Corporate communication services to the PGWC, distinct from provision for strategic communication as provided for in Programme 2: Provincial Strategic Management, will be provided as a corporate service on a shared-services basis.

Provision was made for:

- Provision of government communication products.
- Events and public-participation services; and,
- Support with the implementation of advertising and marketing campaigns.

## ***Strategic objectives***

### **Subprogramme 3.2: Human Capital**

To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices.

### **Subprogramme 3.3: Corporate Assurance**

To ensure a corporate-assurance capability in the Provincial Government by rendering integrated enterprise-risk management, internal audit and forensic investigation services on a daily basis.

### **Subprogramme 3.4: Legal Services**

To render a comprehensive legal support service to the Provincial Government consisting of legislative drafting services, litigation services, and corporate legal advisory services on a daily basis.

### **Subprogramme 3.5: Corporate Communication**

To render corporate communication services through the production of government communication products, the rendering of events and public-participation services, and implementation of advertising and marketing campaigns on a daily basis.

### ***Service delivery objectives and indicator***

In respect of Programme 3: Corporate Services Centre, it should be noted that the establishment of the centre represented a pinnacle delivery-milestone in the provincial modernisation programme. The Cabinet approved a policy document on the Corporate Services Centre and each department signed a service-level agreement with the Corporate Services Centre. Standard operating procedures are in the process of being developed for prioritised services in the Corporate Services Centre.

The Subprogramme: Human Capital registered the following achievements:

The **Chief Directorate Organisation Development** provided consultancy services to all provincial departments and the following were achieved:

Phase 2 of the establishment of a provincial assessment centre was concluded and the employee health and wellness services were corporatised for 11 provincial departments.

The **Directorate Organisation Design** was a key driver in the modernisation of departmental organisational designs. In this regard, the organisational designs of five departments namely, Agriculture, Cultural Affairs and Sport, Education, Health and the Provincial Treasury, were completed.

A similar redesign intervention was conducted at Cape Nature. Other organisation redesign interventions include the Department of Health's three tertiary hospitals (Groote Schuur, Tygerberg and Red Cross), the establishment of Corporate Services Relationship Management Units at 10 client departments and the establishment of a CFO Unit at the Department of Local Government.

The **Directorate Organisational Behaviour** concluded Phase 2 of the establishment of a provincial assessment centre which is now fully operational. The employee health and wellness services were corporatised for 11 provincial departments, 26 wellness screening sessions were conducted and 625 employees were reached.

The blueprint on organisational culture and values were implemented. A Barrett Survey was conducted after which the provincial vision, mission, values and behaviour statements were developed. A leadership values assessment (LVA) of Provincial Ministers and heads of department were conducted and 84 cascading workshops for 297 senior managers and 1 254 middle managers were facilitated. All the last-mentioned interventions contributed to the alignment of leadership to ensure the PGWC is a vision-lead and values-driven organisation – a key determinant of most successful organisations.

The **Directorate Process Design and Improvement** delivered an Integrated Community Outreach Programme (ICOP). This programme rendered services at accessible venues to enhance access to integrated government services and information and it was rolled-out to 14 communities across the province. The services were rendered by most of the national, provincial, Chapter 9 Institutions Supporting Constitutional Democracy and relevant municipalities. 22 125 citizens accessed the ICOP and 25 355 government services were rendered. The ICOP roll-out criteria were based on the poverty index and the other related government programmes (Mass Registration Programme) to enhance coordination and integration of government resources, while simultaneously addressing the communities' need for government services. The ICOP roll-out consisted of 11 ICOPs, two mass-registration programme and one presidential ICOP.

Further to the above, 26 service-delivery plans were developed. They focused on improving service delivery to the citizen, "Public Service Week" was facilitated and four provincial Batho Pele Networks were hosted and attended by representatives from all provincial departments.

A Business Process Management methodology was developed and 10 corporate services standard operational procedures (namely Recruitment, Selection and Placement, Leave Management, Progressive Discipline, Individual Performance Management, HOD Performance Evaluation, Bursaries, Internships, Probation, Overtime and Termination of Service) were developed and approved.

**The Provincial Training Institute (PTI)** was awarded full accreditation as a training service provider by the PSETA. Together with the accreditation of the institute, two learning programmes were also accredited and scheduled for delivery in 2010/11. The upgrading of training facilities at the Kromme Rhee campus of the PTI ensured better use of the physical infrastructure. This also enabled the PTI to accommodate staff from Local Government and Western Cape-based regional offices of national departments at their training programmes. The ICT infrastructure was also upgraded with the procurement of end-user equipment valued at R1,5 million, the procurement of a dedicated server for e-learning, the installation of wireless connectivity and the upgrading of the network band to 2MB. This was done with the cooperation of the Centre for E-innovation and it greatly enhanced the modernisation of the PTI. The PTI also obtained approval from the departmental Bid Adjudication Committee to compile a supplier database to develop and deliver learning programmes to the PTI and a special procurement delegation to source in Higher Education Institutions (HEIs) to develop and deliver learning programmes. The required numbers of



strategic reports were submitted to PSETA to ensure Human Capital Development oversight in the PGWC. Courses of altogether 48 different learning programmes were presented to 3 048 participants.

The **Chief Directorate Human Resource Management** was fully corporatised during the period under review. It rendered human-resource management services to the departments in the Provincial Government of the Western Cape including policy and planning, human-capital practices and administration, performance management and development and the promotion of sound employee relations.

The physical corporatisation of the various human-resource functional areas was phased in throughout the year culminating in the corporatisation of the human-resource practices and administration function on 15 November 2010. The corporatisation of the mentioned functions, as well as the other human-capital functions, laid the foundation for the Department to deliver on its specific strategic objective for human capital: "To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices." A total of 273 targets were set for the year under this strategic objective, the achievement of which is discussed in the ensuing paragraphs.

Resource provision for the corporatisation was made through the adjustment budget which included adjustments to the planned deliverables as reflected in the 2010/11 Annual Performance Plan, while the post establishment was resourced through a matching and placement process as guided by a formal personnel plan as consulted with organised labour.

The corporatisation of the human-resource management functions of all departments, excluding that of the provincial Departments of Health and of Education, included the corporatisation of these functions of this department. This resulted in the deletion of Subprogramme 1.6: Departmental Personnel Management and Special Programmes and the redistribution of the subprogramme performance indicators, as reflected in the 2010/11 Annual Performance Plan into the Subprogramme: Human Capital. Planned departmental delivery, as provided for in the terminated Subprogramme 1.6 and transferred to this programme have either been reprioritised (celebration of commemorative days), rescheduled (long-service awards) or taken up in a provincial deliverable (validation of qualifications) in order to function effectively in the corporatised context and with concomitant priorities.

Following the corporatisation of the human-resource practices and administration function, service delivery continuation was initially hampered due to capacity constraints as the more experienced staff members were retained by departments to address other service needs. Contingencies were employed to ensure minimum service levels and a growth path towards service excellence.

Prior to corporatisation, the responsibility for human-resource policy development was to a large extent centralised in the Department of the Premier. The policies that were produced required further refinement in terms of the department's specific needs. Although departmental policies were generally aligned with the provincial guidelines, different norms, standards and delegations were applied which lead to inconsistent human-resource practices with concomitant risks for the Provincial Government of the Western Cape. In addition, little or no assessment was done on the impact of those policies and plans on the activities of the respective departments.

After corporatisation, the **Directorate Policy and Planning** has:

- Facilitated the clean-up of personal data on PERSAL through the roll-out of the on-line Human Resource Data Verification System (HRDVS). This initiative was reported to the National Cabinet as an exceptional process of managing personal data on PERSAL, and a delegation of DPSA officials have visited the Province to look at the possible benchmarking of the HRDVS on national level.
- Launched a project to upgrade the Public Servants' Toolkit on the Intranet. The re-building of the information platform has commenced and designated custodians have been identified to assist with updating of information once the system goes live which is targeted for May;
- Launched a pilot project to implement a Time and Attendance Management system at 4 Dorp Street. Biometric devices have been procured and cabling installed on all earmarked floors. The Cardax (swipe



card) access control system will be replaced with the biometric readers once access doors have been installed on all the floors. Reporting templates have been designed with the assistance of the Centre for E-innovation. The use of internal resources has resulted in significant savings for this project.

- Comprehensive reports on human-resource trends were compiled and distributed to heads of departments to inform management decisions, planning and discussions.
- Compiled Employment Equity Reports on behalf of client departments and on-line submission thereof to the Department of Labour.
- Compiled and embarked on a process of consultation of Human Resource Plans for client departments where such plans have expired.
- Translated relevant posts on departmental establishments to scales applicable to Occupational-specific Dispensations, and facilitating the implementation of Phases 1, 2 and 3 of Occupational-specific Dispensations on individual basis.
- Hosted an integrated Career Expo, promoting the Provincial Government of the Western Cape as employer of choice.
- Drafted the following transversal policies and policy guidelines:
  - Transversal Sexual Harassment Policy
  - Draft Transversal Cellphone Policy
  - Draft Special Leave Policy
  - Policy guideline on Religious Holidays
  - Policy guideline on attendance during 2010 FIFA World Cup™
  - Policy guideline on Ethical Conduct by Employees of the PGWC
  - Policy Guideline of Annual Leave Planning
  - Circular on Subsistence Tariffs for periods less than 24 hours
  - Interim Provincial Bursary Policy

Collective bargaining with **labour** has been managed well and the coordination with the other sectors, i.e. Health and Education, has been improved. This has resulted in a better working relationship with labour and the Province. The management of the strike and the implementation of strike-management plans have to a large extent mitigated the impact of the strike on essential services in the province as a proactive approach was taken to engage labour in advance of the strike. All consultations with regard to re-aligned structures of the various departments have been finalised.

Training interventions to improve the capacity of line managers to deal with labour issues continued and need to be intensified. A number of courses were conducted in this regard. A need has now been identified for Presiding Officer training to improve the quality of decisions in this regard. A gap in the quality of the work performed by staff who have been matched and placed has been identified and an urgent training intervention is now required to deliver in terms of the APP for the next few months. Parallel to this, the skill has to be contracted in over the short term while internal staff members are capacitated.

The **Directorate Performance Management and Development** concluded the recruitment and selection processes in respect of all vacant Head of Department posts. All performance contracts and financial disclosure documentation were submitted timeously to the Public Service Commission. The evaluation of Heads of Department for the 2008/9 and 2009/10 financial years have been successfully finalised and implemented. In this regard it should be mentioned that the Province is the only one that has fully complied with this national directive.

A second draft of an Operational Manual for the Management of the Career Incidents of Heads of Department was completed and is being consulted internally.

The Performance Management Information System (PERMIS) was further enhanced and PERMIS Version 2 was implemented with effect from 1 April 2010. This system is used by all departments with the Departments of Education and Health in the process of also migrating to PERMIS. During the 2010/11 financial year internal staff members have been trained as Departmental System Administrators and departmental staff members were trained to use PERMIS. PERMIS Version 2 was also further developed and aligned with the Performance Management and Development System for members of the Senior Management System, as well as with departmental needs and operational requirements.

In terms of the Performance Management Systems applicable in the Provincial Government of the Western Cape, departments are being monitored regarding the finalisation of employees' performance agreements and performance reviews and Heads of Departments are provided with regular feedback in this regard. A set of guidelines for the conclusion of performance agreements and the conducting of performance reviews and annual performance appraisals is in the process of being developed.

The development of strategies and the implementation thereof to establish methods to encourage and measure performance through non-monetary rewards is in the process of being finalised for consultation prior to implementation.

The **Subprogramme: Corporate Assurance** included the **Chief Directorate Internal Audit**, the **Directorate Enterprise Risk Management** and the **Directorate Forensic Investigations**.

The Internal Audit functions of the Provincial Treasury (which was a shared function for the majority of departments), the Department of Education and the Department of Health were amalgamated during the corporatisation process. This Chief Directorate came over as a going concern and some efficiency gains were realised in terms of the consistent application of the internal audit methodology and use of employees. The unit does, however, have significant capacity constraints to ensure adequate coverage of the high-risk areas in departments. This will be addressed in future financial years.

The **Directorate Enterprise Risk Management** was a completely new unit, centralising the Chief Risk Officer responsibilities of departments in this unit. The largest part of the year was spent on clarifying the specific methodology and approach to be followed in delivering this service to the departments. A six-month Risk Management Implementation Plan was agreed upon with each department, documenting and agreeing on the required deliverables of this unit with the relevant department to ensure compliance to prescripts.

The **Directorate: Forensic Investigative Unit** underwent major change in this period which hampered service delivery. It commenced with the review of the job descriptions of specifically the Forensic Investigators and reviewing the entire organisational structure of the unit. The vacant posts of Forensic Investigators were advertised. The response was poor and this necessitated a more strategic resourcing model which is to be explored in the new financial year.

The significant achievements of the Subprogramme Corporate Assurance can be highlighted as follows:

- The **Directorate: Enterprise Risk Management** used this base-year to establish itself, finalise the methodology and approaches to be used, and to build client relations and to grow and develop its staff members. The service delivery expectations were agreed upon in a Risk Management Implementation Plan with each department and services were delivered in line with this plan. By the end of the financial year, each department had a documented and validated risk profile and attention will be given in the new financial year to improve the data integrity of the risk profiles of departments and the Province as a whole.
- The **Chief Directorate: Internal Audit** focused on completion of its approved operational internal audit plans, resulting in an 89% completion (in comparison with a 90% target). Client satisfaction results were also encouraging, and a 76,39% rating was reported (in comparison with a 75% target). The unit did, however, report a low coverage in terms of high-risk areas included in their operational plans. The reason for this is twofold. Firstly, the majority of the unit's staff members were part of an intensive development programme following the corporatisation process and amendment to the internal-audit structure to enable strategic service delivery. This programme spans over two years and resulted in reduced productive time of these specific staff members. Secondly, the number of staff members in the

unit is not enough to work towards increased risk coverage and, furthermore, specialist skills (like IT internal auditing and performance and governance audit skills) are not available in the in-house unit. Some of these audits were outsourced but this is not a sustainable solution. The resourcing of this unit will be receiving attention in the new financial year.

- The **Directorate: Forensic Investigations** had some noticeable successes in a very challenging environment that was first and foremost plagued by significant resource constraints, which were duly supplemented with staff members seconded to the Directorate. The Directorate started the financial year with 115 backlog cases, some dating back to 2005. Some of these matters are very complex matters and through dedicated attention to these cases, the backlog at 31 March 2011 was 40 cases (25 cases relate to the 2009/10 financial year and 15 to prior financial years). A Fraud Health Check questionnaire was circulated throughout the Province and the results will be used to drive the preventative forensic initiatives in this Province.

The **Sub-programme Legal Services** provided a comprehensive legal support service to the Provincial Government by rendering opinions, drafting and editing contracts, managing litigation matters, commenting on draft national legislation and drafting provincial legislation. It exceeded its target in respect of the number of matters that were referred, namely 1 976 against a target of 1 900.

Draft line function, human-resource management and financial delegations were prepared and submitted to all departments for consideration. Due to the complexity of the project it could not be completed during the year under review. The delegations will be finalised and implemented during the 2011/12 financial year.

The Legislative Review Project prioritised the review of legislation in respect of the following four provincial departments during 2010/11: Departments of Finance, Education, Community Safety and Agriculture.

The Western Cape Procurement (Business Interests of Employees) Act, 2010, is groundbreaking legislation which was passed by the Western Cape Provincial Parliament in December 2010. The purpose of the Act is to restrict the business interests of employees of the Provincial Government and provincial public entities, and members of the controlling bodies of such entities, in entities doing business with the Provincial Government and provincial public entities, and to require the disclosure of such interests.

The Directorate Legislation was also instrumental in assisting the provincial departments and the Provincial Parliament with the drafting of the following pieces of legislation:

- Western Cape Ambulance Services Act, 2010
- Western Cape District Health Councils Act, 2010
- Western Cape Health Care Waste Management Amendment Act, 2010
- Western Cape Liquor Amendment Act, 2010
- Western Cape Rationalisation of Local Government Laws Act, 2010
- Western Cape Provincial School Education Amendment Act, 2010

In respect of the **Sub-programme Corporate Communication** it should be noted that although the final Corporate Communication structure was endorsed by the Provincial Bargaining Council during October 2010, the matching and placing of communication staff will only be concluded once the provincial communication strategy is completed. The unit is already operating within the guideline of the proposed structure as far as possible.

The demand for design support has increased significantly, particularly with regard to newsletters, posters, pamphlets and business cards. A high-volume industrial copier was installed during October 2010. This will dramatically reduce the high cost of printing related to small print runs such as annual reports, APPs and other internal publications. In spite of the fact that the machine is not fully functional yet, there is already a consistent demand for internal printing. It is anticipated that by the end of 2011/12 all departmental Annual Reports and APPs will be done internally at a fraction of the costs previously incurred.

Pending the finalisation of a provincial strategic communication policy and subsequent brand guidelines, interim stationery and branding templates were designed and rolled out to all departments.

Apart from a number of events organised on behalf of the Department of the Premier, the unit coordinated a very successful change-management engagement between the Premier and all provincial senior managers. This event was an important exercise in determining the unit's readiness for its proposed event-support function to other departmental clients.

### 2.2.3.1: Performance of Programme 3: Human Capital (Corporate Services Centre)

Programme 3: Human Capital (Corporate Services Centre)					
Strategic objective	Measure/Indicator	Actual performance against target		Reason for variance	
		Target	Actual		
<b>Sub-programme 3.1: Programme Support</b>					
3.1.1 Subprogramme: Programme Support	3.1.1.1	Number of good governance reports in respect of the centre to ensure compliance to all governance prescripts and guidelines, including timelines	4	Nil	Resources were applied elsewhere. A spreadsheet was developed to report on compliance matters.
<b>Sub-programme 3.2: Human Capital</b>					
<b>Sub- Sub-programme 3.2.1: Office of the DDG</b>					
3.2.1.1 To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices	3.2.1.1.1	Number of good governance reports in respect of the centre to ensure compliance to all governance prescripts and guidelines, including timelines	4	Nil	Resources were applied elsewhere. A spreadsheet was developed to report on compliance matters.
<b>Sub- Sub-programme 3.2.2: Organisation Development</b>					
3.2.2.1 To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices	3.2.2.1.1	Number of projects to operationalise the provincial assessment centre in phases over three years	1	1	Enabled and capacitated the Provincial Assessment Centre to conduct professional competency-based assessments, enhance selection decisions and identify development needs
	3.2.2.1.2	Number of interventions supporting the development and implementation of a culture and values-change programme in response to the Culture and Values Blueprint (positive energy, café conversations and leadership conversations)	3	3	Interventions focused on positively influencing the behaviours of employees towards the desired culture and work performance.
	3.2.2.1.3	Number of projects to coordinate and facilitate a provincial employee health and wellness programme	1	1	Health and wellness services consisted of first level of care, wellness contract, dissemination

					of healthy-lifestyle Information and opportunities to access health related testing.
	3.2.2.1.4	Number of organisational-design projects executed in support of the modernisation programme	10	11	Organisational redesign of the Departments of Agriculture, Cultural Affairs and Sport, Education, and Health as well as the Provincial Treasury and Cape Nature. Organisational redesign of three tertiary hospitals, namely Groote Schuur, Tygerberg and Red Cross. The establishment of Corporate Services Relationship Management Units at 10 client departments. The establishment of a CFO Unit at the Department of Local Government.
	3.2.2.1.5	Number of front-office reform projects executed	3	Nil	Subject to the finalisation of the Branding and Communication Strategy
	3.2.2.1.6	Number of process-improvement projects executed	3	3	Developed of Human Resources Management Standard Operational Procedures (SOPs) consisting of (A) Leave Management, Performance Management, Progressive Discipline, Recruitment, Selection and Placement, (B) Misconduct, Grievances, Internship, Bursaries, Overtime Payment, and Injury on Duty. (C) Corporate Services Centre's Complaints and Appeal SOP
	3.2.2.1.7	Number of service-delivery outreach projects executed	10	14	11 Integrated Community Outreach Programme (ICOP) Implemented 2 Mass Registration Programme (MRP) participated and assessed 1 Presidential ICOP Coordinated with Department of Justice

	3.2.2.1.8	Number of Batho Pele projects executed	3	3	<p>Attended 3 National Batho Pele Impact Assessment Network (BPIAN) and hosted 4 Provincial BPIAN</p> <p>Facilitated the Public Service Week</p> <p>Developed draft BPIAN Framework</p> <p>Developed 26 Service Delivery Improvement Plans</p> <p>Assessment of MRP and ICOPs</p>
<b>Sub- Sub-programme 3.2.3: Provincial Training Institute</b>					
<b>3.2.3.1</b> To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices	3.2.3.1.1	Number of projects to transform, upgrade and repair existing physical infrastructure at human-capital development centres	5	5	<ol style="list-style-type: none"> <li>1. Conversion of garage into 2 Lecture Rooms (Kromme Rhee)</li> <li>2. Expand dining hall to double its present capacity (Kromme Rhee)</li> <li>3. Install video conferencing facility (Kromme Rhee and George)</li> <li>4. Install parameter fencing at PTI (Kromme Rhee)</li> <li>5. Refurbish north wing of guest house (Kromme Rhee)</li> </ol>
	3.2.3.1.2	Number of projects to upgrade the ICT infrastructure at human-capital development centres	1	1	<ol style="list-style-type: none"> <li>1. 15 Desk-top PCs and multi-functional laser printers (Kromme Rhee)</li> <li>2. Refurbish ICT infrastructure (George)</li> <li>3. Install new programme Booking System at PTI</li> </ol>
	3.2.3.1.3	Number of human-capital development programmes designed and delivered incorporating e-learning systems and including the management of course administration	41	54	Exceeded target by 13, mainly due to ad hoc requests for interventions.
	3.2.3.1.4	Number of projects to develop and implement a monitoring, evaluation and reporting model in order to	1	1	



		measure the impact of training interventions			
	3.2.3.1.5	Number of departments in relation to which HR Connect is installed	12	Nil	Project has been extended to 2011/12 financial year and will be completed by 30 September 2011 according to the service provider, IT Aware. Progress reports are submitted to HR Connect Steering Committee, chaired by CD: HRP&A.
<b>Sub- Sub-programme 3.2.4: Human Resource Management</b>					
<b>3.2.4.1</b> To render professional, efficient, economic and effective human-capital support services to the Provincial Government on a daily basis underpinned by uniform policies and practices	3.2.4.1.1	Number of projects to effect the corporatisation of the human-resource management function	1	1	The human-resource function, as part of the Modernisation Project, was transferred to the Corporate Services Centre in the Department. This project was successfully concluded on 15 November 2010.
	3.2.4.1.2	Number of projects to facilitate a public servants' toolkit and develop and maintain a knowledge-management portal	1	1	The Public Servants' Toolkit has been developed. All the required links have been made to generate staff interest in the site, a renaming competition was launched and some 500 entries were received. The site has gone live in June 2011.
	3.2.4.1.3	Number of status reports in terms of the human-resource monitoring and evaluation project, including the establishment of capacity and a policy monitoring tool	60	110	In addition to the quarterly HR trends-analysis reports, monthly Employment Equity Status Reports were also developed and distributed to departments serviced by the CSC.
	3.2.4.1.4	Number of HR plans developed for departments and the PGWC	14	4	In terms of the DPSA guideline in compilation with HR plans, departments develop multi-year plans that are valid for a period of five years. The four HR plans drafted were for departments whose HR plans have expired, and it does not constitute



					underperformance
	3.2.4.1.5	Number of projects to review all HR policies in the PGWC to , amongst others, ensure service retention, scarce-skills employment, reduction in vacancy rates, reduction in staff turnover, and ensuring a career system	1	1	<p>Through the policy review project a number of policy directives were issued: directives dealing with attendance management during FIFA soccer matches, leave planning during the festive season, review of subsistence allowances for official visits, directive on employees standing as candidates during elections, and so on.</p> <p>Two policies were consulted and adopted at the Provincial Bargaining Chamber, namely the Provincial Sexual Harassment Policy and the Transversal Bursary Policy for Part-time Studies.</p>
	3.2.4.1.6	Number of progress reports on the PERSAL data clean-up project aimed at establishing data integrity by 31 March 2011 in conjunction with the Provincial Treasury	4	4	The Human Resource Data Verification System was implemented and employees were given the opportunity to update their personal information on PERSAL. Through exceptional effort of the implementation team, more than 80% of employees (excluding Health and Education) completed the data fields.
	3.2.4.1.7	Number of progress reports on the project to establish a time and attendance monitoring system in phases over three years	4	4	System to be piloted in the building at 4 Dorp Street.
	3.2.4.1.8	Number of projects to establish the Provincial Government Western Cape as an employer of choice measured by the percentage of top students from provincial universities seeking jobs in the Provincial Government (20%)	1	1	To attract the attention of students and learners to the PGWC as employer of choice, a career exhibition was hosted in Khayelitsha marketing career options in provincial departments.

	3.2.4.1.9	Number of operational manuals developed, launched and implemented for executing authorities and heads of department in respect of career incidents of heads of department	1	Nil	Final draft completed and vetted. New structure of key result areas as instructed by the Premier to be included. To be submitted for further consultation before implementation. Final draft manual finalised and vetted. However, new structure of key result areas of heads of department to be included, as well as certain amendments. Final consultation to follow before final implementation.
	3.2.4.1.10	Number of compliance and annual status reports in terms of the project to ensure that performance agreements are concluded in respect of all staff by 30 April annually (100%) and performance reviews and assessments are concluded within the stipulated timeframes	5	4	Performance cycle ended on 31 March 2011 and reviews and assessments are due in May 2011 for moderation and implementation for employees on salary levels 1 to 12. SMS to be concluded following the publishing of annual reports. Operational measures have been implemented for the finalisation of all performance agreements by 31 May 2011.
	3.2.4.1.11	Number of projects to publish and popularise a guideline on conclusion of performance agreements and conducting performance reviews and annual performance appraisals	1	Nil	A guideline was finalised and vetted. Following a decision taken on the management of poor performance, the guideline will be incorporated in the Province's strategy to manage poor performance and will be managed in conjunction with the Directorate Labour Relations and the Provincial Training Institute. A training course was developed for implementation in May 2011.
	3.2.4.1.12	Number of strategies developed and implemented to establish methods to encourage and measure performance through non-monetary means (e.g. "Hall of Fame", promotions, travel, certificates, etc.)	1	Nil	A transversal non-monetary policy was finalised and is in the process to be consulted prior to implementation.

	3.2.4.1.13	Number of projects to develop and implement PERMIS Version 2	1	1	PERMIS version 2 was fully implemented in 2010/11. Further developments and alignments were implemented in terms of performance reviews, performance appraisals and the format of performance agreements.
	3.2.4.1.14	Number of management reports on linking performance excellence with learning and development	2	Nil	HR Connect to be implemented in the 2011/12 financial year.
	3.2.4.1.15	Number of products in the cyclical management of work place skills for provincial government departments, including plans and progress and annual reports	6	6	This includes the following: Departmental Workplace Skills Plan 2010/2011 and Annual Training Reports 2009/2010 submitted to SETAs. Quarterly monitoring reports on training attended as well as expenditure reports submitted to PSETA. Human Resource Development Strategy Implementation Plans for 2010/2011 as well as monitoring tools submitted to DPSA.
	3.2.4.1.16	Number of strategic labour relations focused capacity building interventions held	12	33	Due to the establishment of the CSC, progressive discipline training for SMS and MMS members became imperative as well as training for presiding officers.
	3.2.4.1.17	Number of engagements with national and provincial role players to ensure that the Provincial Government of the Western Cape consistently interprets and implements resolutions and national directives	48	26	The month-long public-sector strike affected the number of national engagements that took place.
	3.2.4.1.18	Number of publications of appropriate data for the monitoring of the labour climate in the Provincial Government of the Western Cape	4	2	A shortage of staff with the necessary skill has impacted negatively on the Directorate to deliver on this item.

	3.2.4.1.19	Number of interventions providing opportunities in forums, conferences, and other structured engagements for labour relations and human-resource managers to broaden and share their functional knowledge, skills, information and best practices	4	3	One of the Provincial Labour Relations Forum meetings did not take place due to the public-sector strike during the second quarter.
	3.2.4.1.20	Number of management reports on rendering a professional advisory service and the management of cases in matters relating to misconduct, grievances and disputes	4	8	Reports were submitted to HoDs on a monthly basis since the establishment of the CSC.
	3.2.4.1.21	Number of commemorative days celebrated in the Department.	1	1	The notion of the celebration of commemorative days as a human-resource management function was reviewed in the modernisation exercise.
	3.2.4.1.22	Number of reports on compliance with the approved employment-equity plan for the Department (specifically for meeting nationally determined targets for gender and disability)	1	1	The Department of the Premier submitted its Employment Equity Report to the Department of Labour on time and in the prescribed format.
	3.2.4.1.23	Date by which the qualifications of all departmental staff are vetted	31 March 2011	April 2011	The validation exercise in respect of the Department has been incorporated into a provincial validation exercise embarked upon in the corporatised context. The relevant information has been submitted to SAQA.
	3.2.4.1.24	Number of projects managed in hosting a departmental long-service awards function	1	Nil	Due to initial budgetary constraints and availability of key role-players, a suitable date to host the function could not be secured. A firm arrangement has been made for a date in 2011.

**Sub-programme 3.3: Corporate Assurance**

**Sub- Sub-programme 3.3.1: Office of the DDG**

3.3.1.1. To ensure a	3.3.1.1.1	Number of good-governance reports	4	Nil	Resources were applied
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corporate-assurance capability in the Provincial Government by rendering consolidated enterprise risk management, internal audit and forensic investigation services on a daily basis		in respect of the branch to ensure compliance to all governance prescripts and guidelines, including timelines			elsewhere. A spreadsheet was developed to report on compliance matters.
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**Sub-Sub-programme 3.3.2: Enterprise Risk Management**

<b>3.3.2.1</b> To ensure a corporate-assurance capability in the Provincial Government by rendering consolidated enterprise-risk management, internal audit and forensic investigation services on a daily basis	3.3.2.1.1	Number of projects to effect the corporatisation of the provincial enterprise-risk management function	1	1	The project to effect the corporatisation of enterprise-risk management entailed, among others, the clarification and finalisation of the strategic objectives, indicators and targets for the unit, reviewing and updating the job descriptions of the staff members and monitoring the delivery of the unit on a quarterly basis.
	3.3.2.1.2	Number of enterprise-risk management status reports delivered	26	1	Report completed containing information for 13 departments.  During the adjustments estimates process it was requested that this target be amended, which did not materialise. The intention was never to issue more than one report per department.
	3.3.2.1.3	Number of risk-assessment reports in respect of PGWC departments	13	13	Risk profiles for all departments were developed and validated.
	3.3.2.1.4	Finalise ERM direction and methodology modules for year 1 roll-out in the Province.	ERM direction and methodology finalised	ERM direction and methodology finalised (in the form of a risk register capturing tool)	
	3.3.2.1.5	An interim ERM plan for each department	Interim ERM plan developed and implemented for all departments	13 plans developed and implemented	

	3.3.2.1.6	Number of risk information systems developed /acquired	1	1	Enterprise Risk Assessor (ERA) to be utilised as risk-information system for this financial year
	3.3.2.1.7	Favourable client-satisfaction survey results	Sustain a satisfactory rating of 75%	77,50%	
<b>Sub-Sub-programme 3.3.3: Internal Audit</b>					
<b>3.3.3.1</b> To ensure a corporate-assurance capability in the Provincial Government by rendering consolidated enterprise-risk management, internal audit and forensic investigation services on a daily basis	3.3.3.1.1	Number of projects to effect the corporatisation of the provincial internal-audit function	1	1	The project to effect the corporatisation of Internal Audit entailed, among others, the clarification and finalisation of the strategic objectives, indicators and targets for the unit and monitoring the delivery of the unit on a quarterly basis.
	3.3.3.1.2	Individual performance meeting required standard	80% of existing staff meeting "effective" performance ratings in line with competency	73,49%	A number of staff members were not performing as required and most of them were part of the current development plan initiative. The rest have personal improvement plans which are being monitored on an ongoing basis.
	3.3.3.1.3	Percentage of strategic high risks included in coverage plan	40%	27,46%	The achievement of this indicator is directly impacted on by the number of high risks in departments and the number of staff members in the internal-audit unit. Due to the continued development programme of junior resources, spanning over a period of two years, productivity estimations were lower and coverage can only increase when productivity and staff numbers increase. A motivation to increase staff capacity was not successful and will be pursued again in the new budget cycle.
	3.3.3.1.4	Number of audit reports issued in	90% of reports	89,01%	Due to the development

		line with approved internal-audit plans meeting the required standard	issued in accordance with approved IA plans by financial year end		programme referred to and the fact that attention of senior management was continuously required during the execution of internal-audit work, some delays were experienced.
	3.3.3.1.5	Percentage of practical, value-added recommendations implemented	80% of findings expired in the reporting period	34,74%	Due to the drive to complete the operational plans, follow-up audits were not completed as planned. It must be noted that for the follow-up audits completed the implementation rate was very low. This is a responsibility of management and Internal Audit is merely monitoring the implementation of corrective measures.
	3.3.3.1.6	Favourable client-satisfaction surveys results	Sustain a satisfactory rating of 75%	76,39%	

#### Sub-Sub-programme 3.3.4: Forensic Investigations

<b>3.3.4.1</b> To ensure a corporate-assurance capability in the Provincial Government by rendering consolidated enterprise-risk management, internal audit and forensic investigation services on a daily basis	3.3.4.1.1	Number of campaigns implemented to give effect to the Western Cape Anti-Corruption Awareness and Prevention Strategy	1	19 interventions	Anti-corruption awareness was driven through a series of interventions. Most of these were in the form of presentations during induction.
	3.3.4.1.2	Number of engagements of the Western Cape Anti-Corruption Forum held	4	Nil	Due to resource constraints and the need to apply resources on investigations, engagements with these forums were not prioritised.
	3.3.4.1.3	Number of projects to implement the modernisation blue print aimed at enhancing forensic investigative capacity in phases (acquiring additional professional services, advanced tools and training)	1	1	
	3.3.4.1.4	Executing investigations within acceptable timeframes	90% of reports issued in accordance with approved	Unable to determine	The backlog cases were not documented or planned for using investigation plans, making reporting on this indicator

			investigation plan		impossible. We decided to measure the average days from case allocated to case closed for each quarter, resulting in the following: Q1: 164 days Q2: 162 days Q3: 251 days Q4: 245 days The reason for the increase in the average is that more backlog cases were finalised in the latter part of the financial year and this impacted on the average.
	3.3.4.1.5	Number of pro-active fraud detection projects undertaken	1	1 Fraud Health Check completed and reported to provincial top management (PTM)	
	3.3.4.1.6	Favourable client-satisfaction surveys results	Sustain a satisfactory rating of 75%	Nil	Due to the focus on investigations and finalisation of cases attention was not given to determine client satisfaction. For this process to be efficient, it must be automated. Access to the software that would drive such a questionnaire was only recently obtained.
<b>Sub-programme 3.4: Legal Services</b>					
3.4.1 To render a comprehensive legal support service to the Provincial Government consisting of legislative drafting services, litigation services, and corporate legal advisory services on a daily basis	3.4.1.1	Number of good-governance reports in respect of the Chief Directorate to ensure compliance to all governance prescripts and guidelines, including timelines	4	Nil	Resources were applied elsewhere. A spreadsheet was developed to report on compliance matters.
	3.4.1.2	Number of progress reports in respect of the Legislative Review Project and the Legislation Work Stream Projects aimed at ensuring that all legislative and regulatory	2	2	



		activities within the provincial competency are aligned with the Constitution and the Constitution of the Western Cape			
	3.4.1.3	Estimated number of requests responded to relating to legal opinions, provincial contracts, litigation, cabinet submissions, legislative drafting and commenting on draft national legislation towards fulfilling the transversal mandate to provide a legal support service to ensure that executive and administrative processes and decision-making in the implementation and administration of legislation is sound and sustainable	1900	1 976	
	3.4.1.4	Number of delegations registers completed, implemented and maintained to ensure that executive and administrative processes and decision-making in the implementation and administration of legislation is sound and sustainable	13	13	Draft line function, HR and financial delegations registers were completed and submitted to 13 departments for approval.
<b>Sub-programme 3.5: Corporate Communications</b>					
<b>3.5.1</b> To render corporate communication services through the production of government communication products, the rendering of events and public-participation services, and implementation of advertising and marketing campaigns on a daily basis	3.5.1.1	Number of good-governance reports in respect of the Directorate to ensure compliance to all governance prescripts and guidelines, including timelines	4	Nil	Resources were applied elsewhere. A spreadsheet was developed to report on compliance matters.
	3.5.1.2	Number of projects to effect the corporatisation of the corporate communication function	1	Nil	As a result of the delays with the finalisation of the PGWC's communication strategy and the possible impact the strategy might have on the final communication establishment, the corporatisation of the communication function was postponed until 1 October 2011.
	3.5.1.3	Number of management reports on government communication products	4	4	

		provided to the Provincial Government (Including design, photography, content management, production oversight and newsletters)			
	3.5.1.4	Number of management reports on the publishing of the Provincial Government Gazette within the prescribed timeframes	4	4	
	3.5.1.5	Number of management reports on the rendering of an events and public-participation support function to the Provincial Government (including project management of national and provincial events, functions, workshops, conferences, exhibitions and coordination of guest lists)	4	4	
	3.5.1.6	Number of management reports on the implementation of advertising and marketing campaigns for the Provincial Government (including brand management with regard to stationery, signage and branding and brand support to client departments)	4	4	
	3.5.1.7	Number of management reports on the provision of a media support service to the Provincial Government, including the management of a communication database and the central distribution of media releases	4	4	
	3.5.1.8	Number of management reports on the provision of translation, editing and plain-language writing services to the Provincial Government (in all three official languages)	4	4	
	3.5.1.9	Number of management reports on the provision of a media monitoring service to the Provincial Government	4	4	

## 2.2.4 Programme 4: Centre for E-innovation

### **Purpose**

The purpose of this programme is to optimise service delivery through the utilisation of appropriate information and communication technologies (ICTs). Provision is made for the Centre for E-innovation to play both a strategic leadership role in respect of ICTs as well as providing for service delivery by empowering and enabling departments to deliver on their respective mandates.

In contributing to the departmental goal of “effective, efficient, modern, good, clean corporate governance is ensured in the Provincial Government of the Western Cape through the rendering of transversal provincial corporate services”, the Centre for E-innovation (CEI):

- Provided strategic ICT services through:
  - the provision of strategic direction to the Cabinet and provincial top management with regard to e-government and ICTs
  - planning and development of transversal e-government or ICT projects and services
  - rendering integrated e-government information, communication services and governance to citizens, business, civil servants and Government.
- Provided Government Information Technology Officer (GITO) management services to the Provincial Government of the Western Cape through:
  - managing transversal infrastructure, applications and ICT operations
  - rendering GITO management services to departments.

### **Strategic Objectives**

#### **Subprogramme 4.2: Strategic ICT Management Services**

To provide strategic direction on information and communication technology services to the Provincial Government, as well as e-government services to citizens.

#### **Subprogramme 4.3: GITO Management Services**

To provide Government Information Technology Officer (GITO) management services to the Provincial Government of the Western Cape through the provision of transversal infrastructure, applications and ICT operations.

### **Service-delivery objectives and indicators**

Programme 4, the Centre for E-innovation (CEI) continued to fulfil its transversal role in respect of the delivery of ICTs.

CEI supported the PGWC installed base of over 14 500 corporate workstations in over 270 locations. The CEI also supported a substantial installed base in more than 1 500 schools (which includes over 46 000 workstations). Additionally, CEI also assisted the further education and training colleges with ICTs at over 40 major campus sites.

In accordance with the IT Services Blueprint, which was approved by the Provincial Cabinet in November 2009, particular emphasis was placed on the implementation of the IT Service Delivery Improvement Plan (SDIP) which set out to address ICT challenges in the general environment. The three key elements of the plan related to:

- connectivity and broadband
- core-infrastructure optimisation
- business-productivity optimisation.

Highlights of the SDIP implementation were as follows:

- The migration of the Provincial Government's IT operating system to a technologically more advanced system which included a focus on the network operating system, server platforms, e-mail and productivity suite. Over 20 per cent (2 900 users) of the existing user base was migrated to the new Messaging System and Productivity Suite.
- An IT Risk Management Unit was established
- An IT Security Unit was established
- An IT Governance Unit was established
- An IT Nerve Centre was established which monitors over 270 sites and highlights in near real-time which sites are problematic
- Over 13 000 PCs were monitored for virus activity and security threats
- 5 000 Enterprise Content Management licenses were acquired and operationalised
- 14 500 Microsoft Enterprise licenses were acquired and operationalised
- Broadband for 14 priority sites was implemented
- Bandwidth optimisation was implemented at Groote Schuur, Red Cross, Tygerberg and Victoria hospitals
- Domain experts have been appointed for the Wide Area Network and Local Area Network
- An Open Source Internet Content Filtering System has been implemented
- The CEI Helpdesk was outsourced and migrated to a fully-fledged service desk
- The e-Mobility project was successfully implemented (with over 800 mobile users)
- An average network uptime and availability of 98 per cent was maintained
- An average systems uptime and availability of 99,8 per cent was maintained
- Over 360 systems were maintained, supported and enhanced
- Educators and public servants received training in IT literacy and the optimal utilisation of IT systems and productivity tools
- Over 4 000 PGWC employees received IT training with a focus on MS productivity tools and IT literacy
- The preparation for the implementation of the PGWC Virtual Private Network was completed

The significant investment in, and focus on, ICTs is now starting to yield results. An IT Governance Maturity Assessment conducted in 2008 rated IT Governance in the PGWC as 1 on the Control Objectives for Information Technology (COBIT) maturity scale [where scores range from 1 to 5]. Following an independent assessment conducted in March 2011, the maturity rating has now improved to a level of 3.

This is evidence of significant improvements in the areas of Strategic Alignment, Value Delivery, Risk Management, Resource Management and Performance Measurement.

The following achievements were key to the improved Governance Maturity of CEI:

- For the first time all departments in the PGWC have signed off departmental ICT plans
- An Enterprise Architecture Review Board was established which evaluates all new ICT solutions for compliance to the PGWC ICT standards
- The standardisation of software configurations on end-user equipment across the PGWC (including software tools for remote management, support and software updates of end-user equipment) has also improved the level of ICT maturity in the organisation

- Service-levels agreements were signed with all departments
- Monthly Quality of Service Meetings were held between CEI and the State Information Technology Agency (SITA)
- Significant improvements were shown in the CEI's ability to account for its assets

In terms of the CEI's external facing services, the channels available to citizens to access government information and services were enhanced. Channels such as the internet portal, walk-in centre, e-mail channel and the call centre were upgraded and enhanced to improve the citizens' interface with the Government. The ICT infrastructure of the e-community centres in rural areas was also enhanced.

The e-government capacity of the Provincial Government of the Western Cape comprises the following:

- Internet portal: <http://www.capegateway.gov.za>
- Intranet portal: <http://intranet.pgwc.gov.za/>
- PGWC contact centre:
  - call centre:
    - 0860 142 142 (sharecall, weekdays 8:00 – 18:00)
  - e-mail channel:
    - [questions@capegateway.gov.za](mailto:questions@capegateway.gov.za)
  - walk-in-centre:
    - 142 Long Street, Cape Town (weekdays 8:00 – 16:00)
  - Support to the presidential hotline:
    - Issues affecting the Western Cape
  - cape>access: <http://www2.capeaccess.org.za/>
  - 19 e-community centres and 14 e-community forums

These channels play a critical role in providing access to government services and information to our citizens.

Much effort has been put into the enhancement of the current version of the Cape Gateway portal, both in terms of content updating and improving its usability. As a direct consequence of the more dynamic appearance of the website, its updated content and its improved user friendliness the number of hits to the site have significantly exceeded projected figures.

It is notable that the PGWC has been the top performing Province with regard to call resolution rates on the presidential hotline since the inception of this programme. While the average resolution rate for provinces - as calculated by the Presidency - over the period September 2009 to December 2010 is 25,53%, the Western Cape achieved an average resolution rate in excess of 80%.

The CEI is cognisant of the fact that highly skilled ICT staff is difficult to attract and, therefore, it has started a skills development strategy to improve the skills sets of its own staff. To this effect over 30 CEI staff members enrolled for tertiary education qualifications in line with courses identified in the CEI's skills development strategy.

### 2.2.4.1 Performance of Programme 4, Centre for E-innovation

Programme 4: Centre for E-innovation					
Strategic objective	Measure/Indicator	Actual performance against target		Reason for variance	
		Target	Actual		
<b>Sub-programme 4.1 Programme Support</b>					
4.1.1 Subprogramme: Programme Support	4.1.1.1 Number of good-governance reports in respect of the branch to ensure compliance to all governance prescripts and guidelines, including timelines	4	3		
<b>Sub-programme 4.2: Strategic ICT Services</b>					
4.2.1 To provide strategic direction on information communication technology services to the Provincial Government, as well as e-government services and internal project management support on a daily basis	4.2.1.1	Achieved level of ICT governance maturity measured annually by the internal auditors on a 5-point scale depicting performance in areas such as policies, strategies, norms, standards, etc.	3	3	
	4.2.1.2	% of annually surveyed respondents satisfied that the Centre for E-innovation's service delivery meets agreed upon levels	70%	71%	
	4.2.1.3	Number of departments whose integrated departmental strategic ICT plans reviewed annually	8	8	Health Agriculture Local Government Human Settlements Community Safety Department of the Premier Provincial Treasury Environmental Affairs and Development Planning
	4.2.1.4	Date by when Provincial Strategic ICT Plan is reviewed annually	30 December	31 March 2011	The Provincial Strategic ICT Plan was delayed due to delays in the finalisation of the departmental ICT plans.
	4.2.1.5	Number of phases implemented of Provincial ICT Enterprise Architecture	1	1	

	4.2.1.6.	Number of single engagements through the PGWC Cape Gateway Portal	2 400 000	3 289 822	Increase in traffic to the site is largely attributable to the updating of content and the enhancement of the site's usability.
	4.2.1.7.	Number of single engagements through the PGWC Intranet	1 200 000	1 690 816	
	4.2.1.8	Number of calls responded to through the PGWC Call Centre	60 000	76 419	
	4.2.1.9	Number of e-mail queries responded to through the log-in citizen's interface channel	9 600	9 978	
	4.2.1.10	Number of citizens who visited the walk-in centre at 142 Long Street	9 600	9 772	
	4.2.1.11	Number of visits by citizens in rural areas to e-community centres - freely accessing IT equipment, government information and services	120 000	75 132	A restatement of the method of calculation of visits resulted in the number of visits being lower than initially indicated. The target should have been 70 000.
	4.2.1.12	Number of citizens who received basic ICT training at e-community centres	2 000	2 720	
	4.2.1.13	Number of projects to develop and implement of a geographic information system (GIS) for the PGWC	1	1	
	4.2.1.14	Number of projects to implement a provincial business intelligence system (BIS) in phases	1	1	
	4.2.1.15	Number of research and development interventions towards delivering appropriate technologies and solutions	12	12	
	4.2.1.16	Number of ICT policies developed/reviewed	16	12	4 policy documents were in draft phase at end of the financial year.
	4.2.1.17	Number of phases implemented of the PGWC's e-government strategy	1	1	
	4.2.1.18	Number of phases implemented of the broadband infrastructure roll-out to rural communities	1	-	The rural broadband pilot was not concluded and has been moved to the next financial year. This is mainly due to delays in the research in appropriate technologies

					as well as a lack of skilled resources.
	4.2.1.19	No of phases implemented in the development of the Executive Projects Dashboard	1	1	2010/11 was used as a consolidation phase. Further developments were kept to the minimum as the PGWC is working together with the Presidency and the other provinces in establishing a uniform standard for M&E systems in the nine provincial governments.
<b>Sub-programme 4.3: GITO Management Services</b>					
4.3.1 To provide Government Information Technology Officer (GITO) management services to the Provincial Government of the Western Cape through the provision of transversal infrastructure and applications operations on a daily basis	4.3.1.1	Number of CS-educators and public servants trained in ICTs	1 500	4 346	The annual target was exceeded primarily because additional funding was made available by departments throughout the year and the demand for Microsoft training spiked as a result of the migration to the new technology platform.
	4.3.1.2	Number of new and enhanced approved ICT applications and solutions delivered	8	14	The annual target was exceeded primarily due to increased demand for systems by departments.
	4.3.1.3	Number of project milestones reached in the implementation of dedicated IT Risk Management in phases	4	6	The annual target was exceeded primarily due to a focus on improving IT Risk Management.
	4.3.1.4	Number of project milestones reached in the implementation of dedicated IT Security Management in phases	4	5	The annual target was exceeded primarily due to an increased focus on improving IT security.
	4.3.1.5	Number of infrastructure items and network services implemented, upgraded or renewed	280	850	The annual target was significantly exceeded as a result of additional funding that was made available by departments for projects, relocating of offices, etc.
	4.3.1.6	Number of end-user equipment items implemented (new or replacement)	3 200	5 628	The annual target was significantly exceeded because of additional funding that was made available by departments for the technology refresh programme.
	4.3.1.7	Average percentage of network uptime and availability maintained over the year for a 24/7 service	98%	98.31%	
	4.3.1.8	Average turnaround time (days) for resolving helpdesk calls	5	4,22 days	



	4.3.1.9	Average turnaround time (days) for finalising helpdesk service requests and desktop support	7	5,05 days	
	4.3.1.10	Number of documented system releases, systems supported and maintained across all departments	360	568	The annual target was significantly exceeded due to the increased demand for changes to systems by departments.
	4.3.1.11	Average percentage of systems uptime and availability maintained over the year for a 24/7 service	98%	99,89%	
	4.3.1.12	Number of major software legal obligations met or introduced	7	19	The annual target was exceeded due to the increased demand for additional software licenses by departments.
	4.3.1.13	Number of signed or reviewed Memorandums of Understanding (MOUs) in respect of IT service delivery to departments	12	12	
	4.3.1.14	Number of milestones finalised on project: Modernisation e-file: Infrastructure consolidation	5	6	
	4.3.1.15	Percentage of the e-mail user base (total 14 500) migrated in terms of the Modernisation Microsoft e-mail migration project	25% (3 625)	20% (2 900)	The annual target was not fully achieved as a result of an increase in scope of the project. Projects initially identified as Year 2 deliverables were included in Year 1 in order to improve IT Security and Governance and to mitigate IT risks. Disaster Recovery Planning and better control of end-user equipment were also added to the Year 1 deliverables.
	4.3.1.16	Number of phases completed of the Modernisation IT Services improvement. (Phase1 is for a provincial VPN, broadband at 14 priority sites, bandwidth optimisation at 5 sites, domain experts appointed, Network Management Tools implemented, BCP/DRP, virtualisation and consolidation of servers completed)	1	1 (All deliverables met)	

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**ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

## **PART THREE**

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**REPORT OF THE AUDIT COMMITTEE  
for the year ended 31 March 2011**

**Report of the Audit Committee**

We are pleased to present our report for the financial year ended 31 March 2011.

**Audit Committee Members and Attendance**

In terms of Cabinet Resolution 55/2007, The Department of the Premier is served by the Governance and Administration Cluster Audit Committee. The Audit Committee consists of the members listed below and should meet at least 4 times per annum as per its approved terms of reference. During the financial year under review, 8 meetings were held.

<b>Name of Member</b>	<b>Number of Meetings Attended</b>
Mr. Ameen Amod (Chairperson)	8
Ms Judy Gunther	5
Mr. Zakariya Hoosain	7
Mr. Kerry Larkin	7
Mr. Ashley Seymour (Services terminated 08 September 2010)	2
Mr. Louw van der Merwe (Appointed 01 January 2011)	1

Apologies were tendered and accepted for meetings not attended. A quorum of members was present at all meetings except for one due to unforeseen circumstances. The proposed resolutions for that meeting were ratified subsequently.

**Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from **section 38(1) (a) of the PFMA** and **Treasury Regulation 3.1**.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, approved by Cabinet on 9<sup>th</sup> February 2011, and has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

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**REPORT OF THE AUDIT COMMITTEE  
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**The Effectiveness of Internal Control**

In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with assurance that the internal controls are adequate and effective. This is achieved by a risk-based Internal Audit Plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective action.

From our review of the reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the Management Report of the Auditor-General of South Africa, the committee is still concerned about the system of internal control applied by the department:

- **Legal and Regulatory Compliance**

We have noted the non-compliance with laws and regulations as it pertains to supply chain management. Notwithstanding the differences in the legal interpretation of the status of Practice Notes, the committee has encouraged management to implement the Practice Notes.

- **Significant areas highlighted by Internal Audit for improvement**

During the year, key control deficiencies were noted by Internal Audit in the following areas:

- Finance and Administration (Transfer payments and In-year Monitoring)
- Provincial Monitoring
- Executive Dashboard
- Provincial Government Western Cape: Call Centre

Corrective actions have been agreed by management and are being monitored by the Audit Committee.

- **Information Technology**

The Audit Committee previously reported on the limited progress that had been made towards implementation of the turn-around strategy to address the IT-related risks facing the Province. We are encouraged by the progress in this regard and continue to monitor progress against agreed actions.

- **The quality of In-Year Management Reports and Quarterly Reports submitted in terms of the PFMA and the Division of Revenue Act**

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review.

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**REPORT OF THE AUDIT COMMITTEE  
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• **Enterprise Risk Management**

Further progress has been made with the implementation of the Enterprise-wide Risk Management (ERM) methodology and the identification of the key risks and mitigating controls implemented by the Department. The Audit Committee continues to review progress on a quarterly basis.

**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 and the Accounting Officer;
- reviewed the Auditor-General's Management Report and Management's response thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the Department's processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the annual report; and
- reviewed adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's opinion regarding the Annual Financial Statements, and proposes that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.

**Internal Audit**

In the previous year, the Audit Committee reported that the Shared Internal Audit Unit experienced challenges relating to capacity and change management which impacted on its ability to achieve its plan. The Audit Committee is pleased to report that the Internal Audit plan for the year under review was completed.

However the Committee is of the opinion that further audit coverage is required and that there is a need for additional capacity to support the increased coverage of further high risk areas.

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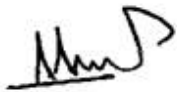
**REPORT OF THE AUDIT COMMITTEE  
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**Auditor-General South Africa**

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings emanating from the current regulatory audit will be monitored by the Audit Committee on a quarterly basis.

**Appreciation**

The Audit Committee wishes to express its appreciation to the Management of the Department, the Auditor-General South Africa and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.



Mr. Ameen Amod  
Chairperson of the Governance and Administration Cluster Committee  
11 August 2011

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**REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

**Report by the Accounting Officer to the Executive Authority and the Provincial Parliament of the Western Cape Province.**

**1. General review of the state of financial affairs**

The new strategic thrust which emerged during the 2009/10 financial year, following the appointment of the new executive, culminated in the implementation of a modernised organisational structure with effect from 1 April 2010. This structure provided for a new Corporate Services Centre which was fully established and operationalised during the course of 2010/11. The corporatisation of the Human Resource Management (all departments, except for Health and Education), Enterprise Risk Management and Internal Audit functions to the Corporate Services Centre had a major impact on the budget baseline of the department which was addressed in the 2010/11 adjustments budget process.

- Significant events that have taken place during the year and major projects undertaken or completed during the year

The modernisation programme, lead by the Director-General, prioritised areas for improvement of which project teams delivered a number of blueprints containing recommendations for improvement.

One of the blueprints dealt specifically with the organisational establishment of the Department of the Premier, to ensure that it optimally supports the Premier, Executive and the Director-General in discharging their key statutory and strategic mandates. Other blueprints also bore consequences for the departmental focus areas of delivery.

The establishment of the Corporate Services Centre represented a pinnacle milestone delivery in the provincial modernisation programme. Cabinet approved a policy document on the Corporate Services Centre and each department signed a Service Level Agreement with the Centre. Standard operating procedures are in the process of being developed for prioritised services within the Corporate Services Centre.

Departmental governance responsibilities were managed from a central position in the Office of the Director-General, enhancing the interrelatedness of financial and non-financial management activities. The department also received an unqualified audit for the 2009/10 financial year, although with matters of emphasis being raised. The post of Chief Director Office of the Director-General was filled and the Chief Financial Officer function vested in the incumbent. Reasonable progress was made in reducing the vacancy rate in the Directorate Finance and Administration.

Of particular importance was the introduction of the Executive Projects Dashboard, a system that support the institutionalization of a projects-based approach throughout the provincial government.

The period under review has seen the delivery of a successful 2010 FIFA World Cup™, receiving both local and international acclaim. Highlights included:

- Philippi Stadium was used by Uruguay as a training venue ;
- A series of business breakfasts targeting countries playing at the Cape Town Stadium was rolled out in collaboration with external networks such as Wesgro, Accelerate Cape Town, City of Cape Town and the Consular Corps;

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- Municipalities in partnership with Provincial Government of the Western Cape (PGWC) implemented a local FanJol marketing campaign utilising local radio and community newspapers. Additionally, a re-engineered FanJol rollout saw internal resources (Department of the Premier & Department of Cultural Affairs and Sport) utilised instead of service providers, generating considerable cost-saving for Provincial Government; and
- Stakeholders seconded staff with tourism competencies to the various Information Kiosks to improve the value proposition for tourists.

The department continued to support Cabinet and its related structures as well as the intergovernmental relations engagements, held in the district municipal regions. Engagements were supported, whilst secretariat services were rendered for 40 engagements of the Provincial Top Management and the departmental management structures.

The department facilitated a visit by the Deputy President to the Mossel Bay area, some 35 visits by foreign dignitaries and administratively supported the hosting of the 5<sup>th</sup> Regional Leaders Summit. The Summit focused on the themes of food security and integrated transport. Benefits to the province centred around best practice sharing with the State of Georgia and improved trade with China.

The two Human Rights Advocateurs were supported in their coordination of six human rights projects, as directed by the Premier.

It focused further on the development of the Provincial Strategic Plan (PSP). Its main achievements are the finalisation and approval by Cabinet of 12 provincial strategic objectives (PSO's) and their directives. The PSP was developed through 12 task teams that consisted of cabinet Ministers, Heads of Departments and Senior Managers – and in some cases assisted by external expertise. In order to ensure the implementation of the 12 provincial strategic objectives a Provincial Transversal Management System was developed which Cabinet approved on 18 August 2010. Standard Operating Procedures were developed to facilitate operationalisation of the system.

In order to ensure effective execution of the programmatic interventions proposed in the approved PSO strategic cases, implementation protocols called Strategic Directives were developed to ensure that the institutional arrangements, governance and operational structures, the roles, functions and responsibilities of stakeholders as well as the outcomes to which they have committed over the medium term, will lead to the attainment of the PSOs.

As part of the Modernisation Programme, the Department reviewed 16 SPVs and 5 Public Entities in the Province and produced 21 review reports on them. Included in the recommendations, is a review of public participation and the proposed creation of a single Economic Development Agency. Some recommendations of those reports were approved by Cabinet and implemented and some will be implemented in the next financial year.

Two strategic frameworks were developed. The reviewed Strategic Framework for Provincial-wide Monitoring and Evaluation (M&E) for the PSOs with its results-based approach takes into account the newly established Performance Monitoring and Evaluation (M&E) System and the newly adopted outcomes-based approach of the Presidency. The Strategic Framework for Spatial Information sets the direction for spatial information standards and procedures.



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The first phase of the programme and project management methodology and standards in PGWC was implemented through the Provincial Executive Dashboard. A Standard Operational Procedures document was developed and tabled at the Provincial Top Management (PTM) orientation session on 11 November 2010.

During the review period, the Department continued to provide transversal leadership and coordination for the provincial 2010 FIFA World Cup™ programme whilst seeking to leave a positive and sustainable legacy, so that the province, country and continent could leverage economic growth from the event whilst increasing social cohesion within and between communities. Integral to this leadership and coordination was the maintenance of a governance system with solid intradepartmental, interdepartmental and intergovernmental relations as its pillars. This governance system was the integration of a series of dedicated and institutionalised 2010 structures geared for effective interaction between the political and administrative leadership of the different spheres of government. Key examples of these structures were the Technical Steering Committee (TSC) and the Western Cape Municipal Forum (WCMF).

The Department used and will continue to use the 2010 FIFA World Cup™ as a platform to pursue tourism, trade and investment opportunities. Through Cape Media Services, relationships with the international media have been enhanced with the return on investment intended to be the Province being portrayed positively.

The Department will place emphasis on Knowledge Management post the event. This will involve the:

- Review and evaluation of 2010 Provincial Government of the Western Cape (PGWC) interventions against the strategic objectives of the PGWC and City of Cape Town 2006 strategic plan;
- Publicising of the achievements and challenges of the project nationally and internationally;
- Dissemination of lessons learnt and sharing best practice with all stakeholders; and
- Coordination of the development of sustainability and implementation plans for 2010 FIFA World Cup™ projects.

The period has also seen a broadening of the delivery focus to include the strategic assessment of event impact and the consolidation of legacy programmes. This included:

- The incubation of a strategic facilities plan in collaboration with the Department of Cultural Affairs and Sport geared to increase football and improve opportunities for income generation at sport facilities; and
- The initiation of collaborative research projects with the Department of Economic Development and Tourism and the Department of Health.

Additionally the successful appointment of a tenant for Philippi Stadium, who has his roots in Philippi, was concluded. Bafana has since trained at Philippi Stadium and Professional Soccer League matches were played there.

The establishment of the Corporate Service Centre represented a pinnacle milestone delivery in the provincial modernisation programme and it registered the following achievements:

- Phase 2 of the establishment of a provincial assessment centre and the employee health and wellness services were corporatised for 11 provincial departments.
- The department was a key driver in the implementation of the PGWC modernisation programme. In this financial year the organisational designs of 7 provincial departments

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(Departments of Transport & Public Works, Education, Treasury, Community Safety, Health, Agriculture and Cultural Affairs and Sport) were completed. The organisational culture and values blueprint was implemented – the Barrett survey was conducted, the provincial vision, mission, values and a behavioural change programme were developed and a leadership values assessment (LVA) process conducted.

- The department provided an Integrated Community Outreach Programme (ICOP) and 10 communities were reached providing national, provincial and local government services.

Prior to the Provincial Government's modernisation programme, up to July 2010, each provincial department was responsible for the development of their own Human Resource (HR) policies and plans. The responsibility for policy development was to a large extent centralised within the Department of the Premier. Policy frameworks and guidelines were however produced and these required further refinement in terms of department specific needs. Although departmental policies were generally aligned to the provincial guidelines, different norms, standards and delegations were applied which lead to implementation gaps and risks. In addition little or no assessment was done on the impact of those policies and plans on the activities of the respective departments.

The Centre has:

- Facilitated the clean-up of personal data on Persal through the roll-out of the on-line Human Resource Data Verification System (HRDVS). This initiative was reported to National Cabinet as an exceptional process of managing personal data on Persal, and a delegation of DPSA officials visited the Province to look at possible benchmarking of the HRDVS on a national level;
- Launched a project to upgrade the Public Servants' Toolkit on the Intranet. A task team that consists of stakeholders representing all relevant branches in the Department, was established. The re-building of the information platform has commenced and designated custodians were identified to assist with updating information once the system goes live;
- Launched a pilot project to implement a Time and Attendance Management system at 4 Dorp Street;
- Compiled Employment Equity Reports on behalf of client departments, and submitted on-line to the Department of Labour;
- Embarked on a process of consultation on the compilation of Human Resource Plans for client departments where such plans have expired;
- Translated relevant posts on departmental establishments to scales applicable to Occupational Specific Dispensations, and facilitated the implementation of Phases 1 and 2 of OSD on an individual basis;
- Hosted an integrated Career Expo, promoting the PGWC as Employer of Choice; and
- Drafted transversal policies and policy guidelines.

Collective Bargaining with labour was well managed in the period under review and co-ordination with the sectors outside of the Corporate Services Centre (CSC) i.e. Health and Education has improved. This has resulted in a better working relationship with labour in the Province. Management of the strike was proactive and the implementation of strike management plans have to a large extent negated the impact of the strike on essential services in the Province.

All consultations with regard to re-aligned structures of the various departments and the Corporate Communication unit in the CSC have been finalised.

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Training interventions to improve the capacity of line managers to deal with labour issues continued and needs to be intensified. A need has now been identified to do Presiding Officer training to improve the quality of decisions in labour matters. A gap in the quality of the work performed by the staff who were matched and placed has been identified, and an urgent training intervention is now required to deliver in terms of the Annual Performance Plans (APP) for the next few months. Parallel to this, is the contracting in of the necessary skills over the short term, while internal staff is capacitated.

Other activities included:

- Finalisation of the appointment of vacant Head of Department (HOD) posts have been concluded. Employment contracts, extension of terms of office and Performance Agreements for HOD's have all been concluded. The evaluation of Heads of Departments for the 2008/09 financial year was finalised and implemented;
- Evaluation of Heads of Departments for the 2009/10 financial year have also been finalised. In this regard it should be mentioned that the PGWCt is the only Province that has completed this evaluation for the said financial year and has a 100 per cent compliance rate;
- Submission of Heads of Departments' performance agreements and of financial disclosures to the Public Service Commission;
- A second draft of an Operational Manual for the Management of Career Incidents of Heads of Departments, was completed and is being consulted internally;
- PERMIS Version 2 has been implemented with effect from 1 April 2010 and all departments, some limited, are utilising the System. The Departments of Education and Health will in 2011/12 migrate to PERMIS and will be phased in over the next two years. Internal staff have been trained as Departmental System Administrators for PERMIS, employees in departments have been trained to use PERMIS and the system was further aligned to policies and development plans with a view to implement PERMIS Version 3 with effect from 1 April 2011;
- In terms of the Performance Management Systems applicable in the Western Cape Provincial Government departments are being monitored regarding the finalisation of employees' performance agreements and performance reviews. Guidelines on the conclusion of performance agreements and the conducting of performance reviews and annual performance appraisals is in the process of being developed;
- The development of strategies to establish non-monetary incentives that encourage and methodologies that measure performance is in the process of being developed;
- Implementation of recruitment planning for the filling of 277 posts that were advertised prior to corporatisation (of which 21 are SMS posts and 256 are posts on salary levels 2 – 12).
- The Western Cape Provincial Training Institute (PTI) was awarded full accreditation as a training service provider by the PSETA. Together with the accreditation of the Institute, two learning programmes were also accredited and delivered 2010/11. The upgrading of training facilities at the Kromme Rhee campus of the PTI ensured better utilisation of the physical infrastructure. This also enabled the PTI to accommodate staff from Local Government and Western Cape based regional offices of national departments, on their training programmes.
- The ICT Infrastructure was upgraded with the procurement of end-user equipment valued at R1.5 million, procurement of a dedicated server for e-learning, installation of wireless connectivity and upgrading of the network band to 2MB. This was done with the co-operation of the Centre for e-Innovation and it greatly enhanced the modernisation of the PTI. The PTI also obtained approval from the Departmental Bid Adjudication Committee to compile a

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supplier database to develop and deliver learning programmes to the PTI, and a special procurement delegation to source Higher Education Institutions (HEIs) to develop and deliver learning programmes. The required numbers of strategic reports were submitted to PSETA to ensure Human Capital Development oversight in the PGWC. Courses of altogether 48 different learning programmes were presented to 3 048 participants.

The Branch: Corporate Assurance was established, with the Chief Directorate: Internal Audit, the Directorate: Enterprise Risk Management and the Directorate: Forensic Investigative Unit forming part of the Branch.

The Internal Audit functions from Provincial Treasury (which was a shared function for the majority of departments), the Department of Education and the Department of Health were amalgamated during the corporatisation process. The Chief Directorate: Internal Audit from Provincial Treasury came over as a going concern, and some efficiency gains were realised in terms of consistency in the application of the internal audit methodology and the utilisation of employees. The unit does, however, have significant capacity constraints to manage coverage of the high risk areas in departments; this will be addressed in future financial years.

Enterprise Risk Management is a completely new unit, centralising the Chief Risk Officer responsibilities of departments in this unit. Most of the year was dedicated to clarifying the methodology and approach to be followed in delivering this service to the Departments. A 6-month Risk Management Implementation Plan was agreed with each Department, documenting and agreeing on the deliverables of this unit with the relevant Department.

The Forensic Investigative Unit underwent major change during this period, which hampered service delivery. The changes commenced with a review of the job descriptions of the Forensic Investigators and the entire organisational structure of the unit. The vacant posts of Forensic Investigators were advertised, but received a poor response. A more strategic sourcing model for these posts will be explored for implementation in the 2011/12 year.

In the Chief Directorate Legal Services, the Legislative Review Project prioritised the review of legislation in respect of the following four provincial departments during 2010/11: Provincial Treasury, Education, Community Safety and Agriculture. The Western Cape (Business Interests of Employees) Act, 2010 is ground-breaking legislation which was passed by the Western Cape Provincial Parliament in December 2010. The purpose of the Bill is to restrict the business interests of employees of the Provincial Government and provincial public entities, as well as members of the controlling bodies of such entities, in entities doing business with the Provincial Government and provincial public entities, and to require the disclosure of such interests in entities conducting business with the Provincial Government and provincial public entities.

The Directorate Legislation was also instrumental in assisting provincial departments and Provincial Parliament with the drafting of various important pieces of legislation.

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In respect of the Directorate Corporate Communications, it should be noted that although the final Corporate Communication structure was endorsed by the Provincial Bargaining Council during October 2010, the matching and placing of communication staff will only be concluded once the Provincial Communication Strategy is completed. The unit is already operating within the guideline of the proposed structure as far as possible.

The demand for design support has increased significantly, particularly with regard to newsletters, posters, pamphlets and business cards. A high volume industrial copier was installed during October 2010. This will dramatically reduce the high cost of printing related to small print runs such as annual reports, (APPs) and other internal publications. It is anticipated that by the end of 2011/12 all departmental Annual Reports and APPs will be done internally, at a fraction of the costs previously incurred.

Pending the finalisation of a provincial strategic communication policy and subsequent brand guidelines, interim stationery and branding templates were designed and rolled out to all departments.

The Department continued with its focused efforts on the Information Communication Technology (ICT) turnaround strategy which was initiated in the 2008/09 financial year. The turnaround strategy was aimed at addressing issues related to the improvement of service delivery, quality and efficiency.

The Centre for e-Innovation (Ce-I) supported the PGWC installed base of over 14 500 corporate workstations. The Ce-I also supported a substantial installed base in more than 1 500 schools (which includes over 46 000 workstations). Through this base the Ce-I supports over 24 000 teachers and has exposed over 760 000 learners to ICTs in the curriculum.

Additionally, significant progress was made in respect of implementation of the following policy initiatives:

- Migrating the Provincial Government IT operating system to a technologically more advanced system (this included a focus on the network operating system, server platforms, e-mail and the office productivity suite). A target of 25 per cent of the existing user base migrated to the new Messaging System and Productivity Suite was set.
- Implementation of a uniform e-filing system in the provincial government with a focus on the consolidation of software licences, central support and maintenance, as well the consolidation of the central and common hosting infrastructure.
- Particular emphasis was placed on the implementation of the IT Service Delivery Improvement Plan (SDIP) which set out to address service delivery challenges in the general environment. The three key elements of the plan related to connectivity and broadband, core Infrastructure optimisation and business productivity optimisation.

The department's Ce-I Helpdesk was outsourced and migrated to a fully-fledged service desk. Initial indications of success are improved average response/turnaround times and resolutions to queries/requests.

Furthermore, Ce-I made significant strides in respect of achieving a level 3 for ICT governance maturity (focusing on areas such as policies, strategies, norms, standards, etc.).

In terms of the Ce-I's external facing services, the channels available to citizens to access government information and services were enhanced. Channels such as the Internet Portal,

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Walk-in Centre, E-mail Channel and the Call Centre were upgraded and enhanced to improve the citizens' interface with government via electronic means. The ICT infrastructure of the e-Community centres in rural areas was also enhanced.

■ Important policy decisions and strategic issues facing the department

Guided by the Medium Term Strategic Framework (MTSF) of government which sets out the policy priorities for the country, a Provincial Strategic Plan was developed in the provincial context which, in turn, is informed by the provincial electoral mandate obtained in the April 22, 2009 general election. This Provincial Strategic Plan provides for a set of twelve strategic objectives which has determined the provincial budget priorities as confirmed by the provincial Cabinet. In contributing to all these strategic objectives, and particularly in taking up the leading role as it relates to the strategic objective: building the best-run regional government in the world, as well as the further implementation of the modernisation initiatives, will require that the department be fully resourced. A decision was therefore taken to prioritise the provision for compensation of employees in the department. This will require careful balancing between the need to stabilise the ability to perform and the outputs that need to be delivered.

The modernisation priorities identified by the Provincial Cabinet, more specifically the corporatisation of shared support functions and the full implementation of the three Blueprints aimed at ICT improvements, will significantly impact on the budget of the Department. The collaboration with the City of Cape Town on fibre optic broadband connectivity will also cost more initially. Further implementation of an electronic content management system, increased demand for legal services, strengthening of the forensic investigative capacity and the re-establishment of a fully functional archive and records management service have been prioritised as first charges of the Department against the so-called provincial policy pot, a funding mechanism held by Provincial Treasury.

The process in respect of the repeal of the Provincial Development Council (PDC) Act is ongoing and pending the outcome of the legislative process, no specific budget has been indicated for transfer to the entity in 2011/12. The PDC's monthly expenses will, however, be covered and included in the 2011/12 Adjustments Estimate process.

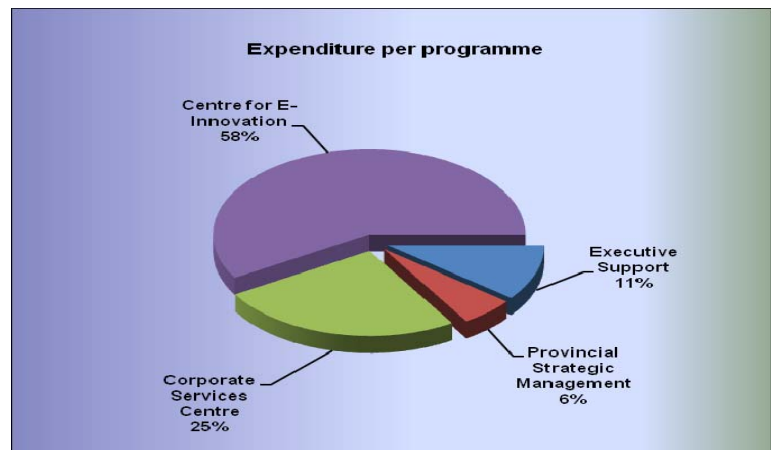
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- Spending trends
- Expenditure per programme

Due to the approval of the new establishment for the department, the standardised budget structure prescribed by National Treasury for Offices of Premiers was not adopted by the department in the 2010/11 financial year.

Programme 4: Centre for E-Innovation accounted for a major share of the Department's expenditure accounting for (58.54%) in 2010/11. The sub-programme GITO Management Services accounted for 52.42% of total 2010/11 expenditure. Two other sub programmes in the Department that had a major impact on expenditure are Human Capital and Corporate Assurance accounting for 13.60 % and 7.10 % respectively.



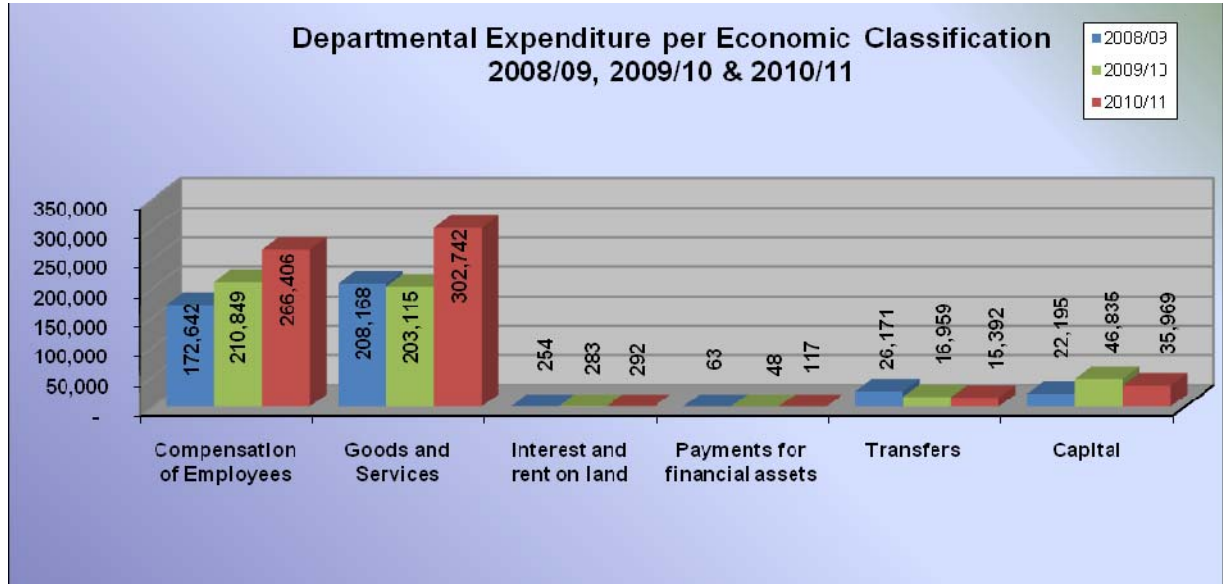
- Spending per economic classification

The Department's spending during the 2010/11 financial year comprised mainly of compensation of employees (R266.406m) and goods and services (R302.742m). Current expenditure increased from R414m in 2009/10 to R569m in 2010/11, increasing from 86.6% to 91.7% in terms of its contribution to total Departmental expenditure. This was as a result of capital expenditure decreasing from 9.79% in 2009/10 to 5.79% in 2010/11 (mainly as a result of the capital expenditure for the 2010 FIFA World Cup™ being finalised in the 2009/10 financial year).

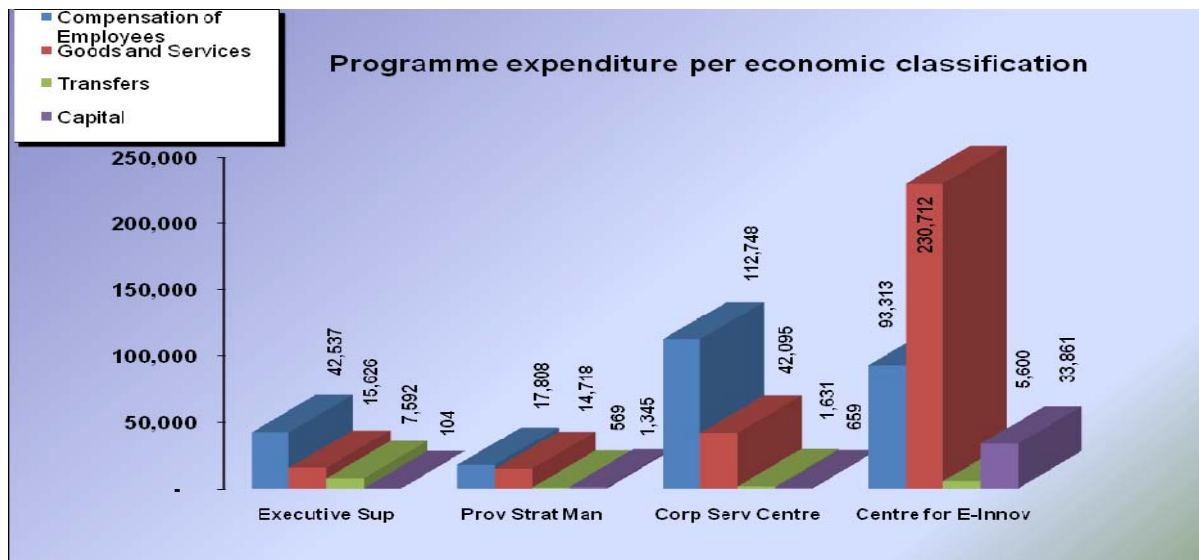


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In the graph below the programme Centre for E-Innovation shows a high level of spending on current expenditure which is attributed firstly to the large number of personnel whose compensation is paid from this programme and secondly to the State Information Technology Agency (SITA) expenditure.



Programme 1, Executive Support and Programme 4, Centre for E-Innovation, accounted for the major share of the Department's expenditure on transfer payments, with transfers being made to the Provincial Development Council and Library Business Corners respectively.



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□ Analysis of current expenditure

Due to the significant percentage of expenditure which was incurred on goods and services, further analysis is considered prudent for a deeper understanding of the nature of the Department's expenditure. As reflected in the table below, 87% (2009/10: 79%) of the Department's total expenditure is attributed to six items:

Expense	2007/08 R'000	2008/09 R'000	2009/10 R'000	2010/11 R'000
Compensation of employees	144.6	172.6	210.8	266.4
Computer services	87.6	102.5	119.4	216.5
Consultants, contractors and special services	32.0	40.6	25.5	35.7
Travel and subsistence	10.6	14.3	11.1	8.3
Operating Leases	-	-	4.9	5.4
Advertising	12.0	18.1	7.2	7.2
	286.8	348.1	378.9	539.5
<b>Total actual expenditure of department</b>	<b>370.5</b>	<b>429.5</b>	<b>478.1</b>	<b>620.9</b>
<b>% of total actual expenditure</b>	<b>77%</b>	<b>81%</b>	<b>79%</b>	<b>87%</b>

*Compensation of employees*

Expenditure on this item increased by 26.34% on the 2009/10 financial year. This was due to the transfer of employees to this Department as a result of the corporatisation of functions. Furthermore the Department employed workers on temporary contracts in some vacant posts, whilst recruitment processes were underway.

*Computer Services*

The department renders Information and Communication Technology (ICT) services for the entire Provincial Government. Of the R216.5m spent on Computer Services, R140.9m was paid to SITA in respect of networking, printing, processing and research and development costs.

*Consultants, contractors and special services*

Compared to the 2009/10 financial year, expenditure increased by 40%. Expenditure on this item includes payments in respect of service providers that render services such as performing research/diagnostic projects, events management, auditing, members of the audit committees, etc.

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*Travel and subsistence*

Expenditure on this item decreased by 25.2% on the previous financial year. A major driver of this expenditure item is the kilometre tariff cost of Government Garage transport and domestic air travel. Being the centre of Provincial Government imposes a duty on the staff of this Department to regularly attend meetings and conferences in Gauteng, convened by National government. International relations is also a key responsibility of this department, requiring the Premier and officials to travel abroad as part of their official duties. Details of the Premier's overseas visits are provided in Part 1 of this Annual Report.

*Operating Leases*

Expenditure under this item is incurred as a result of the daily tariffs raised by Government Motor Transport in respect of permanently allocated vehicles to the department. The expenditure was previously allocated to Travel and Subsistence and has been deducted from there. The expenditure on this item increased by 10.2%.

*Advertising*

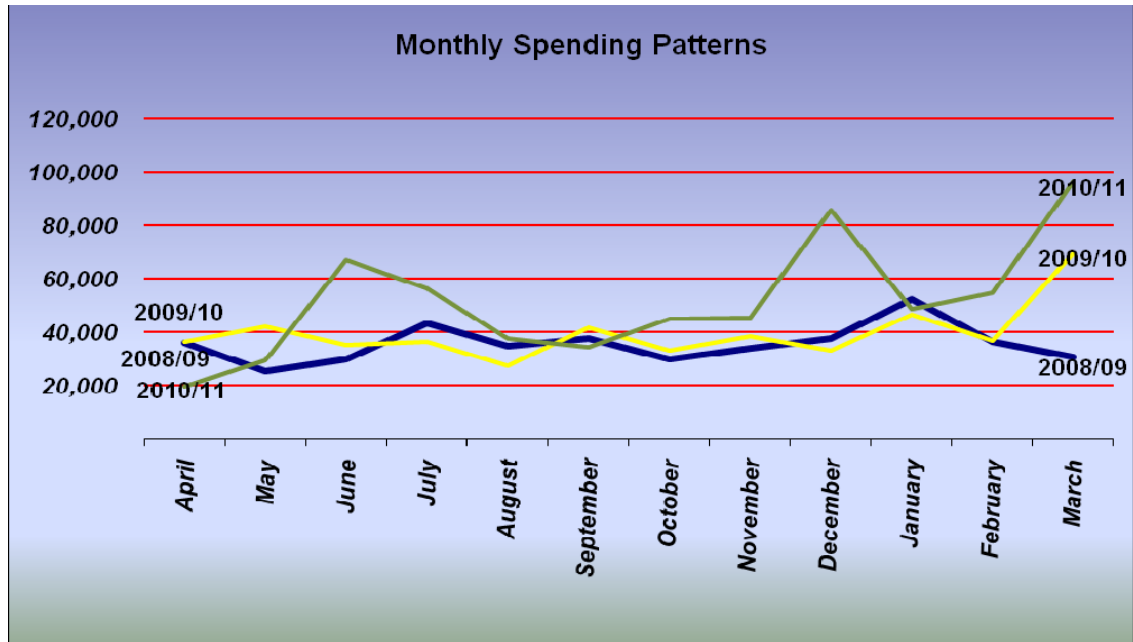
Compared to the 2009/10 financial year, spending on this item decreased minimally in the 2010/11 financial year from R7.227m to R7.201m. The bulk of the spending during the year under review can be attributed to recruitment advertisements for various components such as the Centre for E-Innovation and the Chief Directorate Human Resource Management.

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□ Monthly spending trend

The graph below reflects departmental spending for 2008/09, 2009/10 and 2010/11.



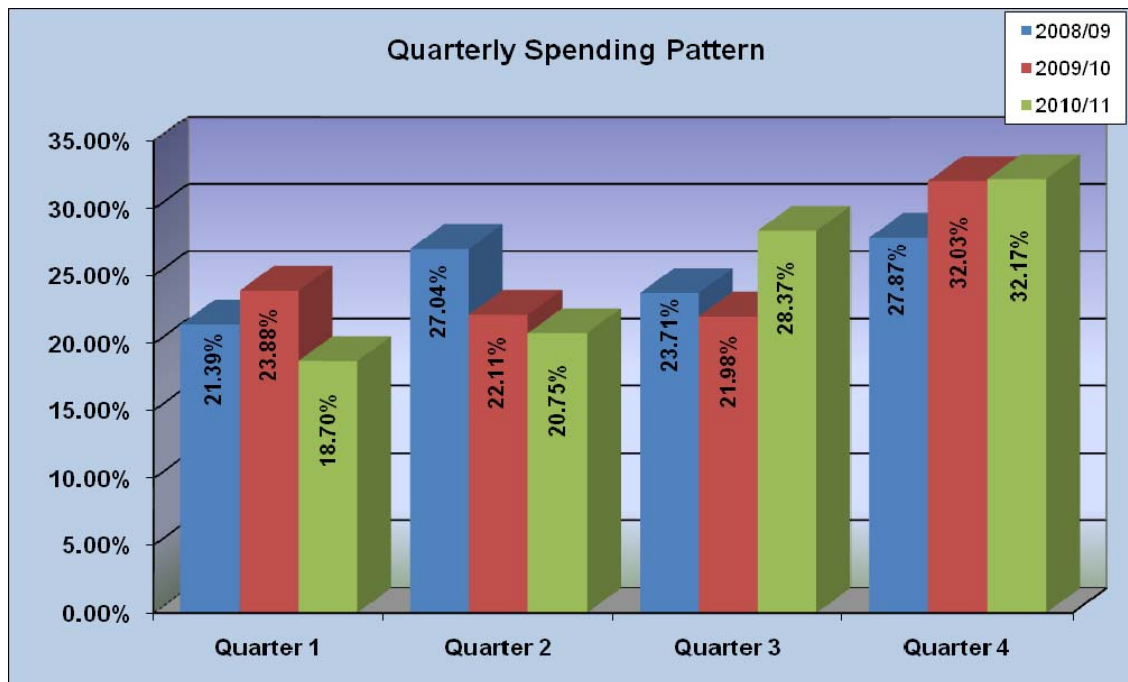
The Department's highest spending months were June 2010, July 2010, December 2010 and March 2011. The June 2010 and July 2010 high spending is mainly due to the technical corrections made for compensation of employees (for April 2010 and May 2010) that had interfaced incorrectly during those months. Furthermore payments for departmental performance bonuses, to SITA and for capital purchases were made in these months. During December 2010 payments for the purchase of IT infrastructure (R15 million), payments to SITA for services rendered and Microsoft licences were made as well as the quarterly transfer to the Provincial Development Council. Furthermore this was the first month that the majority of the employees who transferred from other departments for the Human Resource function, were paid by this Department. During March 2011, payments for IT infrastructure (ordered early but only delivered in March) and annual software licence fees as well as contributions to various events in the Western Cape were made and this contributed to the spike in that month.

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□ Quarterly spending trend

Expenditure, in terms of Rand value, for the first two quarters of 2010/11 increased in comparison with the 2009/10 financial year as a result of the corporatisation of functions. Due to the increase in the budget the percentage value decreased. The third and fourth quarters for 2010/11 also shows a significant increase on the 2008/09 and 2009/10 financial years as a result of the majority of the Human Resource Practises and Administration employees being transferred to this Department during November 2010 and the Microsoft Licences being paid.



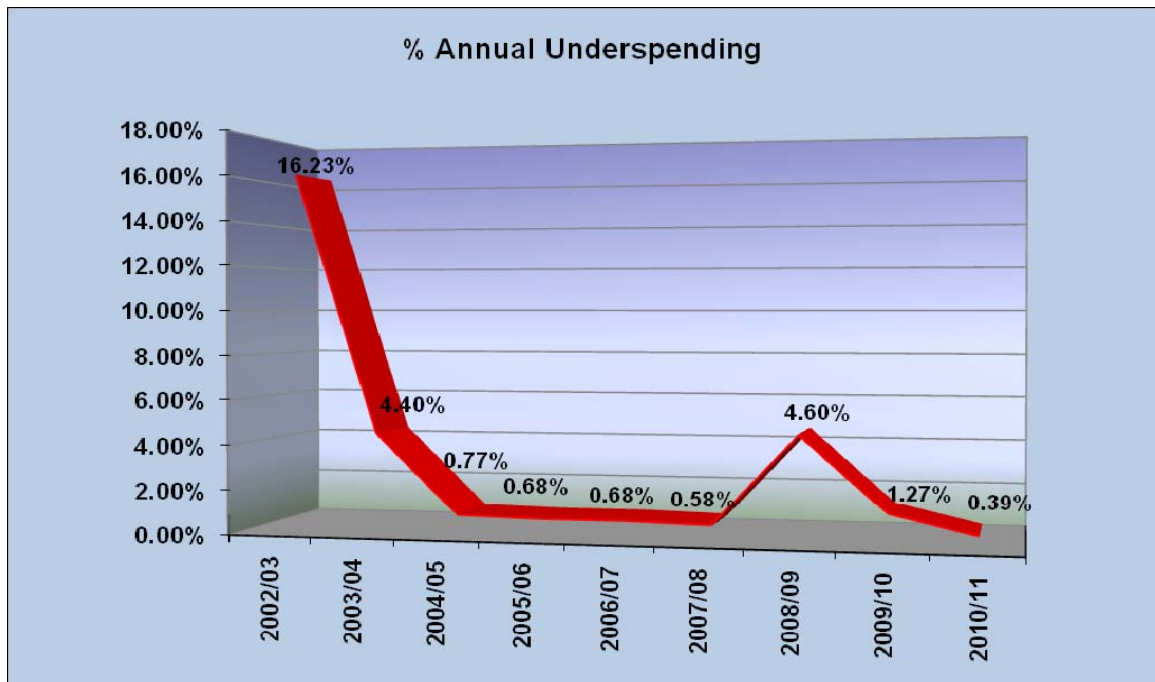
□ Annual under-spending trend

This Department once again implemented internal budget cost savings measures during the financial year, to ensure that it remained within its allocated budget. No overspending occurred in this Department since its inception in the 2000/01 financial year. As reflected in the graph below, the Department has consistently achieved an under-spending of less than one percent over the previous four years prior to the 2008/09 financial year. During the 2008/09 financial year the Department received an amount of R20.5m towards the upgrading of the Philippi Stadium as a potential 2010 FIFA World Cup™ practice venue. Due to slow progress on the project R16.592m in respect of this project was rolled over to the following year. Had the Department not been responsible for this expenditure the under-spending would have been R591,000 or 0.14 percent. The Department subsequently received R11,145,000 for this same project; although the project was supposed to be completed by December 2009 with only R500 000 being rolled over to the next year for the maintenance of the grass pitch, R5,000 000 was under-spent due to work not being completed by the end of the financial year as well as funds to be transferred to Health in the new financial year. This resulted in an under-spending of R6,156,000 or 1.27%, in the 2009/10 financial year, instead of an under-spending of R1,156,000. The Department has

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continued with its fiscal discipline during the 2010/11 financial year with a 0.39% (R2,451m) under-spending.



□ **Virements**

In terms of section 43 (1) of the Public Finance Management Act, Act 1 of 1999 (PFMA), an Accounting Officer may utilise a saving in the amount appropriated under a main division within a vote towards the defrayment of excess expenditure under another main division within the same vote, unless the relevant treasury directs otherwise.

During the year under review the only main division (programme) that had an over-expenditure (R15,548m) was Programme 4: Centre for e-Innovation. Due to the nature of the programme and the programme that they were rolling out it was decided to allow them to exceed their budget as savings had been identified in the other three programmes. The amount shifted was R3,143m from Programme 1: Executive Support, R3,066m from Programme 2: Provincial Strategic Management and R9,339m from Programme 3: Corporate Services Centre.

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**2. Services rendered by the Department**

2.1 Revenue of this Department is generated from two major sources, namely training fees from the Provincial Training Institute (PTI) and the sale of Provincial Gazettes.

2.2 Tariff policy

The tariffs relating to the two above revenue items have to be reviewed annually and if tariffs are to be increased, they have to be submitted annually to the Provincial Treasury for approval. The tariffs for the PTI are based on competition in the market as well as cost effectiveness for the client departments. Gazette tariffs are based on stationery and printing costs. All costs pertaining to the training provided by the PTI and the publication costs of the Provincial Gazette are provided for under the Vote of the Department of the Premier. The tariffs for the PTI for the period under review were approved on 19 June 2009 for a period of two years until October 2011 whilst the submission for the increase in Gazette fees was compiled and submitted to the Provincial Treasury in April 2011.

Free Services

This Department renders no free services to the public.

2.3 Inventories

The Department does not render services that require high volumes of inventory. Except for Government Gazette inventories which are fairly minimal, no other revenue generating inventories are held with this Department.

**3. Capacity constraints**

The Vacancies within the Department is its main capacity constraint, with the limited budget for ICT infrastructure renewal being another major constraint. In order to alleviate this various vacant posts, especially in Finance, have been advertised with a further round to follow in the new financial year. Despite these constraints the Department has been able to deliver on the objectives set in the Annual Performance Plan.

**4. Utilisation of donor funds**

No donor funding was directly received from any source during the course of the 2010/11 financial year.

**5. Trading entities and public entities**

**Provincial Development Council**

The Provincial Development Council (PDC) was established in 1996 in terms of the Provincial Development Law of 1996, which was subsequently replaced with the Provincial Development Council Act (Act No. 4 of 2004). The objective of the PDC is to serve as the platform for social dialogue in the Province in order to generally promote an approach that integrates considerations

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of sustainable development, participation in the economy and social equity in order to redress the historical legacy in the Province.

An amount of R7.5m was transferred to the PDC in the 2010/11 financial year to fund its operations and programmes.

**6. Organisations to whom transfer payments have been made**

Total transfers to non-profit organisations amounted to R6.1 m (2009/10: R6.808 m) which included Library Business Corners (R5.6m) and the Cape Higher Education Consortium (R500,000).

As mentioned in paragraph 5 of this report, transfer payments were also made to the Provincial Development Council.

**7. Public private partnerships (PPP)**

No public/private partnerships were entered into during the year under review.

**8. Corporate governance arrangements**

The Department recognises the need to implement Enterprise Risk Management as a key governance element. During this year the Enterprise Risk Management support unit was corporatised to the Corporate Services Centre. The journey to embed Enterprise Risk Management in the Department commenced with a basic five-point Risk Management Implementation Plan to address the fundamentals of risk management, and resulted in basic compliance to regulatory requirements. A Risk Management Strategy and Policy was developed and approved for the Department and a risk champion was appointed. The Departmental Executive Committee has assumed the responsibility of the risk management committee, and the members have been formally appointed and their roles and responsibilities clarified. By the end of the financial year, a risk register was compiled for the Department. The Department is engaging vigorously with the risk management process to ensure better credible risk data.

The Governance and Administration Cluster Audit Committee provides an oversight function over the operations of the Department. The Audit Committee consists of 5 independent members, meets on a regular basis (at least quarterly), operates in terms of an approved Audit Committee charter, has an oversight responsibility relating to the Internal Audit activity and forms an integral component of the risk management process.

Internal Audit continued to be offered by the shared Internal Audit function that was also corporatised to the Corporate Services Centre. The engagement between the Department and Internal Audit has grown to the required level of maturity, living up to Internal Audit's mandate of objective assurance and providing value-added services that would result in improving the operations of the Department.

A 3-Year Rolling Strategic Internal Audit and Annual Operational Internal Audit Plan was approved by the Audit Committee, and the Audit Committee monitored the execution of the operational plan. An area of concern is the low level of risk coverage in the Department on the internal audit plans, which necessitates significant prioritisation of internal audit resources on an

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on-going basis. It is envisaged that in the near future the increased maturity in the risk management processes will further improve value-added services from Internal Audit, allowing Internal Audit to focus and apply its scarce resources on critical risks.

The Department has developed a Fraud Prevention Strategy which is intended to deal with a zero tolerance stance against fraud and corruption. During the financial year a total number of 4 allegations of irregularities impacting the Department were received by the Forensic Investigative Unit of which 2 were referred by the Department itself. In all outcomes indicating fraud and/or irregularity, corrective action is recommended, and includes reporting the matter to the South African Police Services if the actions are criminal in nature. A further proactive initiative undertaken by the Department was the participation in a Fraud Health Check survey and the Department intends to actively pursue mitigation strategies where required.

The Director-General (or a secundus) attended 8 national Governance and Administration Cluster meetings, 2 Forum of South African Director-General meetings (3 day workshops in June and November), 2 Presidents Coordinating Council Meetings and 2 Extended Cabinet Meetings (Lekgotla – July and January), during the period under review.

**9. Discontinued activities/activities to be discontinued**

As a result of a recommendation from the team appointed to conduct a governance and mandate framework review of all public entities operating at the provincial sphere of government, the Provincial Cabinet resolved to repeal the Provincial Development Council Law of 1996 and subsequent amendment Act 4 of 2004. In terms of this the Legislative process will commence during the 2011/12 financial year.

During the review period, the Department continued to provide transversal leadership and coordination for the provincial 2010 FIFA World Cup™ programme; with the successful hosting of the World Cup in June to July 2010 this activity will be discontinued.

**10. New/proposed activities**

In the new financial year the Department will stabilise new activities that were initiated and at the same time continue to improve on service delivery.

The budget programme structure of the Department will be aligned to the organizational structure of the Department. Whereas in the 2010/11 financial year the Corporate Services Centre, excluding the Centre for E-Innovation, was situated in programme 3, this has now been split in the 2011/12 financial year between two programmes in order to accommodate the branches as programmes. This is necessitated by the scope of the work performed in these functions and to improve managerial accountability and responsibility. Programme 3 becomes Human Capital with the Chief Directorates as sub-programmes and Programme 5 becomes Corporate Assurance with its components as sub-programmes. The Chief Directorate Legal Services and the Directorate Corporate Communication will be included in Programme 5 as sub-programmes although they do not form part of the branch. The Centre for E-Innovation remains in programme 4. These amendments align the Centre to the Departmental budget programme structure.



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The Provincial Training Institute (PTI) has sourced in the services of a business developer to provide a framework for a process to be followed towards investigating a possible alternative business model for the PTI.

Furthermore, a strategic sourcing model for the Directorate: Forensic Investigative Unit will be designed and implemented.

**11. Asset management**

The Department has made tremendous strides in the management of its assets and is able to account for its assets with a greater level of accuracy than in past years. Unlike previous years where the department utilised an external service provider to perform the annual asset count, the verification was conducted by departmental staff that were appointed in permanent positions during this financial year. This yielded significant benefits as the corporate knowledge of the location of all the assets has been vastly enhanced. The financial statements were submitted to the Auditor-General on 31 May 2011 while the Asset Register and reconciliation between the BAUD Asset Register and the BAS financial Accounting system and notes on major assets in the annual financial statements were submitted by the middle of June 2011.

**12. Events after the reporting date**

There are no significant events after the reporting date.

**13. Information on predetermined objectives**

The Department played a pivotal role in creating management information tools in respect of departmentalised project information on critical programmes and projects directed at the 12 provincial strategic objectives of Cabinet. Service providers were appointed to assess the quality of the projects to be loaded on the Executive Projects Dashboard system for the 2011/12 financial year in an effort to implement a quality integrated programme and projects based planning and management approach throughout the PGWC.

The Department utilises two performance management mechanisms which measure individual and organisational performance on a quarterly basis. The implementation of the PERMIS system has allowed the Department to maintain an electronic repository of all individual performance reviews and also allows for monitoring progress towards the finalisation of reviews. With effect from 1 April 2010 Permis 2 was implemented which is an updated version of the previous one. Departmental performance reviews on the progress towards targets stated in the Annual Performance Plan are submitted to Provincial Treasury on a quarterly basis.

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**14. SCOPA resolutions**

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
The Committee resolved that the Department prepare a report as to why the additional funding was not added to the Adjustment Budget as well as the weak management programme relating to cost management.	The Committee raised a concern that the Department of the Premier realised that they were going to over spend on the Library Business Corner project and decided to transfer additional funding, which resulted in irregular expenditure as there had not been prior Treasury approval.	This is a technical matter. See progress in table under paragraph 15.
The circumstances around the assets amounting to R2.206 million which could not be found during the audit should be fully investigated as a matter of urgency and a report compiled for submission to the Committee. Where necessary, any corrective actions must be implemented to avoid such a finding in the future.	There is a great concern regarding the material losses of R2.206 million that could not be found during an asset audit of the Department as reported by the Auditor-General.	R2m in process of being written off after component heads have responded as to the circumstances surrounding the assets that were not verified. The value reported is the initial cost value of the assets.
The Department must urgently determine the reasons for not fully implementing all previous Resolutions and give feedback as to what is being done about the outstanding resolutions.	There is a concern that four of last year's SCOPA Resolutions had not been implemented by the Department.	Attention was given to implementing these resolutions and the issues were included in the Financial Management Improvement Plan. Considerable progress has been made and will continue in this vein.

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
<p>The Committee resolved that quarterly checks are conducted on the Financial Statements to ensure complete and correct statements before submitting them to the Auditor-General.</p>	<p>The Committee raised a concern over the number of material misstatements in the Annual Financial Statements that was corrected during the audit.</p>	<p>Interim Financial Statements implemented for September 2010 and December 2010. According to the latest responses from the Auditor-General South Africa this is no longer an issue.</p>
<p>The Committee resolved that a report be completed on the challenges facing the centralising of the Internal Audit in the Office of the Premier.</p>	<p>The Committee raised a concern that there were challenges relating to centralising the Internal Audit function in the Department of the Premier which hampered the capacity and change management of this process.</p>	<p>During the corporatisation Internal Audit shifted from a triangle structure to a diamond shape structure with a total of 77 posts and majority of the posts (48) at the Assistant Director level. A total number of 45 staff members were interviewed to be matched and placed against higher positions (ASD); and a development programme designed internally to up skill the junior staff to meet competency levels of the ASD (assistant director) was implemented for all staff members. 8 staff members became additional to the staff establishment of IA. It is very positive to indicate that year one of the programme has been effectively completed. Two of the staff members who were declared additional to the establishment of Internal Audit have been matched and carried against vacant posts (Level 9), subsequent resignation of others. The</p>

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		Internal Audit is very stable currently and benefits of the corporatisation are starting to show, especially increased level of competency for staff.
The Audit Committee must investigate and prepare a report as to the reasons why the revised internal audit plan was not completed, and what corrective actions are envisaged to avoid this in the future.	The Committee raised a concern that the revised internal audit plan was not completed.	Internal Audit was impacted by the fact that a new methodology was introduced during the financial year and the unit had undergone a significant change; which was creating a level of uncertainty to staff members. This impacted the execution of the plans for 09/10 financial year, which was subsequently revised and approved by the Audit Committee. This revised plan was diligently completed. The Audit Committee took a corrective measure of vigorously engaging during the internal audit planning process for the financial year 2010/2011, ensuring that the plans are realistic from the onset. The delivery on the 2010/11 plans were closely monitored by the Audit Committee. It is further envisaged that, quarterly engagements will focus on assessing the risk profiles in order to adequately inform audit plans, since measures are in place to improve its quality quarterly.

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
<p>The Committee resolved that the Department urgently implement the IT services blueprint which aims to address a number of key issues; the most important area being ICT governance within the Province.</p>	<p>With regard to ICT in the Province, the Committee raised serious concern in terms of the internal control problem which is mainly due to the fact that the IT System was not up to date and that there was a leadership problem. Another concern was that the IT System is not working properly and that there is still an overreliance on doing tasks manually.</p>	<p>Significant progress has been made in respect of the implementation of the Blueprint. This is evidenced by:</p> <ul style="list-style-type: none"> <li>- An independently verified ICT Governance Maturity level of 3 [from a level 1]</li> <li>- A user satisfaction rating of 72% [from 58% - scores for Cape Gateway, Internet, Intranet and the Service Desk have all improved]</li> <li>-The implementation of Broadband for 60% of the user base</li> <li>-2,900 users being migrated to the new technology platform</li> </ul>
<p>The Committee resolved that the Audit Committee prepare a briefing document and present it at the briefing sessions.</p>	<p>A suggestion was made to the Committee that the Audit Committee also prepare a separate briefing document that will show additional points (similar to the AG's briefing report), separate from the Audit Report.</p>	<p>The Audit Committee Chairpersons are in the process of developing a standardized reporting framework incorporating the recommendations of the Committee and will submit a brief report during the sessions.</p>

**WESTERN CAPE PROVINCE  
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**REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
The Committee requested that the Internal Audit department be fully capacitated by 2011/12 financial year.	The Committee raised a concern around the capacity issues especially in the Internal Audit department.	The Chief Directorate Internal Audit is in a process of appointing candidates into the seven vacant manager posts (interviews were conducted and awaiting the formal appointment). The strategic review of the Chief Directorate Internal Audit structure will be initiated in 11/12; to cater for the provision of the additional required disciplines and capacity (improving coverage).

Provincial Development Council resolutions	Progress
The Committee resolved that the Audit Committee prepare a briefing document and present it at the briefing sessions.	Not applicable to this entity. Does not utilise the shared Audit Committee.
The Committee requested that the Internal Audit department be fully capacitated by 2011/2012 financial year.	Not applicable to this entity. Does not utilise the shared Internal Audit unit.

**WESTERN CAPE PROVINCE  
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**REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

**15. Progress made with regard to matters reported by the Auditor-General in prior periods**

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/ resolving the matter
<p><i>Emphasis of Matter</i></p> <ul style="list-style-type: none"> <li>• Irregular expenditure</li>   <li>• Fruitless and Wasteful Expenditure</li> </ul>	<p>2007/08, 2008/09 and 2009/10</p> <p>2009/10</p>	<p>New Accounting Officer's System approved, including delegations and training provided to all components in this regard.</p> <p>Related to obligations not being fulfilled by employees of the former Provincial Youth Commission and assets and liabilities transferred to department. Still under investigation.</p>
<p><i>Other Matters – Non compliance:</i></p> <ul style="list-style-type: none"> <li>• Redundant assets that remained on the asset register despite technical evaluations having been carried out that determined their redundant status. In addition assets were not found in the asset count and full investigations had not been conducted into these assets.</li> </ul>	<p>2009/10</p>	<p>Assets disposed of in 2010/11 financial year. Further investigations in terms of assets not found and reported to Loss Control and assets written off.</p>
<ul style="list-style-type: none"> <li>• All payments due to creditors were not settled within 30 days from receipt of invoice.</li> </ul>	<p>2009/10</p>	<p>Enforced all payments via LOGIS system. Finance Instruction issued with further guidelines including non compliance late certificate to be completed. Issue no longer pervades this department.</p>

**WESTERN CAPE PROVINCE  
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**REPORT OF THE ACCOUNTING OFFICER  
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<ul style="list-style-type: none"><li>Subsidies to other institutions were increased without the approval of the relevant treasury, resulting in irregular expenditure of R1 000 000.</li></ul>	2009/10	Under investigation but controls put in place to ensure compliance. No further findings in the 2010/11 audit.
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**16. Other**

Apart from the information provided in this report and under this section, there are no other material facts or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

**Declaration**

Given the general tenor of the findings as regards internal controls and matters associated with non-compliance, the assurance is given that the Department will devise an action plan, approved by the Accounting Officer and its top management and forwarded to the Provincial Treasury, to systematically deal with these so as to prevent a repetition of similar findings during the next audit cycle.

**Approval**

The Annual Financial Statements set out on pages 109 to 168 have been approved by the Accounting Officer.

SIGNED



**ADV BRENT GERBER  
ACCOUNTING OFFICER**

**Date:** 29 July 2011



**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL  
PARLIAMENT ON VOTE NO. 1: WESTERN CAPE DEPARTMENT OF THE PREMIER**

## **REPORT ON THE FINANCIAL STATEMENTS**

### **Introduction**

1. I have audited the accompanying financial statements of the Western Cape Department of the Premier (department), which comprise the appropriation statement, the statement of financial position as at 31 March 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 109 to 156.

### **Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 40(2) of the PFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL  
PARLIAMENT ON VOTE NO. 1: WESTERN CAPE DEPARTMENT OF THE PREMIER**

**Opinion**

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the department as at 31 March 2011, and its financial performance and cash flows for the year then ended in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the PFMA.

**Emphasis of matters**

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

**Significant uncertainties**

9. Enquiries of management and the attorneys revealed that the department is a defendant in the following lawsuits:
- Claims for services rendered
  - Alleged unfair labour practices

The outcome of these lawsuits cannot be determined at present however, they have been disclosed as a contingent liability in note 18 to the financial statements.

**Material impairments**

10. As disclosed in note 29 to the financial statements, assets valued at R5 360 157 (initial purchase cost value) in the asset register could not be located. The department is investigating these assets to determine whether they can be written off in accordance with the prescribed thefts and losses process. The value of the assets has been correctly accounted for in the financial statements.

**Additional matters**

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

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL  
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**Unaudited supplementary schedules**

12. The supplementary information set out on pages 157 to 168 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.

**Financial reporting framework**

13. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. Thus my opinion would have reflected that the financial statements had been properly prepared instead of fairly presented as required by section 20(2)(a) of the PAA, which requires me to express an opinion on the fair presentation of the financial statements of the department.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

14. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages 15 to 73 and material non-compliance with laws and regulations applicable to the department.

**Predetermined objectives**

15. There are no material findings on the annual performance report.

**Compliance with laws and regulations**

**Procurement and contract management**

16. Awards were made to suppliers who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state as per the requirements of Treasury Regulation 16A8.3 and Practice Note 7 of 2009-10.

**INTERNAL CONTROL**

17. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matter reported below is limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

**Financial and performance management**

18. Management did not adequately review the procurement process followed by the supply chain management (SCM) officials to ensure compliance with the SCM regulations. Management also relied on a transversal procurement system to comply with the supply chain management regulations.

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL  
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**OTHER REPORTS**

**Investigations**

19. Two investigations were still in progress at year-end. One matter on alleged procurement fraud was referred to the South African Police Service and the other matter relates to the alleged irregular appointment of a supplier to provide information technology infrastructure and maintenance.

**Performance audit**

20. A performance audit is being conducted on the readiness of government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The findings will be reported on in a separate report.

*Auditor General*

Cape Town  
31 July 2011



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

**WESTERN CAPE PROVINCE  
DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

Appropriation per programme									
2010/11								2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1. Executive Support</b>									
Current payments	61,613	(780)	(2,574)	58,259	57,434	825	98.6%	66,141	66,115
Transfers and subsidies	7,993	-	(400)	7,593	7,592	1	100.0%	10,777	10,209
Payment for capital assets	233	736	(169)	800	790	10	98.8%	1,207	1,201
Payments for financial assets	-	44	-	44	43	1	97.7%	-	-
<b>2. Provincial Strategic Management</b>									
Current payments	36,911	(755)	(3,066)	33,090	32,271	819	97.5%	37,807	36,531
Transfers and subsidies	570	-	-	570	569	1	99.8%	994	983
Payment for capital assets	850	755	-	1,605	1,600	5	99.7%	24,278	22,954
<b>3. Corporate Services Centre</b>									
Current payments	165,676	(1,193)	(9,739)	154,744	154,259	485	99.7%	95,079	95,054
Transfers and subsidies	986	245	400	1,631	1,631	-	100.0%	726	724
Payment for capital assets	327	924	-	1,251	1,220	31	97.5%	1,546	1,533
Payments for financial assets	-	24	-	24	23	1	95.8%	-	-
<b>4. Centre for E-Innovation</b>									
Current payments	311,590	(3,790)	15,379	323,179	322,943	236	99.9%	216,759	213,856
Transfers and subsidies	5,600	-	-	5,600	5,600	-	100.0%	5,333	5,332
Payment for capital assets	31,020	3,739	169	34,928	34,892	36	99.9%	23,598	23,597
Payments for financial assets	-	51	-	51	51	-	100.0%	-	-
<b>TOTAL</b>	<b>623,369</b>	<b>-</b>	<b>-</b>	<b>623,369</b>	<b>620,918</b>	<b>2,451</b>	<b>99.6%</b>	<b>484,245</b>	<b>478,089</b>
<b>Reconciliation with statement of financial performance</b>									
<b>ADD:</b>									
Departmental receipts				1,181				727	
<b>Actual amounts per statement of financial performance (Total revenue)</b>				<b>624,550</b>				<b>484,972</b>	
<b>Actual amounts per statement of financial performance (Total expenditure)</b>					<b>620,918</b>				<b>478,089</b>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

Appropriation per economic classification									
	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	282,090	(9,401)	(5,281)	267,408	266,406	1,002	99.6%	210,864	210,849
Goods and services	293,645	5,212	5,281	304,138	302,742	1,396	99.5%	204,083	203,113
Interest and rent on land	55	265	-	320	292	28	91.3%	285	283
<b>Transfers and subsidies</b>									
Provinces and municipalities	-	-	-	-	-	-	-	850	850
Departmental agencies and accounts	7,500	29	-	7,529	7,528	1	99.9%	8,212	8,211
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	6,721	(79)	(400)	6,242	6,241	1	99.9%	8,036	7,458
Households	928	295	400	1,623	1,623	-	100.0%	440	440
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	835	-	-	835	835	-	100.0%	23,972	22,291
Machinery and equipment	31,595	3,560	-	35,155	35,134	21	99.9%	27,454	24,546
<b>Payments for financial assets</b>									
	-	119	-	119	117	2	98.3%	49	48
<b>Total</b>	<b>623,369</b>	<b>-</b>	<b>-</b>	<b>623,369</b>	<b>620,918</b>	<b>2,451</b>	<b>99.6%</b>	<b>484,245</b>	<b>478,089</b>

**WESTERN CAPE PROVINCE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 1 – Executive Support  
for the year ended 31 March 2011**

Detail per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1.1 Programme Support</b>									
Current payments	1,647	(29)	(40)	1,578	1,547	31	98.0%	1,835	1,831
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	39	-	39	38	1	97.4%	66	66
<b>1.2 Office of the Premier</b>									
Current payments	10,677	174	(271)	10,580	10,496	84	99.2%	9,328	9,326
Transfers and subsidies	-	-	-	-	-	-	-	19	19
Payments for capital assets	-	171	-	171	170	1	99.4%	195	194
<b>1.3 Executive Secretariat Services</b>									
Current payments	18,446	(193)	-	18,253	17,710	543	97.0%	27,912	27,896
Transfers and subsidies	7,951	-	(400)	7,551	7,550	1	100.0%	10,342	9,774
Payments for capital assets	16	185	-	201	199	2	99.0%	463	462
<b>1.4 Office of the Director – General</b>									
Current payments	10,683	266	(31)	10,918	10,840	78	99.3%	7,202	7,200
Transfers and subsidies	-	-	-	-	-	-	-	416	416
Payments for capital assets	17	112	-	129	126	3	97.7%	80	80
<b>1.5 Financial Management</b>									
Current payments	20,160	(998)	(2,232)	16,930	16,841	89	99.5%	19,864	19,862
Transfers and subsidies	42	-	-	42	42	-	100.0%	-	-
Payments for capital assets	200	229	(169)	260	257	3	98.8%	403	399
Payments for financial assets	-	44	-	44	43	1	97.7%	-	-
<b>Total</b>	<b>69,839</b>	<b>-</b>	<b>(3,143)</b>	<b>66,696</b>	<b>65,859</b>	<b>837</b>	<b>98.7%</b>	<b>78,125</b>	<b>77,525</b>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF THE PREMIER  
VOTE 1**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 1 – Executive Support  
for the year ended 31 March 2011**

Statutory Appropriation per economic classification									
Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	45,424	(1,086)	(1,697)	42,641	42,537	104	99.8%	42,707	42,706
Goods and services	16,134	968	(877)	16,225	15,504	721	95.6%	23,983	23,961
Interest and rent on land	55	31	-	86	79	7	91.9%	88	87
<b>Transfers and subsidies</b>									
Departmental agencies & accounts	7,500	-	-	7,500	7,500	-	100.0%	8,212	8,211
Non-profit institutions	451	-	(400)	51	50	1	98.0%	2,149	1,582
Households	42	-	-	42	42	-	100.0%	416	416
<b>Payments for capital assets</b>									
Machinery and equipment	233	43	(169)	107	104	3	97.2%	521	514
<b>Payments for financial assets</b>									
	-	44	-	44	43	1	97.7%	49	48
<b>Total</b>	<b>69,839</b>	<b>-</b>	<b>(3,143)</b>	<b>66,696</b>	<b>65,859</b>	<b>837</b>	<b>98.7%</b>	<b>78,125</b>	<b>77,525</b>



**WESTERN CAPE PROVINCE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 2 – Provincial Strategic Management  
for the year ended 31 March 2011**

Detail per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 Programme Support</b>									
Current payments	2,122	(328)	-	1,794	1,780	14	99.2%	1,910	1,904
Payments for capital assets	-	15	-	15	14	1	93.3%	21	21
<b>2.2 Policy and Strategy</b>									
Current payments	11,051	(91)	(1,228)	9,732	9,704	28	99.7%	11,536	11,526
Transfers and subsidies	500	-	-	500	500	-	100.0%	-	-
Payments for capital assets	15	91	-	106	105	1	99.1%	105	104
<b>2.3 Strategic Management Information</b>									
Current payments	8,157	647	-	8,804	8,751	53	99.4%	5,435	5,431
Payments for capital assets	-	469	-	469	467	2	99.6%	96	95
<b>2.4 Strategic Communication</b>									
Current payments	3,782	(809)	(700)	2,273	2,266	7	99.7%	-	-
Transfers and subsidies	41	-	-	41	41	-	100.0%	-	-
Payments for capital assets	-	6	-	6	6	-	100.0%	-	-
<b>2.5 FIFA World Cup</b>									
Current payments	11,799	(174)	(1,138)	10,487	9,770	717	93.2%	18,926	17,670
Transfers and subsidies	29	-	-	29	28	1	96.6%	994	983
Payments for capital assets	835	174	-	1,009	1,008	1	99.9%	24,056	22,734
<b>Total</b>	<b>38,331</b>	<b>-</b>	<b>(3,066)</b>	<b>35,265</b>	<b>34,440</b>	<b>825</b>	<b>97.7%</b>	<b>63,079</b>	<b>60,468</b>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF THE PREMIER  
VOTE 1**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 2 – Provincial Strategic Management  
for the year ended 31 March 2011**

Statutory Appropriation per economic classification									
Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	21,513	(1,148)	(1,845)	18,520	17,808	712	96.2%	16,605	16,593
Goods and services	15,398	618	(1,221)	14,795	14,688	107	99.3%	21,372	20,466
Interest and rent on land	-	33	-	33	30	3	90.9%	30	29
<b>Transfers and subsidies</b>									
Provinces and municipalities	-	-	-	-	-	-	-	850	850
Departmental agencies and accounts	-	29	-	29	28	1	96.6%	-	-
Non-profit institutions	570	(29)	-	541	541	-	100.0%	144	133
<b>Payments for capital assets</b>									
Buildings & other fixed structures	835	-	-	835	835	-	100.0%	23,972	22,291
Machinery and equipment	15	497	-	512	510	2	99.6%	106	106
<b>Total</b>	<b>38,331</b>	<b>-</b>	<b>(3,066)</b>	<b>35,265</b>	<b>34,440</b>	<b>825</b>	<b>97.7%</b>	<b>63,079</b>	<b>60,468</b>

**WESTERN CAPE PROVINCE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 3 – Corporate Services Centre  
for the year ended 31 March 2011**

Detail per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3.1 Programme Support</b>									
Current payments	1,424	-	(253)	1,171	1,165	6	99.5%	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
<b>3.2 Human Capital</b>									
Current payments	88,701	(706)	(4,902)	83,093	82,841	252	99.7%	57,947	57,936
Transfers and subsidies	-	489	400	889	889	-	100.0%	411	411
Payments for capital assets	277	437	-	714	696	18	97.5%	1,049	1,039
Payments for financial assets	-	24	-	24	23	1	95.8%	-	-
<b>3.3 Corporate Assurance</b>									
Current payments	46,166	786	(2,991)	43,961	43,838	123	99.7%	5,836	5,5835
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	299	-	299	295	4	98.7%	59	58
<b>3.4 Legal Services</b>									
Current payments	20,057	(2,034)	(1,593)	16,430	16,365	65	99.6%	15,453	15,447
Transfers and subsidies	886	(194)	-	692	692	-	100.0%	-	-
Payments for capital assets	-	53	-	53	51	2	96.2%	160	160
<b>3.5 Corporate Communication</b>									
Current payments	9,328	761	-	10,089	10,050	39	99.6%	15,843	15,836
Transfers and subsidies	100	(50)	-	50	50	-	100.0%	315	313
Payments for capital assets	50	135	-	185	178	7	96.2%	278	276
<b>Total</b>	<b>166,989</b>	<b>-</b>	<b>(9,339)</b>	<b>157,650</b>	<b>157,133</b>	<b>517</b>	<b>99.7%</b>	<b>97,351</b>	<b>97,311</b>

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 3 – Corporate Services Centre  
for the year ended 31 March 2011**

Statutory Appropriation per economic classification									
Per Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	115,043	(422)	(1,739)	112,882	112,748	134	99.9%	71,306	71,305
Goods and services	50,633	(246)	(8,000)	42,387	42,023	364	99.1%	24,280	24,242
Interest and rent on land	-	63	-	63	49	14	77.8%	63	63
<b>Transfers and subsidies</b>									
Non-profit institutions	100	(50)	-	50	50	-	100.0%	723	723
Households	886	295	400	1,581	1,581	-	100.0%	1	1
<b>Payments for capital assets</b>									
Machinery and equipment	327	336	-	663	659	4	99.4%	978	977
<b>Payment for financial assets</b>									
	-	24	-	24	23	1	95.8%	-	-
<b>Total</b>	<b>166,989</b>	<b>-</b>	<b>(9,339)</b>	<b>157,650</b>	<b>157,133</b>	<b>517</b>	<b>99.7%</b>	<b>97,351</b>	<b>97,311</b>

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

**Detail per programme 4 – Centre for E-Innovation  
for the year ended 31 March 2011**

Detail per sub-programme	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>4.1 Programme Support</b>									
Current payments	10,775	(5,068)	-	5,707	5,682	25	99.6%	4,669	4,662
Transfers and subsidies	-	-	-	-	-	-	-	290	289
Payments for capital assets	-	673	-	673	671	2	99.7%	-	-
<b>4.2 Strategic ICT Services</b>									
Current payments	32,528	(7,454)	-	25,074	25,001	73	99.7%	21,479	21,473
Transfers and subsidies	5,600	-	-	5,600	5,600	-	100.0%	5,020	5,020
Payments for capital assets	620	348	-	968	943	25	97.4%	465	464
Payment for financial asset	-	51	-	51	51	-	100.0%	-	-
<b>4.3 GITO Management Services</b>									
Current payments	268,287	8,732	15,379	292,398	292,260	138	100.0%	190,611	187,721
Transfers and subsidies	-	-	-	-	-	-	-	23	23
Payments for capital assets	30,400	2,718	169	33,287	33,278	9	100.0%	23,133	23,133
<b>Total</b>	<b>348,210</b>	<b>-</b>	<b>15,548</b>	<b>363,758</b>	<b>363,486</b>	<b>272</b>	<b>99.9%</b>	<b>245,690</b>	<b>242,785</b>

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**APPROPRIATION STATEMENT  
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**Detail per programme 4 – Centre for E-Innovation  
for the year ended 31 March 2011**

Economic classification	2010/11							2009/10	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	100,110	(6,745)	-	93,365	93,313	52	99.9%	80,246	80,245
Goods and services	211,480	3,872	15,379	230,731	230,527	204	99.9%	134,448	134,444
Interest and rent on land	-	138	-	138	134	4	97.1%	104	104
<b>Transfers and subsidies</b>									
Non-profit institutions	5,600	-	-	5,600	5,600	-	100.0%	5,020	5,020
Households	-	-	-	-	-	-	-	23	23
<b>Payments for capital assets</b>									
Machinery and equipment	31,020	2,684	169	33,873	33,861	12	100.0%	25,849	22,949
<b>Payment for financial assets</b>									
	-	51	-	51	51	-	100.0%	-	-
<b>Total</b>	<b>348,210</b>	<b>-</b>	<b>15,548</b>	<b>363,758</b>	<b>363,486</b>	<b>272</b>	<b>99.9%</b>	<b>245,690</b>	<b>242,785</b>

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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

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

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexures 1-6 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 note 8 (Payments for financial assets) to the Annual Financial Statements.

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

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
1: Executive Support	66,696	65,859	837	1.25%
2: Provincial Strategic Management	35,265	34,440	825	2.34%
3: Corporate Services Centre	157,650	157,133	517	0.33%
4: Centre for E-Innovation	363,758	363,486	272	0.07%
<b>Total</b>	<b>623,369</b>	<b>620,918</b>	<b>2,451</b>	<b>0.39%</b>

**Programme 2: Provincial Strategic Management**

Under-spending due to Communication Contract delays and 2010 FIFA World Cup™ legacy projects in process.

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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

4.2 Per Economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>Current payments:</b>				
Compensation of employees	267,408	266,406	1,002	0.37%
Goods and services	304,138	302,742	1,396	0.46%
Interest and rent on land	320	292	28	8.75%
<b>Transfers and subsidies:</b>				
Departmental agencies and accounts	7,529	7,528	1	0.01%
Non-profit institutions	6,242	6,241	1	0.02%
Households	1,623	1,623	-	-
<b>Payments for capital assets:</b>				
Buildings and other fixed structures	835	835	-	-
Machinery and equipment	35,155	35,134	21	0.06%
<b>Payments for financial assets</b>	119	117	2	1.68%
<b>Total</b>	<b>623,369</b>	<b>620,918</b>	<b>2,451</b>	<b>0.39%</b>

**Current Expenditure**

Under-spending on Interest and rent on land is due to rounding during virements.



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**STATEMENT OF FINANCIAL PERFORMANCE  
for the year ended 31 March 2011**

	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>REVENUE</b>			
Annual appropriation	1	623,369	484,245
Departmental revenue	2	1,181	727
<b>TOTAL REVENUE</b>		<b>624,550</b>	<b>484,972</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	266,406	210,849
Goods and services	4	302,742	203,115
Interest and rent on land	5	292	283
<b>Total current expenditure</b>		<b>569,440</b>	<b>414,247</b>
<b>Transfers and subsidies</b>	6	15,392	16,959
<b>Expenditure for capital assets</b>			
Tangible capital assets	7	35,969	46,835
<b>Total expenditure for capital assets</b>		<b>35,969</b>	<b>46,835</b>
<b>Payments for financial assets</b>	8	117	48
<b>TOTAL EXPENDITURE</b>		<b>620,918</b>	<b>478,089</b>
<b>SURPLUS FOR THE YEAR</b>		<b>3,632</b>	<b>6,883</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds	12	2,451	6,156
Departmental revenue	13	1,181	727
<b>SURPLUS FOR THE YEAR</b>		<b>3,632</b>	<b>6,883</b>

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**STATEMENT OF FINANCIAL POSITION  
for the year ended 31 March 2011**

	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>ASSETS</b>			
<b>Current assets</b>		<b>5,703</b>	<b>6,515</b>
Cash and cash equivalents	9	4,148	1,810
Prepayments and advances	10	7	35
Receivables	11	1,548	4,670
<b>TOTAL ASSETS</b>		<b>5,703</b>	<b>6,515</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>5,589</b>	<b>6,380</b>
Voted funds to be surrendered to the Revenue Fund	12	2,451	6,156
Departmental revenue to be surrendered to the Revenue Fund	13	626	151
Bank overdraft	14	2,135	19
Payables	15	377	54
<b>TOTAL LIABILITIES</b>		<b>5,589</b>	<b>6,380</b>
<b>NET ASSETS</b>		<b>114</b>	<b>135</b>
<b>Represented by:</b>			
Recoverable revenue		114	135
<b>TOTAL</b>		<b>114</b>	<b>135</b>

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**STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2011**

	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>Recoverable revenue</b>			
Opening balance		135	191
Transfers:		(21)	(56)
Debts recovered (included in departmental receipts)		(21)	(56)
Closing balance		114	135
<b>TOTAL</b>		<b>114</b>	<b>135</b>

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**CASH FLOW STATEMENT  
for the year ended 31 March 2011**

	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>625,113</b>	<b>485,838</b>
Annual appropriated funds received	1.1	623,369	484,245
Departmental revenue received	2	1,744	1,593
Net decrease in working capital		3,473	1,233
Surrendered to Revenue Fund		(7,425)	(22,009)
Current payments		(569,440)	(414,247)
Payments for financial assets		(117)	(48)
Transfers and subsidies paid		(15,392)	(16,959)
<b>Net cash flow available from operating activities</b>	16	<b>36,212</b>	<b>33,808</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(35,969)	(46,835)
<b>Net cash flows from investing activities</b>		<b>(35,969)</b>	<b>(46,835)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase (Decrease) in net assets		(21)	31
<b>Net cash flows from financing activities</b>		<b>(21)</b>	<b>31</b>
Net increase (decrease) in cash and cash equivalents		222	(12,996)
Cash and cash equivalents at beginning of period		1,791	14,787
<b>Cash and cash equivalents at end of period</b>	17	<b>2,013</b>	<b>1,791</b>

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**ACCOUNTING POLICIES  
for the year ended 31 March 2011**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

**1. Presentation of the Financial Statements**

**1.1 Basis of preparation**

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

**1.2 Presentation currency**

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

**1.3 Rounding**

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

**1.4 Comparative figures**

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.

**1.5 Comparative figures - Appropriation Statement**

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

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**ACCOUNTING POLICIES  
for the year ended 31 March 2011**

**2. Revenue**

**2.1 Appropriated funds**

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

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

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Any amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

**2.2 Departmental revenue**

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

**3. Expenditure**

**3.1 Compensation of employees**

**3.1.1 Salaries and wages**

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

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Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

**3.1.2 Social contributions**

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

**3.2 Goods and services**

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

**3.3 Interest and rent on land**

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

**3.4 Payments for financial assets**

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-

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**ACCOUNTING POLICIES  
for the year ended 31 March 2011**

end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

**3.5 Transfers and subsidies**

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

**3.6 Unauthorised expenditure**

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

**3.7 Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

**3.8 Irregular expenditure**

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

**4. Assets**

**4.1 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost.



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Bank overdrafts are shown separately on the face of the statement of financial position.

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

**4.2 Other financial assets**

Other financial assets are carried in the statement of financial position at cost.

**4.3 Prepayments and advances**

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

**4.4 Receivables**

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

**4.5 Inventory**

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

**4.6 Capital assets**

**4.6.1 Movable assets**

**Initial recognition**

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

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All assets acquired prior to 1 April 2002 are still included in the register at their original purchase price.

**Subsequent recognition**

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

**4.6.2 Immovable assets**

**Initial recognition**

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

**Subsequent recognition**

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

**5. Liabilities**

**5.1 Payables**

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

**5.2 Contingent liabilities**

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

**5.3 Contingent assets**

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

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***ACCOUNTING POLICIES***  
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**5.4 Commitments**

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

**5.5 Accruals**

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

**5.6 Employee benefits**

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

**5.7 Lease commitments**

**Finance lease**

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

**Operating lease**

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

**5.8 Provisions**

Provisions are disclosed 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 will be required to settle the obligation and a reliable estimate of the obligation can be made.

**6. Receivables for departmental revenue**

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

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***ACCOUNTING POLICIES***  
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**7. Net Assets**

**7.1 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 Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

**8. Related party transactions**

Specific information with regards to related party transactions is included in the disclosure notes.

**9. Key management personnel**

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**1. Annual Appropriation**

**1.1 Annual Appropriation**

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

Programmes	Final	Actual	Funds not	Appropriation
	Appropriation	Funds	requested/ not Received	received
	2010/11	2010/11	2010/11	2009/10
	R'000	R'000	R'000	R'000
Executive Support	66,696	66,696	-	40,666
Provincial Strategic Management	35,265	35,265	-	99,252
Corporate Services Centre	157,650	157,650	-	98,637
Centre for E-Innovation	363,758	363,758	-	245,690
<b>Total</b>	<b>623,369</b>	<b>623,369</b>	<b>-</b>	<b>484,245</b>
		<i>Note</i>	2010/11	2009/10
			R'000	R'000

**2. Departmental revenue**

Sales of goods and services other than capital assets	2.1	661	1,132
Interest, dividends and rent on land	2.2	16	38
Financial transactions in assets and liabilities	2.3	1,067	423
Total revenue collected		<b>1,744</b>	<b>1,593</b>
Less: Own revenue included in appropriation	13	563	866
<b>Departmental revenue collected</b>		<b>1,181</b>	<b>727</b>

**2.1 Sales of goods and services other than capital assets**

Sales of goods and services produced by the department	<b>661</b>	<b>1,117</b>
Sales by market establishment	-	4
Other sales	661	1,113
Sales of scrap, waste and other used current goods	-	15
<b>Total</b>	<b>661</b>	<b>1,132</b>

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	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>2.2 Interest, dividends and rent on land</b>			
Interest		16	38
<b>Total</b>		<b>16</b>	<b>38</b>
<b>2.3 Financial transactions in assets and liabilities</b>			
Receivables		32	5
Other Receipts including Recoverable Revenue		1,035	418
<b>Total</b>		<b>1,067</b>	<b>423</b>
<b>3. Compensation of employees</b>			
<b>3.1 Salaries and Wages</b>			
Basic salary		186,012	144,365
Performance award		2,973	2,428
Service Based		397	649
Compensative/circumstantial		4,803	7,017
Periodic payments		311	859
Other non-pensionable allowances		40,233	31,946
<b>Total</b>		<b>234,729</b>	<b>187,264</b>
<b>3.2 Social contributions</b>			
<b>Employer contributions</b>			
Pension		22,611	17,229
Medical		9,021	6,335
UIF		1	-
Bargaining council		44	21
<b>Total</b>		<b>31,677</b>	<b>23,585</b>
<b>Total compensation of employees</b>		<b>266,406</b>	<b>210,849</b>
Average number of employees		823	668

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	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>4. Goods and services</b>			
Administrative fees		234	178
Advertising		7,201	7,227
Assets less than R5,000	4.1	2,904	3,362
Bursaries (employees)		603	324
Catering		1,440	1,955
Communication		4,932	5,255
Computer services	4.2	216,502	118,957
Consultants, contractors and agency/outsourced services	4.3	35,741	25,477
Entertainment		68	69
Audit cost – external	4.4	3,775	4,391
Inventory	4.5	5,844	5,507
Operating leases		5,396	4,897
Owned and leasehold property expenditure	4.6	1,682	1,915
Travel and subsistence	4.7	8,329	11,089
Venues and facilities		1,495	5,565
Training and staff development		2,923	3,081
Other operating expenditure	4.8	3,673	3,866
<b>Total</b>		<b><u>302,742</u></b>	<b><u>203,115</u></b>
<b>4.1 Assets less than R5,000</b>			
<b>Tangible assets</b>		<b>2,904</b>	<b>3,362</b>
Machinery and equipment		2,904	3,362
<b>Total</b>		<b><u>2,904</u></b>	<b><u>3,362</u></b>
<b>4.2 Computer services</b>			
SITA computer services		140,886	102,505
External computer service providers		75,616	16,452
<b>Total</b>		<b><u>216,502</u></b>	<b><u>118,957</u></b>

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	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>4.3 Consultants, contractors and agency/outsourced services</b>			
Business and advisory services		18,684	16,277
Infrastructure and planning		43	137
Legal costs		2,282	2,541
Contractors		5,505	4,292
Agency and support/outsourced services		9,227	2,230
<b>Total</b>		<b><u>35,741</u></b>	<b><u>25,477</u></b>
<b>4.4 Audit cost – External</b>			
Regularity audits		3,775	4,391
<b>Total</b>		<b><u>3,775</u></b>	<b><u>4,391</u></b>
<b>4.5 Inventory</b>			
Learning and teaching support material		146	193
Food and food supplies		322	368
Fuel, oil and gas		20	42
Other consumable materials		268	638
Maintenance material		77	123
Stationery and printing		5,010	4,136
Medical supplies		1	7
<b>Total</b>		<b><u>5,844</u></b>	<b><u>5,507</u></b>
<b>4.6 Owned and leasehold property expenditure</b>			
Other		1,682	1,915
<b>Total</b>		<b><u>1,682</u></b>	<b><u>1,915</u></b>
<b>4.7 Travel and subsistence</b>			
Local		7,623	10,313
Foreign		706	776
<b>Total</b>		<b><u>8,329</u></b>	<b><u>11,089</u></b>



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	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>4.8 Other operating expenditure</b>			
Professional bodies, membership and subscription fees		1,186	1,094
Resettlement costs		217	141
Other		2,270	2,631
<b>Total</b>		<b><u>3,673</u></b>	<b><u>3,866</u></b>
<b>5. Interest and rent on land</b>			
Interest paid		<u>292</u>	<u>283</u>
<b>Total</b>		<b><u>292</u></b>	<b><u>283</u></b>
<b>6. Transfers and subsidies</b>			
Provinces and municipalities	<i>Annex 1</i>	-	850
Departmental agencies and accounts	<i>Annex 2</i>	7,528	8,211
Non-profit institutions	<i>Annex 3</i>	6,100	6,808
Households	<i>Annex 4</i>	931	440
Gifts, donations and sponsorships made	<i>Annex 6</i>	833	650
<b>Total</b>		<b><u>15,392</u></b>	<b><u>16,959</u></b>
<b>7. Expenditure for capital assets</b>			
<b>Tangible assets</b>		<b>35,969</b>	<b>46,835</b>
Buildings and other fixed structures		835	22,291
Machinery and equipment	29	35,134	24,544
<b>Total</b>		<b><u>35,969</u></b>	<b><u>46,835</u></b>

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**7.1 Analysis of funds utilised to acquire capital assets – 2010/11**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>35,969</b>	-	<b>35,969</b>
Buildings and other fixed structures	835	-	835
Machinery and equipment	35,134	-	35,134
<b>Total</b>	<b>35,969</b>	-	<b>35,969</b>

**Note:** Buildings and other fixed structures is expenditure for the Philippi stadium for work that was not completed in the previous financial year.

**7.2 Analysis of funds utilised to acquire capital assets – 2009/10**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>46,835</b>	-	<b>46,835</b>
Buildings and other fixed structures	22,291	-	22,291
Machinery and equipment	24,544	-	24,544
<b>Total</b>	<b>46,835</b>	-	<b>46,835</b>

<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>

**8. Payments for financial assets**

Other material losses written off	8.1	74	48
Debts written off	8.2	43	-
<b>Total</b>		<b>117</b>	<b>48</b>

**8.1 Other material losses written off**

**Nature of losses**

Damages to Government vehicles	74	-
Stock losses to PGWC catering contractor	-	48
<b>Total</b>	<b>74</b>	<b>48</b>

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	<i>Note</i>	2010/11 R'000	2009/10 R'000
<b>8.2 Debts written off</b>			
<b>Nature of debts written off</b>			
Irrecoverable staff debt written off		43	-
<b>Total</b>		<b>43</b>	<b>-</b>

**9. Cash and cash equivalents**

Cash on hand	22	18
Cash with commercial banks (Local)	4,126	1,792
<b>Total</b>	<b>4,148</b>	<b>1,810</b>

**10. Prepayments and advances**

Travel and subsistence	7	35
<b>Total</b>	<b>7</b>	<b>35</b>

**11. Receivables**

	<i>Note</i>	Less than one year R'000	One to three years R'000	Older than three years R'000	2010/11 Total R'000	2009/10 Total R'000
Claims recoverable	11.1					
	<i>Annex</i>					
	8	884	9	-	893	3,948
Staff debt	11.2	187	124	210	521	501
Other debtors	11.3	58	76	-	134	221
<b>Total</b>		<b>1,129</b>	<b>209</b>	<b>210</b>	<b>1,548</b>	<b>4,670</b>

	<i>Note</i>	2010/11 R'000	2009/10 R'000
<b>11.1 Claims recoverable</b>			
National departments		36	112
Provincial departments		857	3,836
<b>Total</b>		<b>893</b>	<b>3,948</b>

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	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>11.2 Staff debt</b>			
Damage to Government Garage vehicles		135	119
Income Tax and Site Debt		28	26
Salary Suspense Account		43	43
Departmental Debt Account		315	313
<b>Total</b>		<u><b>521</b></u>	<u><b>501</b></u>
<b>11.3 Other debtors</b>			
Disallowance Miscellaneous		134	168
Recoverable Pension		-	53
<b>Total</b>		<u><b>134</b></u>	<u><b>221</b></u>
<b>12. Voted funds to be surrendered to the Revenue Fund</b>			
Opening balance		6,156	20,511
Transfer from statement of financial performance		2,451	6,156
Paid during the year		(6,156)	(20,511)
<b>Closing balance</b>		<u><b>2,451</b></u>	<u><b>6,156</b></u>
<b>13. Departmental revenue to be surrendered to the Revenue Fund</b>			
Opening balance		151	56
Transfer from Statement of Financial Performance		1,181	727
Own revenue included in appropriation		563	866
Paid during the year		(1,269)	(1,498)
<b>Closing balance</b>		<u><b>626</b></u>	<u><b>151</b></u>
<b>14. Bank Overdraft</b>			
Consolidated Paymaster General Account		2,135	19
<b>Total</b>		<u><b>2,135</b></u>	<u><b>19</b></u>
<b>15. Payables – current</b>			
Clearing accounts	15.1	356	53
Other payables	15.2	21	1
<b>Total</b>		<u><b>377</b></u>	<u><b>54</b></u>

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	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>15.1 Clearing accounts</b>			
Salary: Income Tax		356	53
<b>Total</b>		<b>356</b>	<b>53</b>
<b>15.2 Other payables</b>			
Salary Disallowance account		3	1
GRV Suspense		18	-
<b>Total</b>		<b>21</b>	<b>1</b>
<b>16. Net cash flow available from operating activities</b>			
Net surplus as per Statement of Financial Performance		3,632	6,883
Add back non cash/cash movements not deemed operating activities		32,580	26,925
Decrease in receivables – current		3,122	978
Decrease in prepayments and advances		28	272
Increase (decrease) in payables – current		323	(17)
Expenditure on capital assets		35,969	46,835
Surrenders to Revenue Fund		(7,425)	(22,009)
Own revenue included in appropriation		563	866
<b>Net cash flow generated by operating activities</b>		<b>36,212</b>	<b>33,808</b>
<b>17. Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account		(2,135)	(19)
Cash on hand		22	18
Cash with commercial banks (Local)		4,126	1,792
<b>Total</b>		<b>2,013</b>	<b>1,791</b>

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These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

	<i>Note</i>	2010/11 R'000	2009/10 R'000
<b>18. Contingent liabilities</b>			
<b>18.1 Contingent liabilities</b>			
<b>Liable to</b>	<b>Nature</b>		
Claims against the department	<i>Annex 7</i>	8,438	6,344
Other departments (interdepartmental unconfirmed balances)	<i>Annex 9</i>	213	1,515
<b>Total</b>		<b>8,651</b>	<b>7,859</b>
<b>19. Commitments</b>			
<b>Current expenditure</b>			
Approved and contracted		31,215	424
Approved but not yet contracted		274	-
		<b>31,489</b>	<b>424</b>
<b>Capital expenditure</b>			
Approved and contracted		1,278	-
Approved but not yet contracted		-	-
		<b>1,278</b>	<b>-</b>
<b>Total Commitments</b>		<b>32,767</b>	<b>424</b>

**Note:** Increase is mainly due to the following significant commitments:

Desktop support & hardware maintenance contract for a period of two years – R19,698m.

Renewal of Anti-virus licence – R1,127m.

The draft and design of a brand delivery strategy – R1,132m.

Advisory consulting services – R6,354 m.

Software support – R1,531m.

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	<i>Note</i>	2010/11 R'000	2009/10 R'000
<b>20. Accruals</b>			
<b>Listed by economic classification</b>			
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>
Goods and services	10,937	1,101	<b>12,038</b>
Transfers and subsidies	42	20	<b>62</b>
Capital assets	720	9	<b>729</b>
<b>Total</b>	<b>11,699</b>	<b>1,130</b>	<b>12,829</b>
<b>Listed by programme level</b>			
1. Executive Support		770	1,001
2. Provincial Strategic Management		630	74
3. Corporate Services Centre		1,794	1,912
4. Centre for E-Innovation		9,635	18,651
<b>Total</b>		<b>12,829</b>	<b>21,638</b>
Confirmed balances with other departments	<i>Annex 9</i>	291	294
Confirmed balances with other government entities	<i>Annex 9</i>	1,079	737
<b>Total</b>		<b>1,370</b>	<b>1,031</b>
	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>21. Employee benefits</b>			
Leave entitlement		7,539	6,585
Service bonus (Thirteenth cheque)		7,205	4,884
Performance awards		4,127	3,719
Capped leave commitments		7,229	5,468
Other		13	904
<b>Total</b>		<b>26,113</b>	<b>21,560</b>

**Note :** A debit balance of R 906,608.87 was included in the leave entitlement amount.

Annual Leave cycles run from January to December of each year. Leave cycles do not run concurrently with financial year end cycle. Annual Leave credits are accrued in January of each year, for the entire 12 month period. As a result when reports are drawn at the end of March for the financial reporting, leave credits in some instances reflect a negative balance since it calculates the pro-rata leave due to an individual as at 31 March of the respective year.

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**22. Lease commitments**

**22.1 Operating leases expenditure**

	<b>Specialised military equipment</b>	<b>Land</b>	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2010/11</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	-	-	-	2,300	2,300
Later than 1 year and not later than 5 years	-	-	-	5,491	5,491
Later than five years	-	-	-	1,098	1,098
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,889</b>	<b>8,889</b>

	<b>Specialised military equipment</b>	<b>Land</b>	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2009/10</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	-	-	-	1,976	1,976
Later than 1 year and not later than 5 years	-	-	-	4,562	4,562
Later than five years	-	-	-	467	467
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,005</b>	<b>7,005</b>



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**22.2 Finance leases expenditure**

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2010/11</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	-	-	-	3,137	3,137
Later than 1 year and not later than 5 years	-	-	-	1,900	1,900
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	-	-	-	<b>5,037</b>	<b>5,037</b>
LESS: finance costs	-	-	-	323	323
<b>Total present value of lease liabilities</b>	-	-	-	<b>4,714</b>	<b>4,714</b>

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2009/10</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Not later than 1 year	-	-	-	1,192	1,192
Later than 1 year and not later than 5 years	-	-	-	9	9
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	-	-	-	<b>1,201</b>	<b>1,201</b>
LESS: finance costs	-	-	-	60	60
<b>Total present value of lease liabilities</b>	-	-	-	<b>1,141</b>	<b>1,141</b>

<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>

**23. Receivables for departmental revenue**

Sales of goods and services other than capital assets	140	1,061
<b>Total</b>	<b>140</b>	<b>1,061</b>

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	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
<b>23.1 Analysis of receivables for departmental revenue</b>			
Opening balance		1,061	-
Less: amounts received		1,049	-
Add: amounts recognised		128	1,061
Less: amounts written-off/reversed as irrecoverable		-	-
<b>Closing balance</b>		<b>140</b>	<b>1,061</b>
		<hr/>	<hr/>
<b>24. Irregular expenditure</b>			
<b>24.1 Reconciliation of irregular expenditure</b>			
Opening balance		4,172	3,298
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		482	6,043
Less: Amounts condoned		(1,302)	(5,169)
Less: Amounts recoverable (not condoned)		-	-
Less: Amounts not recoverable (not condoned)		-	-
<b>Irregular expenditure awaiting condonation</b>		<b>3,352</b>	<b>4,172</b>
		<hr/>	<hr/>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		442	3,135
Prior years		2,910	1,037
<b>Total</b>		<b>3,352</b>	<b>4,172</b>
		<hr/>	<hr/>
<b>24.2 Details of irregular expenditure – current year</b>			
<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>		<b>2010/11</b>
			<b>R'000</b>
Non compliance to TR8.2.1	None. Case is still under investigation		129
Non compliance to TR8.2.1	None.		20
Non compliance to TR8.2.1	None.		20
Non compliance to TR16A9.1(d)	None. Case is still under investigation.		85
Non compliance to TR16A9.1(d)	None. Case is still under investigation.		101
Non compliance to TR16A9.1(d)	None. Case is still under investigation.		127
<b>Total</b>			<b>482</b>
			<hr/>

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**24.3 Details of irregular expenditure condoned**

<b>Incident</b>	<b>Condoned by (condoning authority)</b>	<b>2010/11 R'000</b>
Non compliance to TR8.2.1	Accounting Officer	20
Non compliance to TR8.2.1	Accounting Officer	20
Non compliance to TR16A6	Accounting Officer	1,262
<b>Total</b>		<b><u>1,302</u></b>

**24.4 Details of irregular expenditures under investigation**

<b>Incident</b>	<b>2010/11 R'000</b>
Various – relating to prior years	2,910
Various – current year ( see note 24.2)	442
<b>Total</b>	<b><u>3,352</u></b>

**25. Fruitless and wasteful expenditure**

**25.1 Reconciliation of fruitless and wasteful expenditure**

	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
Opening balance	281	-
Fruitless and wasteful expenditure – relating to prior year	14	-
Fruitless and wasteful expenditure – relating to current year	17	315
Less: Amounts condoned	-	(32)
Less: Amounts transferred to receivables for recovery	-	(2)
<b>Fruitless and wasteful expenditure awaiting condonation</b>	<b><u>312</u></b>	<b><u>281</u></b>

**Analysis of awaiting condonation per economic classification**

Current	312	281
Capital	-	-
Transfers and subsidies	-	-
<b>Total</b>	<b><u>312</u></b>	<b><u>281</u></b>

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**25.2 Analysis of Current year's fruitless and wasteful expenditure**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2010/11 R'000</b>
Non attendance of course at Kromme Rhee.	None. In the process of being investigated.	17
<b>Total</b>		<b>17</b>

**26. Related party transactions**

1. This department occupies buildings provided by the Department of Transport & Public Works free of charge.

2. The Department of the Premier makes use of 74 GG vehicles of Government Motor Transport based on daily and kilometre tariffs as approved by the Provincial Treasury.

<b>Payments made</b>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
Goods and Services		
GG Vehicle Expenditure	2,067	1,687

3. The Department of the Premier rendered corporate services to all provincial departments in the Western Cape via the Corporate Services centre with effect from 1 April 2010 in respect of the following service areas:

- (a) Information Technology related infrastructure and services
- (b) Human Resource Management services (The Human Resource Practices and Administration function was only transferred with effect from 15 November 2010)
- (c) Organisational Development services
- (d) Transversal Provincial Training
- (e) Enterprise Risk Management support
- (f) Internal Audit services
- (g) Forensic Investigative services
- (h) Legal Services
- (i) Corporate Communication services

With regard to the Departments of Health and Education all the above services were rendered excluding Human Resource Management Services and Corporate Communication Services.

4. The department has one schedule 3C Public Entity that resides under it, namely the Provincial Development Council. The legislative process to disestablish the Provincial Development Council is under way.

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**27. Key management personnel**

	No. of Individuals	2010/11 R'000	2009/10 R'000
Political office bearers	1	1,705	1,534
Officials:			
Level 15 to 16	8	7,941	6,577
Level 14 (incl. CFO if at a lower level)	17	11,576	11,408
<b>Total</b>		<b><u>21,222</u></b>	<b><u>19,519</u></b>

**Note:** Responsible Executive Authority - Premier Helen Zille.

**28. Provisions**

**Other provisions**

Debtors	70	-
<b>Total</b>	<b><u>70</u></b>	<b><u>-</u></b>

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**29. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Opening balance	Current Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
<b>HERITAGE ASSETS</b>	<b>53</b>	<b>9</b>	<b>-</b>	<b>34</b>	<b>28</b>
Heritage assets	53	9	-	34	28
<b>MACHINERY AND EQUIPMENT</b>	<b>136,338</b>	<b>9,693</b>	<b>33,921</b>	<b>18,300</b>	<b>161,652</b>
Computer equipment	129,498	9,431	32,571	16,827	154,673
Furniture and office equipment	6,216	166	735	569	6,548
Other machinery and equipment	624	96	615	904	431
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>136,391</b>	<b>9,702</b>	<b>33,921</b>	<b>18,334</b>	<b>161,680</b>

Note: 138 assets to the value of R5,360,156.71 (initial purchase cost value) were not found during the annual departmental stock take of assets. This has been reported to Loss Control and is still under investigation and therefore the process has not been completed yet. This amount is included in the total disposal figure in the above table.

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**29.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	Cost	Fair Value/ R1	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	-	-	-	-	-
Heritage assets	-	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>	<b>33,117</b>	<b>804</b>	-	-	<b>33,921</b>
Computer equipment	31,901	670	-	-	32,571
Furniture and office equipment	643	92	-	-	735
Other machinery and equipment	573	42	-	-	615
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>33,117</b>	<b>804</b>	-	-	<b>33,921</b>

\* The difference of R2,017m between Note 7: Expenditure for Capital Assets (R35,134m) and the Total cash additions of movable assets (R33,117m) above is due to the fact that Motor Vehicles (R0,561m), Security Fixtures (R0,281m) and other expenditure items (R0,369m) are not included in this department's movable tangible asset register as well as assets included in previous year asset register but only paid this financial year (R0,649m) and assets paid this financial year and not included in this financial year's asset register (R0,157m).

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**29.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE  
YEAR ENDED 31 MARCH 2011**

	Sold for cash  R'000	Transfer out or destroyed or scrapped  R'000	Total disposals  R'000	Cash Received Actual  R'000
<b>HERITAGE ASSETS</b>	-	34	34	-
Heritage assets	-	34	34	-
<b>MACHINERY AND EQUIPMENT</b>	-	<b>18,300</b>	<b>18,300</b>	-
Computer equipment	-	16,827	16,827	-
Furniture and office equipment	-	569	569	-
Other machinery and equipment	-	904	904	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	-	<b>18,334</b>	<b>18,334</b>	-



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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**29.3 Movement for 2009/10**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Opening balance Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing balance Cost R'000
<b>HERITAGE ASSETS</b>	<b>28</b>	<b>25</b>	-	<b>53</b>
Heritage assets	28	25	-	53
<b>MACHINERY AND EQUIPMENT</b>	<b>120,908</b>	<b>28,483</b>	<b>13,053</b>	<b>136,338</b>
Computer equipment	116,092	26,001	12,595	129,498
Furniture and office equipment	4,297	2,332	413	6,216
Other machinery and equipment	519	150	45	624
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>120,936</b>	<b>28,508</b>	<b>13,053</b>	<b>136,391</b>

**29.4 Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	20	20,594	-	20,614
Current year adjustments to Prior year balances	-	-	175	-	175
Additions	-	-	2,538	-	2,538
Disposals	-	-	(1,527)	-	(1,527)
<b>TOTAL</b>	<b>-</b>	<b>20</b>	<b>21,780</b>	<b>-</b>	<b>21,800</b>

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	16	12,109	-	12,125
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>16</b>	<b>12,109</b>	<b>-</b>	<b>12,125</b>

**MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	-	20	20,594	-	20,614
<b>TOTAL</b>	<b>-</b>	<b>20</b>	<b>20,594</b>	<b>-</b>	<b>20,614</b>

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	16	11,488	-	11,504
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>16</b>	<b>11,488</b>	<b>-</b>	<b>11,504</b>

**30. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2011**

	Opening balance	Current Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Capitalised Development costs	1,286	-	-	-	1,286
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1,286</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,286</b>

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**30.1 Movement for 2009/10**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Capitalised Development costs	660	626	-	1,286
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>660</b>	<b>626</b>	<b>-</b>	<b>1,286</b>

**31. Immovable Tangible Capital Assets**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Opening balance Cost R'000	Current Year Adjust- ments to prior year balances Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing Balance Cost R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28</b>
Other fixed structures	28	-	-	-	28
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28</b>

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**31.1 Movement for 2009/10**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Opening balance Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing balance Cost R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>28</b>	-	-	<b>28</b>
Other fixed structures	28	-	-	28
<b>TOTAL IMMOVABLE TANGIBLE ASSETS</b>	<b>28</b>	-	-	<b>28</b>

**32. World Cup expenditure**

	Quantity	2010/11 R'000	2009/10 R'000
<b>Purchase of world cup apparel</b>			
T- Shirts	-	-	19
<b>Total</b>	-	-	19
<b>Total world cup expenditure</b>		-	<b>19</b>

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**ANNEXURE 1  
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2009/10
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
City of Cape Town	-	-	-	-	-	-	-	-	-	850
	-	-	-	-	-	-	-	-	-	<b>850</b>

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**ANNEXURE 2  
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

AGENCY	TRANSFER ALLOCATION				TRANSFER		2009/10
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
WC Provincial Development Council	7,500	-	-	7,500	7,500	100	6,381
WC Provincial Youth Commission	-	-	-	-	-	-	1,830
WESGRO	28	-	-	28	28	100	-
	<b>7,528</b>	<b>-</b>	<b>-</b>	<b>7,528</b>	<b>7,528</b>		<b>8,211</b>

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**ANNEXURE 3  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Library Business Corners	5,600	-	-	5,600	5,600	100	5,000
Khayelitsha Development Trust	-	-	-	-	-	-	400
WC Network on Disability	-	-	-	-	-	-	233
Social Transformation Programmes	-	-	-	-	-	-	825
The Western Cape Religious Forum	-	-	-	-	-	-	350
Cape Higher Education Consortium	500	-	-	500	500	100	-
<b>Total</b>	<b>6,100</b>	<b>-</b>	<b>-</b>	<b>6,100</b>	<b>6,100</b>		<b>6,808</b>

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**ANNEXURE 4  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Employees – leave gratuities	928	-	(886)	42	42	100	439
Claims against the State	-	-	889	889	889	100	1
<b>Total</b>	<b>928</b>	<b>-</b>	<b>3</b>	<b>931</b>	<b>931</b>		<b>440</b>



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**ANNEXURE 5  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2010/11	2009/10
		R'000	R'000
<b>Received in kind</b>			
Nedbank Group	Donation - To assist the Provincial Government of the Western Cape(PGWC) to conduct a values survey across all provincial departments	169	-
<b>Total</b>		<b>169</b>	<b>-</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 6**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2011**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2010/11	2009/10
	R'000	R'000
<b>Paid in cash</b>		
Animal Issues Matter Organisation - Donation towards a Mobile Animal Sterilisation Unit	50	
Artscape Theatre - Donation towards the "Bavaria meets Western Cape Expo 2010"	50	
International Ministers Association - Donation towards the International Ministers Association's Khayelitsha Youth Day event	41	
Catholic Welfare and Development- Donation towards a fundraising event		14
City Mission - Donation towards a fundraising dinner		5
Great Commission Network - Donation towards new equipment for Centre		20
Cape Peninsula University of Technology - Sponsorship towards the top five Public Management students		10
Human Rights Media Association- Donation towards a podium structure at the Langa Memorial		100
Beaufort West Thusong Centre - Donation towards the launching of the Centre		20
Themba lethu Adult Choir - Donation towards cost for new attire		22
Voice of the Cape - Sponsorship for Festival for All 2009		100
Alliance for Refugees in South Africa - Donation towards an Africa Day Conference and Expo		100
Seawinds Neighbourhood Watch - Donation towards a high tea for senior citizens in Steenberg		2
Burgundy Exchange students - Sponsoring of three rugby exchange students in the form of subsistence allowances		15
Cycle of Life – Donation towards the 2009 Mitchells Plain Festival		69
The Dreamfields Project – 300 girls for 2010 soccer tournament		83
The Centre for Rehabilitation Studies at the University of Stellenbosch - Donation towards the AFRINEAD 2009 symposium		40
Cape Craft and Design Institute – Donation in support of the 2010 FIFA World Cup craft development project		50
<b>Subtotal</b>	141	650

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**ANNEXURE 6** *(continued)*

<b>NATURE OF GIFT, DONATION OR SPONSORSHIP</b>	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
<b>Remissions, refunds and payments made as an act of grace</b>		
Ex gratia payment - settlement of legal costs relating to ex Premier Mr G Morkel	452	-
Ex gratia payment - settlement of legal costs relating to ex Premier Mr P Marais	240	-
<b>Subtotal</b>	692	-
<b>Total</b>	833	650

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**ANNEXURE 7  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011**

Nature of Liability	Opening Balance  1 April 2010 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancell ed/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2011 R'000
<b>Claims against the department</b>					
AP Stationers - Claim for services rendered	16	-	16	-	-
Ntinga Technologies CC - Claim for services rendered	557	-	-	-	557
Tactical Software Systems (PTY)Ltd - Claim for services rendered	5,598	-	5,598	-	-
Ambius - Claim for services rendered	14	-	-	-	14
WC Youth Commission - Litigation costs for goods delivered.	117	-	-	-	117
Government Employees Pension Fund - Legal opinion regarding the charging of interest	42	-	-	-	42
Social Transformation Programme - Unfair labour practice	-	4,708	-	-	4,708
Legal Services - Alleged unfair labour practice and interpretation of collective agreement (OSD).	-	3,000	-	-	3,000
<b>Total</b>	<b>6,344</b>	<b>7,708</b>	<b>5,614</b>	<b>-</b>	<b>8,438</b>

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**ANNEXURE 8  
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
WC Cultural Affairs and Sport	-	-	3	-	3	-
WC Health	181	2,477	-	1,093	181	3,570
WC Education	88	47	-	1	88	48
WC Local Government	68	-	-	1	68	1
WC Provincial Treasury	-	1	17	7	17	8
WC Social Development	-	-	9	60	9	60
WC Transport and Public Works	41	19	-	1	41	20
WC Provincial Parliament	-	-	2	-	2	-
WC Environmental Affairs and Development Planning	13	-	-	-	13	-
WC Economic Development and Tourism	63	-	-	-	63	-
Department of Home Affairs	-	-	2	2	2	2
Department of Rural Development and Land Reform	-	77	-	-	-	77
NC Agriculture, Land Reform and Rural Development	-	-	1	1	1	1
The Presidency, RSA	-	-	-	17	-	17
Department of Water Affairs	-	-	-	14	-	14
WC Human Settlements	257	-	57	-	314	-
<b>Subtotal</b>	<b>711</b>	<b>2,621</b>	<b>91</b>	<b>1,197</b>	<b>802</b>	<b>3,818</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 8 (continued)**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Other Government Entities</b>						
South African Social Security Agency	21	-	8	8	29	8
Public Service Bargaining Council	-	-	1	1	1	1
CapeNature	-	35	-	-	-	35
Bitou Municipality	-	-	-	60	-	60
Matzikama Municipality	-	-	-	3	-	3
Swartland Municipality	-	4	-	-	-	4
South African Police Services	-	-	-	18	-	18
Electoral Commission	-	-	-	1	-	1
PALAMA	-	-	12	-	12	-
Eden District Municipality	-	-	12	-	12	-
Overberg Municipality	-	-	37	-	37	-
<b>Subtotal</b>	<b>21</b>	<b>39</b>	<b>70</b>	<b>91</b>	<b>91</b>	<b>130</b>
<b>Total</b>	<b>732</b>	<b>2,660</b>	<b>161</b>	<b>1,288</b>	<b>893</b>	<b>3,948</b>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF THE PREMIER  
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 9  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
WC Transport and Public Works	-	252	-	1,325	-	1,577
Department of Justice and Constitutional Development	136	-	197	145	333	145
WC Health	19	5	-	-	19	5
WC Cultural Affairs and Sport	-	1	-	-	-	1
WC Agriculture	-	15	-	-	-	15
WC Provincial Treasury	16	-	-	5	16	5
WC Education	-	21	11	21	11	42
WC Social Development	-	-	-	4	-	4
Department of Water Affairs	25	-	-	-	25	-
WC Provincial Parliament	28	-	-	-	28	-
The Presidency	67	-	5	-	72	-
<b>Subtotal</b>	<b>291</b>	<b>294</b>	<b>213</b>	<b>1,500</b>	<b>504</b>	<b>1,794</b>
<b>OTHER GOVERNMENT ENTITY</b>						
<b>Current</b>						
Government Motor Transport	1,079	467	-	-	1,079	467
City of Cape Town	-	225	-	-	-	225
Government Printing Works	-	41	-	-	-	41
<b>Subtotal</b>	<b>1,079</b>	<b>733</b>	<b>-</b>	<b>-</b>	<b>1,079</b>	<b>733</b>
<b>Non-current</b>						
Public Administration Leadership and Management Academy (PALAMA)	-	4	-	15	-	19
<b>Subtotal</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>19</b>
<b>Total</b>	<b>1,370</b>	<b>1,031</b>	<b>213</b>	<b>1,515</b>	<b>1,583</b>	<b>2,546</b>

**WESTERN CAPE PROVINCE  
DEPARTMENT OF THE PREMIER  
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 10  
INVENTORY**

Inventory		2010/11		2009/10	
	Note	Quantity	R'000	Quantity	R'000
Opening balance		24,750	402	25,335	351
Add/(Less): Adjustments to prior year balance		-	-	-	-
Add: Additions/Purchases - Cash		181,620	25,369	206,639	10,799
Add: Additions - Non-cash		-	-	3	-
(Less): Disposals		-	-	-	-
(Less): Issues		(190,145)	(25,481)	(207,158)	(10,748)
Add/(Less): Adjustments		-	-	(69)	-
<b>Closing balance</b>		<b>16,225</b>	<b>290</b>	<b>24,750</b>	<b>402</b>



# PART 4: HUMAN RESOURCE MANAGEMENT (OVERSIGHT REPORT)

Premier

## 4.1 SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

**Table 4.1.1: Main services and service standards provided in terms of the Service Delivery Plan, 1 April 2010 to 31 March 2011**

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
<b>The rendering of integrated e-government information, communication and technology services.</b>	Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas, within the Western Cape.	Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas, within the Western Cape.	<ul style="list-style-type: none"> <li>a) Cape Access: 5 Cape Access centres launched</li> <li>b) Cape Access: Basic ICT training to 2 000 citizens at e-community centres (4.2.12)</li> <li>c) Accreditation of 10 Cape Access training centres.</li> <li>d) 120 000 visits to e-community centres</li> <li>e) 1 broadband infrastructure roll-out to rural communities (4.2.18)</li> </ul>	<ul style="list-style-type: none"> <li>a) Cape Access: 0 Cape Access centres launched. Delayed to 2011/12 to allow improvement of governance processes.</li> <li>b) Cape Access: Basic ICT training to 2 401 citizens at e-community centres.</li> <li>c) Microsoft accreditation completed. International Computers Driver's License (ICDL) partnership established for SAQA accredited training.</li> <li>d) 129 297 visits to e-community centres</li> <li>e) Discussions held with Saldanha Bay Municipality.</li> </ul>
<b>The inculcation of the Batho Pele principles within the Western Cape.</b>	Internal and external clients consisting of citizens within communities, identified as priority areas, and departments within the Western Cape	Internal and external clients consisting of citizens within communities, identified as priority areas, and departments within the Western Cape	<ul style="list-style-type: none"> <li>a) Pilot at three front office sites.</li> <li>b) Governance structure for integrated service centres (MPCC/ Thusong).</li> <li>c) 10 Service Delivery Outreach Programmes (integration with all three spheres; improved access).</li> <li>d) Implementation Plan for the 12 provincial departments in terms of the narrow and broad approach: Redress.</li> <li>e) Assessment methodology for assessing the implementation of Batho Pele.</li> <li>f) Report on the implementation of the allocated Principle</li> </ul>	<ul style="list-style-type: none"> <li>a) Pilot at 3 front office sites not conducted due to Corporate Branding Strategy and Communication not finalised.</li> <li>b) Governance structure for integrated service centres (MPCC/Thusong) drafted and handed over to Department of Local Government.</li> <li>c) 11 Service Delivery Outreach Programmes (integration with all three spheres; improved access).  -1 Presidential Service Delivery Outreach Programme coordinated in conjunction with Department of Justice</li> </ul>

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
			<p>(Quarterly and PGWC "case study" to National BPIA Network in November).</p> <p>g) Integration of the Provincial BPIAN to ensure representivity on all three spheres level, with the focus on</p> <ul style="list-style-type: none"> <li>-Provincial level (13 provincial departments);</li> <li>-National level (three national departments);</li> <li>-Local level (Representative of the Regional Coordinators Forum for feedback to six District Municipalities)</li> </ul> <p>h) 24 Service Delivery Improvement Implementation Plans for PGWC (2010-2013)</p> <p>i) 12 Service Delivery Intervention Assessment Reports (SDI Plans 2010-2011)</p>	<p>and Constitutional Development.</p> <ul style="list-style-type: none"> <li>- Participation in two Mass Registration Programmes.</li> </ul> <p>d) Implementation Plan for 12 provincial departments in terms of the narrow and broad approach: Redress developed.</p> <p>e) Draft Batho Pele Impact Assessment Framework developed.</p> <p>Assessment methodology implemented to assess 11 Service Delivery Outreach Programmes and two Mass Registration Programmes.</p> <p>f) The submission of Report on the implementation of the allocated Principle postponed by National Department of Public Service and Administration to November 2011, this intervention continues in 2011/12.</p> <p>g) Integration of the Provincial Batho Pele Impact Assessment Network with representivity on all three spheres level- Provincial level (13 provincial departments); National level (three national departments- GCIS, Rural Development and Land Reform and SASSA); Local level (two municipalities- Knysna and Langeberg).</p> <p>h) 38 Service Delivery Improvement Implementation Plans for PGWC (2010-2013).</p> <p>i) Coordination and facilitation of reporting on actual achievement against standards for 12 Service Delivery Improvement Plans 2010-2011.</p>

**Table 4.1.2: Consultation arrangements with customers, 1 April 2010 to 31 March 2011**

Type of arrangement	Actual customers	Potential customers	Actual achievements
<p><b>The rendering of integrated e-government information, communication and technology services.</b></p> <ul style="list-style-type: none"> <li>a) E-Community Forum</li> <li>b) Quarterly feedback meetings to community members</li> <li>c) Client satisfaction survey</li> <li>d) Electronic client satisfaction survey</li> <li>e) Annual general meetings of Forums</li> <li>f) Door-to-door survey (Community researcher)</li> <li>g) Community newspaper</li> <li>h) Cape Access Website</li> </ul>	<p>Citizens in communities with a special focus on semi-urban areas, which are identified as priority areas, in the Western Cape.</p>	<p>Citizens in communities with a special focus on semi-urban areas, which are identified as priority areas, in the Western Cape.</p>	<ul style="list-style-type: none"> <li>a) Monthly E-Community Forum</li> <li>b) Feedback meetings to community members conducted by E-Community Forum</li> <li>c) User requirement survey conducted</li> <li>d) User requirement survey conducted</li> <li>e) Cape Access Constitution changed to bi-annual general meetings (conducted mid 2010).</li> <li>f) User requirement survey conducted.</li> <li>g, h) E-mail and Cape Access Website used as consultation arrangements</li> </ul>
<p><b>The inculcation of the Batho Pele Principles in the Western Cape.</b></p> <ul style="list-style-type: none"> <li>a) Modernisation Steering Committee</li> <li>b) Infrastructure and Batho Pele Steering Committee</li> <li>c) Project Khaedu Steering Committee</li> <li>d) National Batho Pele Coordinators Forum</li> <li>e) Batho Pele Impact Assessment Network</li> <li>f) On-site visits</li> </ul>	<p>Internal and external clients consisting of Citizens in communities, identified as priority areas, and departments in the Western Cape</p>	<p>Internal and external clients consisting of Citizens in communities, identified as priority areas, and departments in the Western Cape</p>	<ul style="list-style-type: none"> <li>a) Through the Face of the Province Steering Committee consultation takes place with the Modernisation Steering Committee.</li> <li>b) Face of the Province Steering Committee (previously known as Infrastructure and Batho Pele Steering Committee)</li> <li>c) Project Khaedu Steering Committee in place.</li> <li>d) National Batho Pele Coordinators Forum in place and attended three meetings.</li> <li>e) Batho Pele Impact Assessment Network in place and conducted four meetings.</li> <li>f) 11 Service Delivery Outreach Programmes and two Mass Registration Programmes used to conduct customer satisfaction and employee satisfaction surveys and obtain input.</li> </ul>

**Table 4.1.3: Service delivery access strategy, 1 April 2010 to 31 March 2011**

Access Strategy	Actual achievements
<p><b>The rendering of integrated e-government information, communication and technology services.</b></p> <p>a) e-Government for Citizens, second floor, 142 Long Street, Cape Town</p> <p>b) 19 e-Centres in Bitterfontein, Van Rhynsdorp, Elim, Struisbaai, Bongeletu Library- Oudtshoorn, Conville Primary School- George, Genadendal, Klawer, Doringbaai, Vredenburg, Paternoster, Toekomsrus-Oudtshoorn, Thembaletu- George, Beaufort West, Ladismith, Mosselbay, Murraysburg, Ceres and Gugulethu</p> <p>c) + 5 centres to be established</p>	<p><b>The services were accessed at:</b></p> <p>a) e-Government for Citizens, second floor, 142 Long Street, Cape Town</p> <ul style="list-style-type: none"> <li>• PGWC Internet Portal: <b>3 289 822</b> citizens</li> <li>• PGWC Intranet Portal: <b>1 690 816</b> citizens</li> <li>• PGWC Call Centre: <b>76 419</b> citizens</li> <li>• PGWC Walk-in Centre: <b>9 772</b> citizens</li> <li>• PGWC e-mail Centre: <b>9 978</b> citizens</li> <li>• Western Cape Presidential Hotline: <b>1041</b> citizens</li> <li>• cape&gt;access: <b>129 297</b> citizens</li> </ul> <p>b) 19 e-Centres in Bitterfontein, Van Rhynsdorp, Elim, Struisbaai, Bongeletu Library- Oudtshoorn, Conville Primary School- George, Genadendal, Klawer, Doringbaai, Vredenburg, Paternoster, Toekomsrus- Oudtshoorn, Thembaletu- George, Beaufort West, Ladismith, Mosselbay, Murraysburg, Ceres and Gugulethu</p> <p>c) + 0 centres established. Delayed to 2011/12 to allow improvement of governance processes.</p>
<p><b>The inculcation of the Batho Pele Principles in the Western Cape.</b></p> <p>a) 11<sup>th</sup> Floor, Sanlam Building, Golden Acre, Adderley Street, Cape Town</p>	<p><b>The services were accessed at:</b></p> <p>a) 11<sup>th</sup> Floor, Sanlam Building, Golden Acre, Adderley Street, Cape Town</p> <p><b>Additional Service delivery access strategy:</b></p> <p>b) 11 Service Delivery Outreach Programmes in Kleinmond, Saldanha, Robertson, Mossel Bay, Mitchells Plain, Bonteheuwel/Langa, Klawer, Merweville, Stellenbosch, Atlantis and Swellendam.</p> <p>23 507 actual services used by citizens.</p> <p>1 Presidential Service Delivery Outreach Programme coordinated in conjunction with Department of Justice and Constitutional Development at the Athlone Stadium.</p> <p>1 848 actual services used by citizens.</p> <p>-Participation in two Mass Registration Programmes in Knysna and Gugulethu.</p> <p>2 837 actual services used by citizens.</p>

**Table 4.1.4: Service information tool, 1 April 2010 to 31 March 2011**

Types of information tool	Actual achievements
<p><b>The rendering of integrated e-government information, communication and technology services.</b></p> <ul style="list-style-type: none"> <li>a) E-Community Forum</li> <li>b) Quarterly feedback to community members</li> <li>c) Annual General meetings of Forums</li> <li>d) Quarterly Chairpersons Forum (chaired by DDG: CEI)</li> <li>e) Community newspaper</li> <li>f) Cape Access Website</li> <li>g) Community notice boards</li> <li>h) Word of mouth</li> <li>i) Annual Performance Plan</li> <li>j) Annual Performance Report</li> </ul>	<ul style="list-style-type: none"> <li>a) Monthly E-Community Forum</li> <li>b) Meeting to community members conducted by E-Community Forum.</li> <li>c) Cape Access Constitution changed to bi-annual general meetings (conducted mid 2010)</li> <li>d) Quarterly Chairpersons Forums held</li> <li>e,f) E-mail and Cape Access Website used as information tool</li> <li>g) Community notice boards used</li> <li>h) Word of mouth</li> <li>i) Annual Performance Plan</li> <li>j) Annual Performance Report</li> </ul>
<p><b>The inculcation of the Batho Pele Principles in the Western Cape.</b></p> <ul style="list-style-type: none"> <li>a) Batho Pele compliant e.g. Service charters; organisation structures and contact details and working hours</li> <li>b) Posters and pamphlets</li> <li>c) Community radio</li> <li>d) Community newspapers</li> <li>e) Annual Report</li> <li>f) Website</li> <li>g) Assessment Reports</li> <li>h) Presentations</li> </ul>	<ul style="list-style-type: none"> <li>a) Interrelated Project (Corporate Branding Strategy and Communication) not finalised.</li> <li>b) Posters and pamphlets developed and distributed in all Service Delivery Outreach Programme target areas.</li> <li>c) Community radio used in areas during the Service Delivery Outreach Programmes.</li> <li>d) Community newspapers used in areas during the Service Delivery Outreach Programmes.</li> <li>e) Annual Report</li> <li>f) Not used as information tool.</li> <li>g) Assessment findings reported at Steercom.</li> <li>h) Presentations conducted at Local Stakeholder Meetings and Steercom meetings.</li> </ul>

**Table 4.1.5: Complaints mechanism, 1 April 2010 to 31 March 2011**

Complaints Mechanism	Actual achievements
<p><b>The rendering of integrated e-government information, communication and technology services.</b></p> <ul style="list-style-type: none"> <li>a) Monthly meetings with Forum members</li> <li>b) Suggestion boxes</li> <li>c) Client-satisfaction surveys</li> <li>d) Electronic client-satisfaction surveys</li> <li>e) Contact with Supervisor or Manager</li> <li>f) Departmental helpdesk (48-hour turnaround time standard)</li> <li>g) E-government for Citizens Call Centre</li> <li>h) Walk-in centre</li> <li>i) Communication (written, verbal)</li> <li>j) Issue handling system</li> <li>k) Presidential hotline</li> </ul>	<ul style="list-style-type: none"> <li>a) Monthly E-Community Forums conducted</li> <li>b) Suggestion box</li> <li>c) User requirement survey</li> <li>d) User requirement survey</li> <li>e) Contact with Supervisor or Manager</li> <li>f) Information desk at Walk-in Centre</li> <li>g) E-government for Citizens Call Centre</li> <li>h) Walk-in centre</li> <li>i) Communication (written, verbal)</li> <li>j) Issue handling system</li> <li>k) Presidential hotline</li> </ul>
<p><b>The inculcation of the Batho Pele Principles in the Western Cape.</b></p> <ul style="list-style-type: none"> <li>a) Cape Gateway call centre</li> <li>b) Walk-in centre</li> <li>c) Communication (written, verbal)</li> <li>d) Batho Pele Impact Assessment Network</li> <li>e) Issue handling system</li> <li>f) Website</li> <li>g) Client satisfaction form/survey</li> <li>h) Suggestion box</li> <li>i) Presidential hotline</li> </ul>	<ul style="list-style-type: none"> <li>a) Cape Gateway call centre</li> <li>b) Walk-in centre</li> <li>c) Communication (written, verbal)</li> <li>d) Batho Pele Impact Assessment Network</li> <li>e) Issue handling system</li> <li>f) Website</li> <li>g) Client Satisfaction survey at Service Delivery Outreach Programmes</li> <li>h) Suggestion box</li> <li>i) Presidential hotline</li> </ul> <p><b>Additional Complaints Mechanism:</b></p> <ul style="list-style-type: none"> <li>j) Employee Satisfaction survey at Service Delivery Outreach Programmes</li> </ul>

## 4.2 EXPENDITURE

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 4.2.1) and by salary bands (Table 4.2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands in the Department.

**Table 4.2.1: Personnel costs by programme, 2010/11**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel cost as a percentage of total expenditure	Average personnel cost per employee (R'000)	Total Number of Employees
Executive Support	65 859	42 537	38	15 504	64,6	310	137
Provincial Strategic Management	34 440	17 808	44	14 688	51,7	254	70
Corporate Services Centre	157 133	112 748	963	42 023	71,8	222	508
Centre for E-innovation	363 486	93 313	1 583	230 527	25,7	304	307
<b>Total</b>	<b>620 918</b>	<b>* 266 406</b>	<b>2 628</b>	<b>302 742</b>	<b>42,9</b>	<b>261</b>	<b>** 1 022</b>

**Table 4.2.2: Personnel costs by salary bands, 2010/11**

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total Number of Employees
Lower skilled (Levels 1-2)	1 328	0,5	78	17
Skilled (Levels 3-5)	14 861	5,7	83	180
Highly skilled production (Levels 6-8)	48 977	18,6	167	294
Highly skilled supervision (Levels 9-12)	152 529	58,1	327	467
Senior management (Levels 13-16)	45 043	17,1	704	64
<b>Total</b>	<b>* 262 738</b>	<b>100</b>	<b>257</b>	<b>** 1022</b>

### Notes

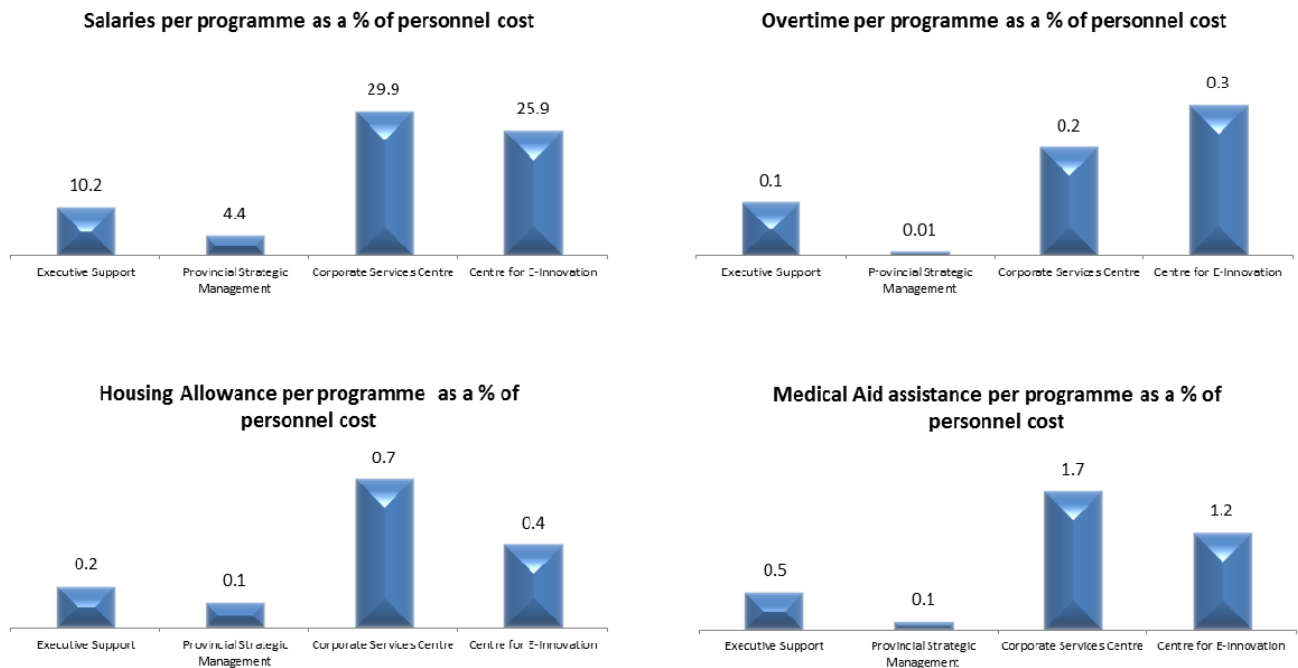
- \* The figures in table 4.2.1 are per the Basic Accounting System and the figures in table 4.2.2 are per the PERSAL system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to other Departments. Accordingly there may be differences in total expenditure reflected on these systems.
- \*\* The total number of employees includes all employees remunerated during the report year, excluding the Premier.

The following tables provide a summary per programme (Table 4.2.3) and salary bands (Table 4.2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

**Table 4.2.3: Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2010/11**

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Executive Support	26 775	10,2	293	0,1	540	0,2	1 199	0,5
Provincial Strategic Management	11 501	4,4	42	0,01	336	0,1	283	0,1
Corporate Services Centre	78 540	29,9	590	0,2	1 888	0,7	4 373	1,7
Centre for E-innovation	68 063	25,9	819	0,3	1 059	0,4	3 102	1,2
<b>Total</b>	<b>184 879</b>	<b>70,4</b>	<b>1 744</b>	<b>0,7</b>	<b>3 823</b>	<b>1,5</b>	<b>8 957</b>	<b>3,4</b>

**Figure 4.2.3**





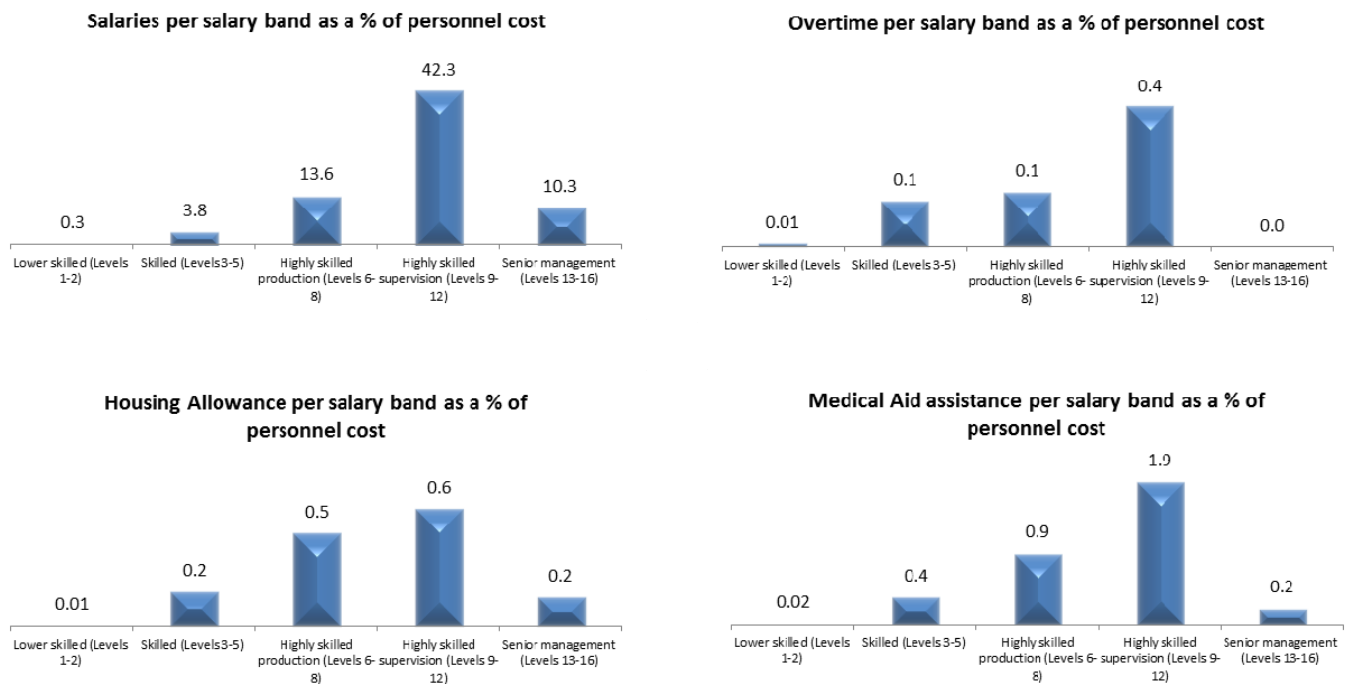
**Table 4.2.4: Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2010/11**

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	844	0,3	11	0,01	52	0,01	76	0,02
Skilled (Levels 3-5)	9 933	3,8	330	0,1	481	0,2	967	0,4
Highly skilled production (Levels 6-8)	35 744	13,6	392	0,1	1 272	0,5	2 446	0,9
Highly skilled supervision (Levels 9-12)	111 259	42,3	1 010	0,4	1 613	0,6	4 889	1,9
Senior management (Levels 13-16)	27 099	10,3	-	-	405	0,2	579	0,2
<b>Total</b>	<b>184 879</b>	<b>70,4</b>	<b>1 744</b>	<b>0,7</b>	<b>3 823</b>	<b>1,5</b>	<b>8 957</b>	<b>3,4</b>

**Note:**

The totals of table 2.3 and 2.4 should balance.

**Figure 4.2.4**



## 4.3 EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme (Table 4.3.1), salary band (Table 4.3.2) and critical occupations (Table 4.3.3). Departments have identified critical occupations that need to be monitored. Table 4.3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled as per the funded post establishment.

**Table 4.3.1: Employment and vacancies by programme, as on 31 March 2011**

Programmes	Number of posts		Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
	Funded	Unfunded			
Executive Support	160	-	115	28,1	12
Provincial Strategic Management	42	-	30	28,6	6
Corporate Services Centre	551	-	426	22,7	36
Centre for E-innovation	338	-	275	18,6	14
<b>Total</b>	<b>1091</b>	<b>-</b>	<b>846</b>	<b>22,4</b>	<b>68</b>

**Note:** Not all personnel appointed on contract are regarded as additional to the establishment. Additional to the establishment is defined as personnel appointed on contract to perform functions other than those approved on the organisational structure, and are not permanent functions.

**Figure 4.3.1**

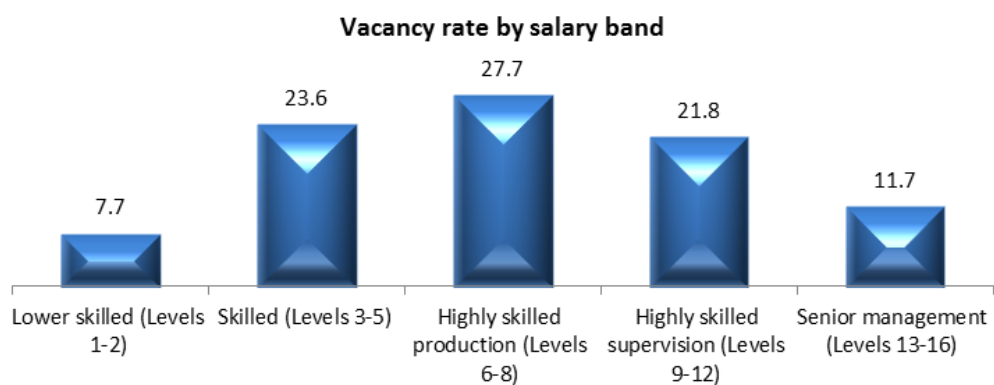


**Table 4.3.2: Employment and vacancies by salary bands, as on 31 March 2011**

Salary bands	Number of posts		Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
	Funded	Unfunded			
Lower skilled (Levels 1-2)	26	-	24	7,7	-
Skilled (Levels 3-5)	140	-	107	23,6	12
Highly skilled production (Levels 6-8)	249	-	180	27,7	16
Highly skilled supervision (Levels 9-12)	616	-	482	21,8	31
Senior management (Levels 13-16)	60	-	53	11,7	9
<b>Total</b>	<b>1091</b>	<b>-</b>	<b>846</b>	<b>22,5</b>	<b>68</b>

**Note:** The 23,6% vacancies for levels 3-5 is mostly production posts and the 27,7% for levels 6-8 is mostly first level supervisory posts.

**Figure 4.3.2**



**Table 4.3.3: Employment and vacancies by critical occupation, as on 31 March 2011**

Critical occupations	Number of posts		Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
	Funded	Unfunded			
Analyst Developer	65	-	45	30,8	-
Language Editor	1	-	-	100	-
Legal Advisor	30	-	21	30	2
Network Technologist	108	-	97	10,2	10
<b>Total</b>	<b>204</b>	<b>-</b>	<b>163</b>	<b>20,1</b>	<b>12</b>

**Figure 4.3.3**



## 4.4 JOB EVALUATION

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. In a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**Table 4.4.1: Job Evaluation, 1 April 2010 to 31 March 2011**

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	26	-	-	-	-	-	-
Skilled (Levels 3-5)	140	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	249	69	27,7	60	87	-	-
Highly skilled supervision (Levels 9-12)	616	69	11,2	27	39,1	-	-
Senior Management Service Band A	41	-	-	-	-	-	-
Senior Management Service Band B	12	-	-	-	-	-	-
Senior Management Service Band C	5	-	-	-	-	-	-
Senior Management Service Band D	2	-	-	-	-	-	-
<b>Total</b>	<b>1091</b>	<b>138</b>	<b>12,6</b>	<b>87</b>	<b>63</b>	<b>-</b>	<b>-</b>

**Note:** The majority of posts were job evaluated in previous years and job evaluation results are still applicable. The 138 posts reflected in the above table are either newly designed or newly created posts.

**Table 4.4.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2010 to 31 March 2011**

Total profile of employees whose salaries were upgraded as a result of job evaluation in 2010/ 2011	None
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**Table 4.4.3: Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2010 to 31 March 2011 (in terms of PSR 1.V.C.3)**

Total profile of employees whose salaries exceeded the grades determined by job evaluation in 2010/ 2011	None
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## 4.5 EMPLOYMENT CHANGES

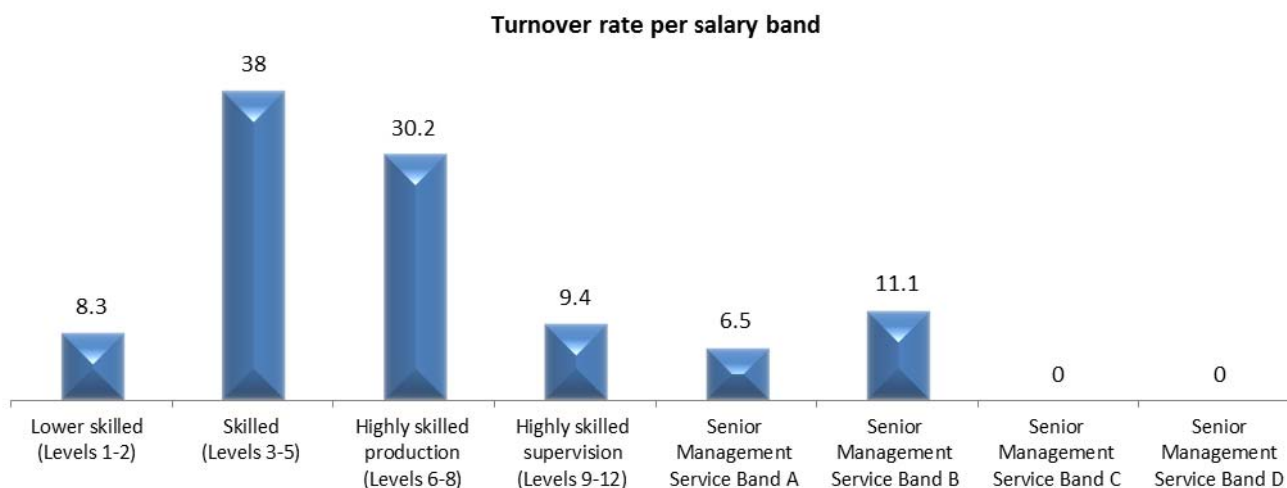
Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 4.5.1) and by critical occupations (Table 4.5.2). (These "critical occupations" should be the same as those listed in Table 4.3.3).

**Table 4.5.1: Annual turnover rates by salary band, 1 April 2010 to 31 March 2011**

Salary Band	Number of employees per band as on 1 April 2010	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	24	6	-	2	-	8,3
Skilled (Levels 3-5)	100	36	49	32	6	38
Highly skilled production (Levels 6-8)	106	37	119	20	12	30,2
Highly skilled supervision (Levels 9-12)	381	31	69	23	13	9,4
Senior Management (Service Band A)	31	3	9	-	2	6,5
Senior Management (Service Band B)	9	1	2	-	1	11,1
Senior Management (Service Band C)	4	1	2	-	-	-
Senior Management (Service Band D)	-	1	-	-	-	-
<b>Total</b>	<b>655</b>	<b>116</b>	<b>250</b>	<b>77</b>	<b>34</b>	<b>16,9</b>

**Note:** The table focuses on permanent and contract employees appointed through-out the reporting period.

**Figure 4.5.1**



**Table 4.5.2: Annual turnover rates by critical occupation, 1 April 2010 to 31 March 2011**

Critical Occupation	Number of employees per band as on 1 April 2010	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate
Analyst Developer	49	9	-	2	2	8,2
Language Editor	2	-	-	-	-	-
Legal Advisor	18	7	-	4	2	33,3
Network Technologist	90	23	-	2	2	4,4
<b>Total</b>	<b>159</b>	<b>39</b>	<b>-</b>	<b>8</b>	<b>6</b>	<b>8,8</b>

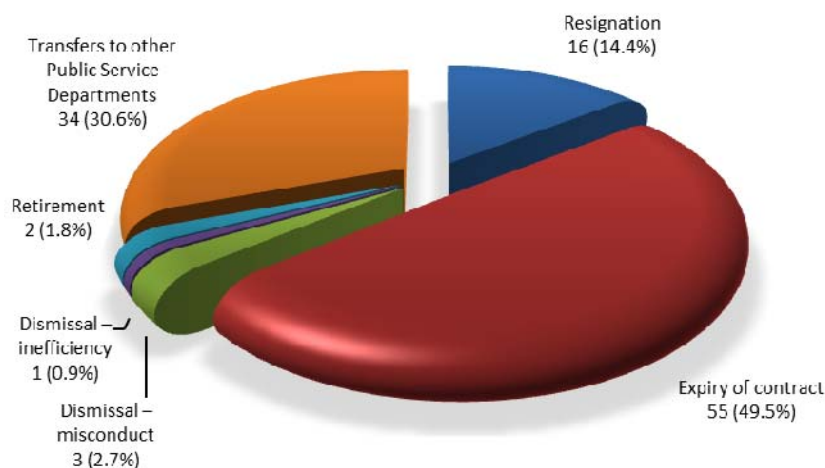
**Table 4.5.3: Reasons why staff is leaving the employ of the department, 1 April 2010 to 31 March 2011**

Termination type	Number	% of total terminations
Death	-	-
Resignation	16	14,4
Expiry of contract	55	49,5
Dismissal – misconduct	3	2,7
Dismissal – inefficiency	1	0,9
Discharged due to ill-health	-	-
Retirement	2	1,8
Transfers to other public-service departments	34	30,6
Other	-	-
<b>Total</b>	<b>111</b>	<b>100</b>
<b>Total number of employees who left as a % of the total employment</b>		<b>16,9</b>

**Note:** The total percentage is based on the total number of staff as at 1 April 2010, and not the total number of posts.

**Reasons why staff are leaving the employ of the Department**

**Figure 4.5.3**



**Table 4.5.4: Granting of employee initiated severance packages by salary band, 1 April 2010 to 31 March 2011**

Total Number of employee initiated severance packages in 2010/ 2011	None
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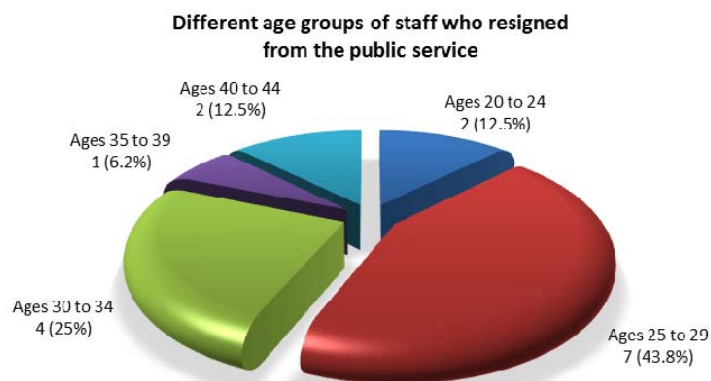
**Table 4.5.5: Reasons why staff is resigning from the public service, 1 April 2010 to 31 March 2011**

Resignation reasons	Number	% of total resignations
Better remuneration	16	100
<b>TOTAL</b>	<b>16</b>	<b>100</b>

**Table 4.5.6: Different age groups of staff who resigned from the public service, 1 April 2010 to 31 March 2011**

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	2	12,5
Ages 25 to 29	7	43,8
Ages 30 to 34	4	25
Ages 35 to 39	1	6,2
Ages 40 to 44	2	12,5
Ages 45 to 49	-	-
Ages 50 to 54	-	-
Ages 55 to 59	-	-
Ages 60 to 64	-	-
Ages 65 >	-	-
<b>Total</b>	<b>16</b>	<b>100</b>

**Figure 4.5.6**





**Table 4.5.7: Promotions by salary band, 1 April 2010 to 31 March 2011**

Salary Band	Employees as at 1 April 2010	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch in a salary level	Notch progressions as a % of employees by salary band	OSDs	OSDs as a % of Employee Salary Band
Lower skilled (Levels 1-2)	24	-	-	9	37,5	-	-
Skilled (Levels 3-5)	100	1	1	20	20	-	-
Highly skilled production (Levels 6-8)	106	15	14,2	97	91,5	-	-
Highly skilled supervision (Levels 9-12)	381	20	5,2	279	73,2	1	0,3
Senior management (Levels 13-16)	44	7	15,9	26	59,1	-	-
<b>Total</b>	<b>655</b>	<b>43</b>	<b>6,6</b>	<b>431</b>	<b>65,8</b>	<b>1</b>	<b>0,2</b>

**Table 4.5.8: Promotions by critical occupation, 1 April 2010 to 31 March 2011**

Critical Occupation	Employees as at 1 April 2010	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch in a salary level	Notch progressions as a % of employees by occupation
Analyst Developer	49	8	16,3	28	57,1
Language Editor	2	-	-	1	50
Legal Advisor	18	-	-	8	44,4
Network Technologist	90	6	6,7	56	62,2
<b>Total</b>	<b>159</b>	<b>14</b>	<b>8,8</b>	<b>93</b>	<b>58,5</b>

## 4.6 EMPLOYMENT EQUITY

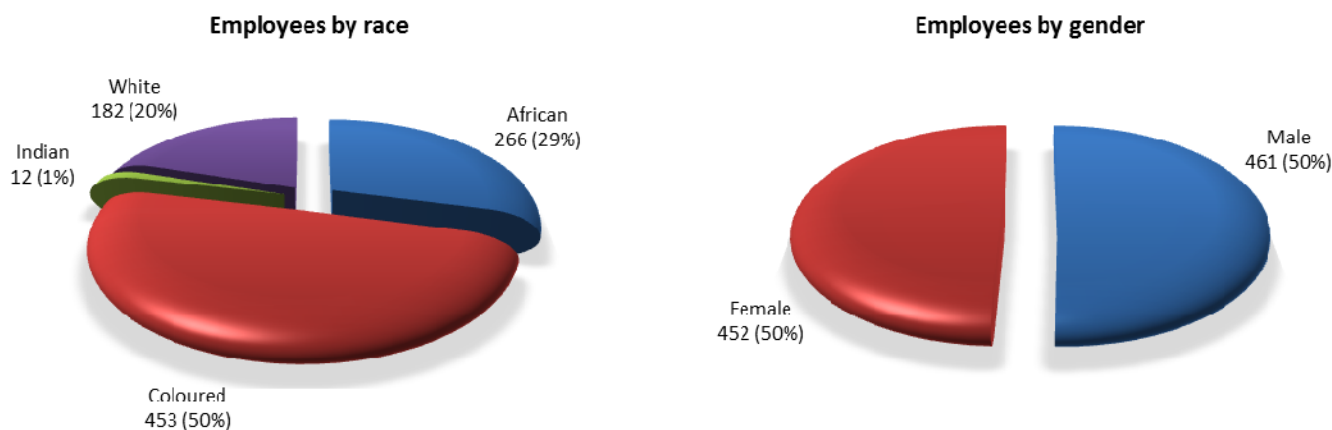
The following table provides a summary of the total workforce profile per occupational levels. Temporary employees provide the total of workers employed for three consecutive months or less. The tables in this section are based on the formats prescribed by the Employment Equity Act, 1998 (Act 55 of 1998).

**Table 4.6.1: Total number of employees (including employees with disabilities) in each of the following occupational bands, as on 31 March 2011**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	1	3	-	2	-	-	-	2	-	-	8
Senior management (Level 13-14)	9	14	1	14	3	7	1	7	-	-	56
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	50	127	5	69	51	75	3	44	-	-	424
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	42	51	-	12	58	83	2	20	-	-	268
Semi-skilled and discretionary decision making (Levels 3-5)	18	33	-	5	30	51	-	6	-	-	143
Unskilled and defined decision making (Levels 1-2)	2	3	-	1	2	7	-	-	-	-	15
<b>Total permanent</b>	<b>122</b>	<b>231</b>	<b>6</b>	<b>103</b>	<b>144</b>	<b>223</b>	<b>6</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>914</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>122</b>	<b>231</b>	<b>6</b>	<b>103</b>	<b>144</b>	<b>223</b>	<b>6</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>914</b>

**Note:** The total of 914 includes 117 contract employees and 29 staff members not yet suitably placed, carried additional to the approved establishment.

**Figure 4.6.1**



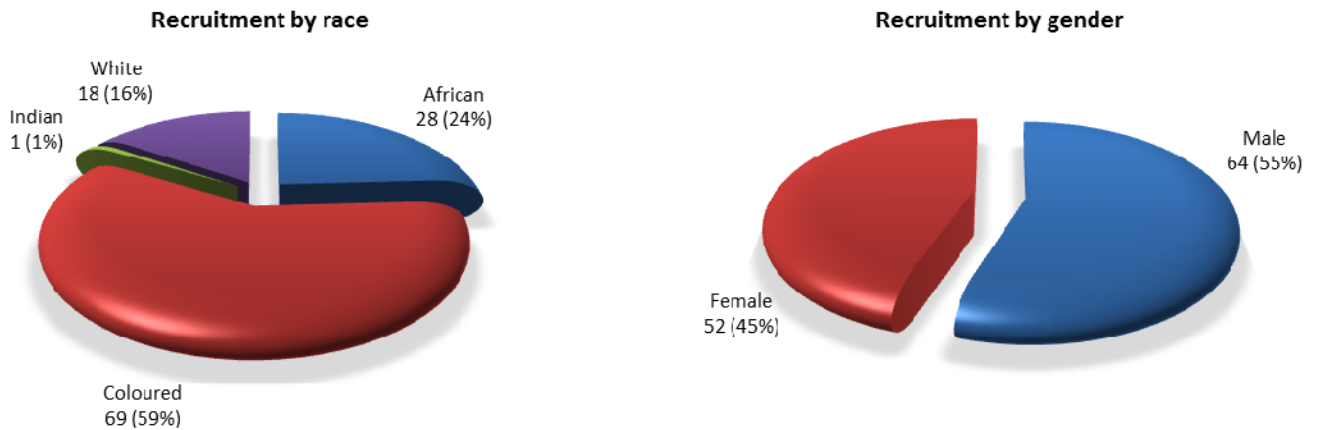
**Table 4.6.2: Total number of employees (with disabilities only) in each of the following occupational bands, as on 31 March 2011**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Level 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	2	-	1	1	2	-	2	-	-	9
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	-	-	-	5	-	1	-	1	-	-	7
Semi-skilled and discretionary decision making (Levels 3-5)	1	-	-	-	-	2	-	1	-	-	4
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total permanent</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>20</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>20</b>

**Table 4.6.3: Recruitment, 1 April 2010 to 31 March 2011**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	1	-	1	-	-	-	-	-	-	2
Senior management (Level 13-14)	1	-	-	1	-	1	-	1	-	-	4
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	12	-	6	3	6	1	3	-	-	31
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	8	15	-	1	6	7	-	-	-	-	37
Semi-skilled and discretionary decision making (Levels 3-5)	3	7	-	3	7	15	-	1	-	-	36
Unskilled and defined decision making (Levels 1-2)	-	4	-	1	-	1	-	-	-	-	6
<b>Total permanent</b>	<b>12</b>	<b>39</b>	<b>-</b>	<b>13</b>	<b>16</b>	<b>30</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>116</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>12</b>	<b>39</b>	<b>-</b>	<b>13</b>	<b>16</b>	<b>30</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>116</b>

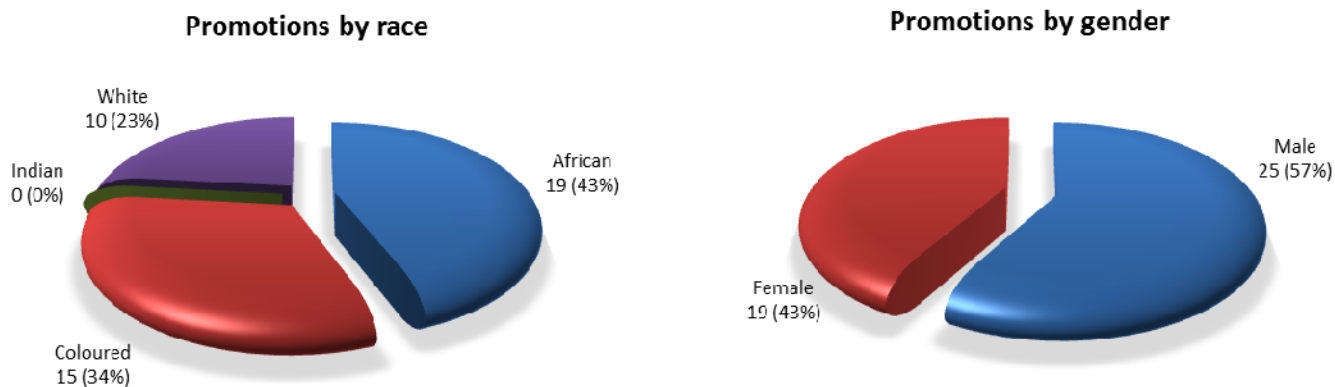
**Figure 4.6.3**



**Table 4.6.4: Promotions, 1 April 2010 to 31 March 2011**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	1	-	-	-	-	-	-	-	-	1
Senior management (Level 13-14)	-	2	-	3	-	1	-	-	-	-	6
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	3	-	3	7	2	-	2	-	-	20
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	6	3	-	-	3	1	-	2	-	-	15
Semi-skilled and discretionary decision making (Levels 3-5)	-	1	-	-	-	-	-	-	-	-	1
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total permanent</b>	<b>9</b>	<b>10</b>	<b>-</b>	<b>6</b>	<b>10</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>43</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>9</b>	<b>10</b>	<b>-</b>	<b>6</b>	<b>10</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>43</b>

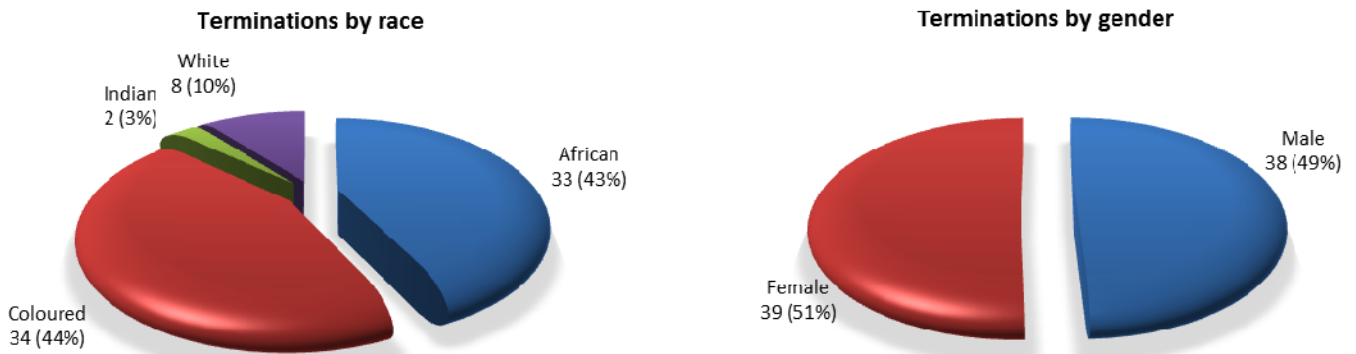
**Figure 4.6.4**



**Table 4.6.5: Terminations, 1 April 2010 to 31 March 2011**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Level 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	7	1	2	4	2	-	3	-	-	23
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	6	4	-	-	5	3	1	1	-	-	20
Semi-skilled and discretionary decision making (Levels 3-5)	4	9	-	1	8	9	-	1	-	-	32
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	2	-	-	-	-	-	2
<b>Total permanent</b>	<b>14</b>	<b>20</b>	<b>1</b>	<b>3</b>	<b>19</b>	<b>14</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>77</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>14</b>	<b>20</b>	<b>1</b>	<b>3</b>	<b>19</b>	<b>14</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>77</b>

**Figure 4.6.5**



**Table 4.6.6: Disciplinary actions, 1 April 2010 to 31 March 2011**

Disciplinary actions total	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
	5	3	-	3	2	2	-	-	-	-	15

**Table 4.6.7: Skills development, 1 April 2010 to 31 March 2011**

Occupational levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-
Senior management (Level 13-14)	-	3	-	2	-	2	-	1	8
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	25	97	-	36	17	33	-	10	218
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	23	14	-	6	27	34	-	4	108
Semi-skilled and discretionary decision making (Levels 3-5)	5	10	1	3	4	12	-	2	37
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-
<b>Total permanent</b>	<b>53</b>	<b>124</b>	<b>1</b>	<b>47</b>	<b>48</b>	<b>81</b>	<b>-</b>	<b>17</b>	<b>371</b>
Temporary employees	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>53</b>	<b>124</b>	<b>1</b>	<b>47</b>	<b>48</b>	<b>81</b>	<b>-</b>	<b>17</b>	<b>371</b>

## 4.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

**Table 4.7.1: Signing of Performance Agreements by SMS members, as on 30 September 2010**

SMS level	Number of funded SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level	Number of SMS who received performance bonuses
Director-General/Head of Department	1	1	1	100	-
Salary level 16, but not HOD	1	1	-	-	-
Salary level 15	5	4	4	100	3
Salary level 14	12	9	9	100	4
Salary level 13	41	35	31	88,6	12
<b>Total</b>	<b>60</b>	<b>50</b>	<b>45</b>	<b>90</b>	<b>19</b>

**Table 4.7.2: Disciplinary steps taken against SMS members for not having concluded Performance Agreements on 30 September 2010**

Disciplinary steps taken against SMS members for not having concluded Performance Agreements
A number of senior managers were appointed, promoted and transferred into the Department after the start of the performance cycle, subsequently they were given a grace period of 3 months to conclude performance agreements in their new positions.

**Table 4.7.3: Reasons for not having concluded Performance Agreements with all SMS on 30 September 2010**

Reason for not concluding Performance Agreements
None required.



## 4.8 FILLING OF SMS POSTS

**Table 4.8.1: SMS posts information, as on 31 March 2011**

SMS level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/Head of Department	1	1	100	-	-
Salary level 16, but not HOD	1	1	100	-	-
Salary level 15	5	5	100	-	-
Salary level 14	12	11	91,7	1	8,3
Salary level 13	41	35	85,4	6	14,6
<b>Total</b>	<b>60</b>	<b>53</b>	<b>88,3</b>	<b>7</b>	<b>11,7</b>

**Table 4.8.2: SMS posts information, as on 30 September 2010**

SMS Level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/Head of Department	1	1	100	-	-
Salary level 16, but not HOD	1	1	100	-	-
Salary level 15	5	4	80	1	20
Salary level 14	12	9	75	3	25
Salary level 13	41	35	85,4	6	14,6
<b>Total</b>	<b>60</b>	<b>50</b>	<b>83,3</b>	<b>10</b>	<b>16,7</b>

**Table 4.8.3: Advertising and filling of SMS posts, as on 31 March 2011**

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	1	1	-
Salary level 16, but not HOD	1	1	-
Salary level 15	1	-	1
Salary level 14	2	2	-
Salary level 13	5	4	1
<b>Total</b>	<b>10</b>	<b>8</b>	<b>2</b>

**Table 4.8.4: Reasons for not having complied with the filling of funded vacant SMS – Advertised within 6 months and filled within 12 months after becoming vacant**

SMS Level	Reasons for non-compliance
Director-General/Head of Department	Not applicable
Salary level 16, but not HOD	Not applicable
Salary level 15	Not applicable
Salary level 14	<p><b>Chief Director: Internal Audit (vacant as from 01/07/2010)</b>                      This post was advertised and interviews held. No suitable candidates were found and the post will subsequently be re-advertised</p>
Salary level 13	<p><b>Director: Communications (vacant as from 01/04/2010)</b>  <i>(VAC ACT: 53514572 – HC du Toit currently acting in post)</i>                      The post was advertised in March 2010, but no candidates were found suitable to proceed with the recruitment process. Subsequently the process was not finalised as a result of a structural alignment for the provincial communications function which is still pending and in consultation with the Unions.</p> <p><b>Director: DG Support (vacant as from 01/04/2010)</b>  <i>(VAC RESV: 50754769 – A Geldenhuys currently at Directorate Departmental Strategy DOTP)</i>                      The post was advertised in March 2010, but no candidates were found suitable to proceed with the recruitment process. The post is under review.</p> <p><b>Director: Spatial Information (vacant as from 01/04/2010)</b>  <i>(VAC ACT: 53307984 – J du Preez currently acting in post)</i>                      The post was advertised in April 2010 and interviews were held. A suitable candidate was nominated but declined the offer for appointment. The post was re-advertised in March 2011 and the Department envisage filling the vacancy in the next reporting period.</p> <p><b>Director: Forensic Investigation (vacant as from 01/04/2010)</b>                      Put on hold while the structure is under review</p> <p><b>Director: Litigation (vacant as from 01/01/2011)</b>                      This post is in the process of being advertised, and it is envisaged that the Department will comply with the prescribed time period for filling of SMS vacancies.</p> <p><b>Director: Legal Advisory Services (vacant as from 01/08/2010)</b>  <i>This post is in the process of being filled.</i></p>

**Table 4.8.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months**

Disciplinary steps taken
None required.

## 4.9 PERFORMANCE REWARDS

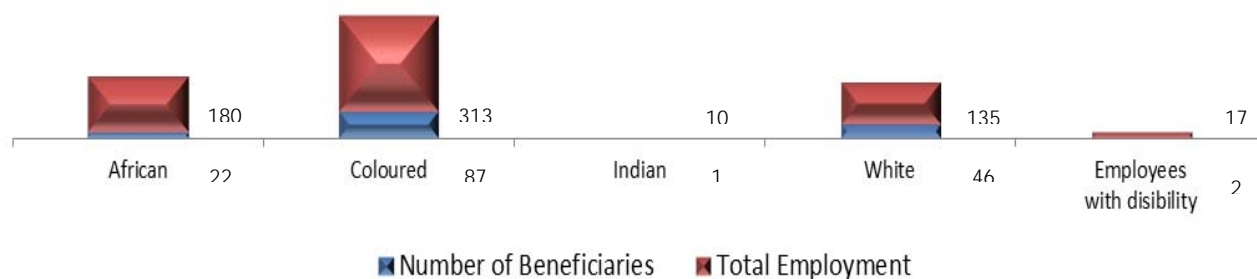
To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2009/10, but paid in the financial year 2010/11. The information is presented in terms of race, gender, and disability (Table 4.9.1), salary bands (table 4.9.2) and critical occupations (Table 4.9.3).

**Table 4.9.1: Performance rewards by race, gender, and disability, 1 April 2010 to 31 March 2011**

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total in group	Cost (R'000)	Average cost per employee
<b>African</b>	<b>22</b>	<b>180</b>	<b>12,2</b>	<b>R378</b>	<b>R17 190</b>
Male	5	80	6,2	R118	R23 587
Female	17	100	17	R260	R15 308
<b>Coloured</b>	<b>87</b>	<b>313</b>	<b>27,8</b>	<b>R1 572</b>	<b>R18 073</b>
Male	47	174	27	R950	R20 211
Female	40	139	28,8	R622	R15 560
<b>Indian</b>	<b>1</b>	<b>10</b>	<b>10</b>	<b>R10</b>	<b>R9 942</b>
Male	-	4	-	-	-
Female	1	6	16,7	R10	R9 942
<b>White</b>	<b>46</b>	<b>135</b>	<b>34,1</b>	<b>R1 078</b>	<b>R23 427</b>
Male	28	84	33,3	R669	R23 898
Female	18	51	35,3	R408	R22 694
<b>Employees with a disability</b>	<b>2</b>	<b>17</b>	<b>11,8</b>	<b>R20</b>	<b>R10 175</b>
<b>Total</b>	<b>158</b>	<b>655</b>	<b>24,1</b>	<b>R3 058</b>	<b>R19 357</b>

**Note:** Special awards in terms of article 37(2)(C) are not included in the above figures.

**Figure 4.9.1 Performance awards as a distribution of total staff per group**



**Table 4.9.2: Performance rewards by salary bands for personnel below Senior Management Service, 1 April 2010 to 31 March 2011**

Salary bands	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total in salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	1	14	7,1	R 5	R5 431	1
Skilled (Levels 3-5)	13	93	14	R110	R8 458	13
Highly skilled production (Levels 6-8)	39	153	25,5	R512	R13 117	39
Highly skilled supervision (Levels 9-12)	86	351	24,5	R1 572	R18 282	86
<b>Total</b>	<b>139</b>	<b>611</b>	<b>22,7</b>	<b>R2 199</b>	<b>R15 822</b>	<b>139</b>

**Table 4.9.3: Performance rewards by critical occupations, 1 April 2010 to 31 March 2011**

Critical occupations	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total in occupation	Total Cost (R'000)	Average cost per employee
Analyst Developer	11	49	22,4	R165	R15 028
Language Editor	-	2	-	-	-
Legal Advisor	-	18	-	-	-
Network Technologist	23	90	25,6	R312	R13 586
<b>Total</b>	<b>34</b>	<b>159</b>	<b>21,4</b>	<b>R478</b>	<b>R14 052</b>

**Table 4.9.4: Performance related rewards (cash bonus), by salary band, for Senior Management Service, 01 April 2010 to 31 March 2011**

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total in band			
Band A (SL 13)	12	30	40	467	38 907	0,2
Band B (SL 14)	4	10	40	200	50 112	-
Band C (SL 15)	3	4	75	192	63 962	0,1
Band D (SL 16)	-	-	-	-	-	-
<b>Total</b>	<b>19</b>	<b>44</b>	<b>43,2</b>	<b>859</b>	<b>45 222</b>	<b>0,3</b>

## 4.10 FOREIGN WORKERS

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

**Table 4.10.1: Foreign Workers by salary band, 1 April 2010 to 31 March 2011**

Salary band	1 April 2010		31 March 2011		Change	
	Number	% of total	Number	% of total	Number	% change
No foreign workers employed						

**Table 4.10.2: Foreign workers by major occupation, 1 April 2010 to 31 March 2011**

Major occupation	1 April 2010		31 March 2011		Change	
	Number	% of total	Number	% of total	Number	% change
No foreign workers employed						

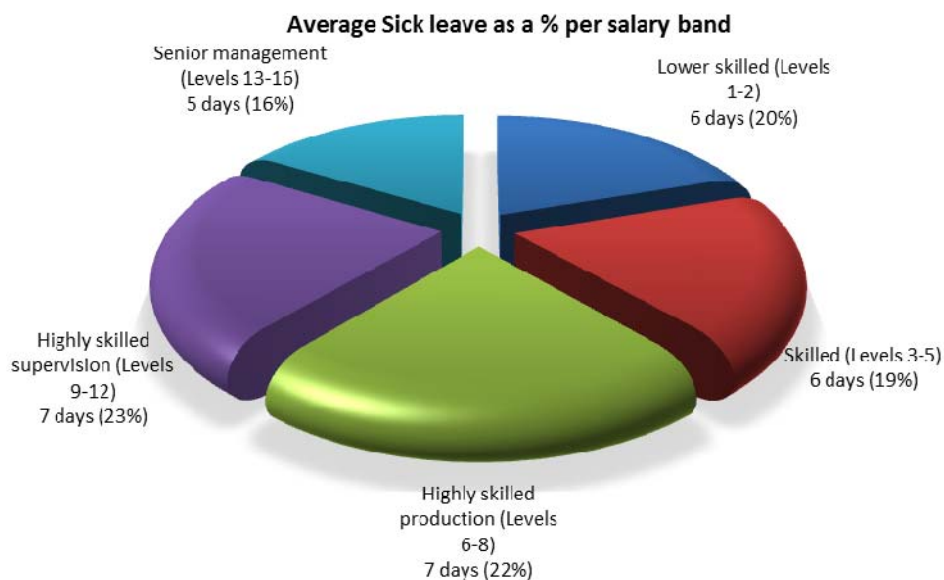
## 4.11 LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2010 TO 31 DECEMBER 2010

The Public Service Commission identified the need for careful monitoring of sick leave in the public service. The following tables provide an indication of the use of sick leave (Table 4.11.1) and disability leave (Table 4.11.2). In both cases, the estimated cost of the leave is also provided.

**Table 4.11.1: Sick leave, 1 January 2010 to 31 December 2010**

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	81	85,2	13	1,7	6	18
Skilled (Levels 3-5)	746	82,8	125	16,6	6	260
Highly skilled production (Levels 6-8)	1 680	79,3	238	31,6	7	1 028
Highly skilled supervision (Levels 9-12)	2 437	78,1	341	45,3	7	2 516
Senior management (Levels 13-16)	180	65	35	4,6	5	284
<b>Total</b>	<b>5 124</b>	<b>78,9</b>	<b>752</b>	<b>100</b>	<b>7</b>	<b>4 106</b>

**Figure 4.11.1**



**Table 4.11.2: Incapacity leave (temporary and permanent), 1 January 2010 to 31 December 2010**

Salary band	Total days taken	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	9	100	2	1,4	5	3
Highly skilled production (Levels 6-8)	7	100	2	0,8	4	3
Highly skilled supervision (Levels 9-12)	-	-	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-	-	-
<b>Total</b>	<b>16</b>	<b>100</b>	<b>4</b>	<b>0,4</b>	<b>4</b>	<b>6</b>

**Note:** The new 3-year sick leave cycle started in 2010.

Table 4.11.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

**Table 4.11.3: Annual leave, 1 January 2010 to 31 December 2010**

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	274	17
Skilled (Levels 3-5)	2 188	15
Highly skilled production (Levels 6-8)	4 261	15
Highly skilled supervision (Levels 9-12)	8 260	19
Senior management (Levels 13-16)	1 046	17
<b>Total</b>	<b>16 029</b>	<b>17</b>

**Table 4.11.4: Capped leave, 1 January 2010 to 31 December 2010**

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2010	No of employees as at 31 December 2010	Total capped leave available as at 31 December 2010
Lower skilled (Levels 1-2)	-	-	36	15	108
Skilled (Levels 3-5)	-	-	32	139	512
Highly skilled production (Levels 6-8)	20	-	44	266	2 705
Highly skilled supervision (Levels 9-12)	42	-	33	411	3 129
Senior management (Levels 13-16)	6	-	52	61	1 031
<b>Total</b>	<b>68</b>	<b>-</b>	<b>38</b>	<b>892</b>	<b>7 485</b>

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

**Table 4.11.5: Leave pay-outs, 1 April 2010 to 31 March 2011**

REASON	Total amount (R'000)	Number of employees	Average payment per employee
Leave pay outs for 2010/11 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay outs on termination of service for 2010/11	42	1	R41 748,65
Current leave pay outs on termination of service for 2010/11	283	26	R10 912,15
<b>Total</b>	<b>325</b>	<b>27</b>	<b>R12 054,24</b>



## 4.12 HIV AND AIDS and HEALTH PROMOTION PROGRAMMES

**Table 4.12.1: Steps taken to reduce the risk of occupational exposure, 1 April 2010 to 31 March 2011**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The Corporate Services Centre in the Department of the Premier provides a transversal employee Health and Wellness Programme for 11 Departments in the PGWC. The programme is aimed at all employees, since all staff members are deemed to be at risk. The nature of the work in the Department does not place employees at risk of contracting HIV.	<ul style="list-style-type: none"> <li>• A transversal Health &amp; Wellness Programme was implemented</li> <li>• General HIV Counselling and Testing (HCT) and Awareness Campaigns were delivered</li> <li>• The outsourced Health and Wellness contract (EAP) was implemented. This provided access to counselling for all staff</li> </ul>

**Table 4.12.2: Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the required information), 1 April 2010 to 31 March 2011**

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		<p>Prior to modernisation the designated SMS Member for this department was Mr E Southgate.</p> <p>Post-modernisation (August 2010) – Due to the corporatisation of the Employee Health and Wellness function, the role of the above individual has shifted to the Corporate Services Centre (CSC).</p> <p>Mr Pieter Kemp, Director: Organisational Behaviour in the CSC is now the responsible SMS member.</p>
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 Department of the Premier is a member of the 11 departments who are serviced transversally by the Corporate Services Centre. As such, it contains a designated Employee Health and Wellness unit as a subdirectorates in the Directorate Organisational Behaviour and the Chief Directorate Organisation Development that serves as a transversal and dedicated unit to promote the health and well-being of employees of the 11 participating departments.</p> <p>The unit consists of a Deputy Director, three Assistant Directors and four team members and reports to the Director Organisation Behaviour.</p> <p>Budget : R2 426 000</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	✓		<p>Prior to modernisation the Department reviewed its integrated Employee Well-being Programme (EWP). This included the outsourced EWP, with Careways as Service Provider.</p> <p>The EAP contract was extended with Careways for the rest of the 2010/11 financial year. A new transversal Wellness Contract (EAP) is being contracted for the next 3 years.</p>

Question	Yes	No	Details, if yes
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>Prior to modernisation, the departmental HIV and AIDS committee was established in terms of the Public Service Regulations VI E. The committee consisted of representatives across all occupational categories inclusive of gender, persons living with disabilities, designated and non-designated groupings. The role of the committee is to implement the provisions contained in the aforementioned regulations, which is the implementation and monitoring of the HIV and AIDS policy and workplace programmes that focuses on promoting non-discrimination and equality. The committee met on a quarterly basis but was re-established as the Employee Health and Wellness Committee, which had the same structure as mentioned above. Post modernisation the PEAP committee consists of HIV and AIDS Workplace Coordinators from the Departments of Health and Education and the Department of the Premier representing all the other provincial departments. NGOs appointed to provide the HCT service also form part of the committee. Funding for NGOs to provide the HCT service is provided by the Department of Health's Directorate: HIV/AIDS/STI/TB (HAST). District HAST coordinators therefore also form part of the PEAP Committee.</p> <p>For 2010/11 the HCT service providers were LifeLine (Metropole), Right to Care (Overberg and Central Karoo), At Heart (Cape Winelands), Diakonale Dienste (West Coast) and That's It (Eden). Please note that service providers may change on an annual basis dependent on the funding application outcomes.</p> <p>In addition, after modernisation, a new Health and Wellness Steering Committee has been established.</p> <p>This Department's Committee members are: Mr P. Kemp and Ms N. Norushe and Ms P. Mothibi.</p>

Question	Yes	No	Details, if yes
<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 or practices so reviewed.</p>		✓	<p>The review of employment policies and practices were not required during the reporting period. The Department implements national policies and prescripts pertaining to the employment of all personnel. These policies make provision for fair employment practices; and do not discriminate against employees who are HIV positive.</p> <p>Further to this, the Transversal HIV and AIDS Policy and Programme were adopted by the Coordinating Chamber of the PSCBC for the Western Cape Province on 13 April 2005. This provincial policy provides a blueprint for non-discriminatory practices and attitudes in the workplace.</p> <p>At the same time, DPSA presented workshops requesting that provinces align with the four functional pillars contained in the DPSA Employee Health and Wellness Strategic Framework. In view of this, Readiness Assessments were conducted.</p> <p>After modernisation a new transversal Employee Health and Wellness policy has been drafted and that is in the process of being consulted and ratified.</p> <p>In addition the Transversal Management Framework for Employee Assistance Programmes in the Western Cape Provincial Government is in effect and was adopted by the Coordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p>

Question	Yes	No	Details, if yes
<p>6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>	✓		<p>The Department reviewed its integrated Employee Well-being Programmes (EWP) in the 2009/10 financial year, which included the outsourced EWP (Point 4 refers) and the service elements were included for the 2010/11 financial year. Other key elements that address anti HIV and AIDS discrimination issues were: Awareness Programmes like the display of posters, distributing pamphlets, awareness campaigns and condom-use promotion.</p> <p>The Department used an outsource Employee Well-being Programme (EWP) model and has used the services of Careways, who was procured to manage the programme. The following EH&amp;WP services are offered to employee and their family members:</p> <ul style="list-style-type: none"> <li>• A comprehensive needs analysis and behavioural risk management audit.</li> <li>• 24 hr multilingual, toll free psychological counselling.</li> <li>• Face to face counselling sessions.</li> <li>• An HIV and AIDS consultancy service.</li> <li>• Toll-free Life Management Service offering information and assistance on legal problems, financial concerns, healthcare and family matters.</li> <li>• Comprehensive trauma response service.</li> <li>• Access to comprehensive online health care programme.</li> <li>• Training, knowledge transfer and skills development on EWP referral systems and protocols and employee-well-being-related issues for in-house well-being functionaries, employee representatives and managers</li> <li>• Managerial consultancy and referral options supporting managers in their existing relations with employees and providing them with professional help in effectively handling new or difficult people management issues.</li> <li>• Quarterly and annual reports on all key utilisation aspects of the EWP.</li> <li>• A dedicated Account Manager to coordinate the programme and ensure that the ICAS group programme is appropriately managed at all times.</li> <li>• A comprehensive online EWP service:</li> </ul> <p>The above approach was continued post-modernisation.</p>

Question	Yes	No	Details, if yes
<p>7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have you achieved.</p>	✓		<p>Pre- and post-modernisation, employees have been referred to local clinics or to use their general practitioner if their request falls outside of the Departmental VCT (HCT) programme. During HCT campaigns, employees are also provided with wallet-sized cards (pre-modernisation only) containing all the relevant numbers for referral, including the Employee Assistance Programme toll-free number.</p> <p>Lifeline and At Heart have been contracted to render VCT (HCT) services for the Department. They also assist in HIV and AIDS awareness training, promotion and provision of HIV counselling and testing and employee support by way of continuous post-test counselling.</p> <p>Wellness EH&amp;WP toll-free number: 0800 864 417</p> <p>Careways:0800 004 770</p> <p><b>HIV Testing and Screening</b></p> <p>Staff members attended pre-counselling and testing sessions. One employee tested positive for HIV. Confidential counselling sessions were arranged for the individual.</p> <p><b>TB SCREENING</b></p> <p>Staff attended testing sessions for tuberculosis. No staff member tested positive for TB.</p> <p>General wellness interventions also included diabetes, hypertension and STI screening.</p>

Question	Yes	No	Details, if yes
<p>8. Has the Department developed measures or indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures or indicators.</p>	✓		<p>The impact of health promotion programmes is indicated through information provided via the Employee Health and Wellness contract (external EAP service provider).</p> <p>The EHWP is monitored via quarterly and annual reporting. This reporting is provided by the external service provider. The most recent Annual review period is 1 April 2010 to 31 March 2011. Annual reports have been provided for six (ICAS) departments and an overview of all the six departments have been compiled in one presentation.</p> <p>The quarterly and annual review provides information on:</p> <ul style="list-style-type: none"> <li>• Programme management</li> <li>• Programme utilisation</li> <li>• Utilization of Different Service components</li> <li>• Utilization per Business unit</li> <li>• Demographic Profile of users</li> <li>• Presenting problem profile</li> <li>• Assessed problem profile</li> <li>• Service access: including the sources and types of service and methods of access to the service. In addition this section provides information on the rating of improvement due to counselling as well as the outcomes of treatment</li> <li>• Impact of presenting problems on employment</li> </ul> <p>The service provider has been engaged to provide more information on programme impact information starting with the financial year reporting period 2011/12 Programme evaluation via the external service provider will then include the following:</p> <ul style="list-style-type: none"> <li>• Business value</li> <li>• Return on investment and</li> <li>• Service assurance</li> </ul>

## 4.13 LABOUR RELATIONS

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

**Table 4.13.1: Collective agreements, 1 April 2010 to 31 March 2011**

<b>Total collective agreements</b>	<b>None</b>
------------------------------------	-------------

The following table summarises the outcome of disciplinary hearings conducted in the Department for the year under review.

**Table 4.13.2: Misconduct and disciplinary hearings finalised, 1 April 2010 to 31 March 2011**

<b>Outcomes of disciplinary hearings</b>	<b>Number</b>	<b>% of total</b>
Correctional counselling	3	20
Verbal warning	-	-
Written warning	4	26,7
Final written warning	5	33,3
Suspension without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal or desertion	3	20
Not guilty	-	-
Case withdrawn	-	-
<b>Total</b>	<b>15</b>	<b>100</b>

**Table 4.13.3: Types of misconduct addressed at disciplinary hearings, 1 April 2010 to 31 March 2011**

<b>Type of misconduct</b>	<b>Number</b>	<b>% of total</b>
Absent from work without reason or permission	9	60
Fails to comply with or contravenes an Act	1	6,6
Fails to carry out order or instruction	3	20
Misuse of state property	1	6,7
Dereliction of duty	1	6,7
<b>Total</b>	<b>15</b>	<b>100</b>

**Table 4.13.4: Grievances lodged, 1 April 2010 to 31 March 2011**

Grievances lodged	Number	% of total
Number of grievances resolved	5	35,7
Number of grievances not resolved	9	64,3
<b>Total number of grievances lodged</b>	<b>14</b>	<b>100</b>

**Table 4.13.5: Disputes lodged with Councils, 1 April 2010 to 31 March 2011**

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	13	100
Number of disputes dismissed	-	-
<b>Total number of disputes lodged</b>	<b>13</b>	<b>100</b>

**Table 4.13.6: Strike actions, 1 April 2010 to 31 March 2011**

Strike actions	Number
Number of person working days lost	87
Total cost (R'000) of working days lost	50
Amount (R'000) recovered as a result of no work no pay	50

**Table 4.13.7: Precautionary suspensions, 1 April 2010 to 31 March 2011**

Precautionary suspensions	Number
Total number of precautionary suspensions	None



## 4.14 SKILLS DEVELOPMENT

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

**Table 4.14.1: Training needs identified, 1 April 2010 to 31 March 2011**

Occupational categories	Gender	Number of employees as at 1 April 2010	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	-	9	-	9
	Male	33	-	13	-	13
Professionals	Female	119	-	86	-	86
	Male	196	-	58	-	58
Technicians and associate professionals	Female	73	-	102	-	102
	Male	64	-	267	-	267
Clerks	Female	90	-	34	-	34
	Male	44	-	17	-	17
Service and sales workers	Female	1	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	2	-	-	-	-
Elementary occupations	Female	12	-	4	-	4
	Male	13	-	12	-	12
Subtotal	Female	303	-	235	-	235
	Male	352	-	367	-	367
<b>Total</b>		<b>655</b>	<b>-</b>	<b>602</b>	<b>-</b>	<b>602</b>
<b>Employees with disabilities</b>	Female	7	-	10	-	10
	Male	10	-	10	-	10

**Note:** The above table identifies training interventions identified at the beginning of the reporting period under review.

**Table 4.14.2: Training provided, 1 April 2010 to 31 March 2011**

Occupational categories	Gender	Number of employees as at 31 March 2011	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	20	-	3	-	3
	Male	44	-	6	-	6
Professionals	Female	187	-	70	-	70
	Male	256	-	97	-	97
Technicians and associate professionals	Female	93	-	78	-	78
	Male	71	-	49	-	49
Clerks	Female	138	-	65	-	65
	Male	74	-	42	-	42
Service and sales workers	Female	2	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	2	-	-	-	-
Elementary occupations	Female	12	-	-	-	-
	Male	15	-	1	-	1
Subtotal	Female	452	-	216	-	216
	Male	462	-	195	-	195
<b>Total</b>		<b>914</b>	<b>-</b>	<b>411</b>	<b>-</b>	<b>411</b>
<b>Employees with disabilities</b>	Female	10	-	1	-	1
	Male	10	-	6	-	6

**Note:** The above table identifies training interventions provided during the reporting period under review.

## 4.15 INJURY ON DUTY

The following tables provide basic information on injury on duty.

**Table 4.15.1: Injury on duty, 1 April 2010 to 31 March 2011**

Nature of injury on duty	Number	% of total
Required basic medical attention only	2	67
Temporary total disablement	-	-
Permanent disablement	-	-
Fatal	1	33
<b>Total</b>	<b>3</b>	<b>100</b>

## 4.16 UTILISATION OF CONSULTANTS

**Table 4.16.1: Report on consultant appointments using appropriated funds, 1 April 2010 to 31 March 2011**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Adv. A.M. Meyer: Legislation Project	1		R600,00 per hour
Sourcing of service provider for organisational culture and values implementation programme.	5	12X departmental feedback workshops (6 hours each) 26X Barrett Leadership Values Assessments, including reports. Conducting 26 X 2 and a half hour feedback and coaching session with each LVA candidate. Post LVA workshop: Facilitating an 8-hour workshop with the Cabinet and HODs who completed LVAs.	R977 823,60
Mr D.W. Christianson: To write and develop an Economic Development Strategy aligned to strategic objective 1.	1	280 hours	R799,00 X 280 hours = R218 120,00
Equillore: Institutionalisation of conflict resolution system and processes within PGWC through the procurement of mediators and the setting up of a project office to support the coordination and roll-out of preparedness and planning for possible xenophobic violence and other social conflicts in the province.	1 Project leader, 1 Liaison Officer, 10 Experienced mediators Assuming 5 experienced mediators on an ad hoc basis (±2 hours per month) 1 Project Manager 1 Operational Manager	3 months	R930 000,00

**Table 4.16.2: Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs), 1 April 2010 to 31 March 2011**

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

**Table 4.16.3: Report on consultant appointments using donor funds, 1 April 2010 to 31 March 2011**

Project title	Total number of consultants that worked on the project	Duration: Work days	Donor and contract value in Rand
<b>Total number of projects</b>	<b>Total individual consultants</b>	<b>Total duration: Work days</b>	<b>Total contract value in Rand</b>

**Table 4.16.4: Analysis of consultant appointments using Donor funds, in terms of historically disadvantaged individuals (HDIs), 1 April 2010 to 31 March 2011**

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

## 5. OTHER INFORMATION

### 5.1 Acronyms

APP	Annual Performance Plan
APAS	Annual Performance Plan Assessment System
AG	Auditor-General
BAUD	bio-acoustical utilisation device
BIS	Business Intelligence System
BAS	Basic Accounting Systems
CEI	Centre for E-innovation
CSC	Corporate Services Centre
CFO	Chief Financial Officer
COBIT	Control Objectives for Information Technology
CD	Chief Director
DotP	Department of the Premier
DCAS	Department of Cultural Affairs and Sport
DPSA	Department of Public Service and Administration
DDG	Deputy Director-General
EWP	Employee Well-being Programme
EDA	Economic Development Agency
EAP	Employee Assistance Programme
EPWP	Expanded Public Works Programme
EHWP	Employment Health and Wellness Programme
ERM	Enterprise Risk Management
FWC	FIFA World Cup
FIFO	first-in first-out
GITO	Government Information Technologies Officer
GIAMA	Government Immovable Asset Management Act
GCIS	Government Communication and Information System
GIS	Geographical Information System
HR	human resource
HRP	Human Resource Plan
HOD	head of department
HEI	higher education institution
HCT	HIV counselling and testing
HDI	historically disadvantaged individuals
HOA	home-owners' allowance
HRDVS	Human Resource Data Verification System
ICOP	Integrated Community Outreach Programme
ICT	information and communication technology
IT	information technology
ICDL	International Computer Driver's Licence
ICAS	Independent Complaints Advocacy Service
IDP	Integrated Development Plan

LOGIS	Logistic Information Systems
LVA	Leadership Values Assessment
MPCC	multi-purpose community centre
MTEC	Medium Term Expenditure Committee
MEC	Member of Executive Committee
MTSF	Medium Term Strategic Framework
MOUs	memorandum of understanding
M&E	monitoring and evaluation
MMS	middle management service
NGO	non-governmental organisation
OSD	occupation-specific dispensation
PDC	Provincial Development Council
PGWC	Provincial Government of the Western Cape
PSETA	Public Sector Education and Training Authority
PSP	Provincial Strategic Plan
PFMA	Public Finance Management Act
PVA	public viewing area
PTI	Provincial Training Institute
PERMIS	Performance Management Information System
PTM	provincial top management
PCs	personal computers
PPP	public-private partnerships
PSO	Provincial Strategic Objective
PERSAL	Personnel and Salaries Management Systems
PALAMA	Public Administration Leadership and Management Academy
PSCBC	Public Service Coordinating Bargaining Council
ROI	return on investment
SPV	special purpose vehicles
SMS	senior management service
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SCOPA	Standing Committee on Public Accounts
SDI	service-delivery interventions
SASSA	South African Social Security Agency
STI	sexually transmitted infection
SAQA	South African Qualifications Authority
TSC	Technical Steering Committee
UIF	Unemployment Insurance Fund
VPN	virtual private networks
VCT	voluntary counselling and testing
WC	Western Cape
WCMF	Western Cape Municipal Forum
WESGRO	Western Cape Investment and Promotion Agency

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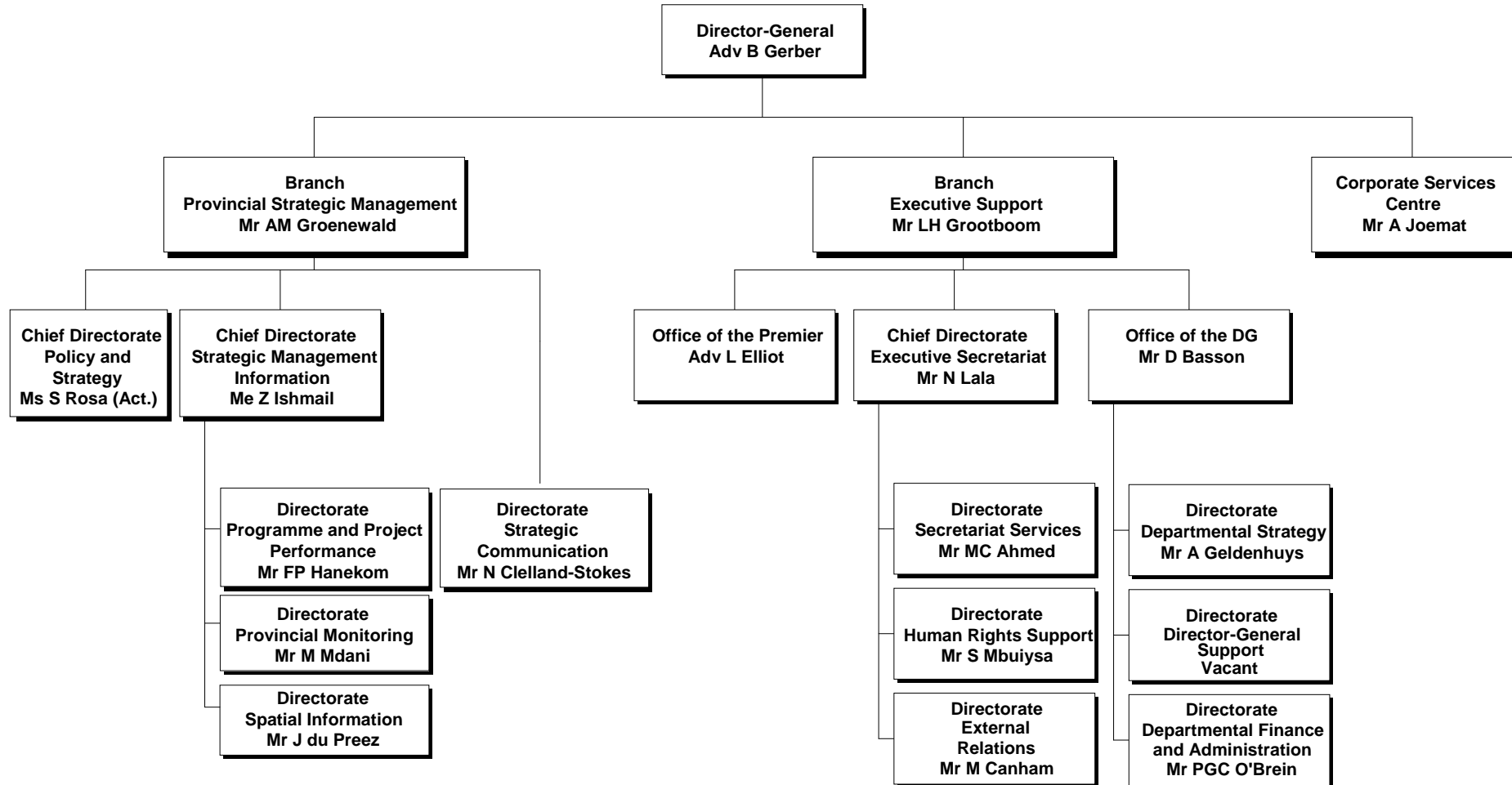
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### **5.3 Additional information**

The Cape Gateway Portal provides citizens with a wealth of information on issues such as government services, structures, tenders, jobs, speeches, etc. All the PGWC departments' Annual Performance Plans (APPs), Annual Reports (ARs) and budgets can be viewed on the portal. A new innovation that has been added in April 2011 is the link that allows citizens to view the progress of departmental 2011/12 APP deliverables on the portal (<http://www.capegateway.gov.za>).

**DEPARTMENT OF THE PREMIER:  
APPROVED SENIOR MANAGEMENT STRUCTURE AS AT 31 MARCH 2011**



**CORPORATE SERVICES CENTRE:  
APPROVED SENIOR MANAGEMENT STRUCTURE AS AT 31 MARCH 2011**

