



**Western Cape
Government**

Local Government



Annual Report 2010/2011
Department of Local Government

Department of Local Government

Vote 14

*Annual
Report*

2010/11

Provincial Government of the Western Cape

Mr Anton Bredell

Minister of Local Government, Environmental Affairs and Development Planning

I have the honour of submitting the Annual Report of the Department of Local Government for the period 1 April 2010 to 31 March 2011.

A handwritten signature in blue ink, appearing to be 'H Fast', written on a light-colored background.

H Fast

31 August 2011

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Part 1: General Information

1.1 Vision, Mission, and Values

Vision: developmental and well-governed municipalities with integrated, sustainable and empowered communities.

The mission of the Department of Local Government is:

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

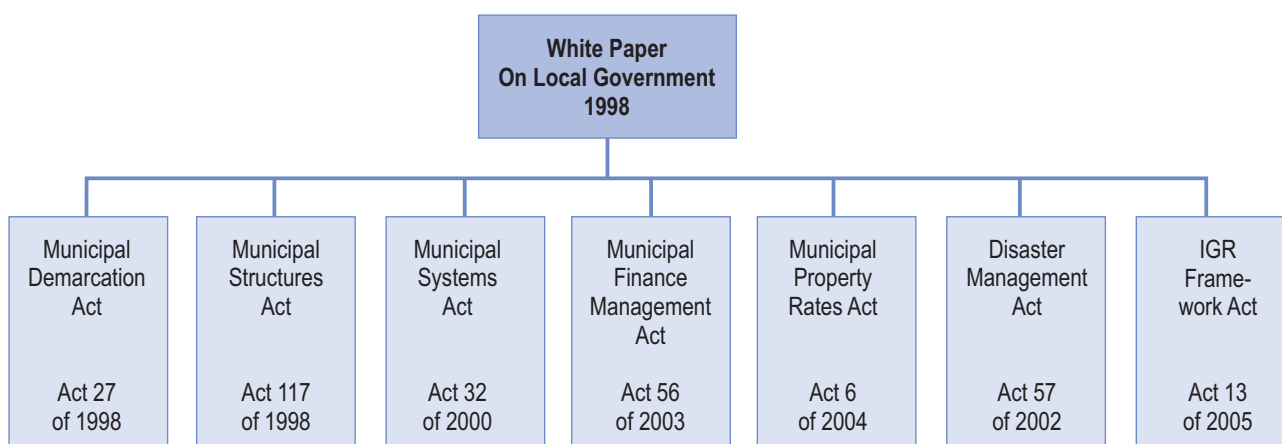
The Department's values are the same as the five provincial values, namely:

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

1.2 Organisational Structure (see part 4 page 122)

1.3 Local Government Legislative Mandates

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



Part 1: General Information

1.3.1 Significant Pieces of Local Government Legislation

a) Local Government Demarcation Act, Act 27 of 1998

This Act provides criteria and procedures for the determination of municipal boundaries by an independent authority and to provide for matters connected thereto.

b) Municipal Structures Act, 1998 (Act 117 of 1998) & Municipal Systems Act, 2000 (Act 32 of 2000)

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

c) Municipal Finance Management Act, 2003 (Act 56 of 2003)

This Act aims to secure sound and sustainable management of the financial affairs of municipalities and establishes norms and standards against which they can be monitored and measured.

d) Municipal Property Rates Act, 2004 (Act 6 of 2004)

This Act aims to regulate the power of a municipality to impose rates on property, exclude certain properties from rating in the national interest, make provision for municipalities to implement a transparent and fair system of exemptions, reduction and rebate through their rating policies, make provision for fair and equitable valuation methods of properties, and make provision for an objections and appeals process.

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

This Act provides for integrated and co-ordinated disaster management focused on rapid and effective response to disasters and disaster risk reduction. It also provides for the establishment of provincial and municipal disaster management centres. The Act provides a framework within which the Provincial Department operates and liaises with municipalities on disaster related matters.

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

This Act aims to establish a framework for the national government, provincial governments and municipalities to promote and facilitate intergovernmental relations and to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes.

1.3.2 Other Local Government Legislation

- Fire Brigade Services Act, 1987 (Act 99 of 1987);
- National Veld and Forest Fire Act, 1998 (Act 101 of 1998);
- Local Government Laws Amendment Act, 2008 (Act 19 of 2008);
- Land Use Planning Ordinance, 1985 (Ord. 15 of 1985);
- Less Formal Township Establishment Act, 1991 (Act 113 of 1991);
- Western Cape Less Formal Township Establishment Amendment Act, 2007 (Act 6 of 2007);
- Western Cape Determination of Types of Municipalities Act, 2000 (Act 9 of 2000); and
- Remuneration of Public Office Bearers Act, 1978 (Act 20 of 1978).

1.3.3 Transversal Legislation

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

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

1.3.4 Local Government Policy Mandates

- White Paper on Local Government, 1998;
- National Local Government Turn Around Strategy 2009;
- Local Government Anti-Corruption Strategy, 2006;
- Free Basic Services, 2000/01;
- National Outcome 9 (A responsive, accountable, effective and efficient local government system);
- Provincial Strategic Objective 10 (Integrated Service Delivery for Maximum Impact);
- National Public Participation Framework;
- National CDW Master Plan; and
- Provincial CDW Master Plan.

1.3.5 Other policy mandates

- Batho Pele principles;
- Policy Framework For Government Wide Monitoring and Evaluation System, 2007;

- Framework for Managing Programme Performance Information, 2007;
- South African Statistical Quality Assurance Framework, 2007;
- National Spatial Development Perspective, 2002; and
- Provincial Spatial Development Framework, 2009.

1.4 Minister's Statement

The Department of Local Government has a two-fold mandate. On the one hand, it monitors municipalities and supports them to deliver services in an efficient and accountable way. On the other hand, the Department also interacts directly with communities and provides them with the information that they need to access government services and opportunities.

My Department's approach to supporting municipalities is to ask them how we can help them, and then to meet that need. We have also monitored the operations of municipalities in order to identify warning signs and assist them proactively. I am proud to say that the Department has fulfilled this part of its mandate during the year under review, and has done so with a great deal of innovation. As two examples, I am particularly pleased with the progress we have made in developing a Professionalisation Programme together with the tertiary institutions in the Province, and with the implementation of a distance learning programme for municipal officials operating water and wastewater treatment plants.

In the same vein, my Department's approach to support communities is to provide an institutional infrastructure that makes access to government services much easier. We have brought national, provincial and local government services to people through a one-stop-shop approach that is being rolled out through the Thusong Centres, Thusong Mobiles, and Thusong Extension Programme. The Community Development Worker Programme has played a critical role in supporting all of these programmes.

Part 1: General Information

Our goal is to enable people to live lives they value. In order to achieve that, my Department has supported municipalities to provide responsive, accountable, and clean governance and has empowered citizens through access to information and services.



Minister Anton Bredell

- Reviewed and revised the Intergovernmental Relations (IGR) structures and processes; and
- Developed the provincial funding model for out-of-pocket-expenses for Ward Committees and indicators to assess and measure the functionality of Ward Committees.

To meet its very challenging mandate the Department has steadily improved its internal capacity over the past year. New appointments at all levels have enabled the Department to expand its support to municipalities in the Province and to extend services to communities. The Department will continue to aim for even greater impact of all its programmes in the future.

1.5 Accounting Officer's Overview

The Department finished its first year as a complete stand-alone Department after the division of the Department of Local Government and Housing into two Departments. Throughout this transition the Department has continued to provide a high level of support to municipalities to deliver on their constitutional mandate.

A key focus has been to plan and implement programmes that have an impact on our clients. Over the past year, the Department has:

- Established a pool of expertise which contains a list of over 100 professional service providers that can support municipalities to improve their capacity;
- Developed Bulk Infrastructure Master Plans for Water and Sanitation for all districts in the Province;
- Improved the assistance to municipalities in managing the wild fire season by introducing four fixed wing bomber aircrafts to augment the current fleet of helicopters and spotter planes;
- Rolled out IDP indabas for all districts and the metro to improve intergovernmental planning and implementation;
- Promulgated the Western Cape Rationalisation of Local Government Act 2010 and Standard by-law relating to Holding of Events;



Part 2: Departmental Programme Performance

2.1 Overall Performance

2.1.1 Voted Funds

Table 1: Voted funds of R 113,009,000

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount spent	Under Expenditure
	102,638,000	113,009,000	110,389,000	2,320,000
Responsible MEC	MEC of Local Government, Environmental Affairs and Development Planning			
Administering Department	Department of Local Government			
Accounting Officer	Head of Department of Local Government			

2.1.2 Aim of the Vote

The aim of this vote is to achieve the mission of the Department of Local Government, which is:

- To be effective agents of change in capacitating municipalities to deliver services and ensure integrated sustainable development;
- To facilitate delivery through sound administration and the engagement of all spheres of government and social partners.

2.1.3 Summary of Programmes

The Department's programmes are aligned to the prescribed National Treasury Budget Structure, as follows:

- **Programme 1: Administration**
This programme aims to provide corporate support to the Department and make provision for maintenance and accommodation.
- **Programme 2: Local Governance**
This programme consists of municipal administration, public participation, and capacity development. This programme aims to promote and facilitate viable and sustainable local governance, integrated planning, and community participation.

- **Programme 3: Development and Planning**

This programme consists of two sub-programmes, namely, Municipal Infrastructure, which facilitates infrastructure development to ensure sustainable municipal infrastructure, and Disaster Management, which ensures the establishment of effective and efficient disaster management mechanisms.

2.1.4 Key Strategic Objectives: Achievements

Municipal Legislation

The Department promulgated the Western Cape *Rationalisation of Local Government Laws Act 2010* (Rationalisation Act). The purpose of the Rationalisation Act was to repeal redundant laws pertaining to local government applicable in the Province of the Western Cape. The Department also promulgated the Standard By-law relating to the *Holding of Events*. The purpose of this by-law is to standardise and regulate the holding of events by setting out the requirements and conditions under which events may be hosted as well as granting rights of access and inspection to municipalities. The Department also compiled and circulated a Guide to

Part 2: Departmental Programme Performance

Drafting a Property Rates Manual together with a sample by-law to assist municipalities in adopting sound property rates by-laws.

The Department supported 27 municipalities with the amendment and publication of their Section 12 Establishment Notices, done in terms of the Municipal Structures Act, and also provided support through promulgation and announcement of 16 by-elections. To prepare for pre- and post-election arrangements, the Department also provided guidelines on the first meeting of council and the post-election transitional arrangements.

In promoting good governance the Department supported 11 municipalities with the review and implementation of their Local Government Anti-Corruption strategies.

Public Participation

The Department developed the Provincial Funding Model for Out-of Pocket-Expenses for Ward Committees and indicators to assess and measure functionality of ward committees. Of the 348 ward committees in the Province, 299 are functional. The Department rolled out training on Community Based Planning to stakeholders, who included ward committee members, Councillors, municipal officials and community members.

The Department also facilitated the revival/establishment of the District Public Participation and Communication Forums, while Witzenberg, Prince Albert, Breede Valley, Matzikama, and Langeberg municipalities were supported with the review and amendment of their communication strategies. The support included:

- Performing desktop analyses and individual municipal consultations to assess the needs, challenges, opportunities and status quo of the municipality's communication;
- Providing the framework for the communication strategy and conducting additional in-depth consultations to assist municipalities in the development of a Draft Communication Strategy,

which is then further refined and finalised by the municipality.

Governance and Integration

The Department and other relevant stakeholders successfully reviewed the existing IGR processes, whilst continuing to strategically support municipalities. Where necessary the structures and processes were reconfigured and this has resulted in the establishment of the Ministers and Executive Mayors Forum (MINMAY) and Minister and Executive Mayors Technical Committee (MINMAYTECH). These fora will ensure that there is greater synergy and alignment between provincial and local government.

The function of Thusong Centres was transferred to the Department in April 2010. The Department officially opened four Thusong Service Centres in Hawston, Oudtshoorn, Murraysburg and Bitterfontein. To improve the functioning of Thusong Centres, the Department facilitated training for Centre managers from the Western Cape, Eastern Cape and Northern Cape Provinces in collaboration with Government Communications Information System (GCIS). The Department also facilitated agreements with various government Departments and private institutions such as ABSA, Capitec, Standard Bank, and Nedbank to provide services in Thusong Centres.

Integrated Development Planning (IDP)

To support Integrated Development Planning by all spheres of government, the Department utilised the Provincial IDP Managers Forum and the newly established IDP Assessment Advisory Committee. The Provincial IDP Managers Forum is used to support IDP processes by contributing to re-conceptualising and implementing of Neighbourhood Development Plans and IDP Indaba. The IDP Advisory Committee includes municipalities and is developing a realistic and implementable IDP Assessment Framework for the new five year cycle of IDPs and the review years.

The Department successfully rolled out IDP Indabas for all districts and the metro as a mechanism to effect integrated intergovernmental planning and implementation.

As a way of supporting municipalities on the development of IDPs, 27 learners were enrolled in an IDP skills course, which is an LGSETA-accredited programme. In addition, 19 learners were registered for the second phase of the 2010-2012 IDP Learnership Programme.

Community Development Worker Programme (CDW)

The Department supported 32 community projects such as farming projects and backyard food gardens. The Department facilitated a total of 300 information sessions on various themes. It prioritised 42 of these sessions on child maintenance during the 16 days of activism against women and children abuse.

To further unlock opportunities for communities, the CDW programme entered into partnership with other community development role players including the Tourism Enterprise Development Program, Eikevlei Community Trust, Democracy Development Programme (DDP), Chrysalis Academy, Independent Communications Authority of South Africa (ICASA), South African National Parks (SANPARKS), the Department of Agriculture, the Department of Environmental Affairs, Go Reach, the Department of Human Settlements, Metropolitan Foundation, and Catholic Welfare and Development.

Capacity Development

The Department supported 10 municipalities with the implementation or enhancement of their performance management systems, namely the West Coast District, Cederberg, Hessequa, Drakenstein, Saldanha Bay, Swartland, Breede Valley, Mossel Bay, Bitou, and Knysna. The Department further established a pool of expertise which contains a list of over 100 professional service providers that can support municipalities with specific projects. The Department also established a municipal technical support programme in partnership with our donor partner, GIZ. This programme registered 23 professionals who each have more than 10 years practical experience in municipalities and who can be deployed to support municipalities.

In addition, the Department developed and implemented municipal specific-support plans for all municipalities except for the City of Cape Town. Through the support of the Department, all municipalities have functioning valuation appeal boards.

The Department also initiated a number of cross-cutting projects including:

- A Shared Services model in the Province with an initial focus on two district municipalities based on international and national best practices (funded and supported by a donor partner);
- A project to professionalise municipal management;
- Roll-out of a Non-Revenue Water Project; and
- Roll-out of a Municipal Bursary Programme.

Municipal Performance Monitoring

To ensure effective monitoring of municipalities, the Department developed and submitted to the relevant stakeholders a Consolidated Annual Municipal Performance report in terms of Section 47 of the Municipal Systems Act. In addition, the Department continuously monitored municipalities through the State of Municipalities reports and the municipal human resource capacity reports which were submitted quarterly. In an effort to improve coordination of provincial visits to municipalities, the Department developed a web-based municipal and provincial calendar.

Municipal Infrastructure

The Province has an excellent expenditure trend over the past five financial years and obtained 100% Municipal Infrastructure Grant (MIG) expenditure in the 2009/10 financial year. A substantial amount of time has been invested in training and capacity building of municipal officials involved with the MIG. In supporting municipalities to provide basic services, the Department developed Bulk Infrastructure Master Plans for Water and Sanitation for all the districts in the Province. The district master plans will form the basis of the Provincial Infrastructure Master Plan (Water and Sanitation). The Department supported municipalities on the MIG Programme and as a result Municipal

Part 2: Departmental Programme Performance

Infrastructure Grant projects worth R312 million were implemented. The Department also produced a report on the status quo of municipal electrical master planning to ensure that Municipal Electrical Master Plans are in place in 24 municipalities.

To address skills shortages in the electrical departments in municipalities, the Department entered into partnership with DBSA to conduct electrical artisan training. The Department is proud to highlight that electrical artisans were trained, 26 of which went for their trade tests. Seventeen of these candidates passed their test and can be appointed as fully-fledged artisans in municipalities. The Department has also established a partnership with DBSA, the University of Stellenbosch, and the Water Institute of South Africa to train water process controllers.

Disaster Management

During the 2010/11 financial year the Provincial Disaster Management Centre provided Information Communication Technology (ICT) support to the Provincial Police Joint Operating Centre as well as the six municipal disaster management centres to ensure effective and efficient coordination of the 2010 Fifa World Cup event. All 30 municipalities were also assisted to identify key risks and to draft contingency plans for the event. In terms of planning support, the Department developed the 2010 Fifa World Cup Preparedness and Response Plan, supported municipalities and SAPS with the development of social conflict plans, assisted the National Department of Environmental Affairs with the development of an oil and environmental management plan, and developed guidelines for the development of drought management plans.

The Department conducted continuous assessments in the drought stricken areas (Eden & Central Karoo) as well as an area exposed to social conflict, namely De Doorns. In addition, the Department supported all eight previously declared disaster areas and monitored their spending patterns on disaster recovery funding. In partnership with the Department of Water Affairs, the Department conducted a drought

indaba in Eden to reflect on challenges and key lessons learned.

The Department also improved the assistance to municipalities in managing the wildfire season (between November and April) by introducing four fixed-wing bomber aircraft to augment the current fleet of helicopters and spotter planes. The initiative was of great value to fire services during several large fires in the West Coast, Cape Winelands and Overberg districts.

Lastly, in an effort to minimise the impact of fires and floods, the Department conducted an Awareness Campaign reaching approximately 16 000 people and 52 schools through road shows across the province. The campaign targeted persons living in high risk flood areas and in places susceptible to fires. The Department produced a RADAR publication in collaboration with the National Disaster Management Centre and the University of Cape Town. This publication, which is the first of its kind in South Africa, provided research related to disasters which have taken place in the Province since 2003.

2.1.5 Overview of the Service Delivery Environment for 2010/11

Municipal Legislation

As municipalities were preparing for the upcoming local government elections, they continued to function in an environment which is politically and administratively challenging.

There has been an increase in the number of Anti-Corruption Strategies and Fraud Prevention Plans. This is due to the continued implementation of the Local Government Anti-corruption Strategy by the Province. The Department will continue to support municipalities through training and awareness interventions, as this is key to creating a culture of clean governance.

Preparations were conducted to provide assistance and support on governance matters to newly elected

councils and councillors. Training in legislation will be provided to councillors and councils on a continuous basis so as to equip them to fulfill their legislative mandates. The Department embraces the responsibility that it has in supporting municipalities to function in accordance with both the letter and the spirit of the constitution and applicable legislation.

In an effort to have well-functioning and stable municipalities, two formal interventions in terms of Section 139 of the Constitution and two informal interventions were carried out.

Public Participation

Community-Based Planning at a ward level was rolled out to municipalities with the intention of strengthening active citizen participation in the IDP processes. The Department has in collaboration with six municipalities conducted annual citizen satisfaction surveys. These surveys are conducted annually to assess the level of citizens' understanding of public participation mechanisms and the importance of their active participation in local government decision making.

Since municipal communication is an integral part of public participation, the Department established a Municipal Communications Unit to provide dedicated communication support to municipalities with the aim of promoting effective communication between municipalities and their communities. Consultative processes with municipalities have entailed individual municipal communication assessments and district public participation and communication workshops. Through these engagements, the Department was able to identify key communication challenges as well as opportunities for improvement.

Service Delivery Integration

Strong Intergovernmental Relations (IGR) is important in order to achieve the objectives of the three spheres of government in the Province. While the Provincial structures meet on regular basis, challenges are sometimes experienced with the convening of District Coordinating Forums (DCF) by district.

The Province is committed to working proactively with the public sector and other partners to ensure that people have access to a wide range of public services, irrespective of where they live. Many people especially those in rural areas, must travel long distances to access government services. Since taking over the provincial management of the Thusong Service Programme, the Department has embarked on repositioning the Thusong Service Programme, as guided by Provincial Strategic Objective 10, Outcome 3. Two programmes will have a significant impact on rural residents, namely, the Thusong Extension Programme and the Thusong Mobiles.

Integrated Development Planning

There is still some improvement required in the way provincial sector departments and municipalities jointly plan and implement using the IDP process. This challenge is compounded by capacity constraints in municipalities to deliver swiftly on projects contained in the IDPs and weak linkages with National and Provincial departments. Current uncertainties on planning guidelines and legislation on IDPs also lead to an unclear planning environment in municipalities and provincial sector departments. The recent introduction of the concept of differentiation in planning and simplified IDPs has become useful in shaping the way IDPs will be pursued in the future.

Community Development Worker Programme

The Community Development Worker (CDW) Programme was designed to address the institutional gaps in the service delivery and investment programmes of government with a specific focus on poor and vulnerable communities. CDWs are located within various wards in the districts and the metro. Currently, the Department employs 174 CDWs who assist communities in practical and tangible ways. In addition, the Department appointed 10 CDW Supervisors and envisages appointing a further 10 CDW supervisors.

In all municipalities where the CDW programme is implemented, a Memorandum of Agreement between the municipality and the Province is in place. The City

Part 2: Departmental Programme Performance

of Cape Town signed an intergovernmental implementation protocol in respect of the CDW programme. The Department has regular stakeholder engagements with municipal officials, designated by municipalities, to share and exchange views to enhance the implementation of the CDW programme at municipal level.

Capacity Development

The main focus of this key performance area is to strengthen and support the institutional and organisational capacity of municipalities to be able to fulfil their developmental and constitutional responsibilities. The attraction and retention of scarce skills in financial and technical positions remains a challenge, especially in municipalities situated in the rural areas of the Province. This has a direct effect on service delivery and impacts on the ability of a municipality to comply with legislative requirements and spend its capital budget.

The Department's capacity support programme has taken cognisance of these challenges and developed support initiatives to provide assistance. Municipal-specific support plans were developed and are updated for each municipality on an annual basis.

Municipal Performance, Monitoring and Reporting and Evaluation

Legislation establishes municipal monitoring and evaluation (M&E) as the core business of the Department of Local Government. The Department's municipal M&E involves the collation, analysis and reporting on non-financial performance information on a quarterly and annual basis. Detailed monitoring templates are used to collect data from municipalities and other sector departments. The data is then analysed and used to compile reports for discussion and short-term interventions on a quarterly basis.

The municipal sphere is required to comply with a diverse range of M&E templates, many of which are driven by unco-ordinated reporting demands made on municipalities by executive, legislative and parastatal entities at every sphere of government. The

Department is in the process of developing a municipal monitoring and evaluation framework which will outline an approach for the establishment of a single window of coordination. This will include the establishment of a centralised municipal data repository that will standardise reporting and align it with the key policy initiatives for local government.

Municipal Infrastructure

The main challenges faced by municipalities with regard to the delivery of basic services are as follows:

- Insufficient funds for new bulk infrastructure, as well as the upgrading and maintenance of it;
- Lack of project management skills; and
- Lack of technical skills.

The Department is addressing these challenges through various initiatives.

Disaster Management and Fire Brigade Services

Research has indicated that more than 40% of national disasters that were recorded during the past century occurred in the Western Cape. Most of these disasters are weather related (floods, droughts, storms) and the other most prevalent disaster is fire (structural and wild fires).

The emphasis as from 2010 / 2011 is to prevent and to mitigate the prevalence of these hazards and to reduce the risk thereof. The focus is on the following interventions:

- Identify the real disaster risk through the reviewing of the current risk and vulnerability assessment and to centralise that information to a central data warehouse in the Provincial Disaster Management Centre. The data will be accessible for all relevant stakeholders.
- Use the risk vulnerability data and apply it to the IDP. All developmental projects in future should be measured against disaster risk and if risk is identified, measures to prevent, mitigate, prepare and respond to these risks should then be reflected in the Disaster Management Chapter in the Municipal IDP.

- Promote risk reduction through disaster awareness programmes. Focus will be placed on high priority hazards such as floods, fires and hazardous substances.

2.1.6 Overview of the Organisational Environment for 2010/11

Planning and monitoring system

Continuous monitoring has been done through the strategic management framework for government, that is, quarterly and monthly reporting, APP deliverables captured in dashboard projects, bi-weekly management meetings, and meetings with the Executive Authority. The Department makes use of the dashboard system to monitor project progress and a performance management system has been operationalised.

Correspondence and File Tracking System

The File Tracking System is a web-based system which enables users to track the physical movement of official files and to locate official files within the Department of Local Government.

With implementation of this system the Records Management unit focused on the following business processes:

- Identification and bar-coding of official registry files;
- Checking official files in and out of registries; and
- Tracking last position of official files.

The Western Cape Archives and Record Service approved the new 1-24 filing system of the Department Local Government. The approved file plan for the Department was implemented successfully and a total amount of 74,006 official bar-coded files were created for the Department.

Financial systems

Basic Accounting System (BAS) is an online accounting system that is used to effect all payments and allocate all expenditure and revenue to the respective cost centres. It is also used for financial reporting purposes. This transversal system is owned by National Treasury.

2.1.7 Key Policy Developments and Legislative Changes

The Department in the 2010/11 financial year has aligned its 2011/12 Annual Performance Plan to National Outcome 9: "A responsive, accountable, effective and efficient local government system," and Provincial Strategic Objective 10: "Integrated service delivery for maximum impact".

Outcome 9 consist of seven outputs, namely,

- Output 1: Implement a differentiated approach to municipal financing, planning and support;
- Output 2: Improve access to basic services;
- Output 3: Implement the Community Work Programme;
- Output 4: Actions supportive of human settlements outcomes;
- Output 5: Deepen democracy through a refined Ward Committee model;
- Output 6: Improve municipal financial and administrative capability; and
- Output 7: Single window of coordination.

In addition, to support the National Outcome 9 the Department developed Provincial Strategic Objective 10.

Provincial Strategic Objective 10 consists of the following outcomes:

- Outcome 1: Integrated planning and budgeting;
- Outcome 2: Coordinated provincial support to municipalities;
- Outcome 3: Integrated service delivery; and
- Outcome 4: Coordinated intergovernmental reporting and engagement.

Part 2: Departmental Programme Performance

2.1.8 Departmental Revenue, Expenditure, and Other Specific Topics

Collection of departmental revenue

All amounts in R'000

	2007/08 Actual	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual	% deviation from target
Non-tax revenue						
Commission on insurance					49	
Interest, dividends and rent on land					12	
Transfers received				50	50	
Transactions in financial assets and liabilities				547	582	
TOTAL DEPARTMENTAL RECEIPTS				597	693	

2.1.9 Departmental expenditure

All amounts in R'000

Programmes	Voted for 2010/11	Roll-overs and adjustments	Veriment	Total voted	Actual Expenditure	Variance
1. Administration	11,271		634	11,905	11,905	
2. Local Government	83,203		(4,042)	79,161	77,714	1,447
3. Development and Planning	18,535		3,408	21,943	21,070	873
4 Theft and Losses						
TOTAL	113,009			113,009	110,689	2,320

2.1.10 Transfer Payments

The Department complies with section 38(1)(j) of the PFMA which requires the Accounting Officer of the transferring department to ensure that written assurance is obtained from an entity that the entity implements effective, efficient and transparent financial management and internal control systems before transferring any funds to an entity within or outside government, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to the conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

2.1.11 Asset Management

The Supply Chain Management (SCM) unit within the Department issues the Department's assets with unique asset numbers for verification, reconciliation and location purposes. The movement on the asset register is disclosed as note 27 of the Annual Financial Statements of the Department in Part 3.

2.2 Programme performance

Programme	Sub-programmes
1. Administration	1.1 Office of the MEC 1.2 Corporate Services
2. Local Governance	2.1 Municipal Administration 2.2 Public Participation 2.3 Capacity Development 2.4 Municipal Performance Monitoring, Reporting and Evaluation
3. Development and Planning	3.1 Municipal Infrastructure 3.2 Disaster Management

Programme 1: Administration

Purpose: To provide strategic leadership and management and effective support services in the Department in accordance with all applicable acts and policies.

Part 2: Departmental Programme Performance

Programme 2: Local Governance

Purpose: To promote and facilitate viable and sustainable developmental local governance, to promote integrated and sustainable planning and to enhance community participation.

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target		
			Target	Actual	Reason for Variance
2.1.1 Municipal Legislation	To develop legislation in response to the needs of municipalities.	Number of standard by-laws promulgated.	2	1	Standard By-law relating to the Holding of Events has been finalised and the Draft Property Rates Manual was developed.
		Number of Acts promulgated.	1	1	The Western Cape Local Government Laws Rationalisation Act 4 of 2010 came into effect on 2 December 2010.
	To support municipalities with institutional compliance.	Number of municipalities assessed to determine their compliance with relevant legislation.	-	-	National target effective from 2012.
		Number of municipalities supported towards institutional functionality.	30	27	Supported 27 Municipalities with amendments to Establishment Notices. Three municipalities did not require amendments. Provided support in promulgation and announcement of by-elections for Theewaterkloof 2, Beaufort West 2, City of Cape Town 8, Stellenbosch 1, Cape Agulhas 1 and Oudtshoorn 2.
	To manage provincial interventions at municipalities.	Number of provincial interventions managed at municipalities.	1	4	The following interventions were carried out: <ul style="list-style-type: none"> • Stellenbosch Municipality (formal intervention): • Overberg District Municipality (formal intervention): • Breede Valley Municipality (informal intervention) • Swellendam Municipality (informal intervention).
	To oversee municipal councilor matters.	Number of municipalities adhering to the requirements of the Remuneration of Public Office Bearers Act.	30	29	Kannaland Municipality did not get permission from the MEC to increase Councillor salaries.
		Number of sanctions recommended.	6	6	Sanctions were recommended for five councillors from the City of Cape Town, and one from Stellenbosch.
	To promote good governance.	Number of municipalities supported in the Local Government Anti-corruption strategy	10	11	The following municipalities were supported: Mossel Bay, Beaufort West, Central Karoo, Witzenberg, Breede Valley, Langeberg, Kannaland, Cape Agulhas, Knysna, Bergrivier, and Eden District.

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target		
			Target	Actual	Reason for Variance
2.1.2 Public Participation	Monitor and support active citizen participation in governance.	Number of municipalities with functional ward committees/ ward forums.	15	15	All Ward Committees were functional in Overstrand, Theewaterskloof, Swellendam, Cape Agulhas, Swartland, Bergrivier, Saldanha Bay, Witzenberg, Langeberg, George, Kannaland, Hessequa, Mossel Bay, Oudtshoorn, and Bitou. 299 of 348 Ward Committees were functional.
		Number of District municipalities supported to improve public participation structures.	5	5	Provided support to Public Participation Task Teams in all five district municipalities.
	Monitoring and supporting effective citizen communication strategies in municipalities.	Number of municipalities with approved citizen communication policies.	5	5	The following municipalities were supported with the amendment of their communication strategies: Witzenberg, Prince Albert, Breede Valley, Matzikama, and Langeberg.
		Number of support actions to improve citizen communication in municipalities.	5	5	The Department with GCIS, Central Karoo and Cape Winelands District Municipalities held Communication Workshops for municipalities in the Central Karoo and Cape Winelands districts. The Department performed an individual communication assessment and consultation with West Coast District Municipality, and assisted Matzikama Municipality with the development of a draft framework for a revised communication strategy. The Department developed a Provincial Communication Reporting Template and distributed it to all municipalities.
		Number of citizen satisfaction surveys conducted	1	1	Survey on public participation was conducted in Swartland, Saldanha Bay, Swellendam, Cape Agulhas, Witzenberg and Breede Valley municipalities.
2.2.1 Governance and Integration	To support good governance and accountability between the three spheres of government through effective intergovernmental relations.	Number of municipalities with functional IGR structures (DCF, DCFTECH).	5	4	Only one district did not have functional IGR structures, namely Overberg district.
		Number of municipalities assisted through referral of issues between municipalities, national and provincial government.	10	12	The following municipalities were assisted: West Coast, Eden, Swartland, Overstrand, Mossel Bay, Kannaland, Cape Agulhas, Prince Albert, Hessequa, Theewaterskloof, Matzikama, and Laingsburg municipalities.
		Number of provincial wide IGR governance events supported (e.g PCFs).	4	8	The following meetings were held: PCF (3), MINMAY, MINMAYTECH, PCFTECH, PMCF and MMF.

Part 2: Departmental Programme Performance

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target		
			Target	Actual	Reason for Variance
2.2.2 Integrated Development Planning	To support effective integrated development planning processes and credible plans within municipal areas with strong ownership by communities and commitment by other government spheres to delivery.	Number of Municipalities with credible IDPs.	28	27	Of the 30 municipalities, Kannaland and Saldanha Bay municipal IDPs were considered not credible. <ul style="list-style-type: none"> Overberg District Municipality had not adopted their IDP and could therefore not be assessed.
		Number of municipalities supported on the development of the IDPs.	8	18	Support was provided to Oudtshoorn, Saldanha Bay, Kannaland, Mossel Bay, Laingsburg, Beaufort West, George, Knysna, Prince Albert, Drakenstein, Langeberg, Theewaterskloof, City of Cape Town, Bitou, Cape Agulhas, Witzenberg, Breede Valley and Overberg.
	Inter and intra departmental synergy within the presidential nodes.	Number of municipalities involved in structured engagements with Provincial departments on IDP strategic priorities and budget alignment.	30	28	The Department implemented the IDP Indaba in all municipalities except Bitou and Bergrivier municipalities.
2.2.3 Community Development Programme	To provide information to communities to access government services and opportunities creating awareness and access to government services	Number of information sessions facilitated in communities.	300	300	
		Number of CDWs deployed in municipalities.	180	174	As CDWs resigned they were replaced with CDW supervisors.
		Number of municipalities where full CDW programme is implemented.	23	25	Full CDW programmes were implemented in all municipalities except in Swellendam (no MOA) and three District Municipalities.
		Number of Izimbizos held by Mayors and Councillors.	-	-	No izimbizo were called by Mayors and Councillors for CDWs to support.
		Number of Izimbizo supported.	2	3	Supported Izimbizo held by the Departments of Labour and Human Settlements.
		Number of partnerships with relevant stakeholders (Government institutions, CBOs and NGOs).	12	12	Partnerships were established with: Tourism Enterprise Development Program, Eikevlei Community Trust, Democracy Development Programme, Chrysalis Academy, Independent Communications Authority of South Africa, South African National Parks, Department of Agriculture, Department of Environmental Affairs, Go Reach, Department of Human Settlements, Metropolitan Foundation, and Catholic Welfare and Development.
		Facilitate community access to socio-economic opportunities.	Number of community projects supported.	32	32

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target		
			Target	Actual	Reason for Variance
2.3 Municipal Capacity Development	To facilitate structured and coordinated support to municipalities.	Number of municipalities with skills plan adopted.	30	30	
		Number of municipalities supported with enhanced PMS to increase performance.	10	10	The Department supported 10 Municipalities namely West Coast, Cederberg, Hessequa, Drakenstein, Saldanha Bay, Swartland, Breede Valley, Mossel Bay, Bitou, and Knysna.
		Number of councillor leadership training programmes implemented.	2	0	A decision was taken by the Department to postpone all training programmes for Councillors until after the 2011 Local Government Elections.
		Number of municipal support plans developed (district).	5	29	Municipal support plans were developed for all municipalities except the City of Cape Town.
		Number of technical experts deployed to municipalities.	2	6	Financial experts were deployed to Saldanha Bay, George, Prince Albert, Laingsburg, and Kannaland.
		Number of municipalities where shared services is implemented.	3	4	Shared services were implemented in Cape Winelands, Eden, Central Karoo, and Overberg Districts.
		Number of municipalities supported with MFMA.	30	30	
		Number of municipalities that have achieved unqualified audits.	30	22	Three municipalities had qualified audits namely: Cederberg, Saldanha Bay and Laingsburg municipalities. Prince Albert municipality received a disclaimer; Kannaland and George municipalities had adverse audit results, and Swellendam and Oudtshoorn audits had not been completed.
		Number of municipalities supported in AFS preparation.	30	30	
		Number of Municipalities with LED strategies/ plans reviewed annually.	30	30	
		Number of municipalities with LED structures.	30	30	
		Number of municipalities with functional performance audit committees.	30	30	
		Number of municipalities with Internal Audit Units.	30	30	

Part 2: Departmental Programme Performance

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target		
			Target	Actual	Reason for Variance
2.3 Municipal Capacity Development	To monitor and support municipal to comply with the Municipal Property Rates Act (MPRA).	Number of municipalities that are supported in MPRA implementation.	30	29	All except Overberg District Municipality.
		Number of municipalities that are implementing MPRA.	30	29	All except Overberg District Municipality.
		Number of municipalities supported with the establishment of valuation appeal boards.	2	4	The Department supported Witzenberg, Hessequa, Mossel Bay, and Swellendam with the valuation appeal boards.
2.4 Municipal Performance Monitoring Reporting and Evaluation	To monitor performance of municipalities according to the key Performance Areas.	Number of Municipal quarterly performance reports submitted to National Government.	4	4	
		Number of quarterly State of municipalities scorecards submitted to MEC.	4	4	
		Number of Consolidated Annual Municipal Performance reports submitted (section 47 of Systems Act).	1	1	
	To monitor municipal compliance in terms of their legislative reporting obligations/ requirements.	Number of municipalities monitored on the implementation of grant funding.	30	30	
		Number of municipalities that are implementing MFMA.	30	30	
		Number of municipalities submitted AFS by 31 August.	30	24	Municipalities which did not meet the deadline were: Breede Valley, Saldanha Bay, Swartland, Oudtshoorn, Cederberg, and Swellendam.
		Number of institutional Performance Management System in place.	30	30	
		Number of section 57 managers with signed employment contracts.	185	148	The high turnover of section 57 posts has impacted on 12 municipalities.
		Number of section 57 managers with signed performance agreements.	185	148	The high turnover of section 57 posts has impacted on 12 municipalities.
		Number of municipal annual performance reports submitted timeously.	30	29	The only outstanding annual report was Oudtshoorn Municipality.
		Number of oversight reports submitted by Councils.	30	29	The only outstanding oversight report was Oudtshoorn Municipality.
		Number of multi-sectoral engagements on municipal performance.	4	4	The department has established the joint working group with Provincial Treasury that meets at least quarterly.

Programme 3: Development and Planning

Purpose: To promote and facilitate effective disaster management practices and to ensure well maintained municipal infrastructure.

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target			
			Target	Actual	Reason for Variance	
3.1 Municipal Infrastructure	To ensure efficient and effective expenditure of MIG funds.	Number of municipalities monitored on the MIG expenditure to enhance performance of infrastructure delivery.	28	28	City of Cape Town has its own MIG Cities allocation and Overberg does not have MIG allocations.	
		Monitoring the implementation of the MIG.	Number of municipalities submitting monthly reports on MIG performance.	28	28	
			Number of municipalities that have been supported on MIG spending.	28	28	
	Provision of free basic services to all households.	Number of municipalities that have registered project on MIG MIS.	28	28		
		Number of municipalities supported with Bulk Infrastructure plans (districts).	5	5	Five District Master Plans were produced.	
		Number of households with access to basic services (water, electricity, and sanitation).	-	1,448,470*		
		Number of households with access to free basic services.	-	279,514*		
	3.2 Disaster Management and Fire Brigade Services	To coordinate disaster risk reduction, preparedness and recovery.	Number of municipalities supported with disaster management IDP chapter.	6	6	The City of Cape Town as well as the five District Municipalities completed their Disaster Management Chapters.
Number of meetings of the IGR disaster management structures.			6	4	It was decided that disaster management be placed on the agenda of PCF meetings instead of having a separate ministerial meeting on disaster management. <ul style="list-style-type: none"> Disaster Management issues were discussed at MINMAYTech, MINMAY, and PCF. A decision was taken to combine the advisory and steering committees. 	

* Data sources: Department of Cooperative Governance 2009 Survey, Department of Water and Environmental Affairs 2008 Survey, Department of Local Government 2010 Survey, Stats SA Community Survey 2008, Western Cape Municipalities 2010/11 (3rd Quarter Survey)

Part 2: Departmental Programme Performance

Sub-sub Programmes	Strategic Objectives	Measures/ Indicators	Actual Performance Against Target		
			Target	Actual	Reason for Variance
3.2 Disaster Management and Fire Brigade Services	To coordinate disaster risk reduction, preparedness and recovery.	Number of disaster management contingency plans for identified hazards.	2	8	Plans exist for Departments of Social Development, Education, Environmental Affairs, Agriculture, and Water Affairs, Coastal Oil Spill ACSA: Aerodrome Emergency Plan, PRASA: Integrated Transport Plan, and Metro Rail/ Intersite.
		Number of municipalities with applicable disaster management frameworks.	3	3	Three municipal disaster management frameworks were improved, namely: West Coast, Cape Winelands and Overberg District.
		Number of municipalities with applicable disaster management plans.	15	15	<ul style="list-style-type: none"> There are (15) Municipalities with DM plans, namely Cape Winelands, Stellenbosch, Drakenstein, Witzenberg, Langeberg, BreedeValley, Central Karoo, Beaufort West, Laingsburg, Prince Albert, West Coast, Matzikama, Swartland, Cederberg, Saldanha Bay, and Bergrivier municipalities.
	To ensure effective and economical fire brigade services	Number of incidents/ declared disasters supported regarding rehabilitation and reconstruction.	4	1	The drought in Eden has abated but the PDMC was still coordinating the drought in Central Karoo.
		Number of provincial fire preparedness reports compiled.	1	1	State of readiness investigation of municipal fire services completed.
		Number of Uniform standards/ regulations developed.	1	1	Fire Services Norms and Standards drafted and approved by Western Cape Chief Fire Officers Committee.
		Number of investigations conducted by CAPs in terms of the Fire Brigade Services Act.	1	1	Investigation into Cape Town International Airport Fire Services.



Annual Financial Statements

for the year ended 31 March 2011

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Report of the Audit Committee

for the year ended 31 March 2011

PROVINCIAL GOVERNMENT WESTERN CAPE DEPARTMENT OF LOCAL GOVERNMENT (VOTE 14)

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 Local Government 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.

Name of Member	Number of Meetings Attended
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 9th February 2011, and has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and 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

Report of the Audit Committee

for the year ended 31 March 2011

risk-based Internal Audit Plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective action.

We have reviewed 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. Other than the matters reflected in the Auditor-General's Audit and Management Reports and the matters highlighted below, no material deficiencies in the system of internal control were noted:

- **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 area:

- District & Local Performance Monitoring

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.

- **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;

Report of the Audit Committee

for the year ended 31 March 2011

- 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.

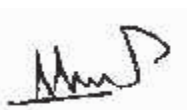
However the Committee is of the opinion that further audit coverage is required and that there is a need for additional capacity to support the increased coverage of further high risk areas.

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

Report of the Accounting Officer

for the year ended 31 March 2011

Report by the Accounting Officer to the Executive Authorities and the Members of the Provincial Parliament of the Western Cape.

1. General review of the state of financial affairs

The Department places a very high emphasis on good governance. The Department has a good partner relationship with Internal Audit and the Audit Committee to ensure that all the shortcomings identified by the AGSA are addressed and resolved. Regular financial, non-financial and governance reports are submitted to the MEC, Standing Committees and the Audit Committee.

The financial administration and other support services are rendered on an agency basis by the Department of Human Settlements. The Department spent 98% of its appropriated allocation. Audit risks on human resource management are addressed by meetings with the Corporate Services Centre (CSC).

Municipal Legislation

In providing legislative support to municipalities the Department promulgated the Western Cape Rationalisation of Local Government Laws Act 2010 (Rationalisation Act). The purpose of the Rationalisation Act is to repeal redundant laws pertaining to local government applicable in the Province of the Western Cape. The Department also promulgated the Standard By-law relating to the Holding of Events. The purpose of this By-law is to standardise and regulate the holding of events by setting out the requirements and conditions under which events may be hosted as well as granting rights of access and inspection to municipalities. The Department also compiled and circulated a Guide to Drafting a Property Rates Manual together with a sample by-law to assist municipalities in adopting sound property rates by-laws.

The Department supported 27 municipalities with the amendment of their Section 12 Establishment Notices, done in terms of the Municipal Structures Act, and provided support through promulgation and announcement of 16 by-elections. To prepare for pre- and post-elections, the Department sent out a circular which provides guidelines on the first meeting of council and post-election transitional arrangements. The Department also published the Establishment Amendment Notices of municipalities.

In promoting good governance the Department supported 11 municipalities with the review and the implementation of Local Government Anti-Corruption strategies.

Public Participation

In the 2010/11 financial year, the Department successfully developed the Provincial Funding Model for Out of Pocket Expenses for Ward Committees and indicators to assess and measure functionality of ward committees in the Province. Fifteen municipalities have fully functional ward committees in the Province. The Department rolled-out training on Community Based Planning to 350 stakeholders who included ward committee members, Councillors, municipal officials and community members.

The Department also facilitated the revival/establishment of the District Public Participation and Communication Forums, while Witzenberg, Prince Albert, Breede Valley, Matzikama, and Langeberg municipalities were supported with the review and amendment of their communication strategies.

Report of the Accounting Officer

for the year ended 31 March 2011

Governance and Integration

To support cooperative governance between the three spheres of government the Department with the assistance of the Department of the Premier and other relevant stakeholders successfully reviewed the existing IGR processes and where necessary the structures and processes were reconfigured. This has resulted in the establishment of the Ministers and Executive Mayors Forum (MINMAY) and Minister and Executive Mayors Technical Committee (MINMAYTECH). This was mainly to ensure greater coherence of intergovernmental relations and closer synergy and alignment between the province and local government.

During 2010/11 financial year the Department accepted the function of managing Thusong Service Centres in the Province and began to prepare for the transfer of the Integrated Community Outreach Programme (ICOP) from the Department of the Premier (DotP), which will be known as the Thusong Mobiles in the 2011/12 financial year. Upon acquiring this function (Thusong Programme) from the Department of Social Development, the Department managed to officially open 4 Thusong Service Centres, namely, Hawston, Oudtshoorn, Murraysburg and Bitterfontein Centres.

To improve effective functioning of Thusong Centres the Department facilitated training in collaboration with GCIS Centre Managers, which included Centre managers from the Western Cape, Eastern Cape and Northern Cape Provinces. The Department also facilitated the agreements with various government Departments and private institutions such as ABSA, Capitec, Standard Bank, and Nedbank to provide services in Thusong Centres.

Integrated Development Planning

To support Integrated Development Planning by all spheres of government the Department utilises the Provincial IDP Managers Forum and the newly established IDP Assessment Advisory Committee. The Provincial Managers Forum is a structure that the Department uses to discuss all IDP issues and to promote best practices and other related issues. The IDP Advisory Committee is a provincial inter-sectoral structure with a representation of selected municipalities. The IDP Advisory Committee supports the IDP processes in order to develop a realistic and implementable IDP Assessment Framework for the new 5 year cycle of IDPs and the review years.

The Provincial IDP Managers' Forum is used to support the IDP processes by contributing to:

- The re-conceptualising and implementing of the 3rd Generation IDP;
- Assessment of IDPs;
- Promoting Neighbourhood Development Plans; and
- Implementing the IDP Indaba.

The IDP Managers Forum is also used to ensure that proposals made by the Province are in touch with municipal realities and therefore implementable and realistic.

As a way of supporting municipalities on development of IDPs, 27 learners were enrolled in an IDP skills course. The IDP Skills course is a LGSETA accredited programme that was rolled out in partnership with the Development Bank of Southern Africa. In addition 19 learners were registered for the second phase of the 2010 - 2012 IDP Learnership Programme. This is an accredited training programme that the Department implements specifically for IDP Managers in the province. The Department has ensured that Phases 1 and 2 of the Learnership programme cover all municipalities in the province.

Report of the Accounting Officer

for the year ended 31 March 2011

Community Development Worker Programme

To provide information to communities to access government services and opportunities, the Department supported 32 community projects such as Community Food Gardens, Farming Projects, Backyard Food Gardens, Mountain View Project, and Education Forum. The Department facilitated a total of 300 information sessions on various themes. It prioritised 42 of these sessions on child maintenance in the 16 days of activism. To further unlock opportunities for communities, the CDW programme entered into partnership with other community development role players, including Tourism Enterprise Development Programme, Eikevlei Community Trust, Democracy Development Programme (DDP), Chrysalis Academy, Independent Communications Authority of South Africa (ICASA), South African National Parks – SANPARKS, Department of Agriculture, Department of Environmental Affairs, Go Reach, Department of Human Settlements, Metropolitan Foundation, and Department of Rural Development.

Capacity Development

The Department supported 10 municipalities with the implementation and or enhancement of their performance management systems, namely, the West Coast District, Cederberg, Hessequa, Drakenstein, Saldanha Bay, Swartland, Breede Valley, Mossel Bay, Bitou, and Knysna. During the financial year, the Department further established a pool of expertise which contains a list of over 100 professional service providers that can support municipalities with specific projects. Furthermore the Department established a municipal technical support programme in partnership with our donor partner, GIZ. This programme registered 23 professionals who have more than 10 years practical experience of working in municipalities, and can be deployed to support municipalities as and when the need arises.

In addition, the Department developed and implemented municipal specific support plans for all municipalities except for the City of Cape Town. Through the support of the Department, all municipalities have functioning valuation appeal boards.

Municipal Performance Monitoring

To ensure effective monitoring of municipalities, the Department developed and submitted to the relevant stakeholder a Consolidated Annual Municipal Performance report in terms of Municipal Systems Act, section 47. In addition, the Department continuously monitored municipalities through the State of Municipalities reports and the municipal human resource capacity reports which were submitted quarterly. In an effort to improve coordination of provincial visits, meetings and events with municipalities, the Department developed a web-based municipal and provincial calendar.

Municipal Infrastructure

In supporting municipalities to carry out one of their most important functions, which is to provide basic services, the Department developed Bulk Infrastructure Master Plans for Water and Sanitation for all the districts in the Province. The district master plans will form the basis of the Provincial Infrastructure Master Plan (Water and Sanitation). The Department supported municipalities on the MIG Programme and, as a result, Municipal Infrastructure Grant projects worth R312 million are being implemented. The Department also developed a report on the status quo of municipal electrical master planning to ensure that Municipal Electrical Master Plans are on acceptable levels at 24 municipalities.

Report of the Accounting Officer

for the year ended 31 March 2011

To assist in addressing skills shortages in the electrical departments in municipalities, the Department entered into partnership with DBSA to conduct electrical artisan training. The Department is proud to highlight that 81 potential electrical artisans were trained, of which 26 went for their trade tests. Seventeen of these candidates passed their test and can be appointed as fully fledged artisans in municipalities. The Department has also established partnership with DBSA, the University of Stellenbosch, and the Water Institute of South Africa to train water process controllers.

Disaster Management

During the 2010/11 financial year the Provincial Disaster Management Centre provided Information Communication Technology (ICT) support to the Provincial Police Joint Operating Centre as well as the six municipal disaster management centres to ensure effective and efficient coordination of the 2010 FIFA World Cup event. All 30 municipalities were assisted to identify key risks and to draft contingency plans. The Department developed the 2010 FIFA World Cup Preparedness and Response Plan, supported municipalities and SAPS with the development of social conflict plans, assisted the National Department of Environmental Affairs with the development of the oil and environmental management plan, and developed guidelines for the development of a drought management plan.

The Department conducted continuous assessments in the drought stricken areas (Eden & Central Karoo) as well as areas exposed to social conflict such as De Doorns. In addition, the Department supported all eight previously declared disasters as well as spending patterns on disaster recovery funding. In partnership with the Department of Water Affairs, the Department conducted a drought indaba in Eden to reflect on challenges and key lessons learned relevant to the management of the drought.

The Department also improved the assistance to municipalities in managing the wildfire season which happened between November and April by introducing four fixed wing bomber aircraft to augment the current fleet of helicopters and spotter planes. The initiative was of great value to fire services during several large fires in the West Coast, Cape Winelands and Overberg districts.

Lastly, in an effort to minimize the impact of fire and flood disasters the Department conducted Awareness Campaign reaching approximately 16,000 people and 52 schools through road shows across the province. The campaign targeted persons living in high risk flood areas and in places susceptible to fires. The Department developed a fire preparedness plan to ensure quick response to the first signs of fire. The Department produced a RADAR publication in collaboration with the National Disaster Management Centre and the University of Cape Town. This publication, which is the first of its kind in South Africa, provided research information related to disasters which have taken place in the Province since 2003.

Report of the Accounting Officer

for the year ended 31 March 2011

General view on spending for the financial year

	2010/11	2009/10
	R'000	R'000
Final appropriation		
Total	113,009	
Administration	11,905	
Local governance	79,161	
Planning and development	21,943	
Under-spending	R'000	R'000
Total	2,320	
Administration	-	
Local governance	1,447	
Planning and development	873	

All programmes and sub-programmes remained within their approved budgets. The reasons for the under spending are discussed under 'Notes to the appropriation statement'. The virements, as indicated in the appropriation statements, were approved by the delegated authority and applied to utilise savings under a main division to cover over expenditure on another main division.

Any other material matter – Soccer World Cup clothing and tickets

The Department did not incur any expenditure on clothing and tickets for the Soccer World Cup during the financial year.

2. Service rendered by the department

2.1 Tariff policy

Parking fees:

All tariffs are revised annually by the Department of Transport and Public Works and approved by the Provincial Treasury in terms of National Treasury Regulation 7.3.1. These tariffs are applicable to all officials, consultants, or persons who utilise official parking bays. These bays are also allocated by the said department.

2.2 Free Services

No free services were rendered during the year under review.

2.3 Inventory

The Department does not have a store for inventory because the Department is not registered on the LOGIS procurement system at this stage. Stationery procured through the Human Settlements store is received and issued simultaneously to the line managers.

Report of the Accounting Officer

for the year ended 31 March 2011

3. Capacity constraints

The Province embarked on the modernisation process in 2009 resulting in a totally new structure being developed and the Department of Local Government and Housing was split in two stand-alone Departments, namely the Department of Human Settlements and the Department of Local Government as from 1 April 2010. The Department was restructured to ensure that the Department is optimally staffed and capacitated to deliver on its mandate. However, only 19 additional posts could be funded by shifting funds from consultants and transfer payments, and complementary efficiency measures.

The agency services agreement entered into between the Head of Department Human Settlements and the Head of Department Local Government was implemented successfully during 2010/2011, thus ensuring that Financial and Support Services are rendered effectively to both departments. This arrangement put a heavy burden on the Human Settlements support staff, but through hard (and smart) work, all deliverables were achieved.

This agreement will stay in place for the 2011/12 financial year with the exception of a small CFO structure, concentrating on the management accounting function which will be established at the Department.

A service level agreement was also concluded with the Corporate Services Centre (CSC) for human resource management, internal audit, information technology and enterprise risk management. The initial implementation challenges experienced in respect of certain corporate functions were dealt with by regular interactions with the CSC and the Department is confident that this initiative will deliver on the outcomes as anticipated.

4. Utilisation of donor funds

No donor funds were received or utilised by the Department.

5. Trading entities and public entities

None

6. Organisations to whom transfer payments have been made

All transfer payments and the purpose for the payments made are reported in Annexure 1A– 1E of the Notes to the Annual Financial Statements.

“Accountability arrangements in place over each transfer payment made” are stipulated in the individual agreements to the entities receiving the transfer payments.

7. Public private partnerships (PPP)

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

Report of the Accounting Officer

for the year ended 31 March 2011

8. Corporate governance arrangements

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

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

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

The departmental Anti-Fraud and Corruption Strategy, which is the first of its kind for the Western Cape provincial government, was formally launched on 13 May 2008. Compulsory awareness sessions for all staff will again be conducted in co-operation with the CSC in the next financial year. A strategic risk assessment was done as a platform and foundation to be used by the Department in identifying and controlling the business risks of the Department. The updated risk register also informed the internal audit plan for 2011/12.

The establishment of a Fraud and Risk Management Committee assisted the Accounting Officer to create a strong culture in the Department to fight fraud and corruption.

Through excellent co-operation between the Department, the Special Investigating Unit and the Forensic Investigative Unit of the Department of the Premier, we are also making progress in the investigation of alleged corruption at municipalities.

The Department had regular engagements with the Audit Committee and other governance structures throughout the year.

The department has implemented a system to manage the conflicts of interest of employees by ensuring that all SMS members and all members of Bid committees are compelled to declare their conflict of interest annually.

9. Discontinued activities/activities to be discontinued

No activities were discontinued or are to be discontinued.

10. New/proposed activities

As from the 2011/12 financial year, the mobile Thusong Mobiles were shifted from the Department of the Premier and a limited CFO Office will be established in the Department.

11. Asset management

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

Report of the Accounting Officer

for the year ended 31 March 2011

12. Events after the reporting date

No events occurred between 31 March 2011 and the date of approval of the financial statements that necessitated adjusting the financial statements as on 31 March 2011.

13. Performance information

The Department and the Auditor-General identified shortcomings on reliable/verifiable performance information (ex Department of Local Government and Housing). The Internal Audit unit performed an audit on the processes for the quarterly reports and made recommendations, which the Department implemented in 2009/10. Round table discussions are held every quarter in which all performance information is interrogated and validated. All data sources are indicated as well. Apart from the quarterly reports, all managers reported monthly on their targets to their respective heads. The performance targets also part of the performance agreements of line managers.

14. Scopa resolutions

Auditor-General report on the 2009/10 annual financial statements

Reference to previous audit and Scopa resolutions	Recommendations	Progress on the recommendations
Only the Department of Human Settlements has to date started with the process of developing their business process mapping which is of great concern.	Departments to report on how the business process mapping of the IT system will be developed for both the Department of Local Government and the Department of Human Settlements after the infrastructure component has been developed via the Shared Services Centre within the Department of the Premier.	This issue was addressed by the Department of the Premier as part of the SLA with the CSC.

15. Prior modifications to audit reports

None.

16. Exemptions and deviations received from the National Treasury

The Department did not apply or receive any exemptions from the PFMA or National Treasury Regulations or deviations from the National Treasury from financial reporting requirements for the previous and current financial years.

Report of the Accounting Officer

for the year ended 31 March 2011

17. Other

Comparative figures:

The Department of Local Government and Housing split into two stand-alone departments, namely the Department of Local Government and the Department of Human Settlements, on 1 April 2011. By direction of National Treasury, the comparative figures for 2009/10 will only be reflected in the Annual Financial Statements of the Department of Human Settlements.

There is no material fact or circumstances, which may have an effect on the understanding of the financial state of affairs.

18. 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.

19. Approval

The Annual Financial Statements set out on pages 27 to 86 have been approved by the Accounting Officer.



(HFAST)
(ACCOUNTING OFFICER)
DATE: 2011.05.31

Report of the Auditor-General

for the year ended 31 March 2011

REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON VOTE NO. 14: WESTERN CAPE DEPARTMENT OF LOCAL GOVERNMENT

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Western Cape Department of Local Government (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 46 - 79.

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) and 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

Report of the Auditor-General

for the year ended 31 March 2011

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.

Opinion

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

Additional matters

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

Unaudited supplementary schedules

8. The supplementary information set out in annexures 1 to 5 on pages 80 to 86 do not form part of the financial statements and is presented as additional information. I have not audited these annexures and, accordingly, I do not express an opinion thereon.

Financial reporting framework

9. 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

10. 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 9 to 26 and material non-compliance with laws and regulations applicable to the department.

Report of the Auditor-General

for the year ended 31 March 2011

Predetermined objectives

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

Compliance with laws and regulations

Procurement and contract management

12. Goods and services with a transaction value above R500 000 were procured without process of a competitive bid process and the deviation was not approved by the accounting officer as per the requirement of Treasury regulation 16A6.4 and Practice Note 8 of 2007/08.
13. 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

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 considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

Leadership

15. The accounting officer did not sufficiently evaluate whether management has implemented effective internal controls to ensure that senior management met its responsibilities. This is evident by the non-compliance matters identified relating to supply chain management (SCM) regulations.

Financial and performance management

16. Management has not sufficiently ensured that proper guidance is provided to all staff involved in the procurement process and that sufficient training has occurred to ensure compliance with SCM regulations.

Report of the Auditor-General

for the year ended 31 March 2011

OTHER REPORTS

Investigations in progress

17. The following matter was under investigation and the outcome is not yet known:
 - Alleged procurement irregularities involving, inadequate qualifications of officials, nepotism and financial mismanagement.
18. Various investigations in respect of irregularities at municipalities were conducted by the Special Investigative Unit (SIU). The department is responsible for the payment of these investigations.



Cape Town
31 July 2011



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

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.

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.

Accounting Policies

for the year ended 31 March 2011

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 amounts 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.

2.3 Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Direct Exchequer payments

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

2.5 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Accounting Policies

for the year ended 31 March 2011

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

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.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on 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

Accounting Policies

for the year ended 31 March 2011

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-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.

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

Accounting Policies

for the year ended 31 March 2011

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 are derecognised as and when the goods/services are received or the funds are utilised.

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 (including departmental employees) and are derecognised upon recovery or write-off.

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

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 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 formula.

Accounting Policies

for the year ended 31 March 2011

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded in the asset register 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.

All assets acquired prior to 1 April 2002 are included in the register at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets" 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.

4.8.2 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.

Accounting Policies

for the year ended 31 March 2011

5.3 Contingent assets

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

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 Impairment and other provisions

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

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.

Accounting Policies

for the year ended 31 March 2011

6. Receivables for departmental revenue

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

7. Net Assets

7.1 Capitalisation reserve

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

7.2 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.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

Appropriation Statement

for the year ended 31 March 2011

Appropriation per programme									
Programmes	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Administration									
Current payment	8,739	294	-	9,033	9,033	-	100.0	-	-
Transfers and subsidies	2	-	(1)	1	1	-	100.0	-	-
Payment for capital assets	2,130	-	739	2,869	2,869	-	100.0	-	-
Payment for financial assets	400	(294)	(104)	2	2	-	100.0	-	-
	11,271	-	634	11,905	11,905	-	-	-	-
2. Local Governance									
Current payment	69,405	(17)	(4,431)	64,957	64,861	96	99.9	-	-
Transfers and subsidies	13,708	17	1	13,726	12,375	1,351	90.2	-	-
Payment for capital assets	90	-	388	478	478	-	100.0	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
	83,203	-	(4,042)	79,161	77,714	1,447	-	-	-
3. Development and Planning									
Current payment	13,430	-	4,535	17,965	17,965	-	100.0	-	-
Transfers and subsidies	3,100	-	-	3,100	3,100	-	100.0	-	-
Payment for capital assets	2,005	-	(1,127)	878	5	873	0.6	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
	18,535	-	3,408	21,943	21,070	873	-	-	-
Total	113,009	-	-	113,009	110,689	2,320	97.9	-	-
Reconciliation with Statement of Financial Performance									
Add: Departmental receipts				96				-	
Actual amounts per Statement of Financial Performance (Total Revenue)				113,105				-	
Actual amounts per Statement of Financial Performance Expenditure					110,689				-

Appropriation Statement

for the year ended 31 March 2011

Appropriation per Economic classification									
Economic classification	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	71,637	444	726	72,807	72,807	-	100.0	-	-
Goods and services	19,861	(119)	(622)	19,120	19,024	96	99.5	-	-
Interest and rent on land	76	(48)	-	28	28	-	100.0	-	-
Transfers & subsidies									
Provinces & municipalities	14,686	-	-	14,686	13,415	1,271	91.3	-	-
Departmental agencies & accounts	300	-	-	300	300	-	100.0	-	-
Universities & technikons	-	-	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1,740	-	-	1,740	1,660	80	95.4	-	-
Households	82	17	-	99	99	-	100.0	-	-
Gifts and donations	2	-	-	2	2	-	100.0	-	-
Payment for capital assets									
Buildings & other fixed structures	-	-	-	-	-	-	-	-	-
Machinery & equipment	4,225	-	-	4,225	3,352	873	79.3	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land & subsoil assets	-	-	-	-	-	-	-	-	-
Software & other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	400	(294)	(104)	2	2	-	100.0	-	-
Total	113,009	-	-	113,009	110,689	2,320	97.9	-	-

Appropriation Statement

for the year ended 31 March 2011

Detail per programme 1 - Administration for the year ended 31 March 2011

Details per Sub-programme	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	
1.1 Office of the MEC									
Current payment	1	(1)	-	-	-	-	-	-	-
1.2 Corporate Services									
Current payment	8,738	295	-	9,033	9,033	-	100.0	-	-
Transfers and subsidies	2	-	(1)	1	1	-	100.0	-	-
Payment for capital assets	2,130	-	739	2,869	2,869	-	100.0	-	-
Payment for financial assets	400	(294)	(104)	2	2	-	100.0	-	-
Total	11,271	-	634	11,905	11,905	-	100.0	-	-

Programme 1 Per Economic classification	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	
Current payments									
Compensation of employees	5,792	315	-	6,107	6,107	-	100.0	-	-
Goods and services	2,947	(26)	-	2,921	2,921	-	100.0	-	-
Interest and rent on land	-	5	-	5	5	-	100.0	-	-
Transfers & subsidies									
Gifts and donations	2	-	(1)	1	1	-	100.0	-	-
Payment for capital assets									
Machinery & equipment	2,130	-	739	2,869	2,869	-	100.0	-	-
Payment for financial assets									
	400	(294)	(104)	2	2	-	100.0	-	-
Total	11,271	-	634	11,905	11,905	-	100.0	-	-

Appropriation Statement

for the year ended 31 March 2011

Detail per programme 2 - Local Governance for the year ended 31 March 2011

Details per Sub-Programme	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
2.1 Municipal Administration									
Current payment	12,749	(1,200)	(1,847)	9,702	9,606	96	99.0	-	-
Transfers and subsidies	7,516	17	1	7,534	6,431	1,103	85.4	-	-
Payment for capital assets	68	-	369	437	437	-	100.0	-	-
2.2 Public Participation									
Current payment	39,642	1,183	-	40,825	40,825	-	100.0	-	-
Transfers and subsidies	3,592	-	-	3,592	3,344	248	93.1	-	-
2.3 Capacity Development									
Current payment	17,014	-	(2,584)	14,430	14,430	-	100.0	-	-
Transfers and subsidies	2,600	-	-	2,600	2,600	-	100.0	-	-
Payment for capital assets	22	-	19	41	41	-	100.0	-	-
Total	83,203	-	(4,042)	79,161	77,714	1,447	98.2	-	-

Appropriation Statement

for the year ended 31 March 2011

Detail per programme 2 - Local Governance for the year ended 31 March 2011

Programme 2 Per Economic classification	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	56,558	129	-	56,687	56,687	-	100.0	-	-
Goods and services	12,773	(95)	(4,431)	8,247	8,151	96	98.8	-	-
Interest and rent on land	74	(51)	-	23	23	-	100.0	-	-
Transfers & subsidies									
Provinces & municipalities	12,186	-	-	12,186	10,915	1,271	89.6	-	-
Non-profit institutions	1,440	-	-	1,440	1,360	80	94.4	-	-
Households	82	17	-	99	99	-	100.0	-	-
Gifts and donations	-	-	1	1	1	-	100.0	-	-
Payment for capital assets									
Machinery & equipment	90	-	388	478	478	-	100.0	-	-
Total	83,203	-	(4,042)	79,161	77,714	1,447	98.2	-	-

Appropriation Statement

for the year ended 31 March 2011

Detail per programme 3 – Development and Planning for the year ended 31 March 2011

Details per Sub-programme	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
3.1 Municipal Infrastructure									
Current payment	3,789	-	1,504	5,293	5,293	-	100.0	-	-
Transfers and subsidies	500	-	-	500	500	-	100.0	-	-
3.2 Disaster Management									
Current payment	9,641	-	3,031	12,672	12,672	-	100.0	-	-
Transfers and subsidies	2,600	-	-	2,600	2,600	-	100.0	-	-
Payment for capital assets	2,005	-	(1,127)	878	5	873	0.6	-	-
Total	18,535	-	3,408	21,943	21,070	873	96.0	-	-

Programme 3 Per Economic classification	2010/2011							2009/2010	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	9,287	-	726	10,013	10,013	-	100.0	-	-
Goods and services	4,141	2	3,809	7,952	7,952	-	100.0	-	-
Interest and rent on land	2	(2)	-	-	-	-	-	-	-
Transfers & subsidies									
Provinces & municipalities	2,500	-	-	2,500	2,500	-	100.0	-	-
Departmental agencies & accounts	300	-	-	300	300	-	100.0	-	-
Non-profit institutions	300	-	-	300	300	-	100.0	-	-
Payment for capital assets									
Machinery & equipment	2,005	-	(1,127)	878	5	873	0.6	-	-
Total	18,535	-	3,408	21,943	21,070	873	96.0	-	-

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 7 (Transfers and subsidies), disclosure notes and Annexure 1 (A-E) 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 financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in the note to Financial transactions in assets and liabilities to the Annual Financial Statements.

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

4.1 Per programme

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final
	R'000	R'000	R'000	Approp.%
Programme 1: Administration	11,905	11,905	-	0.00
Programme 2: Local Governance	79,161	77,714	1,447	1.83
Programme 3: Development and planning	21,943	21,070	873	3.98

Transfer iro. Thusong centres (R1,000,000) not paid to the City of Cape Town (CoCT) due to service level agreement not signed and amount not appropriated by the CoCT. The Department submitted a request to the Provincial Treasury for the roll over of the unspent committed funds. R271,000 not paid due to service level agreements not signed in time and R80,000 saving on transfers to NGO's for management of the Thusong centres. Furthermore, R96,000 saving on goods and services.

Capital budget for the installation of a video wall at the Disaster management centre not spent due to delays with the procurement process via SITA. Application for the roll over of the committed funds were made to the Provincial Treasury.

Notes to the Appropriation Statement

for the year ended 31 March 2011

4.2 Per economic classification

Per economic classification	Final	Actual	Variance	Variance as a %
	Appropriation	Expenditure		of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	72,807	72,807	-	0.00
Goods and services	19,120	19,024	96	0.50
Interest and rent on land	28	28	-	0.00
Transfers and subsidies				
Provinces and municipalities	14,686	13,415	1,271	8.66
Departmental agencies and accounts	300	300	-	0.00
Non-profit institutions	1,740	1,660	80	4.60
Households	101	101	-	0.00
Payments for capital assets				
Machinery and equipment	4,225	3,352	873	20.66
Payments for financial assets				
	2	2	-	0.00
	113,009	110,689	2,320	2.05

Transfer iro. Thusong centres (R1,000,000) not paid to the City of Cape Town due to the service level agreement not signed during the financial year and R271 000 not paid iro. the CDW operational grant, as well as the capital budget for the procurement of a video wall at the Disaster management centre not spent due to delays with the procurement process via SITA, R96,000 under-expenditure on goods and services and R80,000 not paid to NGO's for the management of the Thusong centres.

Statement of Financial Performance

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
REVENUE			
Annual appropriation	1	113,009	-
Departmental revenue	2	96	-
TOTAL REVENUE		113,105	-
EXPENDITURE			
Current expenditure			
Compensation of employees	3	72,807	-
Goods and services	4	19,024	-
Interest and rent on land	5	28	-
Total current expenditure		91,859	-
Transfers and subsidies			
Transfers and subsidies	7	15,476	-
Total transfers and subsidies		15,476	-
Expenditure for capital assets			
Tangible capital assets	8	3,352	-
Total expenditure for capital assets		3,352	-
Payments for financial assets	6	2	-
TOTAL EXPENDITURE		110,689	-
SURPLUS FOR THE YEAR		2,416	-
Reconciliation of Net Surplus for the year			
Voted Funds		2,320	-
Annual appropriation		2,320	-
Departmental revenue	13	96	-
SURPLUS FOR THE YEAR		2,416	-

Statement of Financial Position

as at 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
ASSETS			
Current Assets			
		6,196	-
Cash and cash equivalents	9	5,629	-
Prepayments and advances	10	36	-
Receivables	11	531	-
TOTAL ASSETS		6,196	-
LIABILITIES			
Current Liabilities			
		6,176	-
Voted funds to be surrendered to the Revenue Fund	12	2,320	-
Departmental revenue to be surrendered to the Revenue Fund	13	7	-
Bank overdraft	14	3,845	-
Payables	15	4	-
TOTAL LIABILITIES		6,176	-
NET ASSETS			
		20	-
Represented by:			
Recoverable revenue		20	-
TOTAL		20	-

Statement of Changes in Net Assets

for the year ended 31 March 2011

	2010/11 R'000	2009/10 R'000
Recoverable revenue		
Transfers	20	-
Debts revised	(101)	-
Debts recovered (included in departmental receipts)	(37)	-
Debts raised	158	-
Closing balance	20	-
Total	20	-

Cash Flow Statement

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		113,702	-
Annual appropriated funds received	1.1	113,009	-
Departmental revenue received	2	693	-
Net increase in working capital		(563)	-
Surrendered to Revenue Fund	13	(686)	-
Current payments		(91,859)	-
Payments for financial assets	6	(2)	-
Transfers and subsidies paid	7	(15,476)	-
Net cash flow available from operating activities	16	5,116	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(3,352)	-
Net cash flows from investing activities		(3,352)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		20	-
Net cash flows from financing activities		20	-
Net increase in cash and cash equivalents	17	1,784	-
Cash and cash equivalents at end of period		1,784	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

1.	Annual Appropriation	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation Received
1.1	Annual Appropriation	2010/11 R'000	2010/11 R'000	2010/11 R'000	2009/10 R'000
	Programmes				
	ADMINISTRATION	11,905	11,905	-	-
	LOCAL GOVERNANCE	79,161	79,161	-	-
	DEVELOPMENT & PLANNING	21,943	21,943	-	-
	Total	113,009	113,009	-	-
			Note	2010/11 R'000	2009/10 R'000
2.	Departmental Revenue				
	Sales of goods and services other than capital assets		2.1	49	-
	Interest, dividends and rent on land		2.2	12	-
	Transactions in financial assets and liabilities		2.3	582	-
	Transfer received		2.4	50	-
	Total revenue collected			693	-
	Less: Own revenue included in appropriation		13	(597)	-
	Departmental revenue collected			96	-
<p>Included in the above is an amount of R547,000 received from the CoCT as a repayment of a transfer received for the management and operational cost of the Bonteheuwel Thusong centre.</p>					
2.1	Sales of goods and services other than capital assets		2		
	Sales of goods and services produced by the department			49	-
	Administrative fees			49	-
	Total			49	-
2.2	Interest, dividends and rent on land		2		
	Interest			12	-
	Total			12	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
2.3 Transactions in financial assets and liabilities			
Other Receipts including Recoverable Revenue	2	582	-
Total		582	-
2.4 Transfers received			
Other governmental units	2	50	-
Total		50	-
R50,000 was received from DWAF as an award for the Department's management of the Eden floods and drought and was appropriated in the Adjustments budget.			
3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		49,205	-
Performance award		716	-
Service Based		3,687	-
Compensative/circumstantial		1,821	-
Periodic payments		22	-
Other non-pensionable allowances		6,712	-
Total		62,163	-
3.2 Social Contributions			
Employer contributions			
Pension		6,262	-
Medical		4,366	-
Bargaining council		16	-
Total		10,644	-
Total compensation of employees		72,807	-
Average number of employees		306	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
4. Goods and services			
Administrative fees		46	-
Advertising		202	-
Assets less than R5,000	4.1	451	-
Bursaries (employees)		60	-
Catering		369	-
Communication		2,113	-
Computer services	4.2	93	-
Consultants, contractors and agency/outsourced services	4.3	7,369	-
Entertainment		33	-
Audit cost – external	4.4	3,161	-
Inventory	4.5	1,055	-
Operating leases		622	-
Owned and leasehold property expenditure	4.6	1	-
Travel and subsistence	4.7	2,754	-
Venues and facilities		260	-
Training and staff development		235	-
Other operating expenditure	4.8	200	-
Total		19,024	-
4.1 Assets less than R5,000			
Tangible assets		451	-
Machinery and equipment	4	451	-
Total		451	-
4.2 Computer services			
External computer service providers	4	93	-
Total		93	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
4.3 Consultants, contractors and agency/outsourced services	4		
Business and advisory services		2,574	-
Infrastructure and planning		280	-
Legal costs		552	-
Contractors		3,833	-
Agency and support/outsourced services		130	-
Total		7,369	-
<p>The expenditure on contractors is in the contracting of aircraft to combat fires in the Western Cape.</p>			
4.4 Audit cost – external	4		
Regularity audits		174	-
Investigations		2,987	-
Total		3,161	-
<p>The audit fees for the Department was paid by Vote 8: Human settlements, except for the accounts related to the planning of the 2010/11 audit by AGSA. The payments made to the SIU for investigations into alleged irregularities at municipalities is indicated under the investigations above.</p>			
4.5 Inventory	4		
Other consumable materials		43	-
Maintenance material		95	-
Stationery and printing		917	-
Total		1,055	-
4.6 Property payments	4		
Municipal services		1	-
Total		1	-
4.7 Travel and subsistence	4		
Local		2,754	-
Total		2,754	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
4.8 Other operating expenditure	4		
Learnerships		26	
Resettlement costs		120	
Other		54	
Total		200	
5. Interest and Rent on Land			
Interest paid		28	
Total		28	
6 Payments for financial assets			
Other material losses written off	6.1	2	
Total		2	
6.1 Other material losses written off	6		
Nature of losses			
GG Vehicle damages		2	
Total		2	
7. Transfers and Subsidies			
Provinces and municipalities	Annexure 1A	13,415	
Departmental agencies and accounts	Annexure 1B	300	
Non-profit institutions	Annexure 1C	1,660	
Households	Annexure 1D	99	
Gifts, donations and sponsorships made	Annexure 1E	2	
Total		15,476	
8. Expenditure for capital assets			
Tangible assets		3,352	
Machinery and equipment	8.1	3,352	
Total		3,352	

Notes to the Annual Financial Statements

for the year ended 31 March 2011

8.1 Analysis of funds utilised to acquire capital assets - 2010/11

	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	3,352	-	3,352
Machinery and equipment	3,352	-	3,352
Total	3,352	-	3,352

9. Cash and Cash Equivalents

Cash with commercial Banks (Local)

Total

	2010/11 R'000	2009/10 R'000
	5,629	-
Total	5,629	-

10. Prepayments and Advances

Travel and subsistence

Total

	2010/11 R'000	2009/10 R'000
	36	-
Total	36	-

2010/11

	Note	Less than one year R'000	One to three years R'000	Older than three years R'000	Total R'000	2009/10 R'000
11. Receivables						
Claims recoverable	11.1 Annex 3	111	-	-	111	-
Recoverable expenditure	11.2	303	-	-	303	-
Staff debt	11.3	39	65	13	117	-
Total		453	65	13	531	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
11.1 Claims recoverable	11		
Provincial departments		76	-
Private enterprises		35	-
Total		111	-
11.2 Recoverable expenditure (disallowance accounts)	11		
Disallowance account: Miscellaneous		22	-
Damages : GG-vehicles		65	-
Theft : Laptops		19	-
Overpayment of supplier		197	-
Total		303	-
11.3 Staff debt	11		
Bursaries		30	-
Irregular expenditure not condoned		30	-
Income tax		3	-
Telephone		13	-
Salary		41	-
Total		117	-
12. Voted Funds to be Surrendered to the Revenue Fund			
Transfer from statement of financial performance		2,320	-
Closing balance		2,320	-
13. Departmental revenue to be surrendered to the Revenue Fund			
Transfer from Statement of Financial Performance		96	-
Own revenue included in appropriation		597	-
Paid during the year		(686)	-
Closing balance		7	-
14. Bank Overdraft			
Consolidated Paymaster General Account		3,845	-
Total		3,845	-

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
15. Payables - current			
Clearing accounts	15.1	2	-
Other payables	15.2	2	-
Total		4	-
15.1 Clearing accounts	15		
Salary clearing accounts - Pension		2	-
Total		2	-
15.2 Other payables	15		
Over-payment of refund by supplier		2	-
Total		2	-
16. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		2,416	-
Add back non cash/cash movements not deemed operating activities		2,700	-
Increase in receivables – current		(531)	-
Increase in prepayments and advances		(36)	-
Increase in payables – current		4	-
Expenditure on capital assets		3,352	-
Surrenders to Revenue Fund		(686)	-
Own revenue included in appropriation		597	-
Net cash flow generated by operating activities		5,116	-
17. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		(3,845)	-
Cash with commercial banks (Local)		5,629	-
Total		1,784	-

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

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

	Note	2010/11 R'000	2009/10 R'000
18. Contingent liabilities and contingent assets			
18.1 Contingent liabilities			
Liable to			
Claims against the department	Annex 2	100	-
Other departments (interdepartmental unconfirmed balances)	Annex 4	50	-
Other	Annex 2	100	-
Total		250	-
19. Commitments			
Current expenditure			
Approved and contracted		1,834	-
		1,834	-
Capital Expenditure (including transfers)			
Approved but not yet contracted		1,873	-
		1,873	-
Total Commitments		3,707	-

Included in the above is contracted commitments for consultants (R1,136,000) and uncontracted commitments for the video wall (R873,000) as well as a capital transfer iro a Thusong centre (R1,000 000) for which application was made to the Provincial Treasury for roll-over.

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

			2010/11 R'000	2009/10 R'000
20. Accruals				
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	103	1,032	1,135	-
Transfers and subsidies	-	20	20	-
Capital assets	25	19	44	-
Total	128	1,071	1,199	-
			2010/11 R'000	2009/10 R'000
			Note	
Listed by programme level				
Programme 1: Administration			646	-
Programme 2: Local Governance			447	-
Programme 3: Development and Planning			106	-
Total			1,199	-
Confirmed balances with departments	Annex 4		3,260	-
Total			3,260	-
21. Employee benefits				
Leave entitlement			2,376	
Service bonus (Thirteenth cheque)			1,941	
Performance awards			1,075	
Capped leave commitments			1,349	
Total			6,741	

Included in leave entitlement are leave credits amounting to R157,000.

22. Lease Commitments

22.1 Operating leases expenditure

	Specialised military assets	Land	Buildings & other fixed structures	Machinery and equipment	Total
2010/11	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	323	323
Later than 1 year and not later than 5 years	-	-	-	422	422
Total lease commitments	-	-	-	745	745

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

22.2 Finance leases expenditure

	Specialised military assets	Land	Buildings & other fixed structures	Machinery and equipment	Total
2010/11	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	236	236
Later than 1 year and not later than 5 years	-	-	-	100	100
Total lease commitments	-	-	-	336	336
LESS: finance costs	-	-	-	25	25
Total present value of lease liabilities	-	-	-	311	311

The Department has leased assets (cellphone & datacard agreements) under finance leases amounting to R440,300.

	Note	2010/11 R'000	2009/10 R'000
23. Irregular expenditure			
23.1 Reconciliation of irregular expenditure			
Add: Irregular expenditure - relating to current year		913	-
Irregular expenditure awaiting condonation		913	-
Analysis of awaiting condonation per age classification			
Current year		913	-
Total		913	-
23.2 Details of irregular expenditure - current year			2010/11 R'000
Incident	Disciplinary steps taken/criminal proceedings		
Deviation from Treasury Regulation 16A6.4:	To be investigated		913
No competitive bidding			
			913

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

24. Related party transactions

The Department occupies a building (27 Wale Street building) free of charge.

This building is the property of the WC: Department of Transport and Public Works.

All maintenance costs, municipal rates and taxes, municipal services, cleaning and security services in respect of the building are paid for by the WC: Department of Transport and Public Works.

The Department received corporate services from the Corporate Services Centre of the Department of the Premier: WC with effect from 1 April 2010 in respect of the following service areas: Information and communication technology, Organisation development, Provincial training (transversal), Human resource management, Enterprise risk management, Internal audit, Forensic investigations, Legal services and Corporate Communication.

The Department also received a free agency service iro financial and support functions from the WC: Department of Human Settlements.

	No. of Individuals	2010/11 R'000	2009/10 R'000
25. Key management personnel			
Officials:			
Level 15 to 16	1	1,378	-
Level 14 (incl CFO if at a lower level)	2	1,432	-
Total		2,810	-

No related party transactions were concluded with key management personnel or family members of key management personnel.

	2010/11 R'000	2009/10 R'000
26. Impairment and other provisions		
Other provisions		
Potential irrecoverable debts:		
Households (Out of service staff debt)	42	-
Private enterprises	35	-
Staff debt	31	-
Recoverable expenditure (Disallowance: damages & losses)	281	-
Total	389	-

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

27. Moveable Tangible Capital Assets

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

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	-	2,910	2,030	880
Transport assets	-	-	2,030	2,030	-
Computer equipment	-	-	519	-	519
Furniture and office equipment	-	-	361	-	361
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	-	-	2,910	2,030	880

27.1 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
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	3,352	-	(442)	-	2,910
Transport assets	2,030	-	-	-	2,030
Computer equipment	519	-	-	-	519
Furniture and office equipment	803	-	(442)	-	361
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	3,352	-	(442)	-	2,910

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

27.2 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
MACHINERY AND EQUIPMENT	-	2,030	2,030	-
Transport assets	-	2,030	2,030	-
TOTAL DISPOSAL MOVABLE TANGIBLE CAPITAL ASSETS	-	2,030	2,030	-

27.3 Minor assets

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

	Specialised military assets	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Additions	-	-	-	470	-	470
TOTAL MINOR ASSETS	-	-	-	470	-	470
Number of minor assets at cost	-	-	-	313	-	313
TOTAL NUMBER OF MINOR ASSETS	-	-	-	313	-	313

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1A

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
Thusong centres:										
City of Cape Town	1,000	-	-	1,000	-	-	-	-	-	-
Cape Winelands district municipality	1,500	-	-	1,500	1,500	100	1,500	1,500	100	-
Central Karoo district municipality	2,000	-	-	2,000	2,000	100	2,000	2,000	100	-
Eden district municipality	1,500	-	-	1,500	1,500	100	1,500	1,500	100	-
CDW Operational cost grant:										
Cape Winelands district municipality	25	-	-	25	-	-	-	-	-	-
Central Karoo district municipality	100	-	-	100	100	100	100	100	100	-
West Coast district municipality	99	-	-	99	75	76	75	75	100	-
Mun: Beaufort-West	299	-	-	299	299	100	299	299	100	-
Mun: Berg river	100	-	-	100	100	100	100	100	100	-
Mun: Bitou	75	-	-	75	75	100	75	75	100	-
Mun: Breede Valley	225	-	-	225	225	100	225	225	100	-
Mun: Cape Agulhas	50	-	-	50	50	100	50	50	100	-
Mun: Cederberg	225	-	-	225	225	100	225	225	100	-
Mun: Drakenstein	343	-	-	343	343	100	343	343	100	-
Mun: George	149	-	-	149	149	100	149	149	100	-
Mun: Hessequa	50	-	-	50	50	100	50	50	100	-
Mun: Kannaland	175	-	-	175	175	100	175	175	100	-
Mun: Knysna	74	-	-	74	74	100	74	74	100	-
Mun: Laingsburg	125	-	-	125	125	100	125	125	100	-
Mun: Langeberg	98	-	-	98	-	-	-	-	-	-
Mun: Matzikama	200	-	-	200	200	100	200	200	100	-
Mun: Mossel Bay	125	-	-	125	125	100	125	125	100	-
Mun: Oudtshoorn	75	-	-	75	75	100	75	75	100	-
Mun: Overstrand	100	-	-	100	100	100	100	100	100	-
Mun: Prince Albert	100	-	-	100	100	100	100	100	100	-
Mun: Saldanha Bay	75	-	-	75	75	100	75	75	100	-
Mun: Stellenbosch	125	-	-	125	125	100	125	125	100	-
Mun: Swartland	74	-	-	74	50	68	50	50	100	-
Mun: Swellendam	100	-	-	100	-	-	-	-	-	-
Mun: Theewaterkloof	175	-	-	175	175	100	175	175	100	-
Mun: Witzenberg	225	-	-	225	225	100	225	225	100	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1A

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES (Cont.)

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
Provincial management support grant:										
Central Karoo district municipality	1,000	-	-	1,000	1,000	100	1,000	1,000	100	-
West Coast district municipality	1,000	-	-	1,000	1,000	100	1,000	1,000	100	-
Mun: Beaufort-West	100	-	-	100	100	100	100	100	100	-
Mun: Laingsburg	500	-	-	500	500	100	500	500	100	-
Masterplanning (Mun. Infrastructure):										
Eden district municipality	300	-	-	300	300	100	300	300	100	-
Mun: Berg River										
Mun: Cederberg	200	-	-	200	200	100	200	200	100	-
Aerial Fire-fighting assistance:										
Mun: City Cape Town	335	-	-	335	335	100	335	335	100	-
Cape Winelands district municipality	333	-	-	333	333	100	333	333	100	-
Central Karoo district municipality	333	-	-	333	333	100	333	333	100	-
Eden district municipality	333	-	-	333	333	100	333	333	100	-
Overberg district municipality	333	-	-	333	333	100	333	333	100	-
West Coast district municipality	333	-	-	333	333	100	333	333	100	-
Total	14,686	-	-	14,686	13,415	-	13,415	13,415	-	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY ACCOUNT	GRANT ALLOCATION				TRANSFER		2009/10
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
NSRI (National Sea Rescue Institute)	300	-	-	300	300	100	-
Total	300	-	-	300	300	-	-

ANNEXURE 1C

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	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
NGO's: Thusong centre management	1,440	-	-	1,440	1,360	94	-
Lifesaving SA	300	-	-	300	300	100	-
Total	1,740	-	-	1,740	1,660	-	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1D 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	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuities	82	-	17	99	99	100	-
Total	82	-	17	99	99	-	-

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

NATURE OF GIFT, DONATION OR SPONSORSHIP	2010/11	2009/10
	R'000	R'000
Made in kind		
Sympathy flowers/fruit baskets	2	-
Total	2	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 2

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011

NATURE OF LIABILITY	Opening balance 1 April 2010	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2011
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Department of Local Government & GPSSBC : JC De Jongh	-	100	-	-	100
Sub-total	-	100	-	-	100
Other					
P.T. Booï, X Nyanga v. MEC for Local Government, Environmental Affairs & Development Planning & The Speaker City of Cape Town.	-	50	-	-	50
BG Mini, B Mafilika v. MEC for Local Government, Environmental Affairs Development Planning & The Speaker City of Cape Town.	-	50	-	-	50
Subtotal	-	100	-	-	100
TOTAL	-	200	-	-	200

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 3 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
Department						
Department of Human Settlements	58	-	18	-	76	-
Total	58	-	18	-	76	-

ANNEXURE 4 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
DEPARTMENTS						
Current						
Department of Justice & Constitutional Development	-	-	20	-	20	-
WC: Department of Transport & Public Works	-	-	12	-	12	-
WC: Department of the Premier	68	-	-	-	68	-
WC: Department of Human Settlements	3,192	-	18	-	3,210	-
Total	3,260	-	50	-	3,310	-

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 5 INVENTORY

	2010/11		2009/10	
	R'000	R'000	R'000	R'000
Inventory				
Opening balance	-	-	-	-
Add: Additions/Purchases - Cash	-	383	-	-
(Less): Issues	-	(383)	-	-
Closing balance	-	-	-	-

The additions and issues above represent stationery which is delivered directly to the line managers as the Department does not have a store for inventory, due to the Department not yet being registered on the LOGIS procurement system.



Human Resource Management

(OVERSIGHT REPORT)

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
To implement Performance Management Systems (PMS) at municipalities.	All municipalities in the Western Cape Province.	All municipalities in the Western Cape Province.	Support 10 municipalities with the implementation of enhanced PMS (senior management to lowest staff levels).	Support was provided to municipalities to implement a comprehensive Performance Management System. These systems are being funded from allocations made by the Department to 10 municipalities during 2009/10.
To monitor and support municipalities to comply with the Municipal Property Rates Act (MPRA).	All municipalities in the Western Cape.	All municipalities in the Western Cape.	Support 30 municipalities with MPRA implementation.	30 municipalities were supported with the MPRA implementation.

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

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
To implement Performance Management Systems (PMS) at municipalities a) Service level agreements and b) Memorandum of Understanding (MOU's) stipulated reporting mechanisms and c) Steering Committees are set up to drive the projects.	All municipalities in the Western Cape Province.	All municipalities in the Western Cape Province.	a) Service level agreements signed with each municipality b) Status and progress reports submitted to the Department; and Close out reports. c) Regular Steering Committee meetings took place.
To monitor and support municipalities to comply with the Municipal Property Rates Act (MPRA) a) Municipal visits b) Telephonic discussions c) Electronic e-mail services	All municipalities in the Western Cape.	All municipalities in the Western Cape.	a) Municipal visits conducted. b) Telephonic discussions c) Electronic e-mail services Additional consultation arrangements: d) Legal opinions

Human Resource Management

(OVERSIGHT REPORT)

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

Access Strategy	Actual achievements
To implement Performance Management Systems (PMS) at municipalities At municipalities.	Support was given to 10 municipalities where they are located.
To monitor and support municipalities to comply with the Municipal Property Rates Act (MPRA) At municipalities.	Support was given to 29 municipalities where they are located.

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

Types of information tool	Actual achievements
To implement Performance Management Systems (PMS) at municipalities a) Service level agreements b) Memorandum of Understanding (MOU's) c) Steering Committees d) Programmes e) Regional managers (All districts are assigned with regional managers to ensure effective communication between the municipalities and the Department).	a) Service level agreements signed with each municipality b) Memorandum of Understanding (MOU's); Progress reports; and Close out reports c) Steering Committee meetings d) Information on programmes available e) Regional managers (All districts are assigned with regional managers to ensure affective communication between the municipalities and the Department).
To monitor and support municipalities to comply with the Municipal Property Rates Act (MPRA) a) E-mail b) Facsimile c) Letters d) Reports e) Submissions f) Telephonic discussions g) Municipal visits	The following tools were successfully utilised: a) E-mail b) Facsimile c) Letters d) Reports e) Submissions f) Telephonic discussions g) Municipal visits

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

Complaints Mechanism	Actual achievements
To implement Performance Management Systems (PMS) at municipalities a) Written and verbal communication to supervisors b) Steering Committee meetings	a) Written and verbal communication to supervisors b) Steering Committee meetings
To monitor and support municipalities to comply with the Municipal Property Rates Act (MPRA) a) Written and verbal communication to supervisors b) Meetings	a) Written and verbal communication to supervisors b) Meetings conducted

Human Resource Management

(OVERSIGHT REPORT)

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, they provide an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within 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 percent of total expenditure	Average personnel cost per employee (R'000)	Total Number of Employees
Administration	11,923	6,107	143	2,978	51.2	278	22
Local Governance	77,715	56,688	147	8,540	72.9	185	306
Development and Planning	21,070	10,012	4	7,952	47.5	278	36
Total	110,708	72,807	294	19,470	65.7	200	364

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)	297	0.4	14	22
Skilled (Levels 3-5)	1,858	2.5	84	22
Highly skilled production (Levels 6-8)	36,372	49.5	162	225
Highly skilled supervision (Levels 9-12)	26,231	35.7	324	81
Senior management (Levels 13-16)	8,673	11.8	620	14
Total	* 73,431	100	202	** 364

* The costs reflected here include expenditure with regard to Permanent Personnel, Contract Officials and Interns, as per PERSAL. 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 difference in the figures between tables 4.2.1 and 4.2.2 above in respect of total personnel expenditure is due to the fact that table 4.2.2 does not include personnel expenditure (salaries) claimed and received from other departments. Furthermore, the two systems are not synchronised in respect of staff appointments and resignations and/or transfers to other Departments. Ultimately, the difference in the said personnel costs results in a difference between the figures for average personnel cost per employee.

** The total number of employees includes Permanent Personnel, Contract Officials and Interns remunerated during the reporting period, excluding the Minister.

Human Resource Management

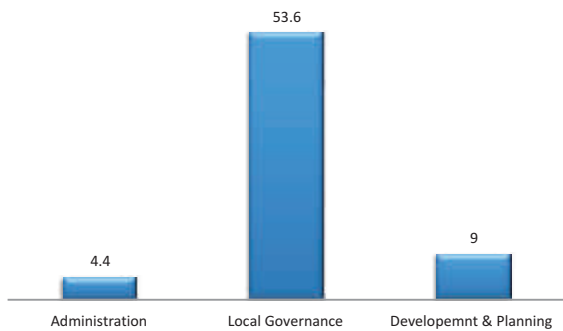
(OVERSIGHT REPORT)

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

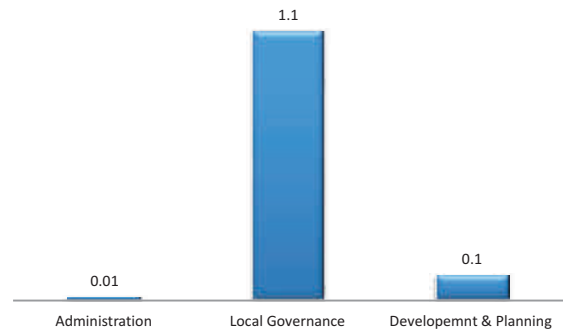
Table 4.2.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2010/11

Programme	Salaries		Overtime		Housing Allowance		Medical Assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	Housing Allowance as a % of personnel cost	Amount	Medical Assistance as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
Administration	3,226	4.4	2	0.01	128	0.2	192	0.3
Local Governance	39,383	53.6	786	1.1	1,676	2.3	3,848	5.2
Development and Planning	6,642	9	98	0.1	204	0.3	318	0.4
Total	49,251	67.1	886	1.2	2,008	2.7	4,358	5.9

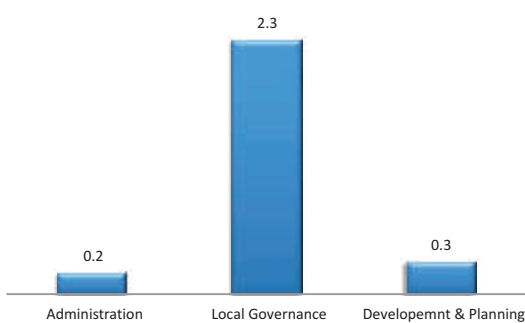
Salaries per programme as a % of personnel cost



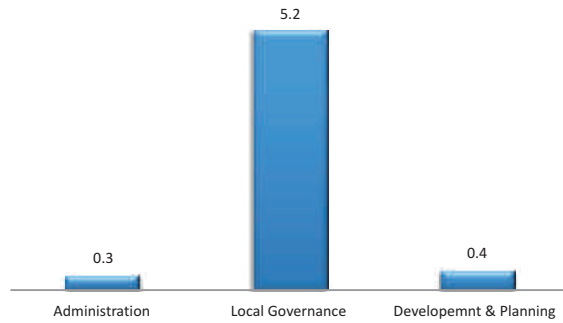
Overtime per programme as a % of personnel cost



Housing Allowance per programme as a % of personnel cost



Medical Assistance per programme as a % of personnel cost



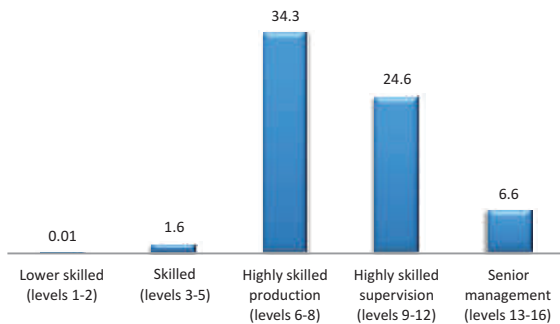
Human Resource Management

(OVERSIGHT REPORT)

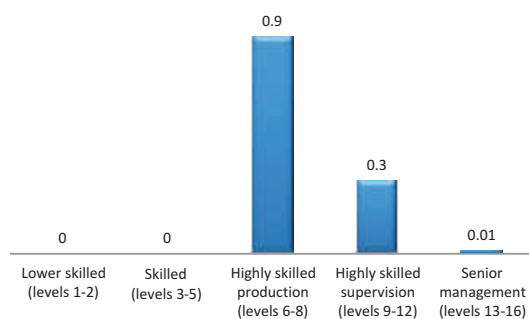
Table 4.2.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary bands, 2010/11

Salary Bands	Salaries		Overtime		Housing Allowance		Medical Assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	Housing Allowance as a % of personnel cost	Amount	Medical Assistance as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
Lower skilled (Levels 1-2)	5	0.01	-	-	-	-	-	-
Skilled (Levels 3-5)	1,147	1.6	12	0	85	0.1	181	0.2
Highly skilled production (Levels 6-8)	25,214	34.3	672	0.9	1,374	1.9	3,203	4.4
Highly skilled supervision (Levels 9-12)	18,044	24.6	192	0.3	325	0.4	808	1.1
Senior management (Levels 13-16)	4,842	6.6	9	0.01	224	0.3	166	0.2
Total	49,252	67.1	885	1.2	2,008		4,358	5.9

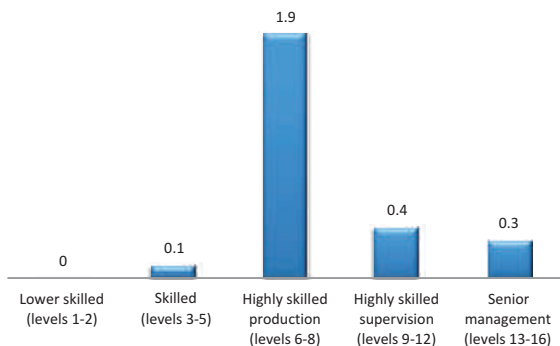
Salaries per salary band as a % of personnel cost



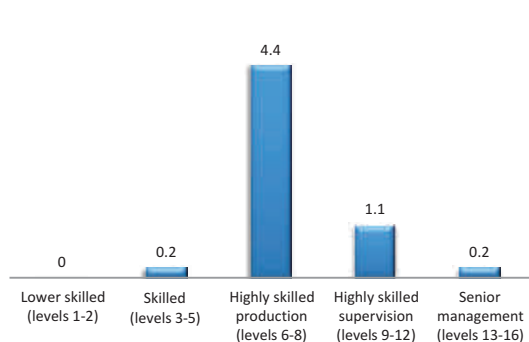
Overtime per salary band as a % of personnel cost



Housing Allowance per salary band as a % of personnel cost



Medical Assistance per salary band as a % of personnel cost



Human Resource Management

(OVERSIGHT REPORT)

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.

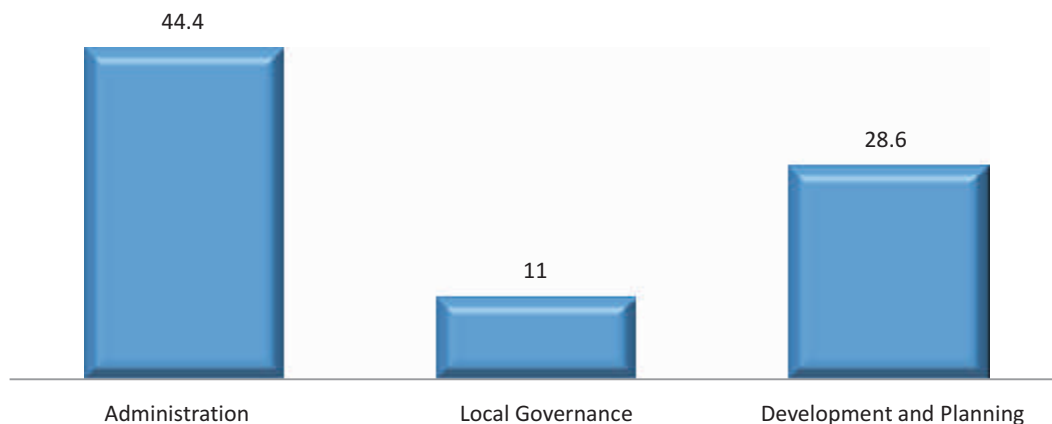
The vacancy rate reflects the percentage of posts that are not filled as per the approved post establishment.

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

Programme	Number of posts		Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
	Funded	Unfunded			
Administration	27	8	15	44.4	1
Local Governance	292	56	260	11	-
Development and Planning	42	18	30	28.6	-
Total	361	82	305	15.5	1

Note: The total of 306 includes 3 contract employees of which 1 is carried additional to the establishment.

Vacancy rate per programme



Human Resource Management

(OVERSIGHT REPORT)

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

Salary band	Number of posts		Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
	Funded	Unfunded			
Lower skilled (Levels 1-2)	1	-	1	-	-
Skilled (Levels 3-5)	12	14	12	-	-
Highly skilled production (Levels 6-8)	233	33	208	10.7	1
Highly skilled supervision (Levels 9-12)	99	24	72	27.3	-
Senior management (Levels 13-16)	16	1	12	25	-
Total	361	72	305	15.5	1

Vacancy rate per salary band

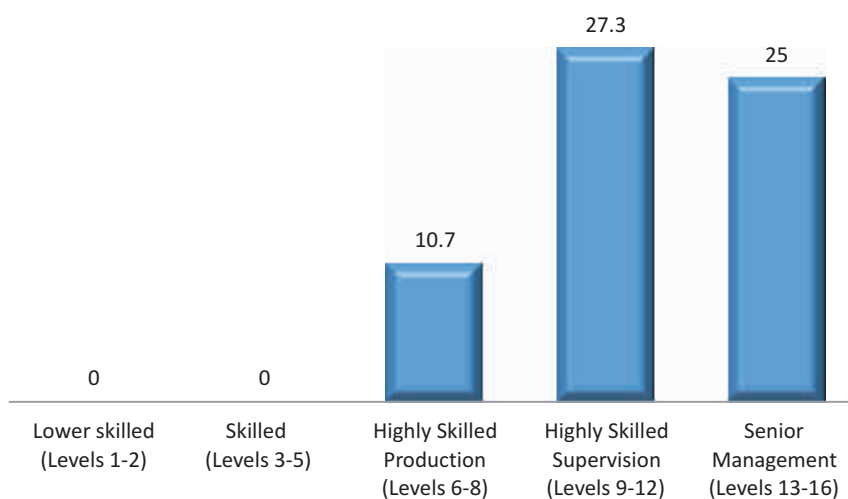


Table 4.3.3: Employment and vacancies by critical occupation, as on 31 March 2011

Critical occupations	Number of posts		Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
	Funded	Unfunded			
Engineering Technician	1	-	1	0.0	-
Construction Project Manager	6	3	4	33.3	-
Engineer	2	-	2	0.0	-
Total	8	3	6	25	-

Note: All posts identified as critical occupations are within the Occupational Specific Dispensation Group.

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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. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. 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)	1	-	-	-	-	-	-
Skilled (Levels 3-5)	26	2	7.7	-	-	-	-
Highly skilled production (Levels 6-8)	266	19	7.1	17	89.5	-	-
Highly skilled supervision (Levels 9-12)	133	7	5.3	3	42.9	-	-
Senior Management Service Band A	13	-	-	-	-	-	-
Senior Management Service Band B	3	-	-	-	-	-	-
Senior Management Service Band C	1	-	-	-	-	-	-
Senior Management Service Band D	-	-	-	-	-	-	-
Total	443	28	6.3	20	71.4	-	-

Note: The majority of posts as per the approved establishment were evaluated with the implementation of the new structure on 1 April 2010. The 28 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

Beneficiaries	African	Asian	Coloured	White	Total
Female	-	-	2	-	2
Male	-	-	-	-	-
Total	-	-	2	-	2
Employees with a disability					None

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The following table summarises the profile of employees whose remuneration levels exceeded the grade determined by job evaluation.

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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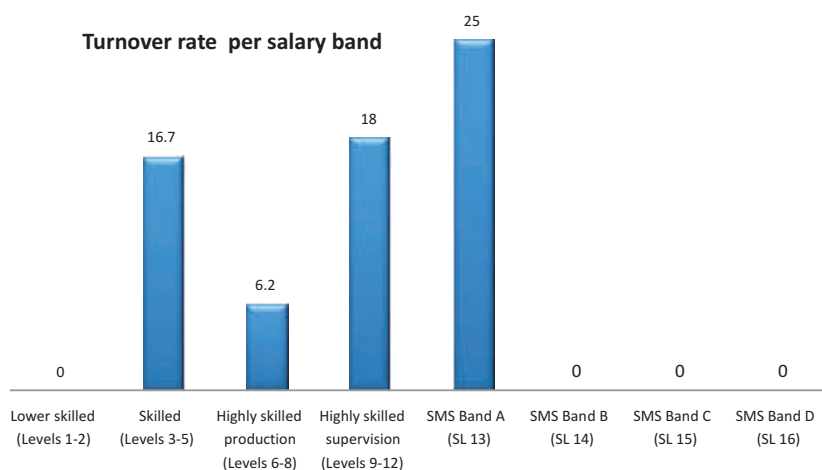
4.5. EMPLOYMENT CHANGES

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)	-	1	-	-	-	-
Skilled (Levels 3-5)	12	1	1	2	-	16.7
Highly skilled production (Levels 6-8)	211	4	4	11	2	6.2
Highly skilled supervision (Levels 9-12)	61	10	3	10	1	18
SMS Band A (SL 13)	4	4	3	-	1	25
SMS Band B (SL 14)	-	2	-	1	-	-
SMS Band C (SL 15)	1	-	1	-	-	-
SMS Band D (SL 16)	-	-	-	-	-	-
Total	289	22	12	24	4	9.7

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



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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
Engineering Technician	1	-	-	-	-	0.0
Construction Project Manager	3	-	-	-	-	0.0
Engineer	2	-	-	-	-	0.0
Total	6	-	-	-	-	0.0

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	2	6.7
Resignation	7	23.3
Expiry of contract	11	36.7
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	3.3
Retirement	3	10
Transfers to other Public Service Departments	6	20
Total	30	100
Total number of employees who left as a % of the total employment		10.4%

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

Reasons why staff are leaving the employ of the Department

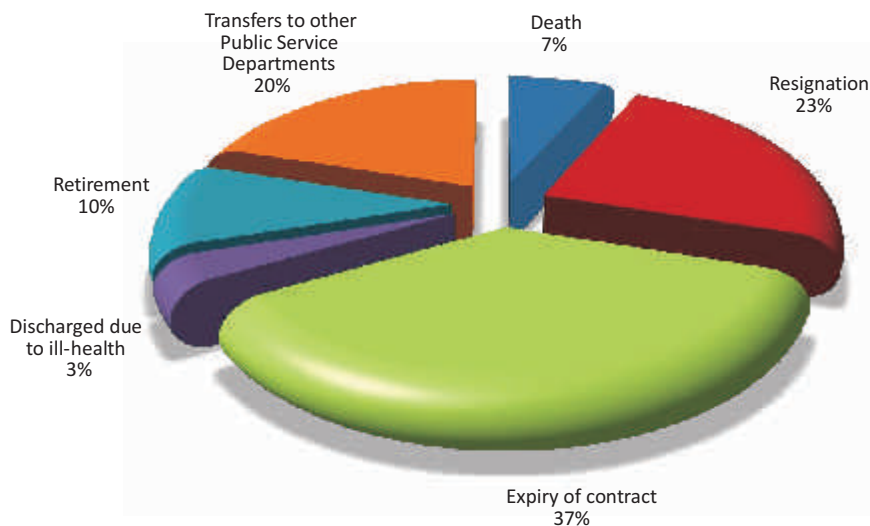


Table 4.5.4: Granting of employee initiated severance packages by salary band, 1 April 2010 to 31 March 2011

Total Number of employee initiated severance packages in 2010/ 2011	None
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Human Resource Management

(OVERSIGHT REPORT)

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	5	71.4
Resigning of position	1	14.3
Transfer of spouse	1	14.3
Total	7	100

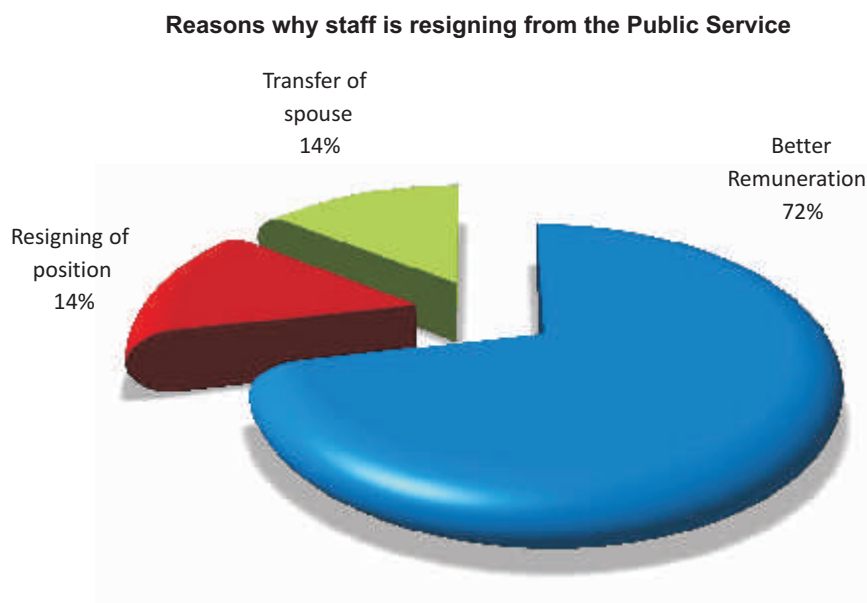


Table 4.5.6: Different age groups of staff who resigned from the Public Service, 1 April 2010 to 31 March 2011

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	1	14.3
Ages 30 to 34	2	28.6
Ages 35 to 39	1	14.3
Ages 40 to 44	2	28.6
Ages 45 to 49	1	14.3
Ages 50 to 54	-	-
Ages 55 to 59	-	-
Ages 60 to 64	-	-
Ages 65 >	-	-
Total	7	100

Human Resource Management

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Different age groups of staff who resign from the Public Service

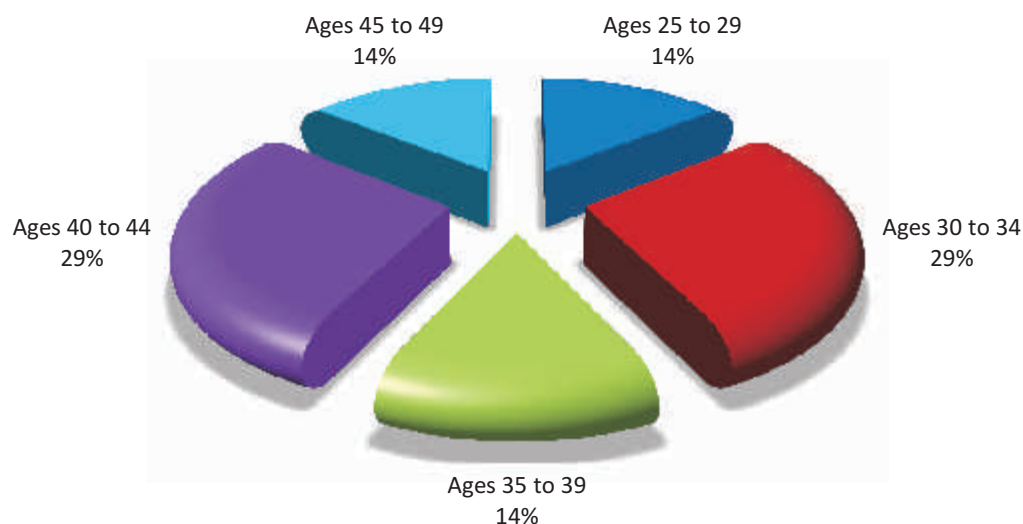


Table 4.5.7: Promotions by salary band, 1 April 2010 to 31 March 2011

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 within 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)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	12	-	-	10	83.3	-	-
Highly skilled production (Levels 6-8)	211	10	4.7	206	97.6	-	-
Highly skilled supervision (Levels 9-12)	61	4	6.6	48	78.7	3	4.9
Senior management (Levels 13-16)	5	2	40	2	40	-	-
Total	289	16	5.5	266	92	3	1

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

Total Number of employees promoted to another salary level by critical occupation	None
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Note: There were no promotions in the critical occupation area as these posts could not be advertised until finalisation of the OSD implementation.

Human Resource Management

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4.6. EMPLOYMENT EQUITY

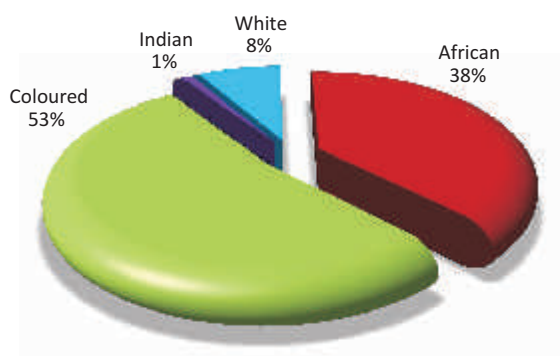
The following table provides a summary of the total workforce profile per occupational levels. Temporary employees provide the total of workers employed for three consecutive months or less. The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

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

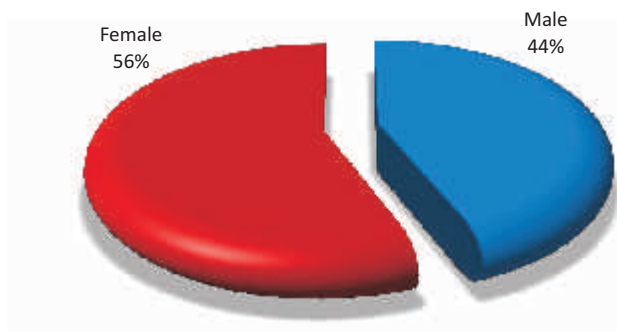
Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	1	-	-	1
Senior management (Level 13-14)	1	3	-	4	1	1	-	1	-	-	11
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	11	17	2	9	11	16	-	6	-	-	72
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	32	53	1	-	54	64	-	5	-	-	209
Semi-skilled and discretionary decision making (Levels 3-5)	1	-	-	-	4	7	-	-	-	-	12
Unskilled and defined decision making (Levels 1-2)	-	1	-	-	-	-	-	-	-	-	1
Total	45	74	3	13	70	88	-	13	-	-	306
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand Total	45	74	3	13	70	88	-	13	-	-	306

Note: The total of 306 includes 3 contract employees of which 1 are carried additional to the establishment.

Employees by race



Employees by gender



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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	-	-	1	-	-	-	-	-	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	6	-	-	3	1	-	-	-	-	-	13
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	1	-	-	-	-	-	-	1
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-	-
Total	3	6	1	-	4	2	-	-	-	-	-	16
Temporary employees	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	3	6	1	-	4	2	-	-	-	-	-	16

Human Resource Management

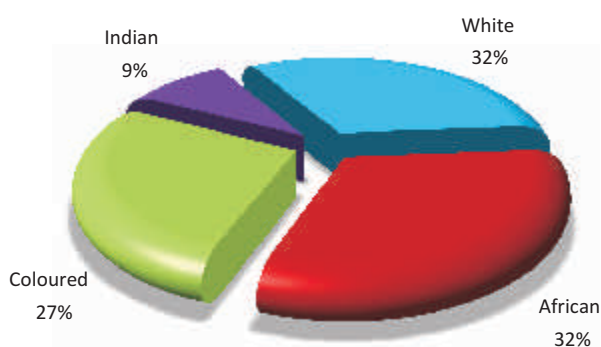
(OVERSIGHT REPORT)

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

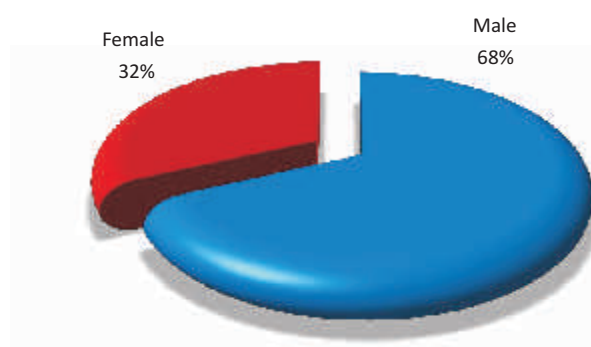
Occupational Levels	Male				Female				Foreign Nationals		Total	
	A	C	I	W	A	C	I	W	Male	Female		
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-	-
Senior management (Level 13-14)	1	2	-	2	-	-	-	1	-	-	-	6
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	1	-	2	1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

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

Recruitment by race



Recruitment by gender



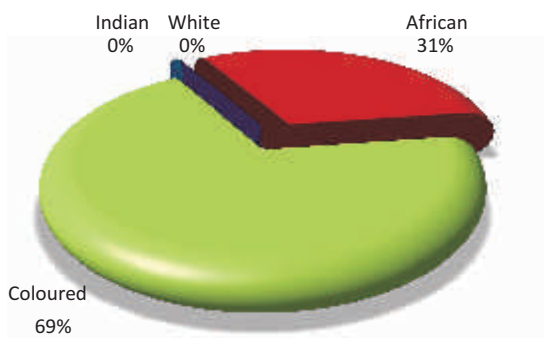
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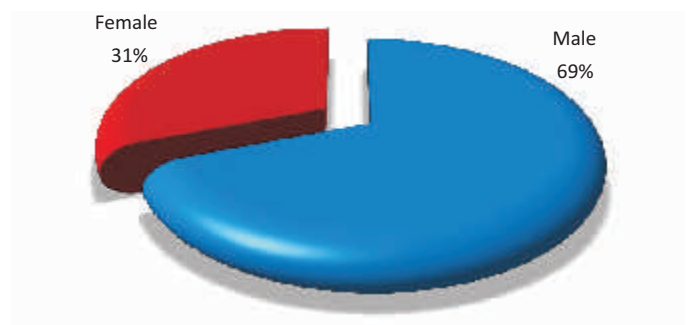
Table 4.6.4: Promotions, 1 April 2010 to 31 March 2011

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

Promotions by race



Promotions by gender



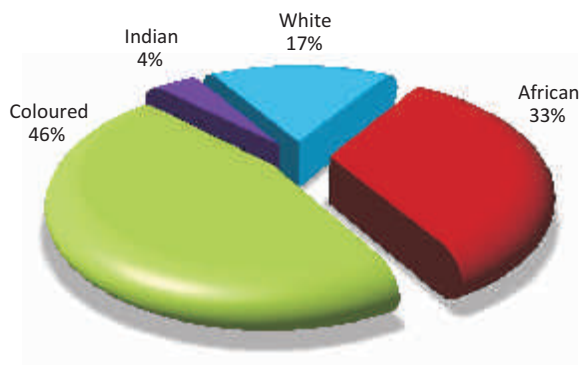
Human Resource Management

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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)	-	1	-	-	-	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	-	-	1	-	2	-	3	-	-	-	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	2	-	-	1	6	-	-	-	-	-	11
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	1	-	1	-	-	-	-	-	-	2
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-	-
Total	6	3	1	1	2	8	-	3	-	-	-	24
Temporary employees	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	6	3	1	1	2	8	-	3	-	-	-	24

Recruitment by race



Recruitment by gender

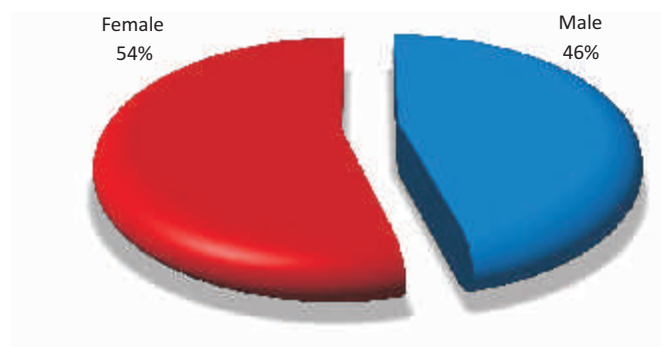


Table 4.6.6: Disciplinary actions, 1 April 2010 to 31 March 2011

Disciplinary Actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Total	2	2	-	-	-	-	-	-	-	-	4

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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)	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	7	21	-	2	4	10	-	1	45
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	27	40	-	-	38	48	-	1	154
Semi-skilled and discretionary decision making (Levels 3-5)	1	1	-	-	-	7	-	-	9
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-
Total	35	63	-	2	42	65	-	2	209
Temporary employees	-	-	-	-	-	-	-	-	-
Grand Total	35	63	-	2	42	65	-	2	209

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	1
Salary level 16, but not HOD	-	-	-	-	-
Salary Level 15	-	-	-	-	-
Salary Level 14	3	2	1	50	1
Salary Level 13	12	8	6	66.7	6
Grand Total	16	11	8	66.7	8

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

Three SMS members were appointed during August and September 2010 and finalised their performance agreements within the three months prescribed timeframe, and therefore no disciplinary steps were taken.

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

Reason for not concluding Performance Agreements

Not applicable

Human Resource Management

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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	-	-	-	-	-
Salary Level 15	-	-	-	-	-
Salary Level 14	3	2	67	1	33.3
Salary Level 13	12	9	75	3	25
Total	16	12	75	4	25

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	-	-	-	-	-
Salary Level 15	-	-	-	-	-
Salary Level 14	3	2	66.7	1	33.3
Salary Level 13	12	8	66.7	4	33.3
Total	16	11	68.8	5	31.3

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	-	-	-
Salary Level 16, but not HOD	-	-	-
Salary Level 15	-	-	-
Salary Level 14	-	-	-
Salary Level 13	1	-	-
Total	6	3	1
	7	3	1

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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	
Salary Level 15	
Salary Level 14	<p>Chief Director Governance</p> <ul style="list-style-type: none"> • Post advertised during May 2010 (within 6 months) with a closing date of 25 June 2010. The shortlist was approved on 13 August 2010 by Minister. • One of the directorates was placed with another chief directorate and while testing this shift in functions the process was temporarily stopped. • As this shift in functions will now be formalised the advert will change accordingly. • Besides the above an adequate selection of candidates for interviewing was not found. • The post will be re-advertised.
Salary Level 13	<p>Director Policy and Strategic Support</p> <ul style="list-style-type: none"> • Post advertised during April 2010 (within 6 months) with closing date 11 May 2010. • Newly approved structure implemented 1 April 2010. • Additional OD investigations influenced the structure. • Many posts were unfunded on the structure and preference was given to posts more critical at that stage. • Additional responsibility and additional funding to fill Phase 2 posts were taken into consideration. • The process was re-activated and the short list was approved on 14 February 2011. • The proposed date for filling is 1 June 2011. <p>Director Municipal Governance</p> <ul style="list-style-type: none"> • Post was advertised with a closing date of 14 May 2010 but the successful candidate did not accept the post. • Post re-advertised during Sept 2010 (within 6 months) with closing date 4 October 2010. Interviews held on 9 February 2011. • Competency Assessment was done and reference checks must now be finalised. • 1 June 2011 is the proposed date for filling of post.

Table 4.8.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

Disciplinary steps taken
No disciplinary steps required.

Human Resource Management

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4.9. PERFORMANCE REWARDS

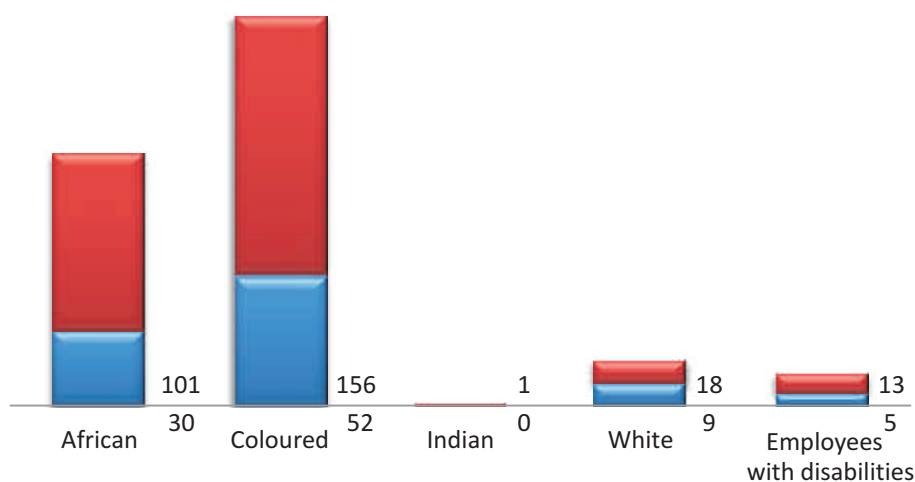
To encourage good performance, the department has granted the following performance rewards allocated to personnel for the performance period 2009/10, but paid in the financial year 2010/11. The information is presented in terms of race, gender, and disability (Table 4.9.1), salary bands (table 4.9.2) 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 within group	Cost (R'000)	Average cost per employee
African	30	101	29.7	209	R 6,968.39
Male	12	40	30	82	R 6,836.45
Female	18	61	29.5	127	R 7,056.35
Coloured	52	156	33.3	362	R 6,966.77
Male	19	68	27.9	142	R 7,495.12
Female	33	88	37.5	220	R 6,662.56
Indian	-	1	-	-	-
Male	-	1	-	-	-
Female	-	-	-	-	-
White	9	18	50	112	R 12,544.63
Male	4	9	44.4	58	R 14,624.66
Female	5	9	55.5	54	R 10,880.61
Employees with a disability	5	13	38.4	31	R 6,243.54
Total	96	289	33.2	714	R 7,452.53

Note: Special awards in terms of article 37(2)(C) is not included in the above figures.

Performance rewards as a distribution of total staff per group



Human Resource Management

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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 within salary bands	Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	6	12	50	27	R 2,215.95	-
Highly skilled production (Levels 6-8)	62	211	29.4	367	R 1,738.57	0.5
Highly skilled supervision (Levels 9-12)	28	61	45.9	322	R 5,278.91	0.4
Total	96	284	33.8	716	R 2,519.17	1

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 within occupation	Total Cost (R'000)	Average cost per employee
Engineering Technician	1	1	100	12	R 12,196.05
Construction Project Manager	-	4	-	-	-
Engineer	1	2	50	17	R 17,496.78
Total	2	7	28.6	29	R 14,846.42

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 within ebands			
SMS Band A (SL 13)	-	4	-	-	-	-
SMS Band B (SL 14)	-	-	-	-	-	-
SMS Band C (SL 15)	-	1	-	-	-	-
SMS Band D (SL 16)	-	-	-	-	-	-
Total	-	5	-	-	-	-

Note: None of the SMS members received performance awards.

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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 were 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 were 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 within 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)	-	-	-	-	-	-
Skilled Levels 3-5)	91	85.7	13	100.0	7	33
Highly skilled production (Levels 6-8)	857	90.4	120	57.1	7	407
Highly skilled supervision (Levels 9-12)	419	86.2	52	73.2	8	430
Senior management (Levels 13-16)	26	88.5	7	58.3	4	40
Total	1,393	88.8	192	62.7	7	910

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Table 4.11.2: Incapacity leave (temporary and permanent), 1 January 2010 to 31 December 2010

Salary Band	Total days	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	11	100	1	0.5	11	5
Highly skilled supervision (Levels 9-12)	75	100	1	1.4	75	90
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	86	100	2	0.7	43	95

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 Band	Total days taken	Average per employee
Lower skilled (Levels 1-2)	-	-
Skilled (Levels 3-5)	147	11
Highly skilled production (Levels 6-8)	2,602	13
Highly skilled supervision (Levels 9-12)	939	13
Senior management (Levels 13-16)	128	13
Total	3,816	13

Table 4.11.4: Capped leave, 1 January 2010 to 31 December 2010

Salary Band	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)	-	-	-	-	-
Skilled (Levels 3-5)	-	-	4	13	4
Highly skilled production (Levels 6-8)	4	1	20	210	121
Highly skilled supervision (Levels 9-12)	21	1	39	71	750
Senior management (Levels 13-16)	1	-	58	12	290
Total	26	1	38	306	1,166

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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	-	-	-
Current leave pay-outs on termination of service for 2010/11	133	13	R 10,234.85
Total	133	13	R 10,234.85

4.12. HIV AND AIDS & 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 within the Department of the Premier provides a transversal employee Health and Wellness Programme for 11 Departments within the PGWC. The programme is aimed at all employees, since all staff members are deemed to be at risk. The nature of the work within the department does not place employees at risk of contracting HIV.	<ul style="list-style-type: none"> A transversal Health & Wellness Programme was implemented. General HIV Counselling and Testing (HCT) and Awareness Campaigns were delivered. The outsourced Health and Wellness contract (EAP) was implemented. This provided access to counselling for all staff.

Table 4.12.2: Details of Health Promotion and HIV and AIDS Programmes 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 G Erasmus.</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 within 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 is a member of the 11 departments who are serviced transversally by the Corporate Service Centre. As such, it contains a designated Employee Health and Wellness unit as a sub-directorate within 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, 3 Assistant Directors and 4 team members and reports to the Director Organisation Behaviour.</p> <p>Budget : R2 426 000</p>

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Question	Yes	No	Details, if yes
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 ICAS as Service Provider.</p> <p>The EAP contract was extended with ICAS for the rest of the 2010/11 Financial Year. A new transversal Wellness Contract (EAP) is being contracted for the next 3 years.</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>Prior to modernisation the Departmental HIV/AIDS committee was 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/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.</p> <p>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: F Mathee and W Bingham.</p>
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		✓	<p>The 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 Co-ordinating 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 to the four functional pillars contained in the DPSA Employee Health and Wellness Strategic Framework. In view of this, Readiness Assessments were conducted.</p>

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Question	Yes	No	Details, if yes
			<p>After modernisation a new transversal Employee Health and Wellness policy has been drafted, 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 Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p>
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		<p>The 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/AIDS discrimination issues were: Awareness Programmes like display of posters, distributing pamphlets, awareness campaigns and condom promotion.</p> <p>The Department utilised an outsource Employee Well-being Programme (EWP) model and has utilised the services of ICAS, who was procured to manage the programme. The following EH&WP services are offered to employees and their family members:</p> <ul style="list-style-type: none"> • A comprehensive needs analysis and behavioural risk management audit • 24hr multilingual, toll free Psychological counselling • Face to face counselling sessions. • An HIV/AIDS consultancy service • Toll-free Life Management service offering information and assistance on legal problems, financial concerns, healthcare and family matters. • Comprehensive trauma response service. • Access to comprehensive online health care programme. • 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 • 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. • Quarterly and annual reports on all key utilisation aspects of the EWP • A dedicated Account Manager to co-ordinate the programme and ensure that the ICAS group programme is appropriately managed at all times • A comprehensive online EWP service: <p>The above approach was perpetuated post-modernisation.</p>
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	✓		<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/AIDS awareness training; promotion and provision of HIV counselling and testing and employee support by way of continuous post-test counselling.</p>

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Question	Yes	No	Details, if yes
			<p>Wellness EH&WP Toll Free Number: 0800 864 417</p> <p>ICAS: 0800 611 209</p> <p>HIV Testing and Screening: Staff members attended pre-counselling and testing sessions.</p> <p>TB SCREENING: Staff attended testing sessions for tuberculosis.</p> <p>General Wellness interventions also included diabetes, hypertension and STI screening.</p>
8. Has the department developed measures / indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		<p>The impact of health promotion programmes is indicated through information provided 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 – 31 March 2011. Annual reports have been provided for 6 (ICAS) Departments and an overview of all the 6 Departments have been compiled in one presentation.</p> <p>The quarterly and annual review provides:</p> <ul style="list-style-type: none"> • A breakdown of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no of cases etc. • Service utilisation • Problem profiling and trending • Assessment of employee and organisational risk and the impact there of on the individual functioning in the work place • Assessment of Formal referrals and the underlying reasons impacting on employee performance and productivity • Assessment of Organisational Issues presented by Employees using the EWHP • Assessment of High risk cases <p>Programme evaluation via the External Service Provider include the following:</p> <ul style="list-style-type: none"> • Formal referral evaluation process impact (Outcomes assessment) (The results of this process will only be available towards the first week of June 2011). Formal referral cases are selected for this process and employees called as well as referring managers to assess the impact of the intervention. <p>The external service provider provides a Return on Investment (ROI) indicator</p>

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4.13. LABOUR RELATIONS

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

Table 4.13.1: Collective agreements, 1 April 2010 to 31 March 2011

Disciplinary hearings – 2010/11	4
Total collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 4.13.2: Misconduct and disciplinary hearings finalised, 1 April 2010 to 31 March 2011

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	1	25
Written warning	-	-
Final written warning	3	75
Suspension without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal/ desertion	-	-
Not guilty	-	-
Case withdrawn	-	-
Total	4	100

Table 4.13.3: Types of misconduct addressed at disciplinary hearings, 1 April 2010 to 31 March 2011

Type of misconduct	Number	% of total
Fails to comply with or contravenes an Act	1	25
Fails to carry out an order or instruction	1	25
Absent from work without reason or permission	1	25
Conduct self in improper/unacceptable manner	1	25
Total	4	100

Table 4.13.4: Grievances lodged, 1 April 2010 to 31 March 2011

Grievances lodged	Number	% of total
Number of grievances resolved	4	100
Number of grievances not resolved	-	-
Total number of grievances lodged	4	100

Table 4.13.5: Disputes lodged with Councils, 1 April 2010 to 31 March 2011

Disputes lodged with Councils	Number	% of total
Total number of disputes lodged		None

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Table 4.13.6: Strike actions, 1 April 2010 to 31 March 2011

Strike actions	Number
Total number of person working days lost	8 hours
Total cost (R'000) of working days lost	R 266.95
Amount (R'000) recovered as a result of no work no pay	R 266.95

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.

Occupational Categories	Gender	Number of employees as at 1 April 2010	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	1	-	1	-	1
	Male	3	-	1	-	1
Professionals	Female	139	-	98	-	98
	Male	108	-	73	-	73
Technicians and associate professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Clerks	Female	18	-	2	-	2
	Male	6	-	12	-	12
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	163	-	101	-	101
	Male	126	-	86	-	86
Total		289	-	187	-	187
Employees with disabilities	Female	5	-	-	-	-
	Male	8	-	-	-	-

Note: The above table identifies training interventions identified at the beginning of the reporting period under review.

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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 needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4	-	-	-	-
	Male	8	-	1	-	1
Professionals	Female	136	-	102	-	102
	Male	108	-	97	-	97
Technicians and associate professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Clerks	Female	25	-	7	-	7
	Male	7	-	2	-	2
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	171	-	113	-	113
	Male	134	-	105	-	105
Total		305	-	218	-	218
Employees with disabilities	Female	6	-	4	-	4
	Male	10	-	5	-	5

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	3	100
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
Total	3	100

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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
Develop Performance Management System at various Municipalities	1	6 months	2,205 000
Public Participation Assessment Survey at various Municipalities	1	9 weeks	122 000
Compiling Job Analysis & Job Descriptions at various Municipalities	1	4 months	101 000
Training Project on Social consequences of different approaches to Selection of Housing Beneficiaries	1	6 months	308 000
Engineering Consultants - MIG Program	1	36 months	970 000
Consolidation of Bulk Infrastructure Plans of District Municipalities (water & waste water)	1	3 months	325 000
Consultation on Water Sanitation Master Plan in Western Cape	4	36 months	85 000
Compile CDW Developmental Report	1	5 months	96 000
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
8	11	8yrs, 9 weeks	4,212,000

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
Develop Performance Management System at various Municipalities	26	26	1
Public Participation Assessment Survey at various Municipalities	100	100	1
Compiling Job Analysis & Job Descriptions at various Municipalities	100	100	1
Engineering Consultants - MIG Program	30	30	1
Consolidation of Bulk Infrastructure Plans of District Municipalities - water & waste water	70	70	1
Consultation on Water Sanitation Master Plan in Western Cape	50	50	2
Compile CDW Developmental Report	100	100	1

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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
N/A	0	0	0
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
N/A	0	0	0

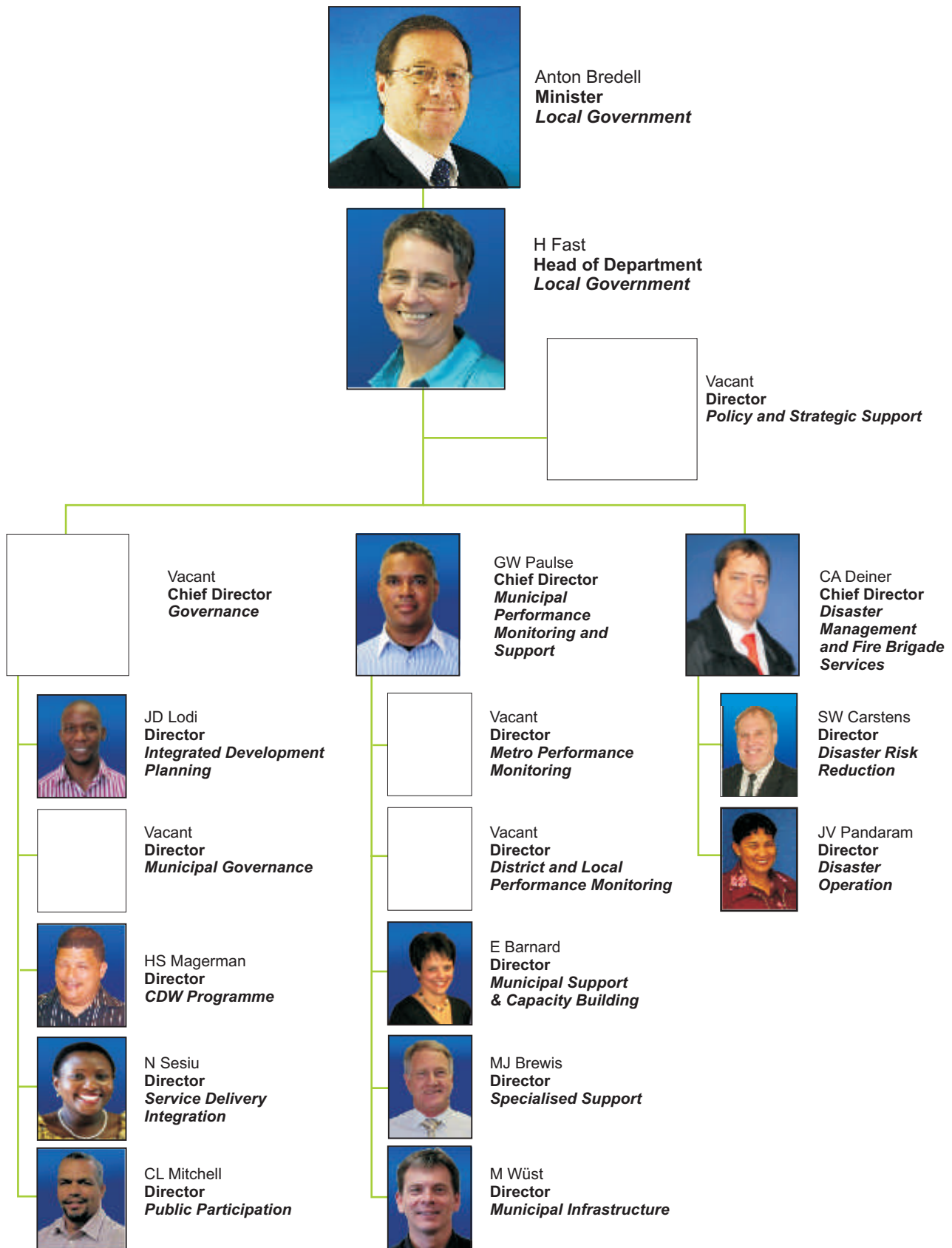
Table 4.16.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2010 to 31 March 2011

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
N/A	0	0	0

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4.17 **ORGANOGRAM:** The organogram indicates the macro structure as at 31 March 2011.



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