



**Western Cape
Government**

Department of the Premier



**Western Cape
Government**



**Western Cape
Government**

ANNUAL REPORT

2012/13

VOTE NO. 1

CONTENTS

PART A: GENERAL INFORMATION	3
1. DEPARTMENT GENERAL INFORMATION	4
2. LIST OF ABBREVIATIONS/ACRONYMS	5
3. STRATEGIC OVERVIEW	7
3.1. Vision and Mission	7
3.2. Values	8
3.3. Strategic outcome oriented goals	9
4. LEGISLATIVE AND OTHER MANDATES	10
5. ORGANISATIONAL STRUCTURE	12
6. ENTITIES REPORTING TO THE PREMIER	12
7. FOREWORD BY THE PREMIER	13
8. OVERVIEW OF THE ACCOUNTING OFFICER	15
PART B: PERFORMANCE INFORMATION	17
1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION	18
2. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	19
3. OVERVIEW OF DEPARTMENTAL PERFORMANCE	20
3.1. Service Delivery Environment	20
3.2. Service Delivery Improvement Plan	20
3.3. Organisational environment	33
3.4. Key policy developments and legislative changes	33
4. STRATEGIC OUTCOME ORIENTED GOALS	34
5. PERFORMANCE INFORMATION BY PROGRAMME	37
5.1. Programme 1: Executive Support (Administration)	37
5.2. Programme 2: Provincial Strategic Management	48
5.3. Programme 3: Human Capital	61
5.4. Programme 4: Centre for e-Innovation	75
5.5. Programme 5: Corporate Assurance	84
6 SUMMARY OF FINANCIAL INFORMATION	98
6.1. Departmental receipts	98
6.2. Programme Expenditure	99
6.3. Transfer payments, excluding public entities	100
6.4. Public Entities	103
6.5. Conditional grants and earmarked funds paid	103
6.6. Conditional grants and earmarked funds received	103
6.7. Donor Funds	103
6.8. Capital investment, maintenance and asset management plan	103

PART C: GOVERNANCE **105**

1. INTRODUCTION	106
2. RISK MANAGEMENT	107
3. FRAUD AND CORRUPTION	108
4. MINIMISING CONFLICT OF INTEREST	109
5. CODE OF CONDUCT	110
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	111
7. INTERNAL CONTROL UNIT	113
8. AUDIT COMMITTEE REPORT	114

PART D: HUMAN RESOURCE MANAGEMENT **117**

1 LEGISLATION THAT GOVERNS HUMAN RESOURCE MANAGEMENT	118
2 INTRODUCTION	120
3. HUMAN RESOURCE OVERSIGHT STATISTICS	124
3.1 Personnel related expenditure	124
3.2 Employment and vacancies	127
3.3 Job evaluation	129
3.4 Employment changes	132
3.5 Employment equity	138
3.6 Signing of performance agreements by sms members	145
3.7 Filling of sms posts	146
3.8 Employee performance	148
3.9 Foreign workers	151
3.10 Leave utilisation for the period 1 January 2012 to 31 December 2012	152
3.11 HIV and AIDS & health promotion programmes	155
3.12 Labour relations	160
3.13 Skills development	163
3.14 Injury on duty	165
3.15 Utilisation of consultants	166

PART E: FINANCIAL INFORMATION **169**

1. REPORT OF THE ACCOUNTING OFFICER	170
2. ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY	193
3. REPORT OF THE AUDITOR-GENERAL	194
4. ANNUAL FINANCIAL STATEMENTS	199

ANNEXURE A **259**



Part A

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

Full Name : Department of the Premier

Physical Address : Room 1-57
1st Floor
15 Wale Street
Cape Town

Postal Address : P.O. Box 659
Cape Town
8001

Telephone Number : 021 483 6032

Fax Number : 021 483 3300

Email Address : Premier.Premier@westerncape.gov.za

Website Address : www.westerncape.gov.za

2. LIST OF ABBREVIATIONS AND ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APAS	Annual Performance Assessment System
APP	Annual Performance Plan
APRM	Africa Peer Review Mechanism
BBBEE	Broad-Based Black Economic Empowerment
BI	Business Intelligence
BPIA	Batho Pele Impact Assessment
BPIAN	Batho Pele Impact Assessment Network
BPO	Business Process Optimisation
Ce-I	Centre for E-Innovation
CFO	Chief Financial Officer
CGRO	Corporate Governance Review and Outlook
CHEC	Cape Higher Education Consortium
COBIT	Control Objectives for Information and Related Technology
COGTA	Cooperative Governance And Traditional Affairs
CSC	Corporate Services Centre
CTP	Cape Town Partnership
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EDP	Economic Development Partnership
EHW	Employee Health and Wellness
EPD	Executive Projects Dashboard
EPM	Enterprise Project Management
ERM	Enterprise Risk Management
EU	European Union
FIFA	Fédération Internationale de Football Association
FIU	Forensic Investigative Unit
FGRO	Financial Governance Review and Outlook
FMPPI	Framework for Managing Programme Performance Information
FOSAD	Forum of South African Directors-General
FSD	Frontline Service Delivery
GCIS	Government Communication and Information System
GIAMA	Government Immovable Asset Management Act
GITO	Government Information Technology Officer
GMT	Government Motor Transport
HBP	Hout Bay Partnership
HCM	Human Capital Management
HOD	Head of Department
HRD	Human Resource Development

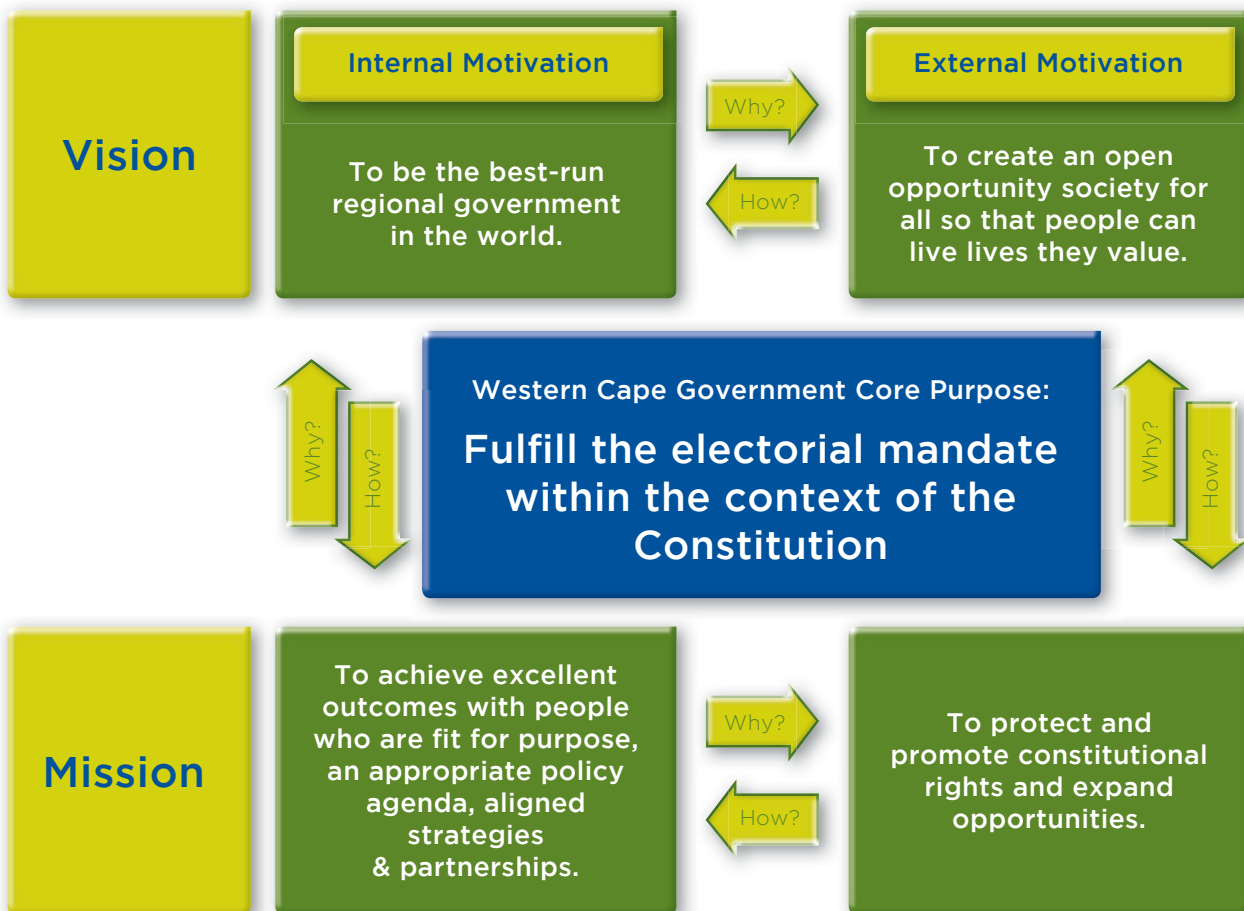
HRM	Human Resource Management
ICAS	Independent Counselling Advisory Services
ICT	Information & Communication Technology
IFMS	Integrated Financial Management System
IGC	Intergovernmental Committee
IMS	Information Management System
IT	Information Technology
M&E	Monitoring and Evaluation
MEC	Member of Executive Council
MISS	Minimum Information Security Standards
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NGO	Non-governmental Organisation
NQF	National Qualifications Framework
OD	Organisation Development
ODA	Overseas Development Assistance
OHSA	Occupational Health and Safety Act
PAA	Public Audit Act of South Africa
PAY	Programme for the Advancement of Youth
PFMA	Public Finance Management Act
POA	Programme of Action
PSO	Provincial Strategic Objective
PSP	Provincial Strategic Plan
PTI	Provincial Training Institute
PTMS	Provincial Transversal Management System
RBME	Results-based Monitoring and Evaluation
SAP	Systems Applications Products
SAQA	South African Qualifications Authority
SASSA	South African Social Security Agency
SAPS	South African Police Services
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
TAC	Technical Assistance Unit
TR	Treasury Regulations
UNDP	United Nations Development Programme
VPUU	Violence Prevention through Urban Upgrading
WCED	Western Cape Education Department
WCG	Western Cape Government

3. STRATEGIC OVERVIEW

3.1. Vision and Mission

The Department of the Premier subscribes to the vision and mission of the Western Cape Government and has, as its core mandate, the realisation of the internal provincial vision and mission as depicted in the diagram below.

WESTERN CAPE GOVERNMENT VISION AND MISSION



The vision describes the aspirational future envisaged for the Western Cape Government and the Western Cape Province.

- The internal vision is to be the best-run regional government in the world.
- The external vision is to create an open opportunity society for all so that people can live lives that they value.

The mission describes how the vision will be realised. It captures what the Western Cape Government does in order to realise the vision:

- The internal mission is to achieve excellent outcomes with people who are fit for purpose, an appropriate policy agenda, aligned strategies and partnerships.
- The external mission is to protect and promote constitutional rights and to expand opportunities.

3.2. Values

We commit ourselves to delivering services according to the following values:

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

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

Accountability (We take responsibility)

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

Integrity (To be honest and do the right thing)

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

Responsiveness (To serve the needs of our citizens and employees)

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

Caring (To care for those we serve and work with)

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

3.3. Strategic outcome orientated goals

The strategic goals and objectives of the Department as stated in the 2010/11-2014/15 Strategic Plan were refined during the 2011/12 financial year in response to the newly developed provincial strategic objective of “becoming the best-run regional government in the world” (see Annexure A of the 2011/12 Annual Performance Plan). For the 2012/13 financial year the strategic goals remained largely the same as in the previous financial year, except for some minor semantic changes which do not affect the essence of the goals significantly.

The strategic outcome oriented goals of the Department in comparison with the strategic outcome oriented goals as stated in the 2010/11-2013/15 Strategic Plan are depicted in the following table:

Strategic outcome oriented goals as per 2010/11-2014/15 Strategic Plan	Strategic outcome oriented goals as refined for 2012/13 financial year
Excellence in governing the Province and the Department is enabled through the rendering of effective and efficient executive support services.	To render relevant and timeous executive governance support services to the Executive and the Director-General of the Western Cape Government.
The Premier/executive is provided with provincial strategic management services which enables strategic direction being provided to the Province and the coordination of its programmes.	To support the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic management.
Effective, efficient, modern, good, clean corporate governance is ensured in the Provincial Government of the Western Cape through the rendering of transversal provincial corporate services.	To achieve effective, efficient and professional corporate services with excellent people, processes and technology to optimise service delivery by the Western Cape Government.

4. LEGISLATIVE AND OTHER MANDATES

There have been no significant changes to the Department's legislative mandates.

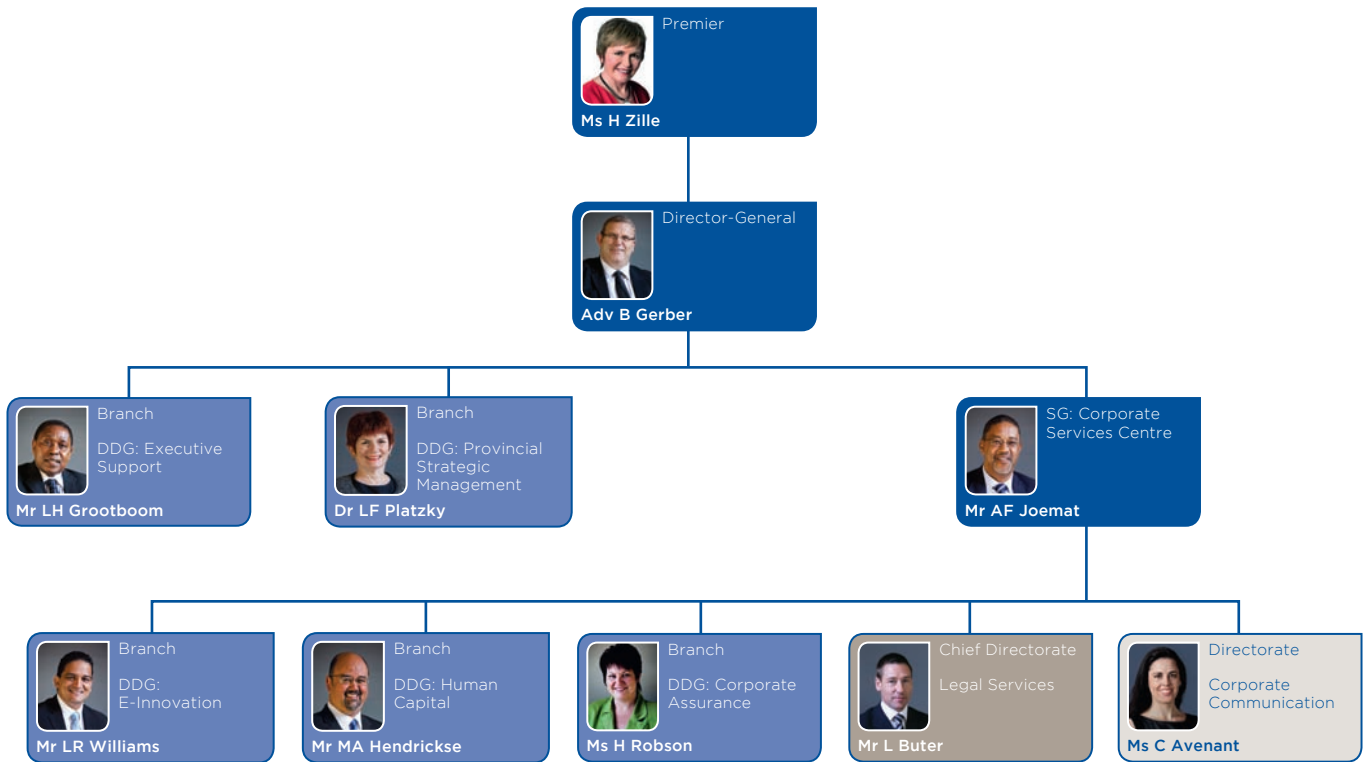
- Constitution of the Republic of South Africa, 1996
- Constitution of the Western Cape, 1997
- Promotion of Access to Information Act (Act 2 of 2000)
- Promotion of Administrative Justice Act (Act 3 of 2000)
- Intergovernmental Relations Framework Act (Act 13 of 2005)
- Public Finance Management Act (Act 1 of 1999)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)
- Broad-Based Black Economic Empowerment Act (Act 53 of 2003)
- Division of Revenue Act (annually)
- Public Service Act, 1994
- Pensions Fund Act (Act 24 of 1956)
- Income Tax Act (Act 58 of 1962)
- Occupational Health and Safety Act (Act 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993)
- Labour Relations Act (Act 66 of 1995)
- Promotion of Equality and Prevention of Unfair Discrimination Act (Act 4 of 2000)
- Government Employees Pension Law, Proclamation 21 of 1996
- Basic Conditions of Employment Act (Act 75 of 1997)
- Employment Equity Act (Act 55 of 1998)
- Skills Development Act (Act 97 of 1998)
- Skills Development Levies Act (Act 9 of 1999)
- National Archives and Record Service of South Africa Act (Act 43 of 1996)
- Prescription Act (Act 68 of 1969)
- Protected Disclosures Act (Act 26 of 2000)
- Prevention and Combating of Corrupt Activities Act (Act 12 of 2004)
- Financial Intelligence Centre Act (Act 38 of 2001)
- Electronic Communications Security (Pty) Ltd Act (Act 68 of 2002)
- Electronic Communications and Transactions Act (Act 25 of 2002)
- Public Audit Act (Act 25 of 2004)
- State Information Technology Agency Act (Act 88 of 1998)
- Provincial Archives and Records Service of the Western Cape Act (Act 3 of 2005)
- Western Cape Delegation of Powers Law (Law 7 of 1994)
- Western Cape Coat of Arms Act (Act 7 of 1998)
- Western Cape Provincial Commissions Act (Act 10 of 1998)
- Western Cape Provincial Honours Act (Act 9 of 1999)
- Provincial Restaurant Ordinance 23 of 1964
- Consumer Protection Act (Act 68 of 2008)
- South African Qualifications Authority Act (Act 58 of 1995);
- National Qualifications Framework Act (Act 67 of 2008) (amended by Higher Education Laws Amendment Act (Act 26 of 2010))
- Government Immovable Asset Management Act, 2007 (GIAMA)

In addition, the Department, as an entity and in fulfilling its role within the provincial government, takes into account national policy mandates, in particular the following:

- Medium Term Strategic Framework – 2010-2014
- National Planning Commission – White Paper, October 2009
- National Monitoring and Evaluation Framework – White Paper, October 2009
- National Policy Evaluation Framework July 2012
- National Plan of Action 2010-2014
- National Strategic Framework of the Department for Women, Children and People with Disabilities.
- Specific National Policy Frameworks on Gender and Women’s Empowerment, Disability and Children
- The White Paper on the Transformation of the Public Service (1995)
- The White Paper on Public Service Training and Education (1997)
- The White Paper on a New Employment Policy for the Public Service (1997)
- The White Paper on Human Resources Management in the Public Service
- The White Paper on Transforming Public Service Delivery [Batho Pele] (1997)
- National Skills Development Strategy (I, II and III)
- National Youth Policy (2009-2014) of the National Youth Development Agency
- Policy Frameworks of the National Department of Public Service and Administration on Gender Equality, Disability and Youth in the Public Service
- National Measurable Outcomes
- National Development Plan 2012

5. ORGANISATIONAL STRUCTURE

The following chart depicts the top management structure of the Department as at 30 September 2012. The Department’s senior management structure is depicted in Annexure A of the report.



On 1 October 2012 certain structural changes were implemented as described under 3.3 of Part B. (Organisational Environment).

6. ENTITIES REPORTING TO THE PREMIER

During the period under review no entities reported to the Premier.

7. FOREWORD BY THE PREMIER



*Helen Zille
Premier of the Western Cape*

The National Development Plan (NDP) is a well-articulated vision of the Western Cape Government's "Better Together" philosophy, which is why the Department of the Premier seeks to enhance and ensure our alignment with the NDP. Our Provincial Strategic Objective 12 ("To build the best-run regional government in the world") already reflects the national strategic outcome of building a capable state. Our country also needs active citizens and good leadership at every level of society to succeed.

The transversal management system is the mechanism used by the Department of the Premier for the integrated implementation of the provincial strategic plan. It supports 40 working groups to develop project implementation plans. Through this system, the Department promoted improved service delivery in partnership with relevant stakeholders, inside and outside of government, during the 2012/13 financial year.

The Department is on track with its roll-out of the broadband project, another key outcome of Provincial Strategic Objective 12. In accordance with the Modernisation IT Services improvement plan, twenty-two sites were connected to the City of Cape Town's broadband infrastructure, which will result in a reduction of connectivity costs in 2013/14. Through the Cape Access project, thirty-four (34) e-Centres equipped with 6 - 12 computers with internet access have been established throughout the Province, 9 of which were rolled out during 2012/13.

As part of the end-user "refresh" project, 13 585 end-user equipment items were replaced, in line with departmental technology renewal plans to improve our tools for service delivery.

It was agreed that Departments will replace all outdated machines by March 2014, with the exception of the Department of Health, which will do it over a period of three years.

During the 2012/13 financial year, the Department finalised its organisational structure and established a legal compliance unit. Service charters for all 13 Departments were also developed to help institutionalise a citizen-centric approach in the government.

The national Department of Performance Monitoring and Evaluation conducted its annual assessments on management standards in four key performance areas in national and provincial government Departments. Departments were rated on four levels ranging from non-compliant (level 1) to fully compliant (level 4).

The Western Cape Government's assessments were coordinated by the Chief Directorate: Strategic Management Information, which also supported Departments in submitting their assessments. I am pleased that the Western Cape Government achieved the highest percentage of management standards at level 4 out of all national and provincial Departments and credit is due to all employees who helped us to reach these scores.

During 2012/13, the Western Cape Government and City of Cape Town formalised the Intergovernmental Committee (IGC). The IGC identifies and removes blockages in the City's area-based projects and in

key sectors such as human settlements, transport and healthcare, in order to improve service delivery and minimise delays in areas that require collaboration between the provincial and local spheres of government.

The need to build international partnerships that support the implementation of the Provincial Strategic Plan led to two visits abroad: Brazil - to attend the Regional Leaders' Summit (April 2012); and the United Kingdom - to promote the Western Cape as a preferred trade and investment destination (September 2012). The benefits of these visits included the following:

- Strengthening of bilateral relationships with all partner regions who make up the Regional Leaders Forum;
- Promotion of the Western Cape as a preferred trade, investment and tourism destination;
- Better understanding of the successes of the Pacification programme in Rio de Janeiro;
- Sharing of Western Cape experiences of the 2010 FIFA Soccer World Cup in order to assist the State of Rio de Janeiro with their preparations for the 2014 FIFA Soccer World Cup.

The biggest challenge experienced in 2012/13 was the serious funding concerns which came about particularly as a result of the increased demand for the services of the Centre for e-Innovation (Ce-I). This led to austerity measures within the Department to ensure that there would be no overspending for the financial year and the Department spent 99,89% of its allocated budget in the past financial year.

The Department has made a significant contribution to progress towards achieving the Provincial Strategic Plan, although much still remains to be done, noting that our efforts are always constrained by limited resources.

I would like to acknowledge and thank the Director-General, Adv Brent Gerber and his whole team at the Department of the Premier for their commitment and ongoing work in fulfilling our mandate.



Helen Zille
Premier of the Western Cape

8. OVERVIEW OF THE ACCOUNTING OFFICER



*Adv. B. Gerber
Director-General*

During the year under review the Department of the Premier continued to build its vision of becoming the “best-run regional government in the world” (PSO 12). All of the deliverables contributed in some or other way to the realisation of this strategic objective.

The Department experienced relative stability during the period under review with no serious threats to its core functions materialising. Management steered the Department with responsibility and accountability. Leadership was provided by regularly convening various management structures and through a host of communication mechanisms. A culture of continuous improvement was encouraged and where shortcomings in internal control measures were identified, action plans were developed and implemented. Through the leadership provided, the Department adopted a risk-based management approach and continuously scanned the environment for emerging risks.

The Department, however, also experienced serious funding concerns during the year under review. In order to ensure that this did not lead to overspending for 2012/13, the Department instituted austerity measures which impacted on some of its deliverables. In total 80% of the Department’s deliverables were achieved, with a further 13% being partially achieved. The following initiatives were implemented or identified to improve performance and effectiveness:

- Improved tracking of performance at EXCO level, especially regarding governance related matters;
- The Department was restructured to align it better towards achieving its strategic goals;
- The management of service level agreements and service schedules through a dashboard in Corporate Services Centre (CSC);
- In collaboration with Provincial Treasury a new funding model was developed for the Department of the Premier, which provided for a better understanding of the financial impact of increased demands for its transversal services;
- Continued development and/or implementation of information systems such as the Annual Performance Assessment System, Business Intelligence, Enterprise Content Management, Enterprise Management, Integrated Financial Management System etc.;
- An audit of working groups functioning under the Provincial Transversal Management System was completed and working groups were supported with technical content and secretariat support;
- The implementation of an E-recruitment system contributed towards improved turnaround times for the filling of vacancies;
- Improved institutional Human Resources reporting to line managers and Heads of Departments.

Some of the achievements of the Department of the Premier for the 2012/13 financial year include the following:

- The Department received an unqualified audit with one other matter for the previous financial year and spent 99,89% of its budget for the period under review.
- Three reports submitted on the performance of the Provincial Transversal Management System in implementing the Provincial Strategic Plan.
- Twelve catalytic events supported financially or non-financially.
- The first Provincial Evaluation Plan served as the rollout of the National Evaluation Policy Framework

and a model for other Provinces.

- Thirteen departmental service charters (including service standards) developed and reviewed to contribute to improvement of the citizens' experience of service delivery.
- Fifty-one people development programmes delivered, utilising a blended learning approach (E-learning, contact sessions).
- For 62% of posts an appointment has been approved within 90 days from the closure of the advertisement.
- One hundred percent of qualifying employees' performance agreements, performance reviews and performance assessments were concluded by the due date.
- Level 2 of e-government maturity achieved measured on the UNDP's 4-level maturity model.
- 98.93% of Western Cape requests received at the Presidential Hotline resolved within 36 hours of being logged.
- Nine Cape Access e-community centres established, fitted and operationalised.
- Twenty-two sites migrated to broadband infrastructure in accordance with the Modernisation IT Services improvement plan.
- Ninety percent completion of departmental internal audit coverage plans contributing to improved controls.
- Developed a combined assurance framework in order to effectively coordinate assurance services resulting in optimal coverage of risks with a significant impact and reduction of duplication of assurance services.
- One hundred percent of instances of identified conflicts of interest acted upon out of total instances identified.
- Transversal contract management framework for the Western Cape Government developed in conjunction with the Provincial Treasury and adopted by the Western Cape Government.
- Three on-brand creative execution assessment reports.

During the 2013/14 financial year the Department will continue its efforts to realise the strategic outcomes of Provincial Strategic Objective 12 and these outcomes will largely inform the budget priorities of the Department.



Adv. B. Gerber
Director-General: Department of the Premier



Part B

PERFORMANCE INFORMATION

1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

Statement of Responsibility for Performance Information for the year ended 31 March 2013

The Accounting Officer is responsible for the preparation of the Department's performance information and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance information for the financial year ended 31 March 2013.



Adv. B. Gerber
Director-General: Department of the Premier
Date: 31.07.2013

2. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 194 of the Report of the Auditor General, published in Part E: Financial Information.

3. OVERVIEW OF DEPARTMENTAL PERFORMANCE

3.1. Service Delivery Environment

During the year under review the Department achieved 80% delivery of its performance targets as specified in the 2012/13 Annual Performance Plan with a further 13% of the targets partially achieved. Detailed performance on each of the indicators is given in the tables on performance indicators under point 5 in this section (section B of the Annual Report).

The overview of the accounting officer outlined some of the most pertinent achievements of the Department during this financial year.

The biggest challenge encountered by the Department during the 2012/13 financial year related to serious funding concerns. It necessitated the implementation of austerity measures from the second quarter. As a result, the filling of certain vacancies had to be deferred. Over the past two financial years the overall growth in the baseline of the Department's budget was based on agreed service levels and did not cater for any increase in service demands from client Departments. For instance, the Ce-I user base has increased by 14% without a corresponding increase in budget. This, coupled with higher than anticipated salary increases as well as the constraining international and national financial situation, placed significant pressure on the budget available for service delivery.

3.2 Service Delivery Improvement Plan

The Department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

3.2.1 Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
The rendering of integrated e-government information, communication and technology services	Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas within the Western Cape	None	a. Cape Access: 9 Cape Access centres launched (APP 4.2.5)	a. Cape Access: 9 Cape Access centres established in: Laingsburg, Langebaan, Robertson, Zolani, iLlingeletu, Citrusdal, Greyton, Plettenberg Bay, Nduli
			b. 1,500 Cape Access: Basic ICT training opportunities to citizens (as per approved APP 4.2.6)	b. 1,331 Cape Access: - Basic ICT training to citizens at e-Community Centres.
			c. Accreditation of 10 Cape Access training centres	c. Accreditation maintained at 19 Cape Access training centres and another 1 Centre accredited.
			d. 145 000 visits to e-Community centres	d. 131 925 visits to e-Community centres
			e. 1 broadband infrastructure roll-out to rural communities (4.2.18)	e. The Western Cape Government has embarked on a new procurement process with SITA to land a vendor to roll-out broad band connectivity

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
				to all WCG buildings. This vendor will be authorised to resell excess capacity to businesses and citizens, especially in under-serviced areas.
			f. e-Government for Citizen's Portal: 3,6 million hits	f. e-Government for Citizen's Portal: 6 430 693 hits
			g. Presidential Hotline Resolution rate: 80% (APP 4.2	g. Presidential Hotline Resolution rate: 98.93%
The inculcation of the Batho Pele Principles within the Western Cape	Internal and external clients consisting of citizens within communities, identified as priority areas, and Departments within the Western Cape	None	a. Roll-out of interventions at 3 front office sites	a. Assessments of Department of Social Development sites, namely Bonnytoun, De Novo and Lindelani conducted and based on a pre-developed checklist. The focus was on Batho Pele and good management principles, to identify service delivery good practices and challenges relating to service facilities, equipment,

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
				<p>service standards, access to information, employee performance, and service experience of clients.</p>
			<p>b. 10 Service Delivery Outreach Programmes (integration with all 3 spheres, improved access)</p>	<p>b. Integrated Community Outreach Programme was transferred to the Department of Local Government on 1 April 2011, the Outreach Programme is now referred to as Thusong Mobile.</p>
			<p>c. Allocated Principle: Current state, implementation plan and guidelines for WCG</p>	<p>c. Service Charters developed for 13 WCG Departments, indicating the commitment by the WCG Departments to deliver their services at their particular quantity, quality and timeliness level. The public is also provided with the recourse to redress where actual delivery falls short of the standard.</p>

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
			<p>d. Refine assessment methodology for assessing the implementation of Batho Pele</p>	<p>d. Pre-developed checklist utilised for conducting of service point assessment at 3 Social Development sites. In collaboration with DPME participated in the development of frontline service delivery improvement monitoring methodology.</p>
			<p>e. Report on the implementation of the allocated Principle (Quarterly and WCG “case study” to National BPIA Network in November)</p>	<p>e. The submission of Report on the implementation of the allocated Principle was postponed by the National Department of Public Service and Administration.</p>
			<p>f. Integration of the Provincial BPIAN to ensure representivity on all 3 spheres level, with the focus on</p> <ul style="list-style-type: none"> - Provincial level (13 provincial departments), - National level (total 10 national departments), - Local level (Representative of the Regional Coordinators 	<p>f. Integration of the Provincial Batho Pele Impact Assessment Network with representivity on all 3 spheres level- Provincial level (13 provincial departments); National level (6 national departments: GCIS, Rural Development</p>

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
			<p>Forum for feedback to 6 District Municipalities)</p>	<p>and Land Reform, SAPS, Justice, Correctional Services and SASSA); Local level (2 municipalities: Knysna and Langeberg). Decision taken by National Department of Public Service and Administration during 2012 that COGTA will take responsibility for the implementation of Batho Pele at Municipal level.</p>
			<p>g. 12 Service Delivery Intervention Assessment Reports (SDI Plans 2012-2013)</p>	<p>g. Coordination and facilitation of reporting on actual achievement against standards for 12 Service Delivery Improvement Plans 2012-2013.</p>

3.2.2 Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievement
<p>The rendering of integrated e-government information, communication and technology services</p>	<p>Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas within the Western Cape</p>	<p>None</p>	
a. E-Community Forum			a. Monthly E-Community Forum
b. Quarterly feedback meetings to community members			b. Feedback meetings to community members conducted by E-Community Forum
c. Client satisfaction survey			c. Perception survey conducted (electronic client assessment tool)
d. Electronic client satisfaction survey			d. User requirement survey conducted
e. Annual general meetings of Forums			e. Cape Access Chairperson Forum meetings convened (3).
f. Door-to-door survey (Community researcher)			f. User requirement surveys conducted.
g. Community newspaper			g. Community newspapers covered various Cape Access graduations
h. Cape Access Website			h. Cape Access and WCG Website

Type of arrangement	Actual customers	Potential customers	Actual achievement
The inculcation of the Batho Pele Principles within the Western Cape	Internal and external clients consisting of Citizens within communities identified as priority areas and Departments within the Western Cape	None	
a. Modernisation Steering Committee			a. Through the Face of the Province Steering Committee consultation took place with the Modernisation Steering Committee.
b. Infrastructure and Batho Pele Steering Committee			b. Face of the Province Steering Committee (previously known as Infrastructure and Batho Pele Steering Committee)
c. Project Khaedu Steering Committee			c. Batho Pele Impact Assessment Network utilised to address Project Khaedu related matters.
d. National Batho Pele Coordinators Forum			d. National Batho Pele Coordinators Forum in place and attended 3 meetings.
e. Batho Pele Impact Assessment Network			e. Batho Pele Impact Assessment Network in place and conducted 5 meetings.
f. On-site visits			f. Please see g below

Type of arrangement	Actual customers	Potential customers	Actual achievement
<p>g. Meetings with representative of municipalities, PISSC (Provincial Intersectoral Steering Committee), TAU (Technical Assistance Unit): National Treasury, GCIS (Government Communication Information Centre), Public Service Commission, DPSA (Department of Public Service and Administration)</p>			<p>g. Integrated Community Outreach Programme was transferred to the Department of Local Government on 1 April 2011, the Outreach Programme is now referred to as Thusong Mobile.</p>
<p>h. Client Satisfaction form/survey</p>			<p>h. Conducted as part of Integrated Community Outreach Programme transferred to the Department of Local Government (Thusong Mobile). In collaboration with DPME participated in the development of frontline service delivery improvement monitoring methodology (includes Client Satisfaction survey).</p>

3.2.3 Service delivery access strategy

Access Strategy	Actual achievement
<p>The rendering of integrated e-government information, communication and technology services</p>	
<p>a. e-Government for Citizens, Second Floor, 142 Long Street, Cape Town</p>	<p>a. e-Government for Citizens, Second Floor, 142 Long Street, Cape Town</p> <ul style="list-style-type: none"> - WCG Internet Portal: 6 430 693 - WCG Intranet Portal: 2 588 769 - WCG Call Centre: 103 517 - WCG Walk-in Centre: 9 329 - WCG e-mail Centre: 7606 - Western Cape Presidential Hotline: 99% - Cape Access users: 131 925 - Cape Access training : 1 332
<p>b. 19 e-Centres in Bitterfontein, Van Rhynsdorp, Elim, Struisbaai, Bongoletu Library (Oudtshoorn), Conville Primary School (George), Genadendal, Klawer, Doringbaai, Vredenburg, Paternoster, Toekomsrus (Oudtshoorn), Thembaletu (George), Beaufort West, Ladismith, Mosselbay, Murraysburg, Ceres and Gugulethu</p>	<p>b. 26 e-Centres in Bitterfontein, Van Rhynsdorp, Elim, Struisbaai, Bongoletu Library (Oudtshoorn), Conville Primary School (George), Genadendal, Klawer, Doringbaai, Vredenburg, Paternoster, Toekomsrus (Oudtshoorn), Thembaletu Thusong Centre (George), Beaufort West, Ladismith, Mosselbay, Murraysburg, Ceres, and Gugulethu, Riversdale, Prins Albert, Waboomskraal, Tembaletu Library, Dysseisdorp, Swellendam.</p>
<p>c. 14 centres established in 2010/11 and 2011/12 and 9 to be established in 2012/13</p>	<p>c. Nine new e-Centres: Laingsburg, Langebaan, Robertson, Zolani, iLlingeletu, Citrusdal, Greyton, Plettenberg Bay, Nduli</p>
<p>The inculcation of the Batho Pele Principles within the Western Cape</p>	
<p>a. 11th Floor, Sanlam Building, Golden Acre, Adderley Street, Cape Town</p>	<p>a. 11th Floor, Sanlam Building, Golden Acre, Adderley Street, Cape Town</p>

3.2.4 Service information tool

Types of information tool	Actual achievement
The rendering of integrated e-government information, communication and technology services	
a. E-Community Forum	a. Monthly E-Community Forum
b. Quarterly feedback meetings to community members	b. Feedback Meetings to community members conducted by E-Community Forums.
c. General meetings of Forums	c. Constitution changed, Annual General Meeting now held biannually.
d. Quarterly Chairpersons Forum (Chaired by DDG: Ce-I)	d. Cape Access Chairperson Forum meetings convened (3)
e. Community newspaper	e. Community newspapers covered Cape Access graduations
f. Cape Access Website	f. Cape Access and WCG Websites utilised
g. Community notice boards	g. Community notice boards utilised
h. Word of mouth	h. Word of mouth
i. Annual Performance Plan	i. Annual Performance Plans available on WCG Portal
j. Annual Performance Report	j. Annual Performance Reports available on WCG Portal
The inculcation of the Batho Pele Principles within the Western Cape	
a. Batho Pele compliant e.g. Service Charters, organisation structures and contact details and working hours	a. Service Charters developed for 13 WCG Departments, indicating the commitment by the WCG Departments to deliver their services at their particular quantity, quality and timeliness level. Contact details and working hours are contained on the Service Charter and the public is also provided with the recourse to redress where actual delivery falls short of the standard.
b. Posters and pamphlets	b. Please see d below.

Types of information tool	Actual achievement
c. Community radio	c. Please see d below.
d. Community newspapers	d. Posters and pamphlets developed as part of Integrated Community Outreach Programme (Thusong Mobile), transferred to Department of Local Government from 1 April 2011.
e. Annual Report	e. Annual Report
f. Website	f. Batho Pele Impact Assessment Network framework published on WCG Blue Pages.
g. Assessment Reports	g. Findings of Frontline Service delivery improvement monitoring discussed at Batho Pele Impact Assessment Network.
h. Presentations	h. Presentations conducted at Batho Pele Impact Assessment Network.

3.2.5 Complaints mechanism

Complaints Mechanism	Actual achievement
The rendering of integrated e-government information, communication and technology services	
a. Monthly meetings with Forum members	a. Monthly E-Community Forum meetings
b. Suggestion boxes	b. Suggestion box and electronic client assessment tool
c. Client satisfaction survey	c. Suggestion box and electronic client assessment tool
d. Electronic client satisfaction survey	d. Suggestion box and electronic client assessment tool
e. Contact with Supervisor or Manager	e. Contact with Supervisor or Manager
f. Departmental Helpdesk (48-hour turnaround time standard)	f. WCG Contact Centre
g. e-Government for Citizens Call Centre	g. WCG Contact Centre
h. Walk-in Centre	h. WCG Contact Centre
i. Communication (written, verbal)	i. Communication (written, verbal)
j. Issue handling system	j. WCG Contact Centre
k. Presidential Hotline	k. Presidential Hotline (Western Cape)
The inculcation of the Batho Pele Principles within the Western Cape	
a. WCG Call Centre	a. WCG Contact Centre
b. Walk-in Centre	b. WCG Contact Centre
c. Communication (written and verbal)	c. Communication (written, verbal)
d. Batho Pele Impact Assessment Network	d. Batho Pele Impact Assessment Network
e. Issue handling system	e. Manual complaints system developed for Corporate Services Centre during 2010 and computerised (IMS) during 2012.

Complaints Mechanism	Actual achievement
f. Website	f. Website
g. Client satisfaction form/survey	g. In collaboration with DPME participated in the development of frontline service delivery improvement monitoring methodology (includes client satisfaction survey).
h. Suggestion box	h. Suggestion box
i. Presidential Hotline	i. Presidential Hotline (Western Cape)

3.3 Organisational environment

During the year under review no changes were made to the Department's budget structure, although the organisational structure was refined, resulting in a change of responsibility and accountability lines. The specific changes per programme were as follows:

- The Directorate: Human Rights was incorporated under the newly established Chief Directorate: International and Priority Programmes.
- The Directorate: International Relations was also incorporated under this newly established chief directorate.
- The Chief Directorate: Office of the Director-General was disestablished, with the Directorate: Departmental Strategy, Directorate: Director-General Support and Directorate: Cabinet Services reporting directly to the branch head of Programme 1 (Executive Support) together with the Chief Directorate Departmental Finance and Administration and the Office of the Premier.
- The impact of this change on Programme 2 was that a new branch, Strategic Programmes, was formed, providing for a Chief Directorate: International and Priority Programmes and a Directorate: Strategic Communication. The Chief Directorate: International and Priority Programmes consisted of the Directorate: International Relations and the Directorate: Priority Programmes. The Chief Directorates: Policy and Strategy and Strategic Management Information reported directly to the Director-General.

Due to austerity measures and the resultant inability to fill all funded vacancies, the Department had a vacancy rate of 21.6 % at the end of the financial year. When additional contract staff is taken into account, however, the vacancy rate was 9.2%.

3.4 Key policy developments and legislative changes

During the period under review the Department moved to align the Western Cape Government's Provincial Strategic Plan (PSP) adopted in 2010, with the National Development Plan (NDP) published in November 2012. The eleven strategic objectives of the PSP are closely reflected in the NDP's objectives, including the priority areas for implementation.

4. STRATEGIC OUTCOME ORIENTED GOALS¹

The Department crafted three strategic goals to guide the institution as it gives effect to the mandate of government. These three goals are captured in the Department's strategic plan as:

1. to render relevant and timeous executive governance support services to the Executive and the Director-General of the Western Cape Government (Programme 1);
2. to support the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic management (Programme 2); and
3. to achieve effective, efficient and professional corporate services with excellent people, processes and technology to optimize service delivery by the Western Cape Government (Programmes 3, 4 and 5).

On 6 May 2012 Cabinet approved the Strategic Directive for Provincial Strategic Objective 12 (PSO12) – Building the best-run regional government in the world. The adoption of PSO12 provided further focus to the deliverables of the Department and guided how the pre-determined objectives were implemented during the period under review.

In simple terms, PSO 12 is about (i) retaining and employing highly capable people; (ii) having policies and procedures as well as structures and systems in place that ensures that the functions of the WCG can be performed effectively and efficiently; and (iii) the values that drive how the people of the Western Cape are served every day.

In rendering relevant and timeous executive governance support services to the Executive and the Director-General, the Department provided a support service to the satisfaction of the Premier and the Director-General. Executive engagements were supported which enabled the Executive to govern the Province.

Governance support in respect of international relations showed improvement in the transversal coordination of this function in support of the growth and development agenda of the Province. Human rights support saw a shift away from an events-oriented approach towards firmer attempts to mainstream human rights issues into the fabric of provincial government. This necessitated an organisational structure change which will reflect on the budget structure of the Department from 1 April 2013.

A critical indicator of the quality of governance support rendered to the executive authority and accounting officer of the Department is the financial conformance and performance. In this respect, the Department again managed to achieve an unqualified audit. Despite austerity measures having to be implemented from the second quarter, the Department still managed to achieve a 99.89% spend of its budget allocation for the year under review. In this respect the Department also contributed to the achievement of the PSO12 outcome theme relating to improved financial maturity.

Significant progress was made towards supporting the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic management. The strategic content and secretariat support rendered to the 40 working groups of the Provincial Transversal Management System enabled significant advancement with the progressive implementation

¹ The strategic outcome oriented goals for 2012/13 might differ slightly from those stated in the 2010/11-2014/15 Strategic Plan because of amendments made in the Annual Performance Plan. The evolution of the strategic goals of the Department is depicted under section 3.3 in Part A of this report.

of the Provincial Strategic Plan which in essence constitutes the Executive's five-year roadmap for the Western Cape Government. Through the provision of strategic management information services the Department enabled tracking of the progress towards achievement of the provincial results as embodied in the Provincial Strategic Plan on output and outcome levels. The Management Performance Assessment Tool (MPAT) was submitted and its related self-assessment scored for all Departments timeously. The FOSAD commitments and its related 15 indicators were continuously improved on. Progress was also registered with the development of a range of information systems that will assist the Western Cape Government to improve its measuring abilities in this regard. These deliverables contributed directly to the PSO12 outcome theme aimed at management for results.

The bulk of the Department's financial and human resources were directed towards supporting the Department's third strategic goal: to achieve effective, efficient and professional corporate services with excellent people, processes and technology to optimize service delivery by the Western Cape Government. Deliverables under this goal also constituted the most significant contribution to the realisation of PSO12. These deliverables informed how the Western Cape Government gave effect to its functions, operated and was managed on a daily basis.

In this regard, the completion of 38 business process improvement projects, interventions to impact the organisational culture positively and 20 organisational design interventions contributed directly to establishing the Western Cape Government as a performance conducive workplace – one of the outcomes being pursued by PSO12 under the theme People Management. Similarly, the delivery of transversal and management training by the Provincial Training Institute contributed to establishing the provincial government as a professional institution with excellent people. In addition, certain process reengineering and system implementation in the human resource practices environment resulted in reduced turnaround times within leave administration and the conclusion of individual employee relation matters. These gains contribute to greater efficiencies in government while ensuring that a conducive workplace is attained.

Further progress towards the strategic goal of achieving effective, efficient and professional corporate services to optimize service delivery can be found in the significant progress made in respect of e-services transformation, enhanced e-governance and ensuring digitally enabled communities. In this respect, an IT Governance Maturity rating of 3 has been maintained, service levels were improved and there are improved user perceptions of the services provided by Ce-I. In addition, 22 sites were connected to the City of Cape Town's broadband infrastructure, resulting in not only a reduction in connectivity cost, but also increased bandwidth capacity. A draft e-government strategy was developed and is currently being consulted. Further progress registered in this regard related to the integration of all WCG websites, the development of social media accounts, a first mobile optimized site and the commencement of the implementation of an enterprise-wide electronic content management solution.

The achievement of this strategic goal is further supported by deliverables in the corporate assurance environment which also contributed directly to the PSO12 outcomes of ensuring adherence to the rule of law and the maintenance of a mature internal control framework. Progress was registered in the development of a risk and control maturity framework which will enable the determination of risk and control maturity in the WCG. The average days it takes to complete a forensic investigation reduced from 463 in 2011/12 to 319 in 2012/13. Adherence to the rule of law was promoted through the provision of 28 training opportunities in areas such as the promotion of administrative justice and access to information, conclusion and management of contracts and the provincial legislative process.

Lastly, an important aspect of the PSO12 outcome theme "citizen-centric service delivery" relates to interventions aimed at ensuring provincial brand recognition. In this regard, the *Better Together* magazine was launched and brand assessment reports were issued to monitor compliance to the brand.

The progress registered above indicated how deliverables in support of the departmental strategic

goals also contributed to the realisation of the PSO12. There is a synergistic relationship with the National Development Plan as it relates to “build a professional public service and a capable state” and national outcome 12; “an efficient, effective and development-oriented public service”. All the 2012/13 deliverables supported the realisation of these national imperatives, specifically as it relates to the deliverables of Programme 3, Human Capital (including organisational development, the Provincial Training Institute and human resource management), Programme 4, Centre for e-Innovation and Programme 5, Corporate Assurance (enterprise risk management, internal audit, forensic investigative unit and legal services). Deliverables by these programmes contributed directly to the national outputs relating to improved access and quality of services, human resource management and development, business processes, systems, decision rights and accountability, citizen participation and reducing corruption.

One of the aims of the National Development Plan is to foster improved governance by, amongst others, professionalising the public service, upgrading skills, improving coordination within Government and tackling fraud and corruption. These delivery mechanisms form the basis of the Department’s core functions and the achievements registered during 2012/13 already starts to address these aims. The Department has also commenced with a formal process to seek closer alignment with the outcomes of the National Development Plan.

5. PERFORMANCE INFORMATION BY PROGRAMME

5.1. Programme 1: Executive Support (Administration)

5.1.1 The purpose of the programme

The strategic goal of this programme is to render relevant and timeous executive governance support services to the Executive and the Director-General of the Western Cape Government. During the period under review the Programme contributed to the provincial strategic objective aimed at building the best-run regional government in the world through its contributions to the outcome themes efficient and transparent institutional governance, financial management and people management.

5.1.2 Subprogrammes

- Subprogramme 1.1: Programme Support
- Subprogramme 1.2: Office of the Premier
- Subprogramme 1.3: Executive Secretariat
- Subprogramme 1.4: Office of the Director-General
- Subprogramme 1.5: Departmental Finance and Administration

5.1.3 Strategic Objectives

Subprogramme 1.2: Office of the Premier

To provide an administrative support service to the Premier.

Subprogramme 1.3: Executive Secretariat

To support effective governance through the provision of accessible executive secretariat, protocol and administrative support, strategic guidance and content on international relations and human rights.

Subprogramme 1.4: Office of the Director-General and 1.5: Departmental Finance and Administration

To provide departmental management support to enable the Director-General to execute statutory duties and strategic roles and responsibilities.

5.1.4 Review 2012/13 (Achievements, highlights and challenges)

The Programme's contribution to efficient and transparent institutional governance was given effect to by providing governance support to the Executive and the Director-General through the subprogrammes Office of the Premier and Office of the Director-General.

The subprogramme: Executive Secretariat continued to support effective governance through the provision of accessible executive secretariat, protocol and administrative support, strategic guidance

and content on international relations and human rights.

To this end, the subprogramme supported about 119 executive and management engagements. The subprogramme also supported a number of human rights projects linked to international and national commemorative days. This included a Career Fair and Expo, held on Youth Day, 16 June. The fair and expo drew attention to the challenges young people continue to face with accessing employment opportunities in the open labour market. It provided a platform for youth with disabilities to meet and engage with potential employers. Furthermore, a seminar with young people was held on 28 June to deepen consciousness of the youth on the challenges of human trafficking.

In addition to the above, the subprogramme facilitated the Africa Peer Review Mechanism (APRM) Western Cape Chapter, which was then to be presented by the President of the Republic at the African Union. About 300 NGOs and civil society organisations participated in the process of commenting on the Western Cape Chapter.

In order to monitor the effectiveness of our engagements in the international arena, the subprogramme established and maintained an Interdepartmental Forum on International Relations, comprising representatives from all WCG Departments. The Forum, among other things, discussed forthcoming incoming and outgoing delegations, as well as international relations priorities.

The subprogramme also monitored and reported on international agreements entered into between the Western Cape and its international partners. This included reporting on the implementation of the 2010 Regional Leaders Summit Resolutions.

A critical indicator of the quality of governance support rendered to the executive authority and accounting officer of the Department is the financial conformance and performance. In this respect, the Department again managed to achieve an unqualified audit. Despite austerity measures implemented from the second quarter, the Department still managed to achieve a 99.89% spend on its allocated budget for the year under review. In this respect the Department also contributed to the achievement of the PSO12 outcome theme relating to improved financial maturity.

The contribution to people management was focused on creating a performance conducive work place by taking steps to comply with the provisions of the Occupational Health and Safety Act and the Minimum Information Security Standards. Several interventions aimed at improving the wellness culture in the branch which resulted in an entropy level of less than 10.

The Premier and the Director-General participated in intergovernmental fora such as the Presidential Coordinating Council, Governance and Administration Cluster, Forum of South-African Directors-General, etc.

5.1.5 Strategic objectives, performance indicators, planned targets and actual achievements

5.1.5.1 Strategic objectives

Strategic objectives	Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support						
To provide an administrative support service to the Premier.	Level of Premier's satisfaction in respect of a personal support service rendered, measured in a given year.	99%	90%	97%	7%	Exceeded target, as Premier was almost entirely satisfied with the support she received at every level.
To support effective governance through the provision of accessible executive secretariat, protocol and administrative support, strategic guidance and content on international relations and human rights.	Number of Executive and management engagements supported.	104	100	119	19	There were executive committee and provincial top management meetings that had to be arranged outside the annual calendar.
To provide departmental management support to enable the Director-General to execute statutory duties and strategic roles and responsibilities.	A clean audit report.	N/A	Yes	No	A clean audit was not received.	The Department achieved an unqualified audit with one other matter reported which was for material misstatements on the AFS submitted to the Auditor-General

5.1.5.2 Performance indicators

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.1: Programme Support					
1.1.1 ² All legislatively required reports submitted in terms of departmental timeframes.	No instances of non-compliance	4	Nil	-4	The programme did not comply with all the due dates for internal submission of inputs towards legislatively required reports due to competing priorities. However, departmental legislatively required reports were submitted to oversight bodies within the prescribed time frames.
Subprogramme 1.2: Office of the Premier					
1.2.1 Level of Premier's satisfaction in respect of a personal support service rendered, measured in a given year.	99%	90%	97%	7%	Exceeded target, as Premier was almost entirely satisfied with the support she received at every level in this quarter.
Subprogramme 1.3: Executive Secretariat					
1.3.1 Number of Executive and management engagements supported.	104	100	119	19	There were executive committee and provincial top management meetings that had to be arranged outside the annual calendar.

² The numbering of the indicators in this table corresponds with the numbering in the 2012/13 Annual Performance Plan

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.3: Executive Secretariat (continued)					
1.3.2 Number of human rights projects linked to international and national commemorative days strategically supported.	N/A	6	7	1	<p>The Unit facilitated the Africa Peer Review Mechanism (APRM) Western Cape Chapter of the Country Report which was then to be presented by the President at the African Union. The report focused on four thematic areas:</p> <ul style="list-style-type: none"> - Democracy and Political Governance; - Economic governance and management; - Corporate Governance; and - Socio-economic development. <p>About 300 NGO's and civil society organisations participated in the process of commenting on the Western Cape chapter.</p>
1.3.3 Number of sector-specific human rights frameworks developed.	N/A	4	2	-2	<p>The initial target was based on developing frameworks for each of the following sectors: People with Disabilities; Youth; Children; and Women. Due to management decisions and organisational changes, a single Human Rights Mainstreaming</p>

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.3: Executive Secretariat (continued)					
1.3.3 (continued)					Framework encompassing the four sectors was developed
1.3.4 Number of active international agreements between the Western Cape and international partners managed and monitored.	N/A	8	24	16	The Unit reviewed the signed agreements with other regions and ascertained if they were active or passive. This was done through considering trips undertaken by MEC's and Departments and international projects between our various Departments and our international counterparts.
1.3.5 Number of monitoring reports on the implementation of Regional Leaders Summit Resolutions.	2	2	2	Nil	The monitoring reports compared the regions participating in the Regional Leaders Summit according to the level of activity between the partners. Bavaria, Shandong, Upper Austria and Sao Paulo are most active.
1.3.6 Guide the practice of international relations through relevant protocol guidelines	N/A	1	1	Nil	Guiding entails advising the executive strategically, e.g. which regions to focus on and how to negotiate MOU's or what is involved when undertaking international trips.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.3: Executive Secretariat (continued)					
1.3.7 Guide international relations engagements through the establishment and maintenance of an interdepartmental structure.	N/A	1	2	1	An interdepartmental forum on international relations was established, comprising representatives from all WCG Departments. The forum discusses international relations priorities and forthcoming incoming and outgoing delegations.
Subprogramme 1.4: Office of the Director-General					
1.4.1 Number of interventions implemented to ensure Minimum Information Security Standards (MISS) architecture is implemented.	N/A	4	4	Nil	Four interventions were implemented to protect people, information and physical assets and focused on: <ul style="list-style-type: none"> - Increased personnel security, - improved access control, - contingency planning, and - training.
1.4.2 Number of interventions implemented to ensure fundamentals of Occupational Health and Safety Act (OHSa) in place.	N/A	5	5	Nil	Five interventions were implemented to promote and maintain physical and mental well-being of staff in the workplace. <p>These interventions included:</p> <ul style="list-style-type: none"> - Investigation and reporting on formal and informal OHS incidences in the

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.4: Office of the Director-General (continued)					
1.4.2 (continued)					workplace; <ul style="list-style-type: none"> - Piloted a monthly OHS inspection checklist; - Departmental OHS policy statement approved; - Two OHS awareness campaigns were conducted; - Departmental OHS Committee was instituted;
1.4.3 Level of Director-General's satisfaction in respect of a personal support service rendered, measured in a given year.	83%	83%	88,9%	5,9%	Areas of improvement were continuously identified and responded to.
Subprogramme 1.5: Departmental Finance and Administration					
1.5.1 A clean audit report.	N/A	Yes	No	A clean audit was not received	The Department achieved an unqualified audit with two other matters reported: <ol style="list-style-type: none"> 1. Material findings on predetermined objectives and compliance with laws and regulations. 2. Non-compliance with laws and regulations relating to procurement and contract management which resulted in

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.5: Departmental Finance and Administration (continued)					
1.5.1 (continued)					the Department incurring irregular expenditure.
1.5.2 Percentage spent on the budget of the Department achieved in respect of the preceding financial year.	99,78%	99%	99,89%	0,89%	Effective budget control measures ensured over achievement of this indicator.
1.5.3 Percentage of approved finance posts filled.	78% of 78 posts	90% of 91 posts	67% of 91 posts	23% of 91 posts	Due to austerity measures and accommodation problems the vacant posts could not be advertised and filled.
1.5.4 Number of unopposed invoices not finalised within 30 days after receipt. Baseline: Total number of unopposed invoices.	10	Nil	25	25	Achievement of this indicator was not possible due to matters outside the department's control, such as Logis system errors and banking details not received timeously from service providers.
1.5.5 Overall level of financial capability maturity achieved in a given year.	N/A	3+	Nil	N/A	This was measured by the Provincial Treasury in terms of the FGRO. This has been stopped by them and replaced by the CGRO which does not measure financial maturity in terms of numbers.
a. Supply chain and asset management	N/A	3+	Nil	N/A	This was measured by the Provincial Treasury in terms of the

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.5: Departmental Finance and Administration (continued)					
a. (continued)					FGRO. This has been stopped by them and replaced by the CGRO which does not measure financial maturity in terms of numbers.
b. Corporate Governance	N/A	3+	Nil	N/A	This was measured by the Provincial Treasury in terms of the FGRO. This has been stopped by them and replaced by the CGRO which does not measure financial maturity in terms of numbers.
c. Financial accounting	N/A	3+	Nil	N/A	This was measured by the Provincial Treasury in terms of the FGRO. This has been stopped by them and replaced by the CGRO which does not measure financial maturity in terms of numbers.
d. Supporting and interlinked financial systems	N/A	3+	Nil	N/A	This was measured by the Provincial Treasury in terms of the FGRO. This has been stopped by them and replaced by the CGRO which does not measure financial maturity in terms of numbers.

5.1.6 Strategy to overcome areas of under performance

The human rights function was mainstreamed into the programmes of provincial Departments. This ensured that each WCG Department is responsive to and responsible for human rights promotion. Mainstreaming is supported by the Department of the Premier and is aimed at promoting social inclusion within a sustainable development paradigm.

Plans to accommodate the registry staff are in place and indications from the Department of Transport and Public Works are that physical moves will take place during 2013/14, which will enable the filling of some vacancies within the Directorate: Finance and Administration, subject to funding availability. Whilst financial capability maturity is not measured by the Provincial Treasury any longer in terms of FGRO, a comprehensive governance framework was put in place for the Western Cape Government, which regularly tracks performance in this area. The Department reports regularly to the Provincial Treasury, audit committee and auditor-general on the implementation of its Corporate Governance Review and Outlook.

5.1.7 Changes to planned targets

There were no changes to targets.

5.1.8 Linking performance with budgets

The main cost driver of this programme's budget is compensation of employees. The filling of posts in this programme was therefore significantly impacted by the austerity measures implemented during the financial year, which in turn impacted the areas of non-performance.

The programme did not overspend, but through prudent management incurred an under spending for 2012/13 of only 0.37 % (for 2011/12 it was 0.82% as is reflected in table 5.1.9.)

5.1.9 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Programme Support	1,578	1,568	10	1,604	1,601	3
Office of the Premier	13,336	13,289	47	12,969	12,962	7
Executive Secretariat	15,311	15,215	96	19,999	19,573	426
Office of the Director-General	16,443	16,381	62	14,502	14,491	11
Financial Management	21,704	21,667	37	18,798	18,686	112
Total	68,372	68,120	252	67,872	67,313	559

5.2. Programme 2: Provincial Strategic Management

5.2.1 The purpose of the Programme

The strategic goal of this programme is to support the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic management.

The strategic goal and strategic objectives related to this programme were adjusted to make it more focussed and aligned to all the functions rendered. The programme will pursue an additional strategic objective relating to the facilitation of catalytic events and projects. However, it does not denote a fundamental shift in the focus of the strategic goal.

5.2.2 Subprogrammes

- Subprogramme 2.1: Programme Support
- Subprogramme 2.2: Policy and Strategy (reporting directly to the Director-General from 1 October 2012 to 31 March 2013).
- Subprogramme 2.3: Strategic Management information (reporting directly to the Director-General from 1 October 2012).
- Subprogramme 2.4: Strategic Communications
- Subprogramme 2.5: 2010 FIFA World Cup³
- Subprogramme 2.6: Strategic projects

5.2.3 Strategic objectives

Subprogramme 2.2: Policy and Strategy

To support the Executive strategically in the development and implementation of high level provincial policies and strategies.

Subprogramme 2.3: Strategic Management Information

To support the Executive in the monitoring of provincial performance through the provision of accurate data and information.

Subprogramme 2.4: Strategic Communications

To coordinate external communication and to ensure that the Provincial Government communicates the delivery intents and outcomes of the provincial strategic plan to the people of the Western Cape.

Subprogramme 2.6: Strategic Projects

To strategically support the Executive in facilitating major events/projects with provincial growth and development potential at interdepartmental, intergovernmental and/ or inter-sectoral level.

³Since this subprogramme has been discontinued due to the end of the project, no outputs and targets were included in the 2012/13 APP, but it is included in Budget Statement II to reflect the historical spending.

5.2.4 Review 2012/13 (Achievements, highlights and challenges)

The organisational structure of the Branch Provincial Strategic Management was redesigned with the current structure approved 1 October 2012. The branch was renamed Branch Strategic Programmes with the Chief Directorate Strategic Management Information and Chief Directorate Policy and Strategy reporting directly to the Director-General.

During the period under review this programme also assumed managerial responsibility for International Relations and Priority Programmes (including human rights functions) and Strategic Communication matters. The subprogramme Policy and Strategy was reintegrated with the branch from 1 March 2013.

The subprogramme Strategic Project's core activity has been to give effect to the Integrated Events Strategy as adopted by Cabinet in September 2011. This involved regular engagements with public and private sector stakeholders to streamline the interface between provincial government and event organisers seeking support.

To further give momentum to achieving the above outcome, work on the event web portal intensified. The web portal will present a single point where event organisers are able to apply for event support from the Western Cape Government. It will also serve as a repository for event related business intelligence. The working relationship on events between the Western Cape Government and the City of Cape Town has been further strengthened.

During the review period, financial support was given to a range of events that are classified as jewels and incubator events in terms of the Integrated Events Strategy. "Jewels" are well-established popular events, held annually; with a distinct regional flavour. Supported jewels included the ABSA Klein Karoo Nasionale Kunstefees and the Cape Argus Pick n Pay Cycle Tour. Both these events contributed significantly to the regional economy serving as strong drivers of domestic and international tourism. In addition, support was granted to incubator events such as the Ultimate X Games and the Cape Town Carnival, based on their potential to reach jewel status.

Events with a greater focus on encouraging greater social inclusion such as the Open Book Festival and Rage4Good also received assistance.

The first iteration of developing a common set of indicators to measure event impact, using a triple bottom line approach, has been drafted.

A facilitative role was played in accelerating a range of projects aimed at altering the region's socio-economic landscape. They include: District 6, Hangberg, Cape Town 2014 World Design Capital and the Green Economy.

A provincial audit of overseas development assistance (ODA) funding projects was completed. ODA includes official resource flows from the international donor community to South Africa in the form of grants, technical cooperation and financial cooperation. This was aligned to a request from National Treasury to improve ODA reporting processes and structures. Additionally, this audit has provided the baseline to guide the drafting of an ODA strategy.

There were some challenges, though, during the period under review. These related to budget cuts, which impacted negatively on performance and were the primary cause of the implementation of phase one of the web portal being delayed and necessitated a review of the timing and quantum of event support packages.

The other challenge was a lack of research oriented support in the area of International Relations and Human Rights, but that has been rectified by bringing the Chief Directorate: Policy and Strategy closer in the Branch.

In 2012/13 the Subprogramme Policy and Strategy focused mainly on the implementation of the Provincial Strategic Plan (PSP), providing technical content and secretariat support through the Provincial Transversal Management System (PTMS). The chief directorate completed an audit of working groups and supported the development of project implementation plans for all the working groups. Forty (40) working groups in total were supported. An annual PTMS review report was also completed, which looks at alignment of the Departmental Annual Performance Plans with the Provincial Strategic Plan.

The Provincial Strategic Plan and the PTMS are in their second year of implementation. The Strategic Sector Committees (Human Development, Economic and Governance) began their deliberations in February 2011. Each of the eleven Provincial Strategic Objective (PSO) Steering Groups had an opportunity to present on progress in the implementation of their Strategic Objectives, twice a year at the Sector Committee meetings. Each Steering Group chair (a Head of Department) is given the opportunity at each meeting to highlight issues of concern, and to table policy and budgetary issues for deliberation on an on-going basis. The chief directorate plays a supportive role in a number of areas and as requested by HODs, steering and work groups.

The chief directorate's main achievements included the establishment of four pilot behavioural economics projects: the development of the Integrated Harbour Development Strategy, the Violence Prevention Policy, the draft International Relations Strategy, and the adoption by Cabinet of the Early Childhood Development Strategy. Research studies were also conducted on the socio-economic opportunities of the twelve proclaimed harbours, and the leadership history and structure of the Khoisan community in the Western Cape.

The Chief Directorate Policy and Strategy also provided policy input on national and provincial key issues:

- Provincial profile of the Census 2011
- Comments on the Employment Services Bill
- Reconciliation and Diversity Working Group concept note
- Integrated Provincial Disability Strategy
- Input into National Planning Commission/Western Cape Government collaboration.

On request from the Department of Cultural Affairs and Sport, the second phase of the review of public entities, which includes the Language Committee, the Cultural Commission and Heritage Western Cape, was completed.

The chief directorate coordinated input into the One Cape 2040 future vision and strategy for the Province, and liaison with the Economic Development Partnership (EDP) on the roll out of One Cape 2040. A long-term modelling tool was also developed in order to support One Cape 2040 and training sessions were held with all Departments.

The subprogramme Strategic Management Information continuously focused on improving baselines through testing the level of maturity for the methodologies related to Programme and Project Management, Results-based Monitoring and Evaluation and Spatial Information. For the year under review two high-level projects were implemented. The first project focused on updating methodologies, facilitating data governance and producing relevant data and information on an implementation and result-based level both on a provincial and national level. The second project focused on the continued development of an automated and integrated provincial-wide Monitoring and Evaluation system.

In line with PSO12, Outcome theme "Management for Results", the level of maturity was tested over consecutive years for all three methodologies as implemented by the Department of the Premier. The first data governance reference group in the WCG was established, and subsequently delivered a discussion document on data governance for better use and sharing of administrative data.

In terms of the production of Strategic Management Information, the monitoring of projects through the Executive Project Dashboard (EPD) and programme and project management methodology delivered project performance data to various stakeholders. Indicator measurement using the Results-based Monitoring and Evaluation (RBM&E) approach produced time series data for various policy thematic areas. Spatial Information using various spatial techniques produced mapping that informed spatial planning and spatial analysis on various policy related areas.

A statistical product, 'Describing the Western Cape' was done using data from Census 2011 and presented to Cabinet to highlight development challenges. The analysis covered various population variables such as the age distribution, inter-provincial migration; school attendance, education, labour market status, income of the employed and living conditions of the people of the Western Cape.

An African Peer Review Mechanism (APRM) provincial response from the WCG was also compiled and submitted to the Department of Public Service and Administration as the 'third report on the APRM Programme of Action (APRM-PoA) by the WCG'.

In response to the focus areas of the Department of Performance Monitoring and Evaluation in the Presidency, the WCG achieved the following:

- Submitted the Management Performance Assessment Tool (MPAT) self-assessment and its related self-assessment scored for all Departments timeously;
- Conducted the monitoring visits at service delivery facilities in accordance to the Frontline Service Delivery (FSD) methodology. Unannounced monitoring visits were done at thirty three (33) sites of which nineteen (19) inspection sites were within the legislative mandate of WCG. Thirty-seven (37) feedback visits were conducted.
- Continuously improved on the FOSAD commitments and its related 15 indicator measurements;
- The first Provincial Evaluation Plan served as the rollout of the National Evaluation Policy Framework and a model for other provinces; and
- Compiled indicator trends for the provincial 20-year review report.

In collaboration with the Centre for e-Innovation, the third phase in developing an integrated and automated provincial-wide monitoring and evaluation system has delivered the following:

- Business Intelligence Solution (BI): A BI solution has been designed and implemented focusing on the measurement of PSO outcome indicators and interactive data for PSO 1, 2 and PSO 4. The BI solution includes interactive mapping and project dashboards.
- Annual Performance Assessment System (APAS): the APAS was designed, built and tested. It delivered the initial screens and functionality for compilation and reporting on Annual Performance Plans; and
- Enterprise Project Management System (EPM): the EPM System was designed and it delivered a high level analysis for programme and project management for WCG. For the year under review, the EPM system for the Department of the Premier was closed off with a demonstration, User Acceptance Testing and data migration.

A series of workshops with the Project Management, Monitoring and Evaluation, and Spatial Information forums continued on a quarterly basis. The first Western Cape Spatial Information forum was established to facilitate integration of spatial information with national and local government. Regular engagements with Department of Performance Monitoring and Evaluation took place as well as engagements with external stakeholders on a national and international level. In this regard, the Chief Directorate shared its methodologies, approaches, instruments and best practices as implemented in this Province.

Strategic Communication has continued to submit monthly media analysis and media environment briefings to Cabinet for consideration. Daily Media Liaison Coordination meetings continued. Quarterly

brand audits which measures compliance with the provincial brand have also been instituted, as well as a coordinated management approach for departmental communications plans and budgets.

5.2.5 Strategic objectives, performance indicators, planned targets and actual achievements

5.2.5.1 Strategic objectives

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management						
To support the Executive strategically in the development and implementation of high level provincial policies and strategies.	Number of six-monthly and annual progress reports submitted to Cabinet on progress with the implementation of the provincial strategic plan	2	3	3	Nil	N/A
To support the Executive in governing the Province through the provision of accurate strategic management information obtained by measuring the results of the implementation of provincial strategic objectives and their outcomes	Strategic management information contribution to two reports to Cabinet per year	2	2	3	1	Submitted the following data and information informing Cabinet Bosberaad: 1. 'Data Release 2012'; 2. Spatial Assessment for Economic, Human and Governance Sector. 3. Additional: An assess-

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management						
						ment of projects contributing towards Provincial Strategic Objectives.
To coordinate external communication and to ensure that the Western Cape Government communicates the delivery intents and outcomes of the provincial strategic plan to the people of the Western Cape.	Monthly media analysis reports for Cabinet	12	12	19	7	In the past only one report per month was submitted to Cabinet. Decision was made to submit a report at every cabinet meeting resulting in the increase in delivery. Extra reports were compiled in May, July, August, September, October and November.
To strategically support the Executive in facilitating major events/projects with provincial growth and developmental potential at interdepartmental, intergovernmental and/or inter-sectoral level.	Strategic event information contribution to two Cabinet reports per year.	N/A	8	10	2	A reprioritisation of funds resulted in more events receiving a smaller support package.

5.2.5.2 Performance indicators

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management					
Subprogramme 2.1: Programme Support					
2.1.1 All legislatively required reports submitted in terms of departmental timeframes.	No instances of non-compliance	4	1	-3	The programme did not comply with all the due dates for internal submission of inputs towards legislatively required reports due to competing priorities. However, departmental legislatively required reports were submitted to oversight bodies within the prescribed time frames.
Subprogramme 2.2: Policy and Strategy					
2.2.1 Number of assessment reports on alignment of Departments' annual performance plans with Provincial Strategic Plan.	2	2	1	-1	Management took an internal decision, based on Provincial Treasury's new/ changed MTEC format, to only do a consolidated report based on MTEC 1 and the transversal MTEC hearings.
2.2.2 Estimated number of policy and strategy papers in response to national and provincial strategic imperatives.	39	10	29	19	It is difficult to estimate how many pieces of legislation or policies will be published for comment in any given year. The Chief Directorate is then responsive on

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management					
Subprogramme 2.2: Policy and Strategy (continued)					
2.2.2 (continued)					issues of provincial importance.
2.2.3 Number of six-monthly and annual policy reports submitted to Cabinet on Implementation of the Provincial Strategic Plan.	2	3	3	Nil	Reports on implementation plans for the Strategic Objectives are critical for the roll-out of the Provincial Strategic Plan
2.2.4 Number of six-monthly and annual reports on the performance of the Provincial Transversal Management System in implementing the Provincial Strategic Plan.	N/A	3	3	Nil	Reports on implementation of the Provincial Transversal Management System are critical for the roll-out of the Provincial Strategic Plan.
2.2.5 Number of items submitted to the Presidential Coordinating Committee on behalf of the Premier.	N/A	4	4	Nil	Unblocking IGR issues at a National level is critical for the roll-out of the Provincial Strategic Plan.
Subprogramme 2.3: Strategic Management Information					
2.3.1 Level of programme and project management maturity achieved in Western Cape Government measured by internationally acceptable instrument.	2.1	2.5	2.5	Nil	This score of 2.5 represents an improvement on the overall score of 2.1 achieved during the 2011/12 financial year. The APP performance indicator and target of 2.5 for 2012/13 was achieved.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management					
Subprogramme 2.3: Strategic Management Information (continued)					
Baseline: Level 1 established in (2009/10).					
2.3.2 Level of results-based monitoring and evaluation maturity achieved in Western Cape Government measured by internationally acceptable instrument. Baseline: Level 1 established in (2011/12).	2.4	1.5	2.7	1.2	This score of 2.7 represents an improvement on the overall score of 2.4 achieved during the 2011/12 financial year. The APP performance indicator and target of 1.5 for 2012/13 was developed prior the actual performance (2.4) achieved for the 2011/12 performance indicator.
2.3.3 Level of spatial information management maturity achieved in Western Cape Government measured by internationally acceptable instrument. Baseline: Level 1 established in (2011/12).of the Provincial Strategic Plan.	2.2	1.5	3	1.5	This score of 3 represents an improvement on the overall score of 2.5 achieved during the 2011/12 financial year. The APP performance indicator and target of 1.5 for 2012/13 was developed prior to the actual performance (2.5) achieved for the 2011/12 performance indicator.
2.3.4 Progress with the phased development of an automated and integrated Monitoring and	Phase 2 completed.	Phase 3 completed.	Phase 3 completed.	Nil	Phase 2: Development of Business Requirement Specifications for 3 systems and Business Intelligence Pilot.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management					
Subprogramme 2.3: Strategic Management Information (continued)					
Evaluation system for improving the measurement of provincial-wide performance. Baseline: A seven (7) phase results-based monitoring and evaluation model developed in 2009/10.					Phase3: First leg of system development for Enterprise Project Management; Annual Performance Assessment System; and Business Intelligence System.
Subprogramme 2.4: Strategic Communication					
2.4.1 Number of assessment reports submitted to Cabinet on the Western Cape Government communications environment.	12	12	19	7	In the past only one report per month was submitted to Cabinet. Decision was made to submit a report at every cabinet meeting resulting in the increase in delivery. Extra reports were compiled in May, July, August, September, October and November
2.4.2 Number of assessment reports submitted to Cabinet on Ministerial and Departmental communications performance.	12	12	18	6	In the past only one report per month was submitted to Cabinet. Decision was made to submit a report at every cabinet meeting resulting in the increase in delivery. Only 1 Cabinet meeting in July due to Bosberaad. Extra reports were compiled in April,

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management					
Subprogramme 2.4: Strategic Communication (continued)					
2.4.2 (continued)					May, July, August and September.
2.4.3 Comprehensive project assessment report three times a year against brand compliance.	N/A	3	3	Nil	Assessment reports were compiled in the 2nd, 3rd and 4th quarter in conjunction with Corporate Communication as per Annual Performance Plan.
Subprogramme 2.6: Strategic Projects					
2.6.1 Event strategy reviewed through consultative process with private and public sector environment.	N/A	Strategy reviewed	Strategy reviewed	Nil	Review process completed.
2.6.2 Web-based event portal development through consultative process with system end-users.	N/A	Phase 1 completed	Phase 1 initiated	Phase 1 not completed	The budget was removed; therefore the subprogramme could not deliver on the annual projected output.
2.6.3 Number of events receiving financial or non-financial support.	N/A	8	10	2	Initial target exceeded because budgets were reprioritised with more events receiving a smaller support package.
2.6.4 Framework developed to align Overseas Development Assistance to	N/A	Framework developed	Framework developed	Nil	N/A

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 2: Provincial Strategic Management					
Subprogramme 2.6: Strategic Projects (continued)					
provincial growth and development objectives.					

5.2.6 Strategy to overcome areas of under performance

The MTEC2 process was revised by Provincial Treasury to include transversal programme budgeting. We will thus in the next financial year work closely with them to align provincial transversal planning, programming and budgeting. Some areas are difficult to predict, e.g. how much national or provincial legislation will be received for comment, as this is generated from other Departments. Budget cuts meant that the web portal development had to be slowed down. However, strong relationships with project stakeholders have been developed during the interim processes that will assist in fast-tracking subsequent project phases.

5.2.7 Changes to planned targets

There were no changes to planned targets.

5.2.8 Linking performance with budgets

The programme overall achieved more than 80% of its indicator targets. This was done with austerity measures in place since the second quarter. The programme did not overspend but through the prudent management incurred an under spending for 2012/13 of only 0.38% (For 2011/12 it was 0.32%), as is reflected in the table below.

5.2.9 Subprogramme expenditure

Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Programme Support	2,214	2,197	17	3,154	3,149	5
Policy and Strategy	12,065	12,042	23	9,063	8,992	71
Strategic Management and Information	8,200	8,148	52	9,101	9,089	12
Strategic Communication	2,899	2,889	10	7,492	7,488	4
Strategic Projects	4,940	4,926	14	-	-	-
Total	30,318	30,202	116	28,810	28,718	92

5.3. Programme 3: Human Capital

5.3.1 The purpose of the Programme

This programme forms part of the Corporate Services Centre of the Department that aims at achieving good corporate governance through effective, efficient and professional corporate services in the Western Cape Government (WCG). To this end the Programme pursued as its aim the strategic objective to provide a highly capable workforce, create an enabling workplace and develop leadership that enables employee engagement and optimal service delivery.

The programme also contributed to the Provincial Strategic Objective aimed at building the best-run regional government through, inter alia, the ongoing development of a provincial People Management Strategy, investigating a new institutional model for the Provincial Training Institute, and adopting the Integrated Financial Management System (IFMS) using the SAP system for human resource administration and business intelligence purposes.

The purpose of the Branch is reflected in the people management functions it performs through its three subprogrammes.

5.3.2 Subprogrammes

- Subprogramme 3.1: Programme Support
- Subprogramme 3.2: Organisation Development
- Subprogramme 3.3: Provincial Training Institute
- Subprogramme 3.4: Human Resource Management

5.3.3 Strategic Objective

Subprogrammes 3.2: Organisation Development, 3.3: Provincial Training Institute and 3.4: Human Resource Management

To provide a highly capable workforce, creating an enabling workplace and develop leadership that enables employee engagement and optimal service delivery.

5.3.4 Review 2012/13 (Achievements, highlights and challenges)

5.3.4.1 Organisational Development - The role of the Subprogramme: Organisation Development is to enable improvements in organisational effectiveness. The strategic intent of the three directorates are as follows: (1) the Directorate Organisational Behaviour enables productive service delivery behaviours and the wellbeing of the WCGs people, without whom no services could be delivered; (2) the Directorate Process Design and Improvement enables people to work smarter and deliver services more efficiently, and (3) the Directorate Organisation Design contributes to good governance and maintains a system that makes it possible to execute the functions of government and to allocate accountability for service delivery.

The Directorate Organisation Design completed 20 organisational design interventions as part of a continuous process of assessing and adapting Departments to evolving internal and external environmental requirements and challenges, such as statutory and strategic mandates, client needs and expectations, fiscal constraints and information and communication technology advancements. In pursuance of the implementation of consistent and equitable work organisation policies and practices,

a revised and updated transversal Job Evaluation Policy was also successfully consulted and adopted.

The Directorate Organisational Behaviour objectives were achieved through the integration of scientifically sound measurement and evaluation of people's work-related behaviour and potential, understanding and leveraging the drivers of behaviour, feedback to decision-makers to enable well-informed decisions and the development and implementation of interventions. In this regard 47 change navigation initiatives were implemented, 873 competency assessments at Senior Management and Middle Management level was conducted based on the requests received (the 873 is the total number of shortlisted candidates assessed which would include those appointed); and 4 employee health and wellness services rendered i.e. ICAS services accessed throughout the year; EHW calendar implemented with 367 interventions; 4 quarterly reports were issued; First Level of Care services was accessed for 95 cases. A common competency assessment methodology and policy was also consulted and adopted.

The Directorate Process Design and Improvement rendered business process and service delivery improvement interventions that enabled people to work smarter and deliver services more efficiently. To empower current employees to deliver consistently in a uniform manner, a Business Process Framework was developed, standardising on Business Process Modelling Notation which was subsequently adopted as the WCG standard for Business Process Optimisation (BPO). Each Department's service charter (including service standards) and service delivery improvement plans were concluded and 38 business process improvement projects concluded.

5.3.4.2 Provincial Training Institute - The role of the Provincial Training Institute (PTI) is broadly two-fold. In the first place, it is to take overall responsibility for the effective design, delivery, quality assurance and impact assessment of management, generic and functional transversal training throughout the Western Cape Government, in line with the identified competency needs of employees and the strategic objectives and plans of provincial Departments. In the second place, it plays a broader strategic role in the governance and management of human resource development (HRD) and training in the Province, in particular by co-ordinating all departmental HRD and training implementation plans, providing advice and guidance, and ensuring compliance with national and provincial legislation and policy.

Thus the PTI is the Province's main instrument for the delivery of transversal and management training. The objective of the PTI is to meet the education and training requirements of a world class regional government and become the vehicle of choice to develop human capacity in the Province and to take responsibility for ensuring that the education and training of public servants is aligned to the provincial government's strategic objectives. The PTI is developing training methodologies, such as e-learning and action-learning that will help to position it as the premier government training institute in the Province with a modern, innovative, integrated and cost effective approach towards the professionalisation of human capacity development.

Efforts are afoot to broaden its client base to include, amongst other local government officials and councilors, and the officials of national Departments based at regional offices in the Province.

Deliverables of the PTI contributed to the strategic outcome related to people management of Provincial Strategic Objective 12. As such, these deliverables also contributed to output 2 of national outcome 12 which relates to human resource management and development. The delivery of 51 learning interventions to more than 6 400 employees is an example of this.

A phased approach was adopted in the development and implementation of a new institutional and funding model with a view to ensuring a sustainable training institution. Phase 1 was the contracting of a service provider to conduct a study into the current status and situation of the institution, to provide a broader environmental scan of such institutions locally and internationally, and to make recommendations in this regard. Phase 1 was completed on 30 March 2013 and in the next phase the

Department will be analysing these reports with a view to understanding and addressing the strengths and weaknesses of the PTI, and to consider what would be the most viable funding model within the context of the challenges that the Province is faced with.

5.3.4.3 Human Resource Management – The role of this programme is to facilitate the attraction, development and retention of an efficient, effective and professional workforce that will serve as vehicle to achieve the strategic goals of the Western Cape Government.

The strategic intent of the Chief Directorate is to be found in its components viz. Human Resource Policy and Planning does the necessary research in respect of a Department's staffing requirements and latest developments in the field whilst monitoring certain trends in the Department; Performance Management and Development focuses on the development of a performance management culture and compliance with regards to skills development matters; Employee Relations promotes and facilitates labour peace whilst dealing with individual employee matters such as disputes and discipline; finally the Human Resource Practises and Administration section focuses on the recruitment of staff and the administration of service benefits.

To be able to address the introduction of new work processes, volume of work and prepare for the introduction of new technologies the Chief Directorate re-aligned part of its structure and re-allocated some functions. The results of which have been seen in the reduced turnaround times within leave administration and the conclusion of individual employee relations matters. Time has also been spent on developing standard operating procedures, aligned to the business.

5.3.5 Strategic objectives, performance indicators planned targets and actual achievements

5.3.5.1 Strategic objectives

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3: Human Capital						
To provide a highly capable workforce, creating an enabling workplace and develop leadership that enables employee engagement and optimal service delivery.	Percentage of Organisation Development service standards met in a given year (9 service standards)	Baseline established in 2010/11	75%	82,26%	7,26%	The Business Unit performed better than the target set.
	Percentage of Provincial Training Institute service standards met in a given year (16 service standards)	Baseline established in 2010/11	70%	89,13%	19,13%	The Business Unit performed better than the target set.
	Percentage of Human Resource Management service standards met in a given year (89 service standards)	Baseline established in 2010/11	60%	86,62%	26,62%	The Business Unit performed better than the target set.

5.3.5.2 Performance indicators

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
Subprogramme 3.1 Programme Support					
3.1.1 All legislatively required reports submitted in terms of departmental timeframes.	No instances of non-compliance	4	1	-3	The programme did not comply with all the due dates for internal submission of inputs towards legislatively required reports due to competing priorities. However, departmental legislatively required reports were submitted to oversight bodies within the prescribed time frames.
Subprogramme 3.2 : Organisation Development					
3.2.1 Percentage of new appointments assessed psychometrically to determine person-job fit and highlight development areas.	N/A	100% (SL 9-16)	100% (SL 9-16) Numerator: 873 Denominator: 873	Nil	All requests for competency assessments received (denominator = 873) were processed and executed (numerator = 873)- therefore 100% target reached.
3.2.2 Percentage improvement of participation of the desired Western Cape Government organisational culture measurement. (Baseline: Current	19%	20%	69% DTPW: Numerator: 497 Denominator: 1157 = 43%	49%	In total four Departments opted to partake in the Barrett survey 2012 (optional every second year). Denominator = total number of email recipients in the Department Numerator = total

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
Subprogramme 3.2 : Organisation Development (continued)					
16%, Desired 40%).			DEADP Numerator: 283 Denominator: 350 = 81% HS Numerator: 130 Denominator 164 = 79%: LG Numerator: 282 Denominator 392 = 72% Average Response rate across 4 Depart- ments = 69%		number of employees who actually completed the Barrett Survey in the Department.
3.2.3 Number of interventions per year to contribute to the reduction of entropy (wasted energy due to activities not aligned to organisational goal achievement) (Baseline: Current 13, Desired 26).	57	26	47	21	Planned to execute two interventions per Department. Due to the need / demand of Departments more interventions were delivered by stretching current human resources.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
Subprogramme 3.2 : Organisation Development (continued)					
3.2.4 Number of services provided to influence employees' health and wellness.	4	4	4	Nil	<ol style="list-style-type: none"> 1. ICAS services accessed throughout the year; 2. EHW calendar implemented with 367 interventions; 3. Four quarterly reports were issued; 4. First Level of Care services was accessed for 94 cases.
3.2.5 Number of business process projects to promote continuous institutional improvement.	N/A	13	38	25	Planned to execute one business process project per Department. Due to the need / demand of Departments more business process projects were delivered by stretching current human resources.
3.2.6 Number of departmental service charters (including service standards) developed and reviewed to contribute to improvement of the citizens' experience of service delivery.	N/A	13	13	Nil	N/A
3.2.7 Number of projects to promote appropriate	N/A	20	20	Nil	N/A

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
Subprogramme 3.2 : Organisation Development (continued)					
organisational designs at the strategic, tactical and operational levels.					
3.2.8 Number of service delivery improvement interventions planned and implemented.	N/A	26	30	4	4 additional requests were received
3.3 Subprogramme Provincial Training Institute					
3.3.1 Utilisation rate of the 11 lecture rooms maintained for 220 work days in a given year as a reflection of value add to human resource development in the Province. Target: 85% utilization. Baseline: 290 learners.	85%	75%	65%	-10%	<p>Cancellation and postponement of programmes due to poor planning by external service providers contributed to non-achievement of target.</p> <p>The utilization rate was calculated based on the following :</p> <ol style="list-style-type: none"> 1. Although 220 days were indicated in the Annual Performance Plan, only 205 days were used as a result of days utilized for internal staff development interventions when no training took place. 2. Not only 11

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
3.3 Subprogramme Provincial Training Institute (continued)					
					lecture rooms were available throughout the year. As and when renovations were completed to 2 further lecture rooms, these rooms became available. A meeting room was also used occasionally for training purposes.
3.3.2 Number of people development programmes delivered, utilising a blended learning approach (E-learning, contact sessions).	N/A	43	51	8	There were ad hoc requests which were accommodated
3.3.3 Number of learning programmes for training impact assessment to measure skills transfer.	4	5	5	Nil	<ol style="list-style-type: none"> 1. Advanced Programme and Project management 2. Middle Management Development Programme. 3. Performance Management Policy Review Measures and Appraisals 4. Recruitment, selection and appointments for line managers 5. Progressive discipline for managers

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
3.3 Subprogramme Provincial Training Institute (continued)					
3.3.4 Phased development and implementation of a new institutional model (including funding model) to ensure a sustainable training institution.	N/A	Phase 1 completed	Phase 1 completed	Nil	Phase 1: Submission of all 4 Reports, viz. 1. PTI Overview Report 2. Environmental Scan Report 3. Institutional & Funding Model Report 4. Implementation Plan Report
3.3.5 Percentage of learning programmes and qualifications aligned to NQF and SAQA statutory framework. Current baseline: 20-30%	N/A	60%	60%	Nil	Numerator: 31 Denominator: 51.
3.3.6 Mandatory training instituted, targeted at various organisational levels.	N/A	1 Approved Provincial Plan implemented annually	Nil	Approved Provincial Plan not implemented	OD in the process of developing competencies required for various occupations on which mandatory training will be based. DPSA Public Service Induction mandatory (Public Service Induction or PSI) training implemented.
3.3.7 Percentage of training needs identified through the Workplace Skills Plans.	N/A	80%	80%	Nil	Numerator: 45 Denominator: 55..

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
3.4 Subprogramme Human Resource Management					
3.4.1 Number of research papers to inform HR planning for the future	N/A	1	1	Nil	N/A
3.4.2 Percentage of posts for which an appointment has been approved within 90 days from the closure of the advertisement.	N/A	70%	62%	-8%	Staff shortages and capacity levels impacted on achieving baseline target.
3.4.3 Percentage of qualifying employees whose performance agreements, performance reviews and performance assessments are concluded by the due date. Baseline: Total number of public service staff.	Performance reviews 69.6%; Performance agreements 75.9%	100%	100%	Nil	N/A
3.4.4 Improvement in the rate at which all unresolved grievances, disputes and formal disciplinary cases are concluded within the prescribed time frames. Baseline: Total number of cases registered.	12.12% (grievances), 22.5% (misconduct)	60%	26% grievances 9% misconduct	-34 % grievances -51% misconduct	Challenges were encountered when integrating the work methodology and approach of various Departments regarding individual labour relations matters when the function was corporatised, as well as the extent of the backlog of cases inherited.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
3.4 Subprogramme Human Resource Management (continued)					
3.4.5 Number of human resource management reports submitted to Heads of Department to inform the strategic management of human resources in a given year.					
a. Human resource administration management reports.	144	44	44	Nil	N/A
b. Human resource trends analysis report including annual report inputs.	45	44	47	3	Additional reports had to be compiled for GMT as Trading Entities are required to report separately to SCOPA.
c. Performance management and development reports	66	33	33	Nil	N/A
d. Employee relations and collective bargaining.	45	44	44	Nil	N/A
3.4.6 Number of interventions to attract and retain requisite skills.	2	2	2	Nil	N/A
3.4.7 Number of Departmental Human Resource Plans developed.	N/A	2	4	2	Two (2) additional plans were re-developed for consideration by

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 3 : Human Capital					
3.4 Subprogramme Human Resource Management (continued)					
					the respective Departments in order to fully comply with DPSA directive of using DPSA templates.
3.4.8 Number of mandatory Human Resource Reports and Plans that must be submitted..	N/A	2	2	Nil	N/A
3.4.9 Number of Human Resource Management Modules implemented of the IFMS/SAP system for Human Resource administration and business intelligence.	N/A	2	Nil	2	No modules were implemented as the budget for implementation will only be appropriated in the 2013/14 financial year. Activities in preparation for the 2013/14 pilot implementation have been concluded.

5.3.6 Strategy to overcome areas of under performance

The primary cause for not achieving the targeted utilisation rate of the training facilities at PTI is due to the cancellation and/or postponement of programmes by external providers, which is outside of the control of the PTI. In order to mitigate against this, consideration will be given to Memoranda of Understanding (MoU) with external providers to require these external providers to commit to dates agreed on for interventions, or indicate at least one month in advance if a programme will be cancelled so that alternative arrangements can be made.

With regard to the development of a provincial plan for mandatory training, the Chief Directorate: Organisation Development will identify gaps in skills through competency assessment results of managers and other employees which will inform the decision on mandatory training programmes.

The approach to individual and collective employee matters within a corporatised environment has

required labour relations officials to change from only being administrators of employee relations matters to one in which they represent the strategic interest of the employer. The shift resulted in the competency profile and skills set required to do the job changing. To overcome this re-skilling interventions and the acquisition of additional resources is required.

The recruitment of staff within specific timeframes remains a challenge. The period to fill an SMS post averages 67 days whilst that for posts on salary levels 1 to 12 averages 114 days. The switch to an online recruitment system and the introduction of new technologies within the IFMS/HCM should address some of the challenges. The CSC is also contracting directly with a service provider to shorten the verification time of applicants' qualifications, citizenship and other prescribed screening checks which need to be concluded in the recruitment process.

5.3.7 Changes to planned targets

No changes were made to planned targets during the financial year under review.

5.3.8 Linking performance with budgets

The programme overall achieved more than 80% of its indicator targets. This was done with austerity measures in place since the second quarter. The programme did not overspend but through the prudent management incurred an under-spending for 2012/13 of only 0.14% (for 2011/12 it was 0.04%), as is reflected in the table below.

5.3.9 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Programme Support	2,063	2,054	9	1,697	1,695	2
Organisation Development	35,167	35,110	57	29,138	29,130	8
Provincial Training Institute	21,611	21,572	39	17,782	17,761	21
Human Resource Management	79,421	79,334	87	79,124	79,109	15
Total	138,262	138,070	192	127,741	127,695	46

5.4. Programme 4: Centre for e-Innovation

5.4.1 The purpose of the programme

The purpose of this programme is to optimise service delivery in the Western Cape Government through innovative information and communication technologies. Provision is made for the Centre for e-Innovation (Ce-I) to play both a strategic leadership role in respect of ICTs as well as providing for service delivery by empowering and enabling Departments to deliver on their respective mandates.

The Ce-I is contributing to the departmental goal of achieving effective, efficient, modern, good, clean corporate governance by:

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

5.4.2 Subprogrammes

- Subprogramme 4.1: Programme Support
- Subprogramme 4.2: Strategic ICT Management Services
- Subprogramme 4.3: GITO Management Services

5.4.3 Strategic Objectives

Subprogrammes 4.2: Strategic ICT Management Services and 4.3: GITO Management Services

To enable optimal service delivery by providing strategic direction and innovative information and communication technologies in the Western Cape Government.

5.4.4 Review 2012/13 (Achievements, highlights and challenges)

The Centre for e-Innovation (Ce-I) continued to fulfil its transversal role in respect of the delivery of ICTs. During the course of the last three financial years, the WCG ICT user base has increased from 14 500 to 16 500 users (an increase of 14%) and the number of sites to which connectivity is provided has grown from 300 to over 350 sites (an increase of over 16%).

The Ce-I also supported a substantial installed base in more than 1 400 schools (which includes over 46 000 workstations).

Steady progress has been made in respect of the IT Services Modernisation initiative which is evidenced by an IT Governance Maturity rating of 3, improved service levels (Ce-I achieved over 80% performance in respect of meeting its service standards) and improved user perceptions of the services provided by the Ce-I.

The introduction of the ICT Mini MTEC has significantly enhanced the ability of the Ce-I to maintain and improve its service standards as it allows for joint planning with Departments. It has also allowed the Province to conclude and resource the Provincial ICT Delivery Plan (which now includes key transversal initiatives which will receive priority attention over the MTEF).

Achievements of the Centre for e-Innovation during the 2012/13 financial year include the following:

- 22 sites were connected to the City of Cape Town's broadband infrastructure which will result in a reduction in comparative connectivity costs in 2013/14 and will result in dramatically increased bandwidth capacity;
- A 98,93% resolution rate in respect of Western Cape requests received at the Presidential Hotline within 36 hours of being logged (baseline: total number of requests received);
- e-Government channels helped citizens 9 273 266 times with WCG services, information, skills and advice;
- 9 new Cape Access e-Community Centres were established, fitted and operationalized, which now brings the total number of e-Centres to 34;
- 8 871 educators and public servants were trained in Information Communication Technologies in order to optimise service delivery by the Western Cape Government;
- 99,73% systems and 99,21% network uptime and availability was maintained throughout the year
- 4 993 users were migrated to the new technology platform in terms of the IT Services Modernisation initiative;
- The response time on the IT Help-desk for resolving reported calls by IT users has improved to 2.82 days.

In terms of the Ce-I's external facing services, the channels available to citizens to access government information and services were enhanced to improve the citizens' interface with the Government. The WCG Internet portal; Walk-in, e-Mail and Call Centres were upgraded. Key policies and protocols governing WCG Online Content and WCG Social Media were developed and approved for implementation in the WCG.

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

- WCG Internet portal: <http://www.westerncape.gov.za>
- WCG Intranet portal: <http://intranet.westerncape.gov.za/>
- WCG contact centre: call centre: 0860 142 142 (sharecall, weekdays 8:00 - 18:00)
e-mail channel: service@westerncape.gov.za
walk-in-centre: 142 Long Street, Cape Town (weekdays 8:00 - 16:00)
- Support to Presidential Hotline: Issues affecting the Western Cape
- Cape>Access: <http://www2.capeaccess.org.za>
- 34 e-community centres and 14 e-community forums.

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

This programme contributed significantly to the strategic outcome of provincial strategic objective 12 which relates to e-government. This outcome is aimed at the sustainable use of Information and Communication Technologies to enable improved information and service delivery as well as encouraging citizen participation in decision-making processes. In this regard the Ce-I has developed a draft e-government strategy that was published for comment.

Indications of the Ce-I's contribution towards delivering on PSO 12 include the integration of all WCG websites, the development of social media accounts, a mobile optimised site and the commencement of the implementation of an enterprise-wide electronic content management solution. The Department understands that the success of its PSO 12 initiatives will depend largely on the uptake and usage of the new services and technologies by the WCG employees and the Province's residents in general. The training provided at the e-Community Centres and the WCG training institutions is therefore an important part of improving the digital literacy levels of our staff and residents.

It is also notable that Ce-I has now taken over the support requirements of the Khanya laboratories as part of the Khanya mainstreaming process within the Western Cape Education Department (WCED).

5.4.5 Strategic objectives, performance indicators, planned targets and actual achievements

5.4.5.1 Strategic objectives

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 4: Centre for e-Innovation						
To enable optimal service delivery by providing strategic direction and innovative information and communication technologies in the Western Cape Government.	Level of ICT governance maturity achieved, measured annually on a 5-point scale, reflecting performance in areas such as policies, norms, strategies, standards.	3	3	3	Nil	N/A
	Percentage of Ce-I service standards met in a given year (35 service standards)	91.07%	85%	98.75%	13.75%	Service Standards are monitored on a monthly basis with clear roles and responsibilities being assigned to the relevant managers.
	Level of e-government maturity achieved, measured on the UNDP's 4-level maturity model.	N/A	2	2	Nil	N/A

5.4.5.2 Performance indicators

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 4: Centre for e-Innovation					
4.1 Subprogramme Programme Support					
4.1.1 All legislatively required reports submitted in terms of departmental timeframes.	No instances of non-compliance	4	2	-2	The programme did not comply with all the due dates for internal submission of inputs towards legislatively required reports due to competing priorities. However, departmental legislatively required reports were submitted to oversight bodies within the prescribed time frames.
4.2 Subprogramme Strategic ICT Services					
4.2.1 Level of ICT governance maturity achieved, measured annually on a 5-point scale, reflecting performance in areas such as policies, strategies, norms, standards.	3	3	3	Nil	N/A
4.2.2 Number of integrated departmental strategic ICT plans and the provincial strategic ICT plan are reviewed to ensure optimal utilisation of ICT's.	12	14	14	Nil	N/A

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 4: Centre for e-Innovation					
4.2 Subprogramme Strategic ICT Services (continued)					
4.2.3 Number of departmental ICT implementation plans developed/ reviewed to ensure optimal utilisation of ICT's.).	N/A	13	10	-3	While the work performed for two of the implementation plans was completed in the 2012/13 financial year, sign-off only occurred in April 2013. The Department of Environment Planning and Development incorporated its implementation plan in its Strategic ICT Plan.
4.2.4 Number of key research interventions completed towards improvement of strategic decision making, service delivery and operating efficiency.	11	4	4	Nil	N/A
4.2.5 Level of e-government maturity achieved measured on the UNDP's 4-level maturity model.	N/A	2	2	Nil	N/A
4.2.6 Resolution rate of Western Cape requests received at the Presidential Hot-Line within 36 hours of being logged. Baseline: Total number of requests received.	98,42% of all calls received	80% of all calls received	98,93%	18,93%	Strong performance on the part of the Presidential Hotline Team resulted in the over-performance on this indicator.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 4: Centre for e-Innovation					
4.2 Subprogramme Strategic ICT Services (continued)					
4.2.7 Number of Cape Access e-community centres established, fitted and operationalized. Baseline: 25	25	9	9	Nil	N/A
4.2.8 Number of SAQA accredited ICT training opportunities provided to citizens through the Cape Access Programme.	1 249	1 500	1 331	-169	Underperformance due to the time taken to train qualified trainers. Not all centres could provide training during the year.
4.3 Subprogramme GITO Management Services					
4.3.1 Number of educators and public servants trained in ICTs in order to optimize service delivery by Western Cape Government staff.	5 771	3 800	8 871	5 071	There was a significant demand for ICT training particularly by the WCED and in general for training in the Microsoft Suite of technologies.
4.3.2 Average percentage systems uptime and availability maintained over the year for a 24/7 service.	99,74%	99%	99,73%	0,73%	N/A
4.3.3 Average percentage network uptime and availability maintained over the year for a 24/7 service.	99,16%	99%	99,21%	0,21%	N/A

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 4: Centre for e-Innovation					
4.3 Subprogramme GITO Management Services (continued)					
4.3.4 Percentage of end-user equipment items implemented (new or replaced), in accordance with departmental technology renewal plans in order to sustain service delivery capability.	N/A	100% (4 000)	339,63% (13 585)	239,63%	Over-achievement occurred because there was a major technology refresh by Departments at sites which were due to be migrated to the Microsoft Technology Platform later in the year.
4.3.5 Average turnaround time in days for resolving Helpdesk calls maintained.	4,06 days	4	2,82	1,18	Over-achievement was the result of specific and key interventions to improve services provided to users through the IT Helpdesk.
4.3.6 Percentage of the user base (total 14 500) migrated to a new technology platform in terms of the IT Modernisation improvement plan.	52,05% (7 548)	25% (3625)	34,43% (4 993)	9,43%	There was a major technology refresh by Departments at sites which were due to be migrated to the Microsoft Technology Platform later in the year.
4.3.7 Number of sites migrated to broadband infrastructure in accordance with the Modernisation IT Services improvement plan.	N/A	22	22	Nil	N/A

5.4.6 Strategy to overcome areas of under performance

The Centre for e-Innovation has underperformed on two indicators, “Number of SAQA accredited ICT training opportunities provided to citizens through the Cape Access Programme” ran over due to a delay in the training process of trainers, resulting in the target being achieved ten days late on 10 April 2013. In respect of “Number of departmental ICT implementation plans developed/reviewed to ensure optimal utilisation of ICT’s” the plans were completed, but not signed off by 31 March 2013. Another plan was incorporated into the Department’s strategic ICT plan.

5.4.7 Changes to planned targets

No targets were changed during the year under review.

5.4.8 Linking performance with budgets

The Centre for e-Innovation (Ce-I) operated under severe budget constraints in the 2012/13 financial year as a result of the dramatic increase in the WCG user base, the number of sites supported as well as expanding systems requirements. As a result of this the ICT Mini-MTEC was introduced and institutionalised which will in future allow for an adjustment to the Ce-I resource allocation and take into account factors such as user growth and the establishment of new sites.

5.4.9 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Programme Support	6,707	6,688	19	10,116	10,109	7
Strategic ICT Services	67,359	67,352	7	42,833	42,817	16
GITO Management Services	347,419	347,351	68	337,615	336,800	815
Total	421,485	421,391	94	390,564	389,726	838

5.5. Programme 5: Corporate Assurance

5.5.1 The purpose of the programme

The purpose of this programme is to contribute towards the achievement of good corporate governance through effective, efficient and professional corporate services with excellent people, processes and technology to optimize service delivery by the Western Cape Government. This is done in conjunction with Programme 3, Human Capital and Programme 4, Centre for e-Innovation.

5.5.2 Subprogrammes

- Subprogramme 5.1: Programme Support
- Subprogramme 5.2: Enterprise Risk Management
- Subprogramme 5.3: Internal Audit
- Subprogramme 5.4: Forensic Investigative Unit
- Subprogramme 5.5: Legal Services
- Subprogramme 5.6: Corporate Communications

5.5.3 Strategic Objectives

Subprogrammes 5.2: Enterprise Risk Management, 5.3: Internal Audit and 5.4: Forensic Investigative Unit

To enable a mature control framework in all Departments in the Western Cape Government through embedded risk management, improved business processes and zero tolerance for fraud and corruption.

Subprogramme 5.5: Legal Services

To provide legal support encompassing legislative drafting, litigation support, and corporate legal advisory services, ensuring Western Cape Government decision-making that is sound in law.

Subprogramme 5.6: Corporate Communications

To ensure consistent application of provincial communication strategy messaging and corporate identity branding through rendering corporate communication services.

5.5.4 Review 2012/13 (Achievements, highlights and challenges)

The Branch Corporate Assurance provides for:

- Enterprise Risk Management which renders a fully-fledged integrated enterprise risk management support service to all Departments in the Western Cape Government. The Provincial Treasury retains its statutory regulatory role with regard to this function.
- A consolidated Internal Audit service conducting risk-based internal audits in respect of all Departments.
- A provincial forensic capacity aimed at the prevention, detection and investigation of alleged cases of theft, fraud and corruption.
- Legal Services, providing legal support, encompassing legislative drafting, litigation support and corporate legal advisory services, thereby ensuring Western Cape Government decision-making that is sound in law.
- Corporate Communication, rendering corporate communication services to ensure consistent application of provincial communication strategy messaging and corporate identity branding.

The deliverables pursued by the programme during the period under review contributed to the progressive realisation of the strategic outcomes in Provincial Strategic Objective 12 as well as national outcome 12. For this programme, Provincial Strategic Objective 12 specifically relates to adherence to the rule of law and striving towards a mature internal control framework. In respect of a mature control framework significant progress was made towards developing a risk and control maturity framework that would provide the basis of determining the risk and control maturity levels of Departments within the Western Cape Government. The risk maturity of Departments was assessed and 5 of the 13 Departments were confirmed to be at a second level of risk maturity. The Chief Directorate: Internal Audit achieved its target of 90% completion of the departmental internal audit coverage plans.

The average days of completing a forensic investigation decreased from 463 days in 2011/12 to 319 in 2012/13. Whilst matters are being prioritised in line with the criticality and importance of the allegation made, some older, less serious matters are not being attended to. This would impact the average days to complete an investigation but appropriate prioritisation would have a better impact on the outcome of an investigation than constantly trying to improve the average turnaround days.

A total of 12 Bills were introduced in the Provincial Parliament during the year under review, of which nine were passed and subsequently enacted, most notably the Western Cape Laws Repeal Act, Western Cape Provincial Road Traffic Administration Act, Western Cape Health Facility Boards Amendment Act, Western Cape Transport Infrastructure Act and Cape Town International Convention Centre Company Amendment Act.

While 16 functional legal training opportunities were planned in areas such as the promotion of administrative justice and access to information, conclusion and management of contracts and the provincial legislative process, 28 training opportunities were provided.

During the 2012/13 financial year Corporate Communication launched the *Better Together* magazine. The purpose of the magazine is to communicate the vision, values and *Better Together* brand in an inspiring, engaging way to the organisation. The unit managed to publish 6 issues throughout the year. Corporate Communication also initiated Brand Assessment Reports which functions as a practical, useful tool to educate and guide content and identity application to help us build towards a more citizen centric organisation. A total of 3 reports were delivered throughout the year. The unit played a continuous oversight and guiding role to assist all Departments with the application of the brand. The unit delivered on the publishing of the Western Cape Provincial Ordinary and Extra Ordinary Gazettes.

5.5.5 Strategic objectives, performance indicators planned targets and actual achievements

5.5.5.1 Strategic objectives

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance						
To enable a mature control framework in all Departments in the Western Cape Government through embedded risk management, improved business processes and zero tolerance for fraud and corruption.	Level of enterprise risk management maturity.	Nil	25% of departments on a second-level risk and control maturity	38%	13%	38% of Departments (5 out of 13) achieved a second level of risk and control maturity: Local Government, Department of the Premier, Education, Transport and Public Works and Agriculture.
	Adequate controls evident in the control environment of the Province.	Nil	25% of departments on a second-level risk and control maturity	Nil	-100%	The development of the framework/tool was delayed due to a compelling requirement to amalgamate the projects to develop the framework/tool between the Department of the Premier and Provincial Treasury. Currently the development of the tool is at an advanced stage.

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance						
	Percentage improvement in the fraud health check results for the Province	8.19%	10%	5%	-5%	Fraud indicator improved from 6.21 to 6.54, effectively a 5% improvement. Results were based on independent input which could not have been influenced by the Directorate.
To provide legal support encompassing legislative drafting, litigation support, and corporate legal advisory services, ensuring Western Cape Government decision-making that is sound in law.	Bi-annual report containing analysis of all provincial litigation matters and associated awards and judgments to determine litigation trends and to highlight and advise on risks and shortcomings in decision-making processes.	2 reports	2 reports	2	Nil	N/A
To ensure consistent application of provincial communication strategy messaging and corporate	Number of on-brand creative execution assessment reports.	N/A	3	3	Nil	N/A

Strategic objectives	Strategic Objective Proxy Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance						
identity branding through rendering corporate communication services.						

5.5.5.2 Performance indicators

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.1: Programme Support					
5.1.1 All legislatively required reports submitted in terms of departmental timeframes.	No instances of non-compliance	4	4	Nil	N/A
Subprogramme 5.2: Enterprise Risk Management					
5.2.1 Level of enterprise risk management maturity.	Nil	25% of departments on a second-level risk and control maturity	38%	13%	38% of Departments (5 out of 13) achieved a second level of risk and control maturity: Local Government, Department of the Premier, Education, Transport and Public Works and Agriculture
Subprogramme 5.3: Internal Audit					
5.3.1 Adequate controls evident in the processes of the Province contributing to the increased maturity level of the control framework.	Nil	25% of departments on a second-level risk and control maturity	Nil	-100%	The development of the framework/tool was delayed due to a compelling requirement to amalgamate the projects to develop the framework/tool between the Department of the Premier and Provincial Treasury. Currently the development of the tool is at an advanced stage.
5.3.2 Percentage of auditable risks with	N/A	45%	32%	-13%	73 auditable risks with a significant impact

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.3: Internal Audit (continued)					
a significant impact included in internal audit coverage plans. Denominator: Total number of auditable risks with a significant impact.					out of 228 high risks were included in the internal audit coverage plans. Internal audit coverage is dependent on increase in capacity of Internal Audit as it relates to the number of staff, however non-availability of budget and global financial constraints did not enable the increase in capacity.
5.3.3 Completion of departmental internal audit coverage plans contributing to improved control framework. Denominator: Total number of areas in coverage plans.	N/A	90%	90%	Nil	66 of 73 audit areas have been completed and final reports issued
5.3.4 Percentage of practical, value-add recommendations incorporated into agreed action plans. Denominator: Total number of agreed action plans.	54,25%	80%	87%	7%	514 of 590 recommendations made during this financial year were incorporated into agreed action plans.
5.3.5 Percentage of practical value-added recommendations	N/A	50%	62%	12%	880 action plans expired in this year. Of this 736 (84%) were followed up by

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.3: Internal Audit (continued)					
implemented by Departments for action plans expired in period. Baseline = 36% (third quarter 11/12)					Internal Audit and 546 were implemented. Efforts in motivating managers to prioritise the implementation of IA recommendations yielded results. Efforts were implemented within the normal process without compromising time allocated to the audits.
5.3.6 Effectively coordinated assurance services resulting in optimal coverage of risks with a significant impact and reduction of duplication of assurance services.	N/A	Develop combined assurance framework	Combined Assurance Framework developed	Nil	N/A
5.3.7 Increase in satisfaction with value-add of the audit committees as an oversight function measured through a user satisfaction survey annually. Baseline: 4.17 (83%)	N/A	20%	3%	-17%	Audit Committee effectiveness rating improved from 4.17 to 4.29, effectively a 3% improvement. The target was not appropriately set, as a 20% increase would have resulted in a score of more than 5, which is not possible if a 5-scale is used. Satisfaction with audit committees is furthermore not in the control of this Chief Directorate.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.4: Forensic Investigative Unit					
5.4.1 Average number of days to complete an investigation into alleged fraud and/or corruption. Baseline: 560 days (third quarter 2011/12).	N/A	150 days	319	-169 days	The number of cases dating back to the 2010/11 financial year is still impacting this target.
5.4.2 Percentage improvement in the fraud health check results for the Province. Baseline: Fraud health check results for 2010.	8,19%	10%	5%	-5%	Fraud indicator improved from 6.21 to 6.54, effectively a 5% improvement. Results were based on independent input which could not have been influenced by the Directorate.
5.4.3. Percentage of all recommendations made by the Forensic Investigative Unit implemented. Denominator: Total number of recommendations made.	15,47%	60%	61%	1%	Of the 855 recommendations made in reports issued until 28 February 2013, 854 (99%) were followed-up by the FIU and 521 (61%) were reported as implemented.
5.4.4 Percentage implementation of agreed fraud prevention programme. Denominator: Total number of interventions approved in fraud prevention programme.	N/A	100%	113%	13%	101 individual interventions were planned and 114 were completed. This is mostly due to Departments requesting additional awareness sessions.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.4: Forensic Investigative Unit (continued)					
5.4.5 Percentage of instances of identified conflicts of interest acted upon out of total instances identified.	N/A	100%	100%	Nil	7 individual matters identified during FIU investigations (over the full financial year) have been reported and action proposed.
Subprogramme 5.5: Legal Services					
5.5.1 Bi-annual report containing analysis of all provincial litigation matters and associated awards and judgments to determine litigation trends and to highlight and advise on risks and shortcomings in decision-making processes.	2	2	2	Nil	N/A
5.5.2 Number of functional training interventions conducted in areas such as the promotion of administrative justice and access to information, conclusion and management of contracts and the provincial legislative process.	37	16	28	12	A senior legal advisor was allocated to the functional training programme and a specific need was identified in respect of training in relation to the Promotion of Administrative Justice Act.
5.5.3 Transversal contract management	N/A	Framework developed and	Framework developed and	Nil	N/A

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.5: Legal Services (continued)					
framework for the Western Cape Government developed in conjunction with the Provincial Treasury and adopted by the Western Cape Government.		adopted	adopted		
Subprogramme 5.6: Corporate Communications					
5.6.1 Number of on-brand creative execution assessment reports.	N/A	3	3	Nil	N/A
5.6.2 Number of employee engagement interventions to communicate the vision, values and brand to all Western Cape Government employees.	N/A	3	6	3	At the time of APP input, we endeavoured to launch a minimum of 3 engagements per annum but our target was to ideally deliver one every second month. This was made possible with the necessary personnel appointments, budget approval, resource allocation and cooperation of other Departments. Therefore we were able to deliver 6 in 2012/13.
5.6.3 Bi-annual report on number of completed client-generated product and service requests.	N/A	2	2	Nil	N/A

5.5.6 Strategy to overcome areas of under performance

The achievement of two performance indicators was dependent on outcomes of questionnaires/surveys being completed by staff members within the WCG. These outcomes could not have been anticipated at the time of setting the targets. The following indicators were impacted by this:

- 5.3.7 -Increase in satisfaction with value-add of the audit committees as an oversight function measured through a user satisfaction survey annually.
- 5.4.2 -Percentage improvement in the fraud health check results for the Province.

The development of the risk and control maturity framework is receiving priority and will be completed in due course.

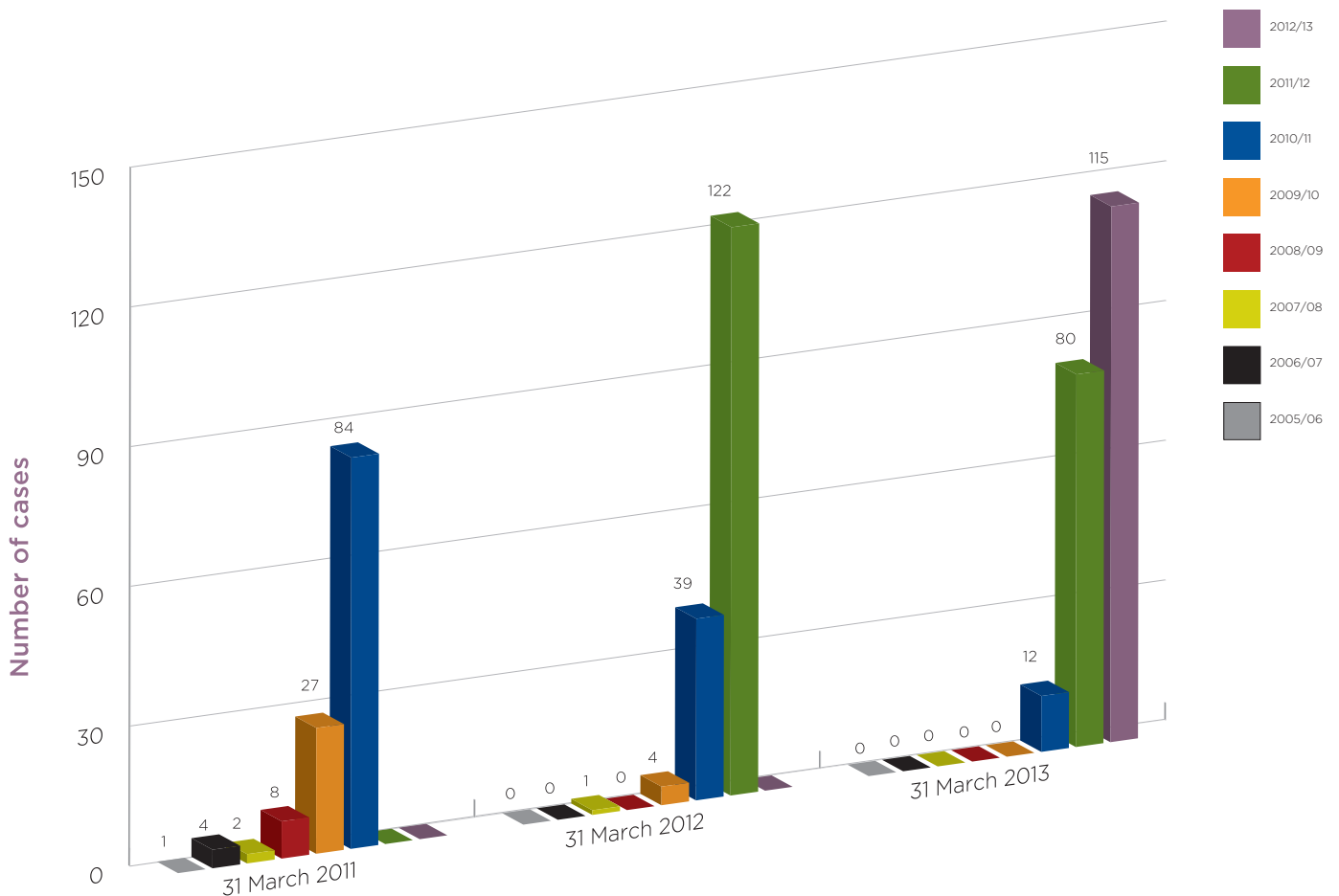
The Internal Audit coverage and capacity remain a challenge which is being addressed in a methodological way with the adoption of a combined assurance approach to planning assurance activities amongst all assurance providers. This will in future ensure that assurance coverage is planned in a way that significant areas of risks are not excluded from assurance coverage, and that duplication of assurance coverage is limited.

The average number of days to complete an investigation is impacted by the availability of investigative capacity. We improved the average from 463 days in 2011/12 to 319 in 2012/13 and this will be further improved in the 2013/14 financial year. Progress over the past 3 financial years can be depicted as follows:



It must be noted that we commenced the 2012/13 financial year with 39 cases dating back to the 2010/11 financial year and 122 cases dating back to the 2011/12 financial year. This reduced to 12 and 80 respectively. The progress in this area over the past 3 financial years can be graphically depicted as follows:

Financial year distribution of cases



5.5.7 Changes to planned targets

No targets were changed during the year under review.

5.5.8 Linking performance with budgets

The main cost driver of this programme’s budget is compensation of employees, with the exception of subprogramme 5.4 (Forensic Investigative Unit) where the main cost driver is goods and services due to the outsourced contract. The filling of posts in this programme was therefore significantly impacted by the austerity measures implemented during this financial year, which in turn impacted the areas of non-performance.

5.5.9 Subprogramme expenditure

Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Programme Support	1,722	1,709	13	1,417	1,415	2
Enterprise Risk Management	5,536	5,519	17	4,855	4,852	3
Internal Audit	32,761	32,714	47	29,878	29,866	12
Forensic Investigation	18,678	18,669	9	16,967	16,963	4
Legal Services	20,665	20,607	58	18,637	18,624	13
Corporate Communication	10,182	10,164	18	7,277	7,273	4
Total	89,544	89,382	162	79,031	78,993	38

6 SUMMARY OF FINANCIAL INFORMATION

6.1. Departmental receipts

Departmental receipts	Estimate	Actual Amount Collected	(Over)/Under Collection	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Tax Receipts						
.....						
Casino taxes						
.....						
Horse racing taxes						
.....						
Liquor licences						
.....						
Motor vehicle licences						
Sale of goods and services other than capital assets	603	670	(67)	581	526	55
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land	10	6	4	10	38	(28)
Sale of capital assets						
Financial transactions in assets and liabilities	-	650	(650)	-	1,156	(1,156)
Total	613	1,327	(714)	591	1,720	(1,129)

The Department over-collected revenue by R714,000 by ensuring, on an ongoing basis, that all revenue is collected. The better than anticipated performance is mainly due to the fact that claims were received late for staff transferred (after end of financial year) and training courses. The Department ensured optimal raising of revenue by evaluating tariffs on an annual basis and by continuously evaluating measures to ensure efficiency and effectiveness.

6.2. Programme Expenditure

Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2012/2013			2011/2012		
Executive Support	68,372	68,120	252	67,872	67,313	559
Provincial Strategic Management	30,318	30,202	116	28,810	28,718	92
Human Capital (CSC)	138,262	138,070	192	127,741	127,695	46
Centre for E-Innovation (CSC)	421,485	421,391	94	390,564	389,726	838
Corporate Assurance (CSC)	89,544	89,382	162	79,031	78,993	38
Total	747,981	747,165	816	694,018	692,445	1,573

The Department spent 99.89% of its budget. This under-expenditure had no effect on service delivery, while measures were continuously evaluated in order to improve the economy and efficiency of spending. The main reason for the under-spending is as a result of austerity measures that were put in place during the year under review as a result of financial constraints.

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

6.3. Transfer payments, excluding public entities

The table below reflects the transfer payments made for the period 1 April 2012 to 31 March 2013:

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Library Business Corners	Public ICT Access and e-skills development	Yes	10,200	7,774	<ul style="list-style-type: none"> Postponement of the development of an e-Centre Management System Delays in training of trainers which impacted on roll-out of training to users
City of Cape Town	Connectivity to the fibre optic cable for government buildings	Yes	9,000	9,000	NA
CHEC	Collaborative projects between the universities and the WCG	Yes	500	Transfer took place at end of financial year	Program of Action to be finalised after Cabinet meets CHEC engagement
Cape Town Partnership	The incubation of the Hout Bay Partnership	Yes	500	Transfer took place at end of financial year	Workplan to be approved by Inter-Governmental Committee

Fibre Optic Connectivity

Twenty two (22) provincial buildings were connected onto the fibre optic cable of the City of Cape Town in order to improve bandwidth capacity and reduce telecoms costs. These buildings include the following:

1. 27 Wale Street Complex
2. 140 Loop Street Complex
3. 142 Long Street Complex
4. 9 & 11 Dorp Street Complex
5. Utilitas Building

6. Huguenot Memorial Building
7. 4 Dorp Street Complex
8. 35 Wale Street Complex
9. 49 Hope Street Complex (GMT)
10. Alfred Street Complex,
11. Somerset Hospital Cape Town
12. Golden Acre – Grand Central Complex
13. WCED Offices in Kuilsriver
14. Parow Community Safety
15. Bellville Community Health clinic
16. Western Cape Archives
17. Spes Bona Building in Athlone
18. Ambition House in Bellville
19. Robbie Nurock Clinic in Cape Town
20. Parow Community Health Clinic
21. Western Cape Nursing in Athlone
22. SITA Mowbray

Funding was transferred to the City of Cape Town in accordance with the applicable prescripts with the purpose of connecting these buildings with a 1 gigabyte broadband bandwidth capacity. The initiative was managed on a project basis with management and monitoring structures in place including a Project Steering Committee where project deliverables and spending was monitored.

Library Business Corners

This is an NPO that runs the Cape Access programme which is one of the key programmes for increasing digital literacy within the Western Cape Province. By providing ICT training and access to e-mail and Internet, poorer and disadvantaged communities have access to government services and products, various online services, can communicate more effectively with government, have access to important information around new business opportunities, jobs and can also transact online. More importantly, communities can now be connected to other communities within the Province, around South Africa and the world. Cape Access contributes to empowering poorer communities to tackle the challenges of poverty much better than before.

Through the Cape Access project thirty-four (34) e-Centres comprising on average of 6 to 12 computers with Internet access are up and running throughout the Province of which 9 were established during 2012/13. These centres are located in public libraries, schools, multi-purpose centres and other access points. It is open for use by anyone who needs it but focuses on poor and marginalised rural communities. Usage is free of charge, but time limited (45 minutes per person) on a daily basis. Members are able to use e-mail and are assisted by trained facilitators to set up their own e-mail addresses and mailboxes. Each computer provides typical productivity tools (Word, Excel, Powerpoint, e-mail), as well as access to the Internet. Trained facilitators and an organisational framework ensure that quality service and training are provided to users of the centres.

CHEC

The partnership between the Cape Higher Education Consortium (CHEC) and the Western Cape Government (WCG) was formalised in a Memorandum of Understanding in October 2006. This has provided a structured framework for engagement where expertise, research and best practices are shared for the benefit of both the Province and the universities. The collaboration identifies areas of common interest as well as specific, concrete projects that are of benefit to all stakeholders. The Programme of

Action developed by the CHEC / WCG Joint Task Team in 2012 focuses on four areas of strategic importance:

- Climate change / sustainability and adaptation
- Social inclusion and innovation
- Education and training
- Strengthening knowledge partnerships for regional development

Task teams for each of the areas will coordinate their activities. Ultimately, the activities will make contributions to:

1. The establishment and implementation of collaborative research programmes,
2. The possible identification of new degree programmes or new courses within existing programmes,
3. The development of policy frameworks,
4. Support for Master's and PhD students,
5. The development and/or strengthening of internship programmes and continuing education courses.

Cape Town Partnership

The National Development Plan suggests that our future success as a nation strongly depends on a more active and engaged citizenry, acting in partnership with accountable and effective government. The Cape Town Partnership (CTP) and recently launched Economic Development Partnership (EDP) exemplify the positive impacts of partnership-based approaches to economic and social development for a community. Based upon the success of these models, the Hout Bay Partnership (HBP) seeks to create a replicable model for integrated social and economic development in a context of cultural diversity and economic inequality.

It is imperative that the HBP be built upon a foundation of non-partisan, skills based operations in order to build and implement an inclusive vision and development plan for Hout Bay. The WCG enlisted an interim Partnership Steering Committee and an implementing agency (Cape Town Partnership) to manage a 6 month facilitator led process. The outcome of this facilitation period will be an organisation and governance structure that ensures a skill, integrity, and neutrality-based HBP that manages and implements an inclusive development plan for Hout Bay, builds partnerships, facilitates and implements projects, and communicates effectively for economic, social, educational, and built and natural environmental benefits.

6.4. Public Entities

During the period under review the Department had no public entities.

6.5. Conditional grants and earmarked funds paid

The Department did not pay any conditional grants or earmarked funds.

6.6. Conditional grants and earmarked funds received

During the period under review the Department did not receive any conditional grants or earmarked funds.

6.7. Donor Funds

During the period under review the Department received no donor funds.

6.8. Capital investment, maintenance and asset management plan

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

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

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



Part C

GOVERNANCE

1. INTRODUCTION

The leadership team of the Department of the Premier is committed to maintaining the highest standards of governance and therefore strives to conform to the governance principles highlighted in the King Code of Governance for South Africa released in 2009. In terms of these principles, the following make up the Department's governance structures:

- An Executive Committee which determines the strategy and leads the Department towards realising this strategy;
- An Enterprise Risk Management Committee (which is dealt with in more detail in paragraph 2);
- An Audit Committee providing independent oversight over governance, risk management and control processes of the Department;
- An independent Internal Audit function providing independent assurance that the controls in place to manage and mitigate risks are adequate and functioning effectively;
- A Central Information Technology Committee as well as Departmental Information Technology Committee which operates in accordance with the Charter for the Corporate Governance of Information Technology. These structures are aligned to the Control Objectives for Information and Related Technology (COBIT) framework; and
- A number of committees that assist the Accounting Officer and Executive Committee in governing the business of the Department in a fair, responsible and transparent manner.

2. RISK MANAGEMENT

The Accounting Officer (AO) takes responsibility for Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework and the Directorate: Enterprise Risk Management (D:ERM) in the Department of the Premier provides a centralised strategic support service to Departments. This service systematically drives a sustainable ERM journey.

In compliance with the National Treasury framework and in order to further embed risk management, the Western Cape Government adopted an ERM Policy which sets out the Province's overall intention with regard to ERM.

An ERM Implementation Strategy was developed in order to attain the Enterprise Risk Management Plan of the Department of the Premier. This will ultimately enable the Department to deliver on its departmental goals, objectives and indicators, enhance risk informed decision making and optimize compliance with applicable legislation. It further outlines the roles and responsibilities of managers and staff in embedding risk management in the Department and defines the enabling legislation, standards, mechanisms, tools and resources to be used to realise the ERM plan.

In the Department of the Premier the Executive Committee of the Department at the same time serves as the Enterprise Risk Management Committee (ERMCOM), and members have been formally appointed as such. During the year under review the ERMCOM met on a quarterly basis to monitor the risks of the Department.

Risk assessments are conducted on a program level on a quarterly basis in order to review and update existing risks and identify emerging risks. Significant risks relevant to objectives are assessed in terms of its likelihood and impact; risk treatment plans are developed and risk owners are allocated who are held responsible for the treatment of the risks.

The Directorate: Enterprise Risk Management further works closely with the appointed risk champion that assists in driving the ERM process in the Department.

3. FRAUD AND CORRUPTION

The Western Cape Government adopted an Anti-Corruption Strategy which confirms the Province's zero tolerance stance toward fraud and corruption. The Department furthermore has an approved Fraud Prevention Plan.

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

We protect employees who blow the whistle on suspicions of fraud, corruption and theft if the disclosure is a protected disclosure (i.e. not malicious). The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

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

4. MINIMISING CONFLICT OF INTEREST

The members of the different Bid Evaluation Committees (BEC) and the Departmental Bid Adjudication Committee (BAC) sign a Declaration of Interest before each meeting to evaluate bids received. If there is a conflict of interest then it is expected of the member to excuse him/herself from the meeting when the bid is being evaluated. The officials from the Procurement unit of Supply Chain Management who render the secretariat service to the BAC also sign the Declaration of Interest Register.

The Provincial Treasury on a quarterly basis compares the identity numbers of all officials on the PERSAL salary system of Departments to those of service providers registered on the Western Cape Supplier Database. Furthermore when the Department procures goods or services from service providers, the service providers have to complete the Declaration of Interest Form and submit it together with their quote or bid.

Should a conflict of interest be identified, this will be investigated and the results of the investigation will determine the most appropriate action to be taken by the Department.

5. CODE OF CONDUCT

The Department distributed the Explanatory Manual on the Code of Conduct for the Public Service to all employees during 2012. The manual is also dealt with and handed to all new appointees as part of the induction process. The dissemination of the Code of Conduct addresses employee behaviour in the workplace and contributes to the Department's drive to maintain the highest levels of ethics, the eradication of incidents of corruption and the promotion of good governance.

It is noted that the primary purpose of the Code of Conduct is a positive one, namely to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct and may be subjected to disciplinary action if he or she contravenes any provision of the Code of Conduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

During the year under review the Department of the Premier put various measures in place to ensure a healthy and safe environment for employees to work in. These measures contributed directly to the achievement of the PSO 12 outcome that relates to a performance conducive workplace and the relevant PSO 12 Output i.e. implementation of Department specific occupational health and safety structures and plans; and a secure workplace (physical security) under the theme “people management”.

The Department is currently at a base level of compliance with the provisions of the Occupational Health and Safety Act, 1993 (Act 85 of 1993) and most of the interventions implemented during the course of the year were aimed at increasing minimum levels of compliance.

A review of the Department’s organisational structure necessitated a reconfiguration of the Department’s occupational health and safety structures. Legal appointments were made which delegated some responsibilities regarding health and safety matters to the branch heads. The legally prescribed health and safety committee for the Department of the Premier was established and its inaugural meeting was held.

Occupational health and safety representatives were also appointed as required by the Act. Emergency teams were established for every floor in all the buildings where the Department occupies space. The emergency teams consist of fire marshals, floor marshals, first aiders and emergency controllers. These teams were also duly trained on their roles and functions to ensure that they are adequately capacitated to perform their duties in the event of an emergency at the workplace.

The Executive Management of the Department approved the Departmental Occupational Health and Safety Policy statement which has been made available electronically on the departmental website after the Director-General signed it off. The policy guides the implementation of related matters in the Department.

A number of interventions to raise awareness on occupational health and safety matters were conducted.

As challenges occurred in the buildings including changes in the emergency routes, staff received an update on the situations where applicable on their specific floors/areas.

A number of dry runs per floor were conducted with emergency teams and staff to ensure safety during emergency evacuations.

Thirty two (32) occupational health and safety representatives including employer and employee representatives had undergone training.

Emergency evacuation chairs training was conducted in all DotP CBD buildings.

Six (6) formal and informal incidences were attended to during the year under review. These ranged from safety risks, fire breakout, water leakage to smoking in the building. A review of trends has shown that some of the incidents were due to employee mistakes and negligence and could have been prevented. It is for this reason that we need to create awareness among employees and use this as a training tool, recognise and control hazards and exposure, reduce incidents and to provide proper training for our emergency teams and OHS representatives.

A significant achievement was the development and implementation of a monthly checklist for completion by occupational health and safety representatives as part of continuous monitoring and evaluation. The purpose of these checklists is to ensure that any potential damaging or hazardous conditions and acts are addressed before it has a negative impact on the health and safety of employees. The refurbishment of the Legislature and 4 Dorp Street buildings required continuous and ongoing testing of evacuation routes as these changed as the contractors worked in different areas of the complex. Employees displayed excellent cooperation when dry runs were conducted. In this respect the Department complied with the mandatory 2 evacuations per year.

7. INTERNAL CONTROL UNIT

Internal Control is responsible for various tasks. The unit pre-audits all payments to be processed through the BAS system to ensure that they comply with all the rules and regulations including delegations to pro-actively prevent cases of incorrect, irregular expenditure or possible overpayments; and then also performs post audits on the payments to ensure that these payments were processed correctly.

Where irregular or fruitless and wasteful expenditure is identified it is reported to the unit who then enters it into the applicable registers and investigates the various cases before making recommendations as to how it should be treated.

The departmental loss control officer is based in this unit and has been busy following up on and finalising the old cases that were on the register. These cases range from thefts and losses to damage to GG vehicles. Various financial inspections have also been carried out. Most have now been finalised. The current cases are kept up to date as far as possible.

The unit is also responsible for keeping the register of financial circulars issued in the Department as well as keeping the original thereof on file as well as financial policies issued. Provincial Treasury is in the process of investigating an Internal Control Framework.

8. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2013.

Audit Committee Members and Attendance

In terms of Cabinet Resolution 55/2007, the Department of the Premier is served by the Governance and Administration Cluster Audit Committee. The Audit Committee consists of the members listed below and should meet at least 4 times per annum as per its approved terms of reference. During the financial year under review, 7 meetings were held.

Name of Member	Number of Meetings Attended
Mr Z Hoosain (Chairperson until 30 November 2012)	6
Mr M Burton (Appointed 01 January 2012 and chairperson from 01 Jan 2013)	7
Mr L van der Merwe	7
Mr K Larkin	7
Ms J Gunther	7
Mr Z Manjra (Appointed 01 January 2013)	1

Audit Committee Responsibility

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

The Effectiveness of Internal Control

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 (AGSA). Other than the matters reflected in the AGSA's audit and management reports and the matters highlighted below, no material deficiencies in the system of internal control were noted.

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

- Interim Financial Statements

Corrective actions have been agreed by management and are being monitored by the Audit Committee. The Department has taken full responsibility and ownership for the implementation of the Enterprise-

wide Risk Management (ERM) methodology and function. The challenge remains to institutionalise ERM throughout the Organisation. The Audit Committee noted a number of Emerging Risks and will monitoring these on a regular basis.

We have fulfilled our mandate with regards to the annual financial statements as mentioned below. We have reviewed and concur with management's acceptance of the AGSA's management report. We can confirm that there are no unresolved issues.

The Audit Committee is satisfied with the content and quality of quarterly reports in respect of in year management and quarterly performance reports submitted in terms of the PFMA and the Division of Revenue Act prepared and issued by the Accounting Officer of the Department during the year under review.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's Management Report and Management's response thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the Department's processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the annual report;
- reviewed material adjustments resulting from the audit of the Department; and
- reviewed and where appropriate recommended changes to the interim financial statements as presented by the Department for the six months ending 30 September 2012

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

The following internal audits were approved of which 2 were completed during the year under review:

- Transfer Payments (completed)
- Interim Financial Statements (completed)
- Supply Chain Management (completed after year end)
- Grievance Procedures (completed after year end)
- Recruitment Business Plan (completed after year end)

The Audit Committee remains concerned that further audit coverage is required to cover a significant percentage of High Risk Areas. The Audit Committee will encourage increased assurance over significant risks by overseeing the implementation of combined assurance principles.

Auditor General's Report

We have reviewed the department's implementation plan for audit issues raised in the prior year on a quarterly basis. 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, Provincial Enterprise Risk Management Unit; Forensic Investigative Unit and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.



Mr M Burton

Chairperson of the Governance and Administration Audit Committee

August 2013



Part D

HUMAN RESOURCE MANAGEMENT

1. LEGISLATION THAT GOVERNS HR MANAGEMENT

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

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

Occupational Health and Safety Act 85 of 1993

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

Public Service Act 1994, as amended by Act 30 of 2007

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

Labour Relations Act 66 of 1995

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

Basic Conditions of Employment Act 75 of 1997

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

Skills Development Act 97 of 1998

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

Employment Equity Act 55 of 1998

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

Public Finance Management Act 1 of 1999

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

Skills Development Levy Act 9 of 1999

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

Promotion of Access to Information Act 2 of 2000

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

Promotion of Administrative Justice Act (PAJA) of 2000

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

2. INTRODUCTION

The Value of Human Capital in the Department

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

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

Overview of Human Resource Matters

People are a key element in achieving the strategic objectives of the Department. Therefore human resource planning aims to ensure that the Department has the right people, with the right skills, at the right place at the right time, all the time.

It is within this context that the Department's strategic HR Plan was developed and implemented for the period 1 April 2012 to 31 March 2017. The HR Plan was reviewed to determine whether the human resource strategic objectives were still valid and whether it addressed the HR priorities in the department. Bi-annual progress reports monitored the implementation of the key activities contained within the HR Plan and were submitted to DPSA as directed.

By means of workforce planning, the Department identified the current and future human resource needs and flagged the potential challenges that could impact on the achievement of the Department's strategic objectives.

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

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

No	HR PRIORITY	OUTCOME
1	Recruitment and staffing	<ul style="list-style-type: none"> • Reduced timeframes to fill advertised posts. • Reduced vacancy rate and more efficient recruitment & selection process. • The Department recognised as an employer of choice.
2	Career management including training and development	<ul style="list-style-type: none"> • To create a learning organisation with a focus on scarce and critical skills. • Availability of a pool of competent employees ready to fill vacant positions.
3	Promotion of employment equity	A diverse workforce with equal opportunities for all.
4	Institutionalise change navigation (inclusive of values, ethics and organisational culture)	Reduced entropy to acceptable levels.

Workforce Planning Framework and Key Strategies to Attract and Recruit a Skilled and Capable Workforce

Without people, the Department cannot deliver an optimum service and without an adequate budget, it cannot recruit, develop nor retain people needed to deliver optimum services.

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

The following are the key activities as set out in the Action Plan:

Key Activities	
1	<p>Recruitment and Staffing</p> <ul style="list-style-type: none"> • Annually determine the percentage of vacant posts on the establishment that can be funded. • Implementation of a project based approach for recruitment where line managers agree to scheduled dates for the filling of posts prior to advertising. • Implementation of e-recruitment system. • Reduce the number of contract workers where posts are of a permanent nature. • Review and improve R&S policy to support staffing initiatives. • Implementation of the On-Boarding Programme to integrate new employees successfully.
2	<p>Career management including training and development</p> <ul style="list-style-type: none"> • Continuous development of employees to be fully functional in their current positions and to prepare them for career progression. • Identify future skills requirements as portrayed in the skills gap identified by HR Connect. • Bursary allocations aligned with critical and scarce skills, e.g. GIS, legislative drafters, procurement, M&E, business analysts (IT). • OD intervention in role clarification between PTI and PM&D to ensure that identified training needs are addressed. • Develop a policy to provide guidelines for the training of each employee in a set cycle (funding / days per cycle). • Retirement and exit planning to ensure skills and knowledge transfer in high risk groups (e.g. procurement specialist through job shadowing, exit companion, etc).
3	<p>Promotion of employment equity</p> <ul style="list-style-type: none"> • Targeted recruitment interventions • Introduce an AA measure in the EE Plan to create a pool of MMS from designated groups to be eligible on merit for promotion to SMS posts when a vacancy arises.
4	<p>Institutionalise change navigation in the Department (including values, ethics and organisational culture)</p> <ul style="list-style-type: none"> • Develop and implement a change programme for the Department to: <ul style="list-style-type: none"> - address the impact of continuous change - equip employees and managers to manage and cope with future change.

The challenges facing the Department have been identified. These challenges have been addressed by identified HR priorities and have been incorporated into the action plan including the filling of critical and scarce skills posts. It is expected that the managers and Corporate Service Centre jointly take responsibility for the execution of the action plans, takes ownership for delivering the necessary outcomes.

Employee Performance Management Framework

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

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

This system represents a more equitable, fair and open process. Moreover, it sets the framework in which both the employer and employee can equally realise their goals and objectives.

Employee Wellness

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

Policy development

The following Provincial policies were adopted during the year under review:

- a. **Special Leave Policy**, which sets transversal standards and conditions for leave categories that are not regulated in the national Determination on Leave of Absence (August 2012). These categories include study leave, substance abuse treatment, participation in sporting events etc.
- b. **Policy on Remunerative Work Outside Public Service**, which manages and regulates the conditions under which the employer would provide authorisation for employees to conduct remunerated work outside the Public Service.
- c. **Policy on Secondment of Employees**, which provides directives and general measures, and to prescribe uniform conditions for secondment.

3. HUMAN RESOURCE OVERSIGHT STATISTICS

3.1. Personnel related expenditure

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

The figures in Table 3.1.1 are drawn from the Basic Accounting System and the figures in Table 3.1.2 are drawn from the PERSAL (Personnel Salary) system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in total expenditure reflected on these systems.

Programme	Programme Designation
Programme 1	Executive Support
Programme 2	Provincial Strategic Support
Programme 3	Human Capital
Programme 4	Centre for e-Innovation
Programme 5	Corporate Assurance

Table 3.1.1: Personnel expenditure by programme, 2012/13

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Programme 1	68 120	54 647	184	11 275	80.2	374	146
Programme 2	30 202	20 769	44	7 880	68.8	330	63
Programme 3	138 070	111 058	1 811	23 673	80.4	237	468
Programme 4	421 391	135 706	1 592	249 105	32.2	316	430
Programme 5	893 82	55 918	2 001	32 290	62.6	345	162
Total	747 165	378 098	5 632	324 223	50.6	298	1 269

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

Table 3.1.2: Personnel expenditure by salary bands, 2012/13

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Lower skilled (Levels 1-2)	4 271	1.1	30	143
Skilled (Levels 3-5)	23 703	6.2	143	166
Highly skilled production (Levels 6-8)	69 335	18.3	221	314
Highly skilled supervision (Levels 9-12)	220 686	58.2	385	573
Senior management (Levels 13-16)	61 333	16.2	840	73
Total	379 328	100.0	299	1 269

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

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2012/13

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	33 067	8.7	195	0.1	839	0.2	1 534	0.4
Programme 2	15 978	4.2	25	0.0	212	0.1	553	0.1
Programme 3	79 322	20.9	997	0.3	2 340	0.6	4 453	1.2
Programme 4	99 269	26.2	1 088	0.3	1 585	0.4	3 776	1.0
Programme 5	40 908	10.8	22	0.0	618	0.2	1 491	0.4
Total	268 544	70.8	2 327	0.6	5 594	1.5	11 807	3.1

Note: Salaries, overtime, housing allowance and medical assistance are calculated as a % of the total personnel expenditure which appears in Table 3.1.2 above.

The totals in Table 3.1.3 & 3.1.4 are the same, however, due to the fact that it is reflected either by salary band or by programme, and that it is rounded off to thousands they reflect differently.

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary bands, 2012/13

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower skilled (levels 1-2)	3 451	0.9	23	0.006	83	0.02	114	0.03
Skilled (levels 3-5)	15 962	4.2	398	0.1	740	0.2	1315	0.3
Highly skilled production (levels 6-8)	50 226	13.2	591	0.2	1 619	0.4	3 184	0.8
Highly skilled supervision (levels 9-12)	160 566	42.3	1 279	0.3	2 660	0.7	6 477	1.7
Senior Management (levels 13-16)	38 339	10.1	36	0.0	492	0.1	716	0.2
	268 544	70.8	2 327	0.6	5 594	1.5	11 806	3.1

3.2. Employment and vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the percentage of vacant posts, and whether there are any staff who are additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.2.1), salary band (Table 3.2.2) and critical occupations (Table 3.2.3). Departments have identified critical occupations that need to be monitored. Table 3.2.3 provides establishment and vacancy information for the key critical occupations of the department.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2013

Programme	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Programme 1	156	116	25.6	10	19.2
Programme 2	68	50	26.5	10	11.8
Programme 3	355	307	13.5	33	4.2
Programme 4	393	286	27.2	76	7.9
Programme 5	154	124	19.5	10	13.0
Total	1 126	883	21.6	139	9.2

Employment and Vacancies

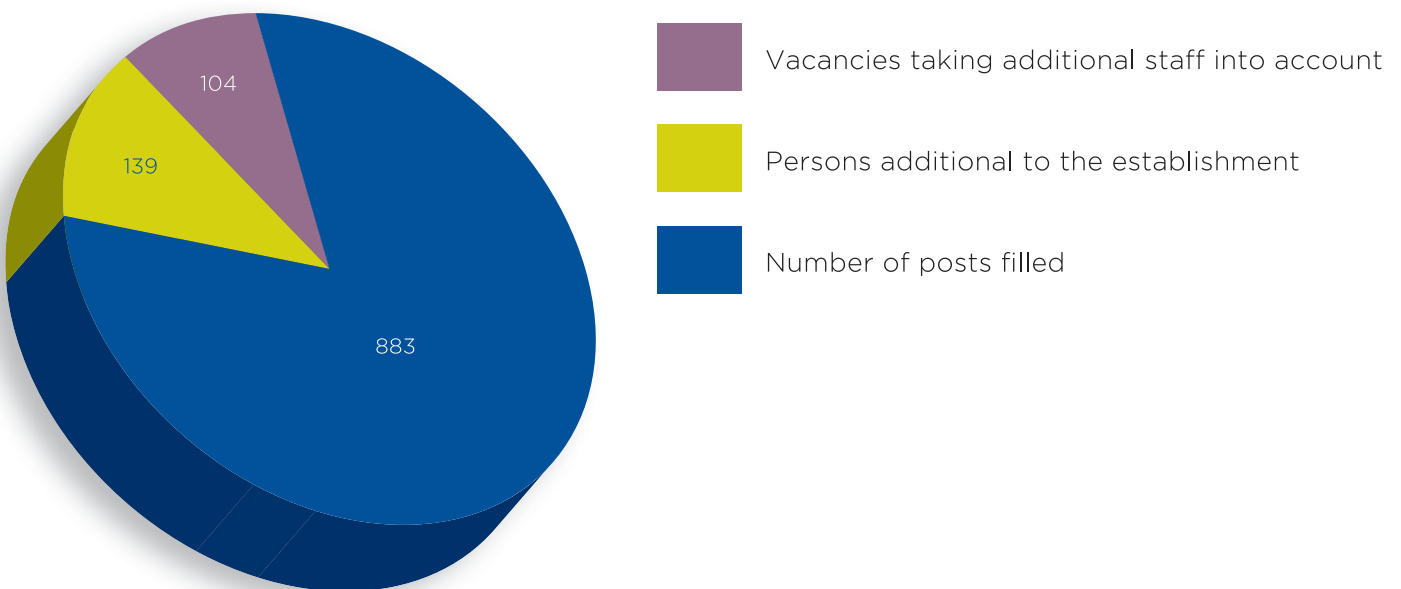


Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2013

Salary Band	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Lower skilled (Levels 1-2)	24	23	4.2	3	0
Skilled (Levels 3-5)	155	123	20.6	16	10.3
Highly skilled production (Levels 6-8)	229	177	22.7	15	16.2
Highly skilled supervision (Levels 9-12)	659	505	23.4	92	9.4
Senior management (Levels 13-16)	59	55	6.8	13	0
Total	1 126	883	21.6	139	9.2

Note: The information in each case reflects the situation as at 31 March 2013. For an indication of changes in staffing patterns over the year under review, please refer to section 3.4 of this report.

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2013

Critical Occupations	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Analyst developer	69	42	39.1	0	39.1
Legal advisor	25	19	24.0	5	4.0
Network technologist	154	108	29.9	15	20.1
Procurement specialist	2	2	0.0	0	0.0
Total	250	171	31.6	20	23.6

3.3. Job evaluation

The Public Service Regulations, 2001 as amended, 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 post in the organisation.

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

Table 3.3.1: Job evaluation, 1 April 2012 to 31 March 2013

Salary Band	Total number of posts	Number of posts evaluated	% of posts evaluated	Posts upgraded		Posts downgraded	
				Number	% of number of posts	Number	% of number of posts
Lower skilled (Levels 1-2)	24	0	0	0	0	0	0
Skilled (Levels 3-5)	155	1	0.1	7	0.6	0	0
Highly skilled production (Levels 6-8)	229	4	0.4	3	0.3	0	0
Highly skilled supervision (Levels 9-12)	659	4	0.4	7	0.6	0	0
Senior Management Service Band A (Level 13)	40	9	0.8	0	0	0	0
Senior Management Service Band B (Level 14)	12	2	0.2	0	0	0	0
Senior Management Service Band C (Level 15)	5	1	0.1	0	0	0	0
Senior Management Service Band D (Level 16)	2	0	0	0	0	0	0
Total	1126	21	1.9	17	1.5	0	0

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

The majority of posts on the approved establishment were evaluated during previous reporting years, and the job evaluation results are thus still applicable.

Table 3.3.2 provides a summary of the number of employees by race, gender and disability whose salary positions were upgraded due to their posts being upgraded.

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2012 to 31 March 2013

Beneficiaries	African	Indian	Coloured	White	Total
Female	4	0	7	2	13
Male	2	0	1	1	4
Total	6	0	8	3	17
Employees with a disability					0

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation (including higher notches awarded). Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation, 1 April 2012 to 31 March 2013

Major Occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Personal Assistant	1	7	0	9 notch increment	Retention (VC3)
Deputy Director-General	1	15	16	0	Retention
Network Technologist	1	9	0	8 notch increment	Retention (VC3)
Special Advisors	1	13	0	12 notch increment	Retention (VC3)
Chief Director	1	14	0	3 notch increment	Retention (VC3)
Director-General	1	16	0	1 notch increment	Meritorious Service
Total number of employees whose salaries exceed the level determined by job evaluation (including awarding of higher notches) in 2012/2013					6
Percentage of total employment					0.7

Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2012 to 31 March 2013

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	1	0	1
Male	0	0	2	3	5
Total	0	0	3	3	6
Employees with a disability					0

3.4. Employment changes

Turnover rates provide an indication of trends in the employment profile of the department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupations (Table 3.4.2).

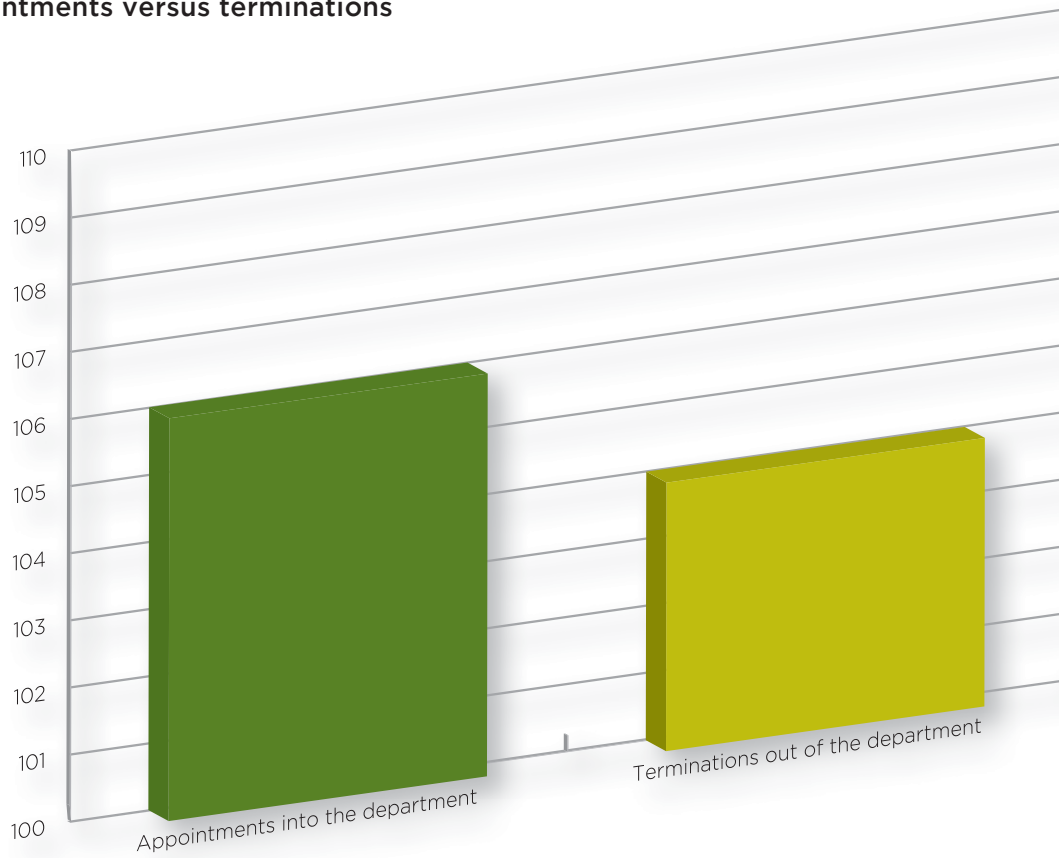
Table 3.4.1: Annual turnover rates by salary band, 1 April 2012 to 31 March 2013

Salary Band	Number of employees as at 31 March 2012	Turnover rate 2011/12	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2012/13
Lower skilled (Levels 1-2)	19	8.3	7	0	5	0	26.3
Skilled (Levels 3-5)	159	29.4	11	4	20	9	18.2
Highly skilled production (Levels 6-8)	320	19.9	29	9	31	9	12.5
Highly skilled supervision (Levels 9-12)	488	8.6	53	8	46	18	13.1
Senior Management Service Band A (Level 13)	42	12.5	5	1	1	0	2.4
Senior Management Service Band B (Level 14)	15	14.3	1	0	0	0	0.0
Senior Management Service Band C (Level 15)	6	0.0	0	0	1	0	16.7
Senior Management Service Band D (Level 16)	3	0.0	0	0	0	0	0.0
Total	1052	13.9	106	22	104	36	13.3
				128		140	

Note: A transfer is when a Public Service official moves from one department to another, on the same salary level.

Note: Terminations refer to incidents where officials leave the employ of the Department. The various termination categories and reasons are discussed in tables 3.4.3 and 3.4.4.

Appointments versus terminations



Transfers in versus transfers out

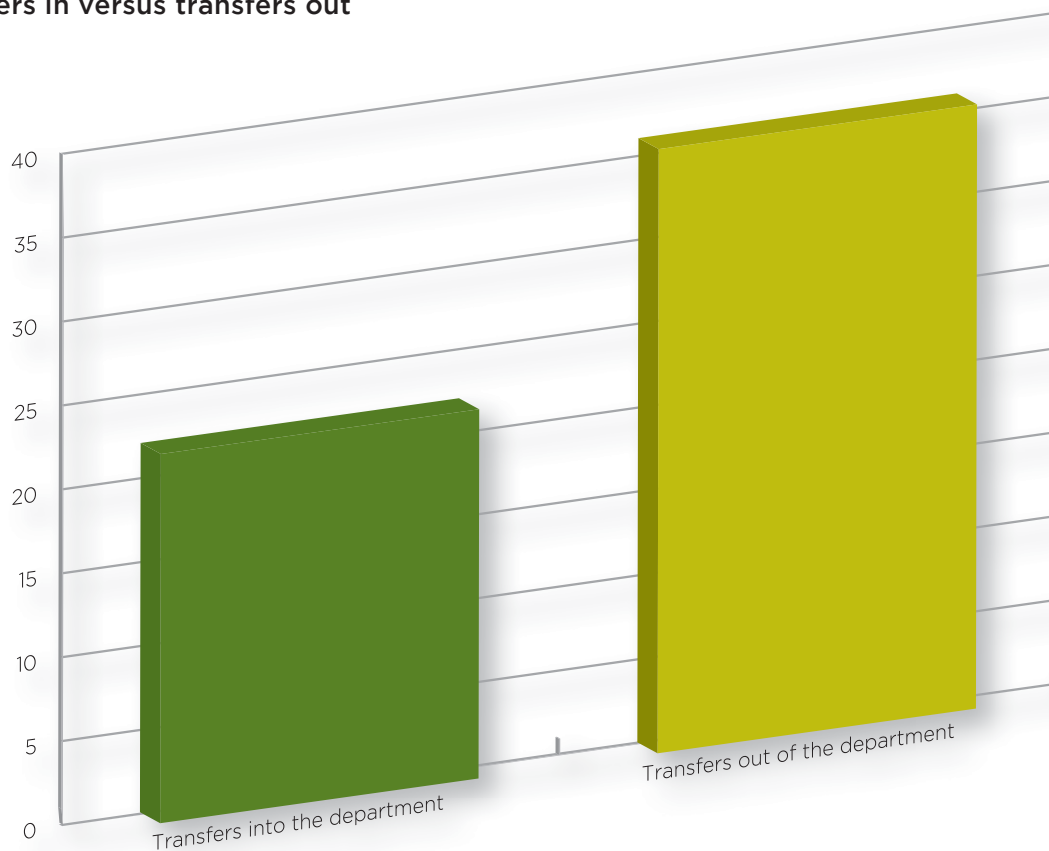


Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2012 to 31 March 2013

Critical Occupation	Number of employees as at 31 March 2012	Turnover rate 2011/12	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2012/13
Analyst developer	54	4.4	0	0	7	1	14.8
Legal advisor	23	13.0	4	0	2	1	13.0
Network technologist	121	1.9	16	1	10	1	9.1
Procurement specialist	2	0.0	0	0	0	0	0.0
Total	200	4.0	20	1	19	3	11.0
			21		22		

Table 3.4.3: Staff leaving the employ of the department, 1 April 2012 to 31 March 2013

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2012
Death	1	0.7	0.1
Resignation *	46	32.9	4.4
Expiry of contract	46	32.9	4.4
Dismissal - operational changes	0	0.0	0.0
Dismissal - misconduct	6	4.3	0.6
Dismissal - inefficiency	0	0.0	0.0
Discharged due to ill health	2	1.4	0.2
Retirement	3	2.1	0.3
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	0	0.0	0.0
Transfers to other Public Service departments	36	25.7	3.4
Total	140	100.0	13.3

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department.

* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Staff leaving the employ of the department

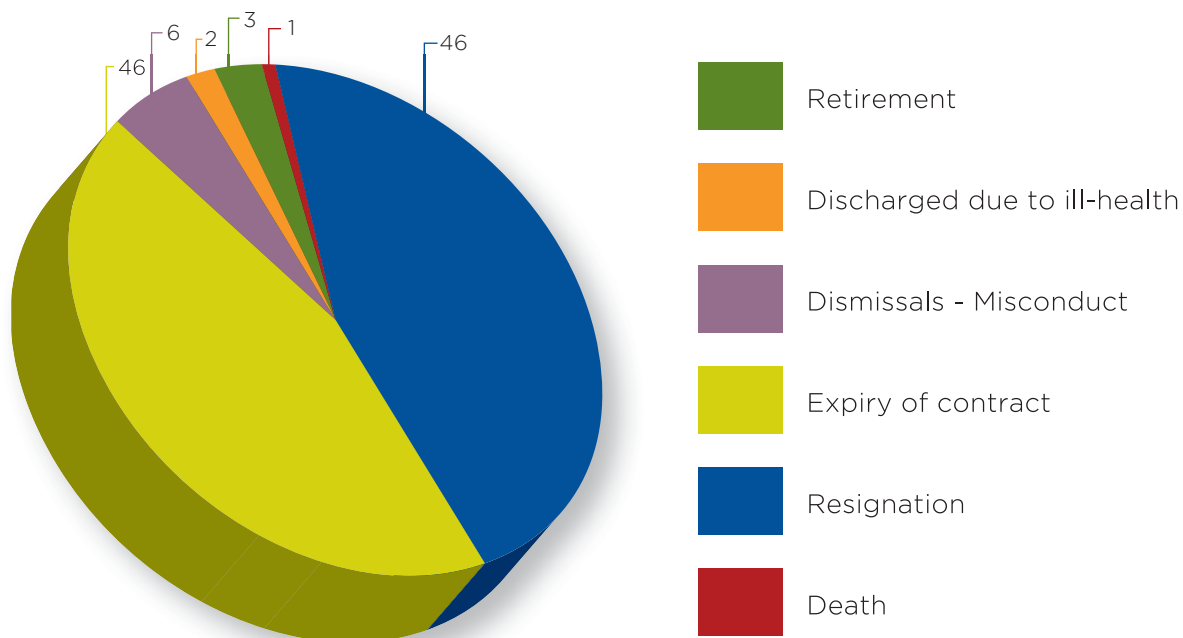


Table 3.4.4: Reasons why staff resigned, 1 April 2012 to 31 March 2013

Resignation Reasons	Number	% of total resignations
Better remuneration	36	78.3
Resigning of position	9	19.6
No reason	1	2.2
Total	46	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2012 to 31 March 2013

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	3	6.5
Ages 25 to 29	15	32.6
Ages 30 to 34	15	32.6
Ages 35 to 39	4	8.7
Ages 40 to 44	4	8.7
Ages 45 to 49	2	4.3
Ages 50 to 54	3	6.5
Ages 55 to 59	0	0.0
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
Total	46	100.0

Age distribution of staff who have resigned

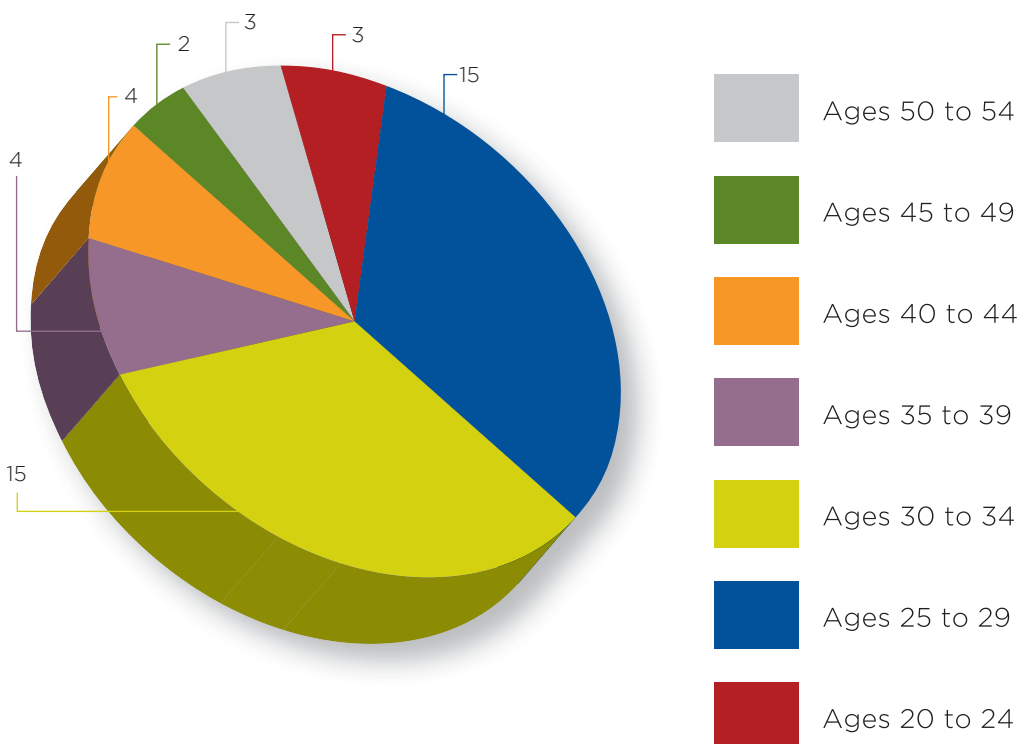


Table 3.4.6: Employee initiated severance packages, 1 April 2012 to 31 March 2013

Total number of employee initiated severance packages in 2012/ 2013	None
---	------

Table 3.4.7: Promotions by salary band, 1 April 2012 to 31 March 2013

Salary Band	Employees as at 31 March 2012	Promotions to another salary level	Promotions as a % of employees by salary band	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	19	0	0.0	9	47.4
Skilled (Levels 3-5)	159	0	0.0	81	50.9
Highly skilled production (Levels 6-8)	320	6	1.9	124	38.8
Highly skilled supervision (Levels 9-12)	488	14	2.9	300	61.5
Senior management (Levels 13-16)	66	1	1.5	46	69.7
Total	1052	21	2.0	560	53.2

Table 3.4.8: Promotions by critical occupation, 1 April 2012 to 31 March 2013

Critical Occupation	Number of employees as at 31 March 2012	Promotions to another salary level	Promotions as a % of employees by salary band	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Analyst developer	54	0	0	28	51.9
Legal advisor	23	0	0	13	56.5
Network technologist	121	0	0	88	72.7
Procurement specialist	2	0	0	1	50.0
Total	200	0	0	130	65.0

3.5. Employment equity

The information provided in this section depicts the department's demographic composition by race, gender and disability, as required by the Employment Equity Act and the Department of Public Service and Administration. Positions in our post establishment require various academic qualifications such as a Senior Certificate, technical qualification or graduate and post-graduate degrees, as well as certain competency levels. The Employment Equity Act states that in determining whether designated groups are equitably represented within an occupational category and level in an employer's workforce a number of factors must be taken into account including, the pool of suitably qualified people from designated groups from which the employer may reasonably be expected to promote or appoint employees. The figures presented in this section do not take these factors into account and do not reflect the fact that the population statistics provided by the 2011 Census reveal that a small percentage of the population have Matric and tertiary qualifications, which constitute the pool of "suitably qualified people" from which the Government can employ. The Department is continuing to invest in measures to broaden the pool of suitably qualified people who can compete for its employment opportunities to broaden its diversity in all occupational categories and levels in the workforce.

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	1	3	0	1	0	0	0	3	0	0	8
Senior management (Levels 13-14)	9	14	2	17	3	9	1	7	0	0	62
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	56	152	3	82	61	109	4	49	0	0	516
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	31	76	0	16	36	93	2	27	0	0	281
Semi-skilled and discretionary decision making (Levels 3-5)	18	33	0	6	29	46	0	6	0	0	138
Unskilled and defined decision making (Levels 1-2)	4	3	0	1	1	8	0	0	0	0	17
Total	119	281	5	123	130	265	7	92	0	0	1022
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	119	281	5	123	130	265	7	92	0	0	1022

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

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees. Furthermore the information is presented by salary level and not post level. Temporary employees refer to workers who are employed for three consecutive months or less.

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	1	0	3	1	2	0	3	0	0	11
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	4	0	0	0	1	0	0	5
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	1	0	1	0	0	2
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	1	1	0	7	1	3	0	5	0	0	18
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	1	0	7	1	3	0	5	0	0	18

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

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

Table 3.5.3: Recruitment, 1 April 2012 to 31 March 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	1	3	0	1	0	2	0	0	7
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	23	0	13	1	17	1	2	0	0	61
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	8	0	3	4	17	0	4	0	0	38
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	0	1	1	6	0	2	0	0	15
Unskilled and defined decision making (Levels 1-2)	1	2	1	0	0	3	0	0	0	0	7
Total	9	36	2	20	6	44	1	10	0	0	128
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	9	36	2	20	6	44	1	10	0	0	128

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

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

Table 3.5.4: Promotions, 1 April 2012 to 31 March 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	5	0	0	0	7	0	0	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	2	0	0	0	2	0	1	0	0	6
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	3	7	0	1	0	9	0	1	0	0	21
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	3	7	0	1	0	9	0	1	0	0	21

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

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

Table 3.5.5: Terminations, 1 April 2012 to 31 March 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	1	0	0	0	0	0	0	1
Senior management (Levels 13-14)	0	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	11	20	2	9	8	10	1	3	0	0	64
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	12	0	3	9	10	0	3	0	0	40
Semi-skilled and discretionary decision making (Levels 3-5)	5	4	0	2	6	11	1	0	0	0	29
Unskilled and defined decision making (Levels 1-2)	0	2	0	0	0	3	0	0	0	0	5
Total	19	38	2	16	23	34	2	6	0	0	140
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	19	38	2	16	23	34	2	6	0	0	140

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

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

Table 3.5.6: Disciplinary actions, 1 April 2012 to 31 March 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Final written warning	2	4	0	0	0	0	0	0	0	0	6
Suspension without pay	2	1	0	0	0	0	0	0	0	0	3
Demotion	1	0	0	0	0	0	0	0	0	0	1
Dismissal/desertion	1	2	0	1	1	1	0	0	0	0	6
Case withdrawn	0	0	0	1	0	0	0	0	0	0	1
Total	6	7	0	2	1	1	0	0	0	0	17

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

Note: The disciplinary actions total refers to formal outcomes. For further information on the outcomes of the disciplinary hearings and types of misconduct addressed at disciplinary hearings, please refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2012 to 31 March 2013

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	1	1	0	0	0	1	0	0	3
Senior management (Levels 13-14)	2	3	0	3	1	2	0	1	12
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	9	0	8	8	5	0	6	37
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	10	21	0	6	12	23	0	10	82
Semi-skilled and discretionary decision making (Levels 3-5)	17	26	0	5	33	45	1	11	138
Unskilled and defined decision making (Levels 1-2)	2	1	0	0	0	3	0	0	6
Total	33	61	0	22	54	79	1	28	278
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	33	61	0	22	54	79	1	28	278

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

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

3.6. Signing of performance agreements by SMS members

With effect from 1 April 2009 all members of the SMS are required to conclude and sign their performance agreements by 31 May of each year.

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2012

SMS Level	Number of funded SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Director-General/Head of Department	1	1	1	100.0
Salary level 16, but not HOD	1	2	1	50.0
Salary Level 15	5	6	5	83.3
Salary Level 14	12	12	13	108.3
Salary Level 13	39	45	42	93.3
Total	58	66	62	93.9

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

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS on 31 May 2012

Reasons for not concluding Performance Agreements with all SMS	None
--	------

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2012

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements	None
--	------

3.7. Filling of sms posts

Table 3.7.1: SMS posts information, as at 30 September 2012

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	100.00	0	0.00
Salary level 16, but not HOD	1	1	100.00	0	0.00
Salary Level 15	5	5	100.00	0	0.00
Salary Level 14	11	10	90.91	1	9.09
Salary Level 13	40	37	92.50	3	7.50
Total	58	54	93.10	4	6.90

Table 3.7.2: SMS posts information, as at 31 March 2013

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	100.00	0	0.00
Salary level 16, but not HOD	1	1	100.00	0	0.00
Salary Level 15	5	5	100.00	0	0.00
Salary Level 14	12	11	91.67	1	8.33
Salary Level 13	40	37	92.50	3	7.50
Total	59	55	93.22	4	6.78

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2013

SMS Level	Advertising	Filling of Posts	
	Number of Vacancies per Level Advertised in 6 Months of becoming Vacant	Number of Vacancies per Level Filled in 6 Months after becoming Vacant	Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months
Director-General/Head of Department	0	0	0
Salary level 16, but not HOD	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	1	0
Salary Level 13	4	2	0
Total	4	3	0

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

SMS Level	Reasons for non-compliance
Salary Level 14	Chief Audit Executive: The post became vacant during the 2010/11 reporting period and was advertised within the six months of becoming vacant. After assessing the applicants it was decided to embark on a head-hunt process as the number of suitable candidates were limited. No appointment could be made and the Department has since then re-advertised the post three times and embarked on three head hunt processes without the necessary result as intended. The Department is currently in the process of re-advertising and is confident that a successful appointment will be made within the 2013/14 reporting period.
Salary Level 13	Director: Priority Programmes Coordination: Newly created structure. The vacancy will be advertised within the required six-month period. The Department envisage filling the post within the next reporting period. Director: Provincial Wide Monitoring and Evaluation: The post became vacant in the previous reporting period and was advertised within the six-month period. After assessing the applicants it was decided to embark on a re-advertising process as the number of suitable candidates were limited. The Department is in process of finalising the shortlist and envisage filling of the vacancy within the next reporting period.

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

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

3.8. Employee performance

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2011/12, but paid in the financial year 2012/13. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

Table 3.8.1: Notch progressions by salary band, 1 April 2012 to 31 March 2013

Salary Band	Employees as at 31 March 2012	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	19	9	47.4
Skilled (Levels 3-5)	159	81	50.9
Highly skilled production (Levels 6-8)	320	124	38.8
Highly skilled supervision (Levels 9-12)	488	300	61.5
Senior management (Levels 13-16)	66	46	69.7
Total	1052	560	53.2

Table 3.8.1: Notch progressions by salary band, 1 April 2012 to 31 March 2013

Salary Band	Employees as at 31 March 2012	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Analyst developer	54	28	51.9
Legal advisor	23	13	56.5
Network technologist	121	88	72.7
Procurement specialist	2	1	50.0
Total	200	130	65.0

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2012 to 31 March 2013

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 beneficiary
African Male	12	129	9.3	92	7 651
African Female	14	149	9.4	190	13 592
Coloured Male	55	284	19.4	959	17 435
Coloured Female	54	259	20.8	664	12 292
Indian Male	2	6	33.3	29	14 432
Indian Female	3	8	37.5	78	25 926
White Male	35	113	31.0	862	24 629
White Female	28	87	32.2	605	21 590
Employees with a disability	8	17	47.1	115	14 370
Total	211	1 052	20.1	3 594	17 028

Table 3.8.4: Performance rewards by salary bands for personnel below Senior Management Service level, 1 April 2012 to 31 March 2013

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per beneficiary	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	6	19	31.6	20	3 322	0.0
Skilled (Levels 3-5)	20	159	12.6	95	4 725	0.0
Highly skilled production (Levels 6-8)	33	320	10.3	275	8 345	0.1
Highly skilled supervision (Levels 9-12)	136	488	27.9	2 460	18 089	0.8
Total	195	986	19.8	2 850	14 615	0.9

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

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2012 to 31 March 2013

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per beneficiary	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	5	42	11.9	190	38 029	0.3
Senior Management Service Band B (Level 14)	8	15	53.3	364	45 524	0.6
Senior Management Service Band C (Level 15)	1	6	16.7	60	60 339	0.1
Senior Management Service Band D (Level 16)	2	3	66.7	128	64 185	0.2
Total	16	66	24.2	742	46 440	1.2

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

Table 3.8.6: Performance rewards by critical occupations, 1 April 2012 to 31 March 2013

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per beneficiary	Cost as a % of the total personnel expenditure
Analyst developer	10	54	18.5	136	13 584	0.0
Legal advisor	7	23	30.4	212	30 355	0.1
Network technologist	28	121	23.1	368	13 142	0.1
Procurement specialist	2	2	100.0	38	18 838	0.0
Total	47	200	23.5	754	16 042	0.2

3.9. Foreign workers

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

Table 3.9.1: Foreign Workers by salary band, 1 April 2012 to 31 March 2013

Salary Bands	1 April 2012		31 March 2013		Change	
	Number	% of total	Number	% of total	Number	% of total
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2: Foreign Workers by major occupation, 1 April 2012 to 31 March 2013

Salary Bands	1 April 2012		31 March 2013		Change	
	Number	% of total	Number	% of total	Number	% of total
None	0	0	0	0	0	0

3.10. Leave utilisation for the period 1 January 2012 to 31 December 2012

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2012 to 31 December 2012

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	74	78.4	14	19	73.7	5	19
Skilled (Levels 3-5)	1060	76.4	151	166	91.0	7	439
Highly skilled production (Levels 6-8)	1791	78.5	250	313	79.9	7	1234
Highly skilled supervision (Levels 9-12)	3089	78.2	454	573	79.2	7	3640
Senior management (Levels 13-16)	261	83.1	51	73	69.9	5	545
Total	6275	78.2	920	1144	80.4	7	5 877

Note: The three-year sick leave cycle started in January 2010. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, please refer to Table 3.10.2.

The total number of employees refer to all staff employed within the Department during the financial year excluding interns.

Table 3.10.2: Incapacity leave, 1 January 2012 to 31 December 2012

Salary Band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	19	0.0	0	0
Skilled (Levels 3-5)	50	100.0	4	166	2.4	13	22
Highly skilled production (Levels 6-8)	562	100.0	20	313	6.4	28	415
Highly skilled supervision (Levels 9-12)	630	100.0	28	573	4.9	23	885
Senior management (Levels 13-16)	6	100.0	1	73	1.4	6	10
Total	1248	100.0	53	1144	4.6	24	1 332

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA).

Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Commission Bargaining Chamber (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

Table 3.10.3: Annual leave, 1 January 2013 to 31 December 2012

Salary Band	Total days taken	Total number employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	335	19	18
Skilled (Levels 3-5)	2909	164	18
Highly skilled production (Levels 6-8)	5875	316	19
Highly skilled supervision (Levels 9-12)	11163	540	21
Senior management (Levels 13-16)	1390	67	21
Total	21672	1106	20

Table 3.10.4: Capped leave, 1 January 2012 to 31 December 2012

Salary Band	Total capped leave available as at 31 Dec 2011	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2012	Total capped leave available as at 31 Dec 2012
Lower skilled (Levels 1-2)	108	0	0	0	3	108
Skilled (Levels 3-5)	414	0	0	0	11	413
Highly skilled production (Levels 6-8)	2 468	12	3	4	52	2 074
Highly skilled supervision (Levels 9-12)	3 140	29	5	6	98	3 154
Senior management (Levels 13-16)	1 013	1	1	1	21	1 055
Total	7 143	42	9	5	185	6 804

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

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

Table 3.10.5: Leave pay-outs, 1 April 2012 to 31 March 2013

Reason	Total Amount (R'000)	Number of incidents per employee	Average payment per employee
Leave pay-outs for 2012/13 due to non-utilisation of leave for the previous cycle	68	3	22 790
Capped leave pay-outs on termination of service for 2012/13	209	2	104 422
Current leave pay-outs on termination of service 2012/13	98	3	32 588
Total	375	8	46 872

3.11. HIV and AIDS & health promotion programmes

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2012 to 31 March 2013

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

Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes, 1 April 2012 to 31 March 2013

Question	Yes	No	Details, if yes
<p>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>	X		<p>Due to the corporatisation of the Employee Health and Wellness function, the Acting Director: Organisational Behaviour, Denver Heynes (Department of the Premier), fulfilled this role.</p>
<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,</p>	X		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) participating departments, including the Department of the Premier.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief</p>

Question	Yes	No	Details, if yes
<p>indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</p>			<p>Directorate Organisation Development serves to promote the health and wellbeing of employees in the eleven (11) departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, four (4 team members and one (1) intern who has since left the Directorate Organisational Behaviour in the fourth quarter for furthering her studies. Budget : R2,5 million</p>
<p>3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this programme.</p>	X		<p>The Department has entered into a service level agreement with ICAS (Service Provider) to render an Employee Health and Wellness Service to the eleven departments serviced by the Corporate Services Centre (CSC).</p> <p>The department conducted interventions namely, Managerial Induction, Employee Induction, Stress Management, Abuse and Sexual Health Awareness, Work Life Balance, Employee Advocacy Awareness, Personal Finance, Managerial Referral, Substance Abuse Financial Wellbeing Managerial Referral and Coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme (EHWP) reports provided by the service provider, ICAS, for the period 2012/13. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a proactive approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, including managers and supervisors.</p> <p>The department also provided information sessions, as requested by various departments in the Western Cape Government (WCG) to inform employees of the EHW service, how to access the Employee Health and Wellness Programme (EHWP). Promotional material such as pamphlets, posters and brochures were distributed.</p>
<p>4. Has the department established a committee(s) as</p>	X		<p>A new Health and Wellness Steering Committee has been established with members nominated by each department.</p>

Question	Yes	No	Details, if yes
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>The Departmental committee members are:</p> <ul style="list-style-type: none"> - Department of the Premier: D Heynes & Z Norushe
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.	X		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness (EHW) in the Public Service and that coordinate the programmes and services in a uniform manner.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>During the period under review, the Department of the Premier has developed a Transversal Employee Health and Wellness policy. The draft document is being consulted for ratification.</p> <p>Further to this, the Department of Health has currently approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>
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.	X		<p>The Department implemented existing legislative and policy frameworks as well as Monitoring and Evaluation guidelines, which have been developed by DPSA. The overarching aim of these frameworks is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> - Zero new HIV, STI and TB infections - Zero deaths associated with HIV and TB

Question	Yes	No	Details, if yes
			<ul style="list-style-type: none"> - Zero discrimination <p>The department is conducting the HCT and Wellness screenings to ensure that every employee in the Departments of the Western Cape Government is tested for HIV and screened for TB, at least annually, The aim was to:</p> <ul style="list-style-type: none"> - Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. - Reduce unfair discrimination in access to services. This included ensuring that Employee Relations Directorate addresses complaints or grievances and provides training to employees. - Other key elements that addressed anti HIV/AIDS discrimination issues were: Wellness Screenings and TB Testing Sessions with specific requests from departments were conducted, posters and pamphlets were distributed, HIV/AIDS counselling (HCT) and TB Testing were conducted, condom programme and spot talks, including (HIV/AIDS speak out programme) were conducted as well.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		<p>HCT SESSIONS</p> <p>The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI (body mass index) and spot talks.</p> <ul style="list-style-type: none"> - The Department of the Premier participated in 14 HCT and Wellness screenings. - 430 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's). - There were 0 clinical referrals for TB, HIV or any other STIs.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	X		<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external EAP service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by the External Service Provider. The most recent annual health review period was 1 April 2012 - 2013</p> <p>The quarterly and annual review provides a breakdown</p>

Question	Yes	No	Details, if yes
			<p>of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no. of cases. The review further provides amongst others service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place.</p>

3.12. Labour relations

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

Table 3.12.1: The Department did not enter into collective agreements with any trade unions in the period under review.

Total collective agreements	None
-----------------------------	------

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2012 to 31 March 2013

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0.0
Verbal warning	0	0.0
Written warning	0	0.0
Final written warning	6	35.3
Suspension without pay	3	17.6
Fine	0	0.0
Demotion	1	5.9
Dismissal/desertion	6	35.3
Not guilty	0	0.0
Case withdrawn	1	5.9
Total	17	100.0
Percentage of total employment		1.3

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

One employee absconded during the period under review and was automatically classified as a case of desertion. A formal disciplinary hearing was not required.

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2012 to 31 March 2013

Type of misconduct	Number	% of total
Inappropriate/Unprofessional Behaviour	1	7.1
Irregular Expenditure	1	7.1
Unauthorised Absence	1	7.1
Non-disclosure of Conflict of Interest	1	7.1
Misuse of Government Resources	1	7.1
Theft	2	14.3
Poor performance. Failure to carry out lawful/resourceful instruction	1	7.1
Failure to carry out lawful/Reasonable Instruction	0	0.0
Sexual Harassment	1	7.1
Gross Dishonesty	1	7.1
Misuse of GG Vehicle	2	14.3
Disclosure of Confidential Information	1	7.1
Gross Negligence	0	0.0
Abscondment	1	7.1
Total	14	100.0

Table 3.12.4: Grievances lodged, 1 April 2012 to 31 March 2013

Grievances lodged	Number	% of total
Number of grievances resolved	1	10
Number of grievances not resolved	9	90
Total number of grievances lodged	10	100.0

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

Table 3.12.5: Disputes lodged with Councils, 1 April 2012 to 31 March 2013

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	1	7.1
Number of disputes dismissed	13	92.9
Total number of disputes lodged	14	100.0

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

Table 3.12.6: Strike actions, 1 April 2012 to 31 March 2013

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

Table 3.12.7: Precautionary suspensions, 1 April 2012 to 31 March 2013

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	19
Cost (R'000) of suspensions	20

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

3.13. Skills development

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

Table 3.13.1: Training needs identified, 1 April 2012 to 31 March 2013

Occupational Categories	Gender	Number of employees as at 1 April 2012	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	21	0	43	0	43
	Male	42	0	25	0	25
Professionals	Female	205	0	525	0	525
	Male	317	0	781	0	781
Technicians and associate professionals	Female	130	0	203	0	203
	Male	106	0	205	0	205
Clerks	Female	122	0	265	0	265
	Male	45	0	108	0	108
Service and sales workers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	3	0	3	0	3
Elementary occupations	Female	13	0	4	0	4
	Male	11	0	18	0	18
Sub Total	Female	500	0	1040	0	1040
	Male	533	0	1140	0	1140
Total		1033	0	2180	0	2180
Employees with disabilities	Female	8	0	0	0	0
	Male	9	0	0	0	0

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

Table 3.13.2: Training provided, 1 April 2012 to 31 March 2013

Occupational Categories	Gender	Number of employees as at 31 March 2013	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	23	0	15	0	15
	Male	45	0	23	0	23
Professionals	Female	187	0	95	0	95
	Male	308	0	92	0	92
Technicians and associate professionals	Female	142	0	72	0	72
	Male	98	0	49	0	49
Clerks	Female	118	0	152	0	152
	Male	49	0	76	0	76
Service and sales workers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	3	0	0	0	0
Elementary occupations	Female	13	0	4	0	4
	Male	15	0	6	0	6
Sub Total	Female	493	0	338	0	338
	Male	529	0	246	0	246
Total		1022	0	584	0	584
Employees with disabilities	Female	9	0	0	0	0
	Male	9	0	0	0	0

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

3.14. Injury on duty

Table 3.14.1 provides basic information on injury on duty.

Table 3.14.1: Injury on duty, 1 April 2012 to 31 March 2013

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0.0
Temporary disablement	3	100.0
Permanent disablement	0	0.0
Fatal	0	0.0
Total	3	100.0
Percentage of total employment		0.2

3.15. Utilisation of consultants

Consultants means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad-hoc basis any of the following professional services to a department against remuneration received from any source.

- a. The rendering of expert advice
- b. The drafting of proposals for execution of specific tasks; and
- c. The executing of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1: Report on consultant appointments using appropriated funds, 1 April 2012 to 31 March 2013

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
The provision of services related to the design and implementation of strategic objectives: increasing safety.	1	21 months	R550 000.00
Coach in remedial and development function.	1	26 sessions	R39 000.00
Research study on traditional and Khoisan communities in Western Cape.	1	152 hours	R79 496.00
Develop a social media policy that will provide governance for the Western Cape Government' social media account.	1	3 months	R178 866.00
Develop a business case, draft specifications and provide assistance and guidance in the Western Cape Government transversal communications bid.	1	Ad hoc	R135 000.00
Appointment of service provider to review the three (3) public entities of the Department of Cultural Affairs and Sport.	1	1 month	R497 130.00
Transversal Change Programme.	1	5 months	R600 000.00
Development of an Institutional Model for the Provincial Training Institute.	1	12 months	R1 455 550.00
Changing behaviour specialist.	1	24 months	R4 290 343.00
Rationalisation of Western Cape Provincial Legislation project.	1	21 months	R500 000.00
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
10	10	2 616	R8 325 385.00

Table 3.15.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2012 to 31 March 2013

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None			

Table 3.15.3: Report on consultant appointments using Donor funds, 1 April 2012 to 31 March 2013

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
None			
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
None			

Table 3.15.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2012 to 31 March 2013

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None			



Part E

FINANCIAL INFORMATION

1. REPORT OF THE ACCOUNTING OFFICER

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

1. General review of the state of financial affairs

During the 2012/13 financial year the Department experienced severe financial constraints, which necessitated the implementation of austerity measures from the second quarter. As a result, the filling of vacancies had to be deferred. Over the past two financial years the overall growth in the baseline of the Department's budget was based on agreed service levels and did not cater for any increase in service demands from client departments. This, coupled with the higher than anticipated salary increases as well as the constrained international and national financial situation, placed significant pressure on the budget available for service delivery. The Department's budget allows for services at current agreed demand levels and any increases in service demands will have to be funded by client departments based on an agreed funding model.

Given the financial constraints, there was a need for the Department of the Premier to foster greater collaboration between its business units and also with other departments, spheres of Government and stakeholders. It is foreseen that austerity measures will remain in place over the short term, while a new funding model is developed.

Departmental governance responsibilities were managed from a central position in the Office of the Director-General, enhancing the interrelatedness of financial and non-financial management activities. The department also received an unqualified audit for the 2011/12 financial year, with only one other matter being raised. This was the same as the preceding year. The percentage under-spending in the year under review is 0.11 per cent (R0.816 million) which is an improvement on the 2011/12 and 2010/11 financial years (0.23 percent and 0.39 percent respectively).

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

The Human Rights Unit facilitated a Career Fair and Expo which was held on Youth Day, 16 June 2012. It drew attention to the challenges young people continue to face with accessing employment opportunities in the open labour market. The Career Fair and Expo provided a platform for youth with disabilities to meet and engage with potential employers.

Furthermore, a seminar with young people was held on 28 June 2012 to deepen consciousness of the youth on the challenge of human trafficking.

The International Relations Unit actively monitored and reported on international agreements entered between the Western Cape Government and its international partners. This included reporting on the implementation of Regional Leaders Summit Resolutions. The unit facilitated the Premier's participation in the 6th Regional Leaders Summit in Sao Paulo, which resulted, amongst other joint work, in an agreement with Sao Paulo State to assist with their preparations for the 2014 FIFA World Cup. This is a legacy outcome for the branch.

In 2012/13 the Chief Directorate: Policy and Strategy focused mainly on the implementation of the Provincial Strategic Plan (PSP), providing technical content and secretariat support through the Provincial Transversal Management System (PTMS). The Policy Unit completed an audit of Working Groups and supported the development of Project Implementation Plans for all the Working Groups. Forty four (44) Working Groups in total were supported. An annual PTMS review report was also

completed, which looks at alignment of the Departmental Annual Performance Plans with the Provincial Strategic Plan.

On request from the Department of Cultural Affairs and Sport, the second phase of the review of public entities, which includes the Language Committee, the Cultural Commission and Heritage Western Cape, was completed.

The Policy Unit coordinated input into the One Cape 2040 future vision strategy for the Province, and liaised with the EDP on the rollout of One Cape 2040. Futurescapes. A long-term modelling tool was developed and implemented via training sessions with all departments.

There was a continuous focus on improving baselines through testing the level of maturity for the methodologies and approaches for Programme and Project Management, Results-based Monitoring and Evaluation and Spatial Information. For the year under review two high-level projects were implemented. The first project focused on updating methodologies, facilitating data governance and producing relevant data and information on an implementation and result-based level both on a provincial and national level. The second project focused on the continued development of an automated and integrated provincial-wide Monitoring and Evaluation system.

In line with PSO12 outcome theme “Management for Results”, the level of maturity was tested over consecutive years for all three methodologies as implemented by the Department of the Premier. Data governance was promoted through steps towards a data quality framework for the use of provincial administrative data.

The monitoring of projects through the Executive Projects Dashboard (EPD) and programme and project management methodology, delivered project performance data to various stakeholders. Indicator measurement using the Results-based Monitoring and Evaluation (RBM&E) approach produced time series data for various policy thematic areas. Spatial Information using various spatial techniques produced mapping that informed spatial planning and spatial analysis on various policy related areas.

A provincial response from the Western Cape Government was also compiled and submitted to the Department of Public Service and Administration as the ‘third report on the APRM Programme of Action by the Western Cape Government’.

In response to the focus areas of the Department of Performance Monitoring and Evaluation in the Presidency, the Western Cape Government achieved the following:

- Submitted the Management Performance Assessment Tool (MPAT) and its related self-assessment scored for all departments timeously;
- Conducted the Frontline Service Monitoring Programme in accordance to the Frontline Service Delivery (FSD) inspection schedule. Unannounced monitoring visits were done in thirty four (34) sites of which nineteen (19) inspection sites were within the legislative mandate of WCG and thirty-seven (37) feedback visits;
- Continuously improved on the FOSAD commitments and its related indicator measurements; and
- The Provincial Evaluation Plan served as the rollout of the National Evaluation Policy Framework and a model for other provinces.

Strategic Communication has continued to submit monthly media analysis and media environment reports to Cabinet for consideration. Daily Media Liaison Co-ordinating meetings continue. Quarterly brand audits have also been instituted as well as a coordinated management approach for departmental communication plans and budgets.

The provincial assessment centre assessed 714 (46 SMS and 668 MMS and other) people psychometrically to determine their person-job fit with development areas highlighted. The Barrett survey this year

was optional and four departments namely Transport and Public Works, Environmental Affairs and Development Planning, Human Settlements and Local Government opted to conduct the survey. The leadership development intervention “9 Conversations in Leadership” and Barrett Action Planning interventions were rolled out. In terms of employee health and wellness the following services were provided to eleven departments: 81 wellness screening sessions, 98 health and wellness information sessions and the rollout of the e-care system. The average employee health and wellness utilisation rate of the 11 department’s people was 6.3 per cent.

The WCG continues to be the only province where 100 per cent of its senior managers submit their financial disclosure documentation by the required due date to the Public Service Commission. The Centre for e-Innovation (Ce-I) continued to fulfill its transversal role in respect of ICTs as well as providing IT solutions to departments.

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

- Migrating the Provincial Government IT operating system to a technologically more advanced system (this included a focus on the network operating system, server platforms, e-mail and the office productivity suite). A total of 14 000 users have been migrated to the new technology platform;
- Implementation of a uniform e-filing system in the provincial government with a focus on the consolidation of software licenses, central support and maintenance, as well the consolidation of the central and common hosting infrastructure; and
- Particular emphasis was placed on the implementation of the IT Service Delivery Improvement Plan (SDIP) which set out to address service delivery challenges in the general environment. The three key elements of the plan related to connectivity and broadband, core infrastructure optimisation and business productivity optimisation.

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

The Chief Directorate Internal Audit was faced with a number of challenges during 2012/13. This was mainly due to the fact that the current capacity does not allow for adequate coverage of high risks in the internal audit plans. Due to the nature of these challenges, there was no short-term solution to address the capacity constraints. The total coverage of high risks in the internal audit plans across the province remained at about 40 per cent for 2012/13 and was not anticipated to increase in the short term. In addition to this, there was also limited coverage in essential areas like IT internal audit and governance and/or performance audits.

2012/13 was the first year where forensic services were outsourced for the full year. Progress was made with regards to eliminating the backlog of very old cases, and currently attention is being given to a number of 2010/11 cases which must be completed.

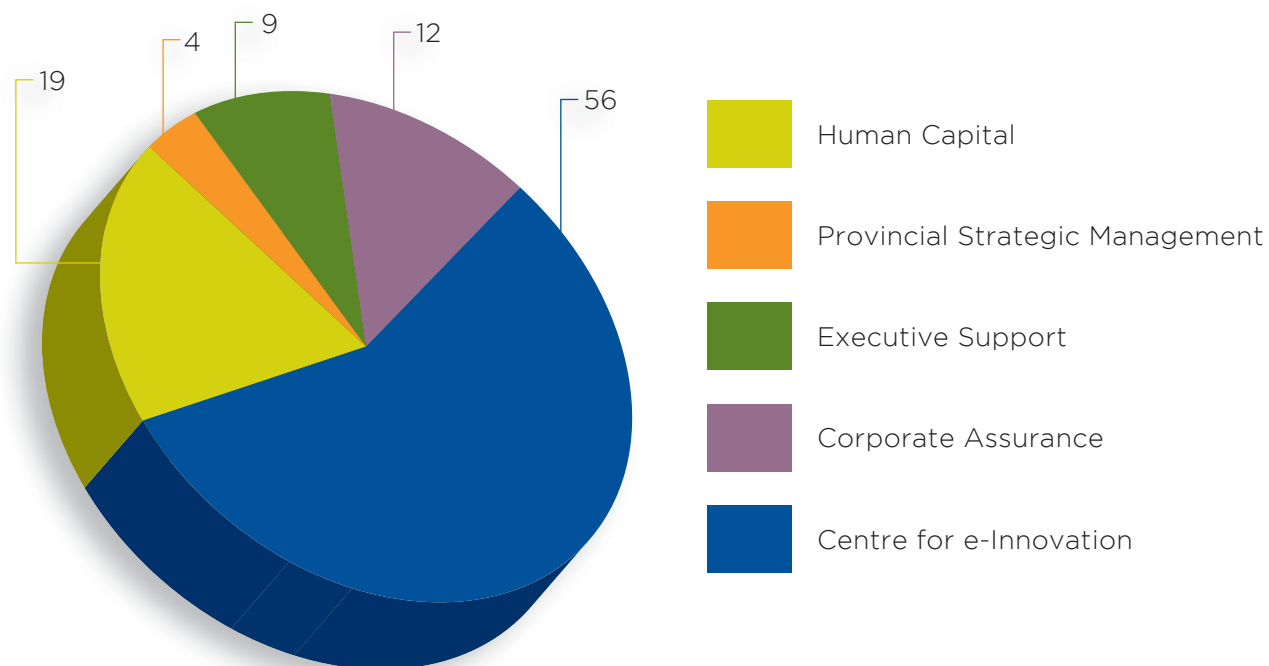
Legal Services rendered advice in the form of legal opinions for the Provincial Executive, provincial departments and provincial public entities. Advice of an ongoing nature was provided with regard to key projects and programmes. Contracts and correspondence were drafted or edited, with the aim of safeguarding the best interests of the Western Cape Government and its departments. Litigation matters were managed and facilitated through active participation in litigation processes and in rendering assistance to the State Attorney and advocates that were briefed to appear on behalf of the Western Cape Government.

The Chief Directorate also strengthened its functional training programme by dedicating capacity to the programme on a full-time basis, and provided training to a number of departments on legislation such as the Promotion of Access to Information Act, Promotion of Administrative Justice Act and the Consumer Protection Act.

1.2 Spending trends

1.2.1 Expenditure per programme

Due to the establishment of the Department, the standardised budget structure prescribed by National Treasury for Offices of Premiers was not adopted by the Department in the 2012/13 financial year.

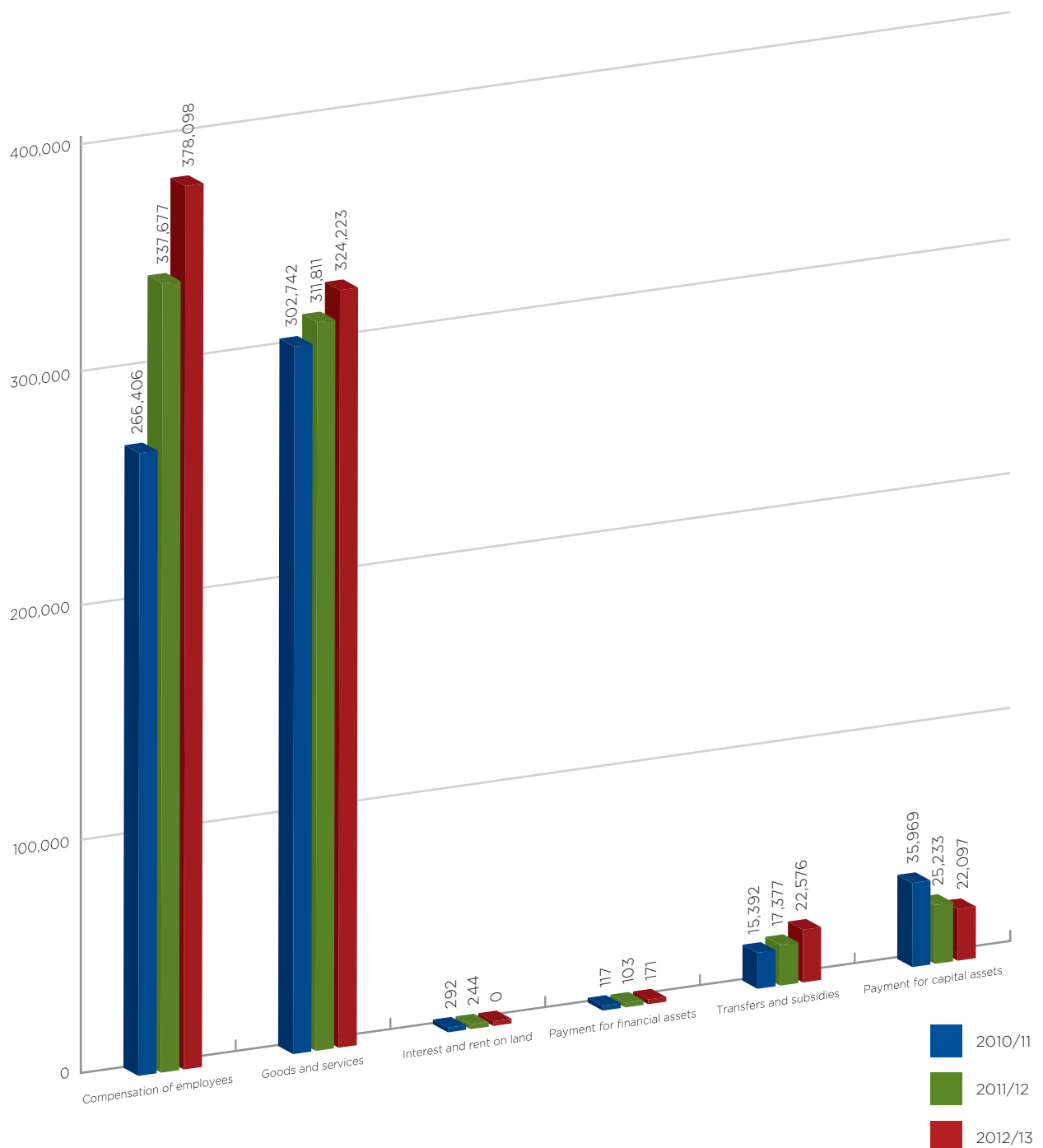


Programme 4: Centre for e-Innovation accounted for a major share of the Department's expenditure accounting for 56% in 2012/13. The sub-programme GITO Management Services accounted for 46.48% of total 2012/13 expenditure. The other programme in the Department that had a major impact on expenditure was Human Capital (19%).

1.2.2 Spending per economic classification

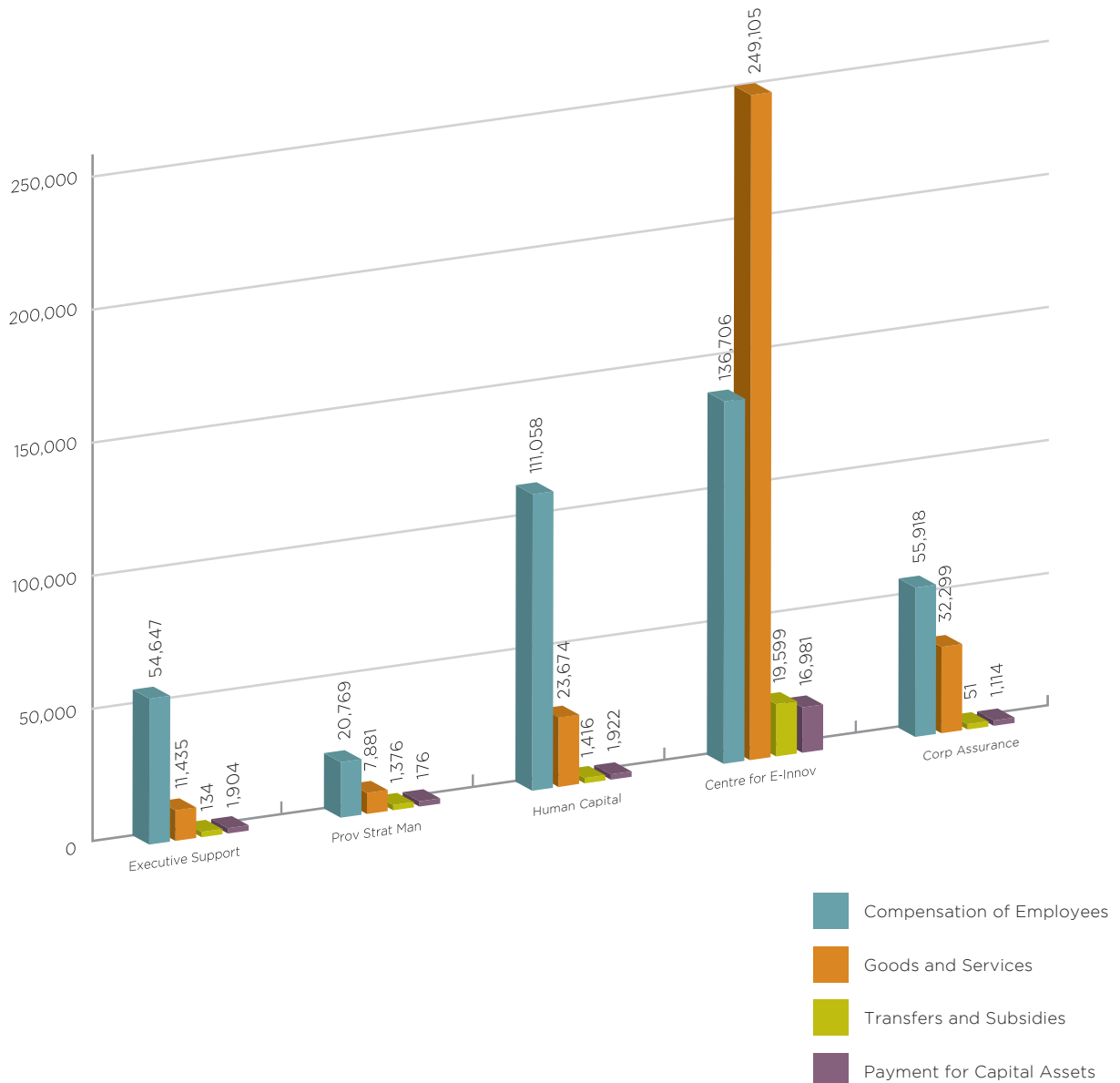
The Department's spending during the 2012/13 financial year comprised mainly of compensation of employees (R378.098m) and goods and services (R324.223m). Current expenditure increased from R649.8m in 2011/12 to R702.5m in 2012/13, increasing from 93.84% to 94.02% in terms of its contribution to total Departmental expenditure. This was as a result of capital expenditure decreasing from 3.64% in 2011/12 to 2.95% in 2012/13.

Departmental Expenditure per Economic Classification
2010/11, 2011/12 & 2012/13



In the graph below the programme Centre for e-Innovation shows a high level of spending (R384.8m) on current expenditure which is attributed firstly to the large number of personnel whose compensation is paid from this programme, the State Information Technology Agency (SITA) expenditure, Microsoft expenditure and the amount paid to the City of Cape Town for the connectivity to the Broadband Fibre Optic infrastructure. Programme 2: Provincial Strategic management, Programme 3: Human Capital and Programme 4: Centre for e-Innovation, accounted for the major share of the Department's expenditure on transfer payments, with transfers being made to the Cape Higher Education Consortium, Cape Town Partnership, Learning Cape, City of Cape Town and Library Business Corners.

Programme Expenditure per Economic Classification



1.2.3 Analysis of current expenditure

Due to the significant percentage of expenditure which was incurred on goods and services, further analysis is considered prudent for a deeper understanding of the nature of the Department's expenditure. As reflected in the table below, 90% (2011/12: 90%) of the Department's total expenditure is attributed to five items.

Expenditure	2009/10	2010/11	2011/12	2012/13
	R'000	R'000	R'000	R'000
Compensation of employees	210.8	266.4	337.7	378.1
Computer Services	119.4	216.5	226.0	221.6
Consultants, contractors and special services	25.5	35.7	33.4	52.1
Advertising	11.1	8.3	14.9	12.2
Travel and subsistence	7.2	7.2	11.6	9.9
	374.0	534.1	623.6	673.9
% of total actual expenditure	478.1	620.9	692.4	747.2
% of total actual expenditure	78%	86%	90%	90%

Compensation of employees

Expenditure on this item increased by 11,97% on the 2011/12 financial year. This was due to the higher than expected salary increases for salary levels 1 to 12 negotiated at a national level, the filling of critical vacant posts in the department and the intake of the first PAY interns as announced by the Premier.

Computer Services

The department renders Information and Communication Technology (ICT) services for the entire Provincial Government. Of the R221.6m (decrease from previous financial year) spent on Computer Services, R117.7m was paid to SITA in respect of networking, printing, processing and research and development costs, R52.8m was paid to Microsoft in respect of specialised computer services and software licenses.

Consultants, contractors and special services

Compared to the 2011/12 financial year, expenditure increased by 56.5% in 2012/13. Expenditure on this item includes payments in respect of service providers that render services such as performing research/diagnostic projects, events management, forensic outsourcing, members of audit committees, etc.

Travel and subsistence

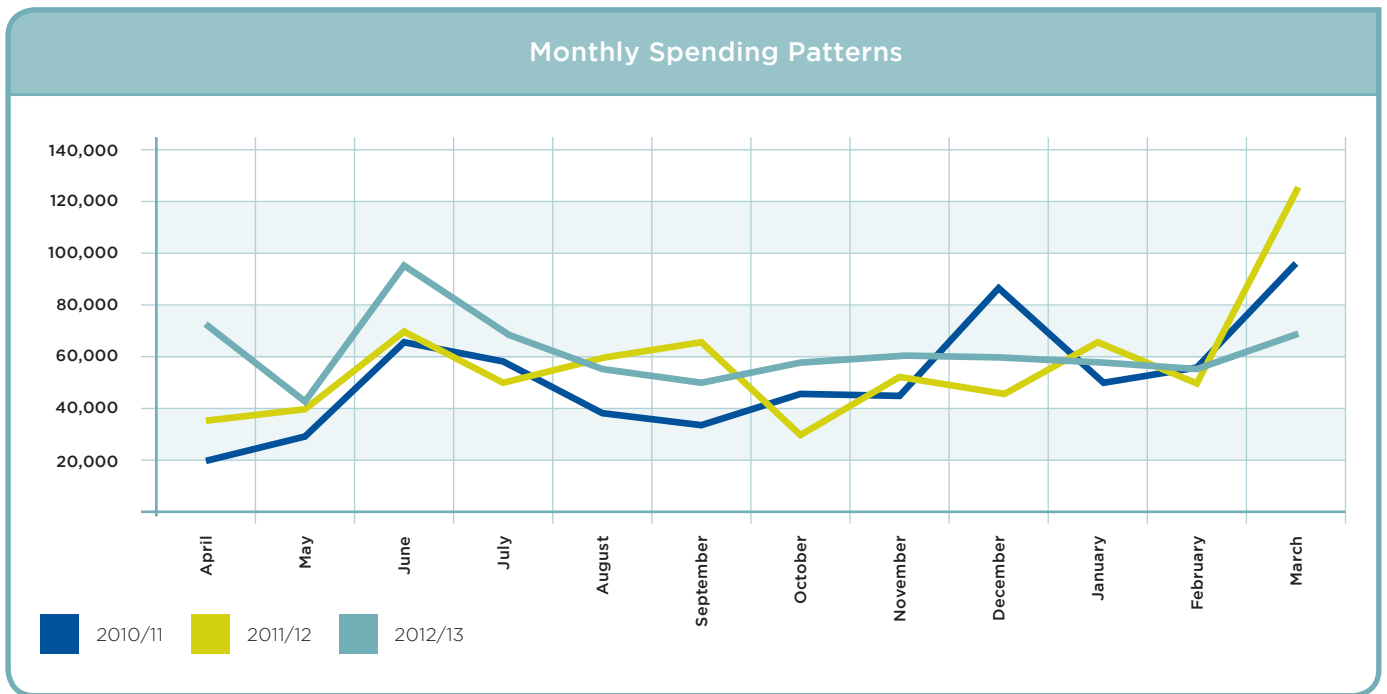
Expenditure on this item decreased by 14.6% on the previous financial year. A major driver of the decrease in the expenditure was as a result of austerity measures implemented in the Department due to financial constraints. The major expenditure under this item is due to the kilometre tariff cost of Government Garage transport and domestic air travel. Being the centre of Provincial Government imposes a duty on the staff of this Department to attend regular meetings and conferences in Gauteng, convened by National Government. International relations is a key responsibility of this department, requiring the Premier and officials to travel abroad as part of their official duties. Details of the Premier's overseas visits are provided in Part 1 of this Annual Report.

Advertising

Compared to the 2011/12 financial year, spending on this item decreased in the 2012/13 financial year from R14.902m to R12,165m. This was mainly due to the change from the advertising of full pages in the media to e-recruitment late in the financial year.

1.2.4 Monthly spending trend

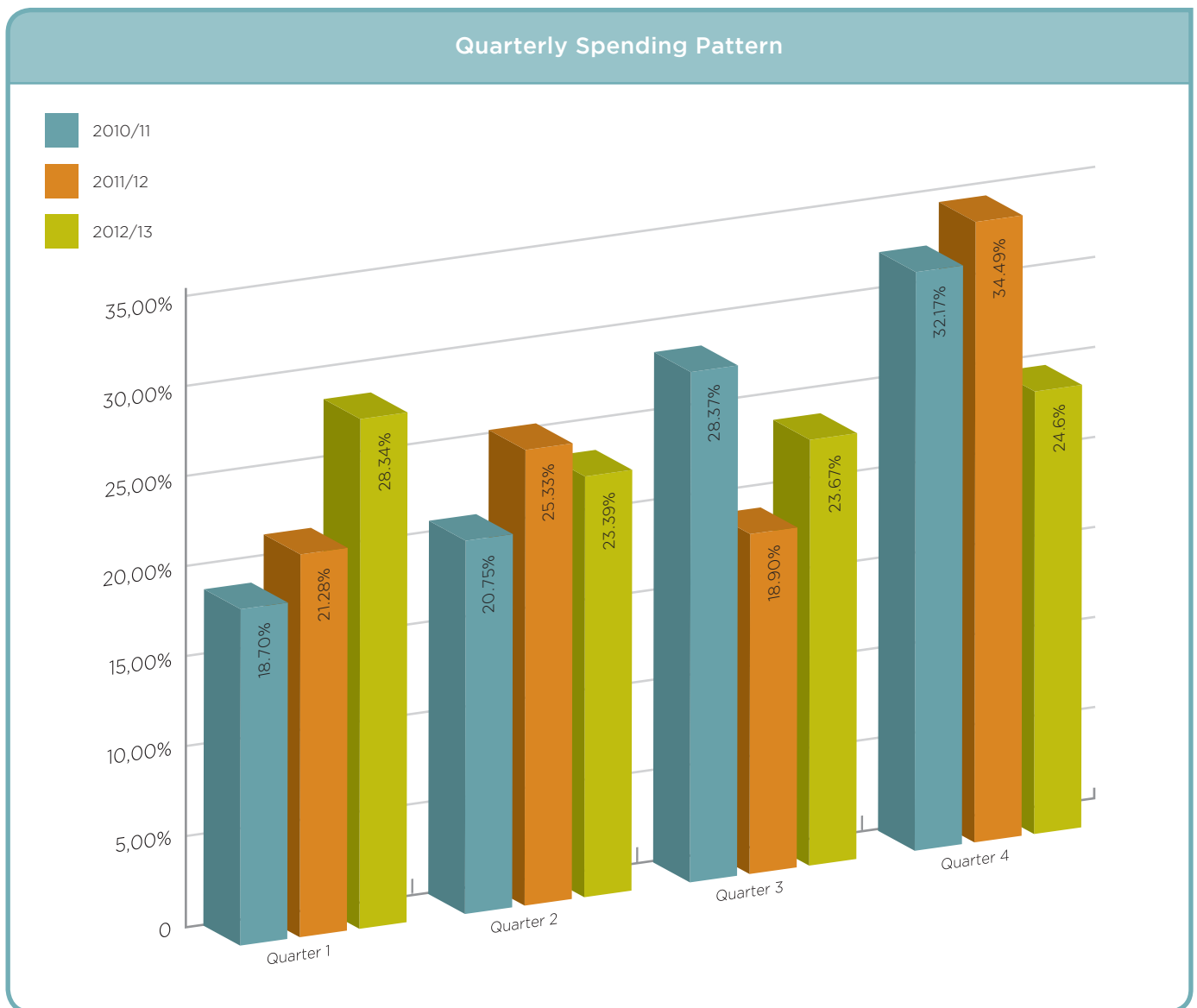
The graph below reflects departmental spending for 2010/11, 2011/12 and 2012/13.



The Department's highest spending months were April 2012, June 2012 and March 2013. In April 2012 software licences were paid to SITA (Novell licences) and accruals from the previous financial year such as capital equipment purchased were paid. In June 2012 software licenses were paid to Microsoft. During March 2013 payments were made to SITA and external computer service providers for services rendered, payments for the Fibre Optic Broadband to the City of Cape Town, forensic outsourcing and contributions to various events in the Western Cape were made.

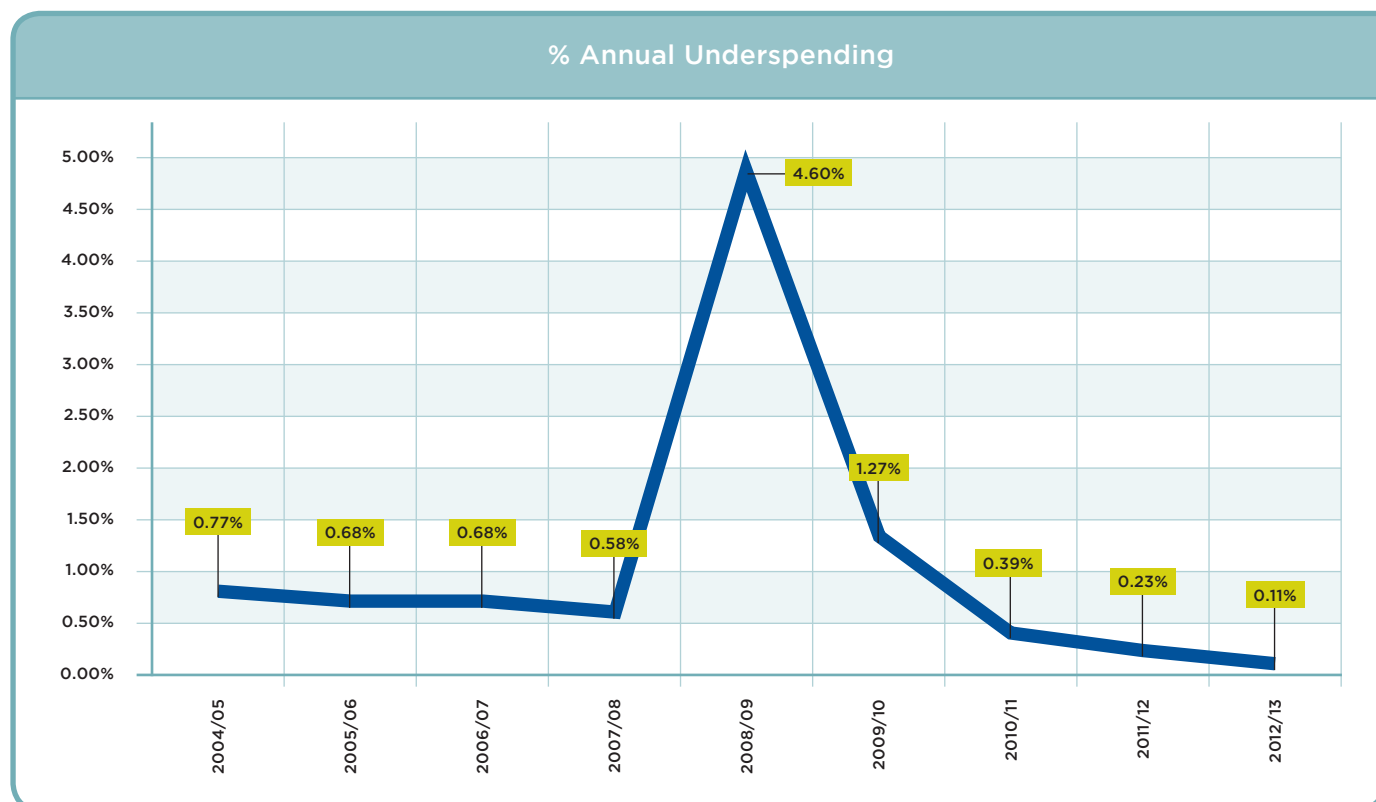
1.2.5 Quarterly spending trend

Expenditure, in terms of Rand value, for the first and third quarters of 2012/13 increased in comparison with the 2011/12 financial year as a result of the pay-out of annual salary increases and performance bonuses, increased payments to SITA and the payment of the Microsoft licences. The second quarter was in line with the 2011/12 financial year while the fourth quarter showed a significant decrease compared to the same period in 2011/12 as a result of spending occurring during the financial year and not spiking in the last quarter.



1.2.6 Annual under-spending trend

This Department once again implemented internal budget cost savings measures during the financial year, to ensure that it remained within its allocated budget. No overspending has occurred in this Department since its inception in the 2000/01 financial year. As reflected in the graph below, the Department has achieved an under-spending of less than one percent over the previous two financial years as well as for the year under review. The Department continued with its fiscal discipline during the 2010/11 financial year with a 0.39% (R2,451m) under-spending, for the 2011/12 financial year a 0.23% (R1.573m) under-spending and for the year under review attained an under-spending of 0.11% (R0.816m).



1.2.7 Virements

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

During the year under review the main divisions (programmes) that had over-expenditure were Programme 1: Executive Support (R1,435m), Programme 2: Provincial Strategic Management (R391,000) and Programme 4: Centre for e-Innovation (R1,692m). The amount shifted was mainly from Programme 3: Human Capital (R232,000) and Programme 5: Corporate Assurance (R3,286m).

2. Services rendered by the Department

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

2.1 Tariff policy

The tariffs relating to the two above revenue items have to be reviewed annually and if tariffs are to be increased, they have to be submitted annually to the Provincial Treasury for approval. The tariffs for the PTI are based on competition in the market as well as cost effectiveness for the client departments. Gazette tariffs are based on stationery and printing costs. All costs pertaining to the training provided by the PTI and the publication costs of the Provincial Gazette are provided for under the Vote of the Department of the Premier. The tariffs for the PTI for the period under review were approved on 31 August 2012 (submitted 29 June 2012) whilst the increase in Gazette fees was approved by the Provincial Treasury in April 2011 and March 2013.

Free Services

This Department renders no free services to the public.

2.2 Inventories

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

2.3 Capacity constraints

The vacancies in the Department and a limited budget are its main capacity constraints while the limited budget for ICT infrastructure renewal has been alleviated to a certain extent. In order to alleviate the capacity pressures, various budget decisions had to be made with the departmental Executive Management being involved. Critical vacant posts in the department were approved for advertising and filling while monitoring the sustainability thereof over the MTEF budget. Despite these constraints the Department has been able to deliver on the objectives set in the Annual Performance Plan.

2.4 Utilisation of donor funds

No donor funding was directly received from any source during the course of the 2012/13 financial year.

2.5 Trading entities and public entities

This department has no Trading Entities or Public Entities that report to it.

2.6 Organisations to whom transfer payments have been made

Total transfers to non-profit organisations amounted to R12.5m (2011/12: R10.3m) which included Library Business Corners (R10.2m), the Cape Higher Education Consortium (R500,000), Learning Cape (R1m), Home of Compassion (R300,000) and Cape Town Partnership (R500,000). A transfer payment was also made to the City of Cape Town (R9m).

2.7 Public private partnerships (PPP)

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

2.8 Corporate governance arrangements

During the year under review the Department of the Premier put various measures in place to ensure a healthy and safe environment for employees to work in. Most of the interventions implemented during the course of the year were aimed at increasing minimum levels of compliance to the Occupational Health and Safety Act, 1993 (Act 85 of 1993). Below follows a summary of the interventions as discussed under point 6 in Part C of the annual report.

- The legally prescribed health and safety committee for the Department of the Premier was established and its inaugural meeting was held.
- Occupational health and safety representatives were appointed as required by the Act.
- Emergency teams were established for every floor in all the buildings where the Department occupies space and received training on their roles and functions.
- The Executive Management of the Department approved the departmental Occupational Health and Safety Policy statement and the Director-General signed it off.
- A number of interventions to raise awareness on occupational health and safety matters were conducted.
- A number of dry runs per floor were conducted with emergency teams and staff to ensure safety during emergency evacuations.
- Thirty two (32) occupational health and safety representatives including employer and employee representatives had undergone training.
- Emergency evacuation chairs training was conducted in all CBD buildings where the Department occupies space.
- Six (6) formal and informal incidences were attended to during the year under review. These ranged from safety risks; fire breakout; water leakage to smoking in the building.
- A significant achievement was the development and implementation of a monthly checklist for completion by occupational health and safety representatives as part of continuous monitoring and evaluation. The purpose of these checklists is to ensure that any potential damaging or hazardous conditions and acts are addressed before it has a negative impact on the health and safety of employees.
- The refurbishment of the Legislature and 4 Dorp Street buildings required continuous and ongoing testing of evacuation routes as these changed as the contractors worked in different areas of the complex. Employees displayed excellent cooperation when dry runs were conducted. In this respect the Department complied with the mandatory 2 evacuations per year.

The Department recognised the need to implement Enterprise Risk Management as a key governance element. The Directorate Enterprise Risk Management was focused on delivering on the Risk Management Implementation Plan as agreed with each department. These deliverables attempted to, over a period of time increase the level of risk management maturity in the province and the department and to embed risk management in strategic planning, decision making and general management. Good progress was made in this regard.

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

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

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

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

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

The Audit Committee meets at least on a quarterly basis to give effect to its responsibilities as per the approved Terms of Reference. The Audit Committee further meets privately with the Executive Authority and Accounting Officer to discuss matters of concern.

The Department has a Departmental Fraud Prevention Plan that was approved in the year under review which is intended to deal with a zero tolerance stance against fraud and corruption. In all outcomes indicating fraud and/or irregularity, corrective action is recommended, and includes reporting the matter to the South African Police Services if the actions are criminal in nature.

2.9 Discontinued activities/activities to be discontinued

There are no activities that have been discontinued or will be discontinued.

2.10 New/proposed activities

The complementing of PERSAL with the Human Capital Management module within the Integrated Financial Management System currently being phased into government is earmarked to commence in the 2013/14 financial year. For this purpose an amount of R12m was allocated to the department for the 2013/14 financial year.

The focus of the Microsoft migration project will now shift to migrating users beyond the CBD which will place increased service delivery demands on the Centre for e-Innovation. In addition, broadband will continue to be rolled out in an attempt to meet increased service delivery demands. Continued attention will be placed on further improving the level of ICT governance maturity in the province.

The 2013/14 financial year will see commencement of re-establishing the Forensic Investigative Unit to deliver a co-sourced forensic service to departments.

2.11 Asset management

The Department has made tremendous strides in the management of its assets and is able to account for its assets with a greater level of accuracy than in the past years. Even though the assets of the department are located across the Western Cape, departmental staff appointed in permanent positions conducted the whole of the Western Cape verification. This yielded significant benefit as the corporate knowledge of the location of all the assets is vastly enhanced. The number and value of the assets not verified during the stock count was significantly reduced. The financial statements were submitted to the Auditor-General on 31 May 2013. The Asset Register and reconciliation between the BAUD Asset Register and the BAS Financial Accounting system and notes on major assets in the annual financial statements were submitted before the due date (on 15 May 2013 against the due date of 31 May 2013) compared to previous financial years.

2.12 Events after the reporting date

Former officials employed to co-ordinate the Social Transformation Programme instituted a claim against the Department for unfair dismissal and the Labour Court ruled in their favour. The Department appealed against the decision but again the court found in favour of the former officials. The Department had to compensate them for the remainder of their contract as well as interest from the date of the first court order and these amounts were paid during June 2013.

2.13 Information on pre-determined objectives

Programme managers reported performance against pre-determined objectives in accordance with the nationally determined standard Excel spreadsheet on a quarterly basis. For this purpose a circular gets issued in the month preceding the end of a reporting period. This circular outlines the requirements for reporting of performance information on a quarterly basis.

Once received at the end of a quarter the inputs from programme managers are checked for correctness, accuracy and completeness before it is collated into a departmental submission to the provincial Treasury. The Department complied with the submission dates during the course of the financial year. Programme managers keep record of performance and maintain a portfolio of evidence on a quarterly basis.

After submission to the Provincial Treasury the Directorate Departmental Strategy conducted an analysis of the reported performance on a quarterly basis with a view to identify those indicators that may be at risk of not being achieved over the financial year. The analysis was submitted to the Executive Committee of the Department on a quarterly basis where it was discussed and mitigation strategies agreed upon.

During the course of the year under review a further process of verification and validation of the reported performance was implemented on a limited scale.

An internal compliance monitoring function was implemented. A sample of nine indicators for the various programmes were validated and verified in the fourth quarter through physical inspection of portfolios of evidence. Verification and validation reports were written for these indicators detailing the results of testing for relevance, reliability and sufficiency of reported performance. Meetings were held with the relevant programme and subprogramme managers to discuss the recommendations and to agree on an action plan. The recommendations will be monitored in the upcoming quarter. This proved to add significant value to ensuring that reported information was according to required standards.

The audit of pre-determined objectives determined that the technical indicator descriptions required improvement. The Directorate Departmental Strategy will as a result incorporate elements of data management into the indicator descriptions table (the so-called "Annexure E") to ensure that the descriptions of indicators clearly define the methods of target calculation, numerators and denominators, data sources and who specifically will collect the data.

2.14 SCOPA resolutions

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
1.1 The Committee resolve that:		
<p>1.1.1 The Committee requests that the Premier and Director-General continues to engage with Cabinet and PT in this regard with the view of significantly increasing audit coverage over the medium term, in order to reduce the negative impact on future audit outcomes, service delivery and on the achievement of predetermined objectives particularly in high risk areas.</p>	<p>The Committee shares the concern expressed by the Audit Committee, the Minister and HOD's of all departments that further audit coverage is required and that there is a need for additional capacity, particularly financial, to support the increased coverage of high risk areas. The audit coverage for the 2011/12 financial year is at 42,86%, compared to 29,17% for the 2010/11 financial year.</p>	<p>Response was submitted to SCOPA on 27 February 2013.</p>
<p>1.1.2 It schedules a meeting with the Minister of Finance, the Director-General and Provincial Treasury with the aim of motivating for more funds to enhance the audit coverage to all departments.</p>		
<p>1.1.3 The Department's corrective actions should be implemented without delay and that it provides a written update to the Committee in this regard</p>	<p>The Committee shares the concerns raised by the Audit Committee in noting the Department's key control deficiencies in relation to the induction training and orientation and performance management.</p>	<p>Performance Management</p> <p>The following interventions have been implemented in order to address the challenges identified by the internal audit team:</p> <ul style="list-style-type: none"> • With effect from 1 April 2012 specialisation of functions were implemented in the D: PMD. The HRD functions were separated from the performance management functions and staff capacity was assigned accordingly. • With effect from 1 November 2012 the internship function was transferred to the Provincial Training Institute, whose organisational structure provides for this function. • An OD investigation was initiated. • A detailed set of Standard Operating Procedures for the D: PMD had been developed under the guidance of OD.

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<ul style="list-style-type: none"> • With effect from the 2013/14 performance cycle PERSAL will be utilised as the database for all performance documentation submitted in hard copy, in accordance with a DPSA directive. • In the development of PERMIS Version 3 an audit trail ability as well as other generic controls were built into the system after consultation with IT auditors. • A senior official is currently researching the practise of performance management and has been requested to develop proposals to improve and align current practise with the people management strategy of the WCG. <p>Induction Training and Orientation:</p> <p>A business process for induction and orientation of new employees in the Western Cape Government has been defined and the responsibilities of the various components and Departments have been documented in a standard operation procedure manual.</p> <p>A process was devised to establish a more effective process flow between the relevant role-players in the induction/ orientation/ probation value chain, i.e. the PTI, the D: HRP&A and the D: PM&D. PTI is now regularly provided with a list of persons who have to undergo induction.</p> <p>The process starts with a telephonic and written confirmation of employment to the employee by the Directorate Human Resource Practices and Administration and ends with the compilation of an Induction Report by the Chief Directorate: provincial Training Institute (PTI).</p> <p>There are monitoring controls which form part of the SOPs.</p>

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		The PTI conducts Training Impact Assessment (which is part of the Annual Performance Plan) on programmes, including Induction and Orientation
1.1.4 The Department briefs it on the impact and benchmarking of the Corporate Services Centre ("CSC"), and the results of the comparative analysis (2010/11 and 2011/12)	The Committee notes the establishment of the Corporate Services Centre and its operation for the full financial year.	Briefing held on 6 March 2013.
1.1.5 Corporate Services Centre ("CSC") address the root causes of this concern to prevent future recurrences and that it reports to the Committee on the steps it has taken in this regard, including the impact thereof;	The Committee shares the Auditor General's concern that there were significant delays in obtaining Human Resources Management files and records in order to clarify issues relating to the audit, such as leave forms, overtime details and various appointment documents, and that this resulted in less time being available to audit the information. This concern was raised in relation to Provincial Treasury specifically.	<p>The following measures were put in place to address the concerns raised:</p> <ul style="list-style-type: none"> • Appointment of an Acting Head for : Records Management in Human Resources; • Voluntary overtime and additional staff to target backlog filing and cope with volume; • More effective and efficient workflow including monitoring systems • Strict monitoring of document statistics • Regular feedback sessions to track progress on work and processes; • Feedback to and consultation with the Chief Director to ensure synergy; • Formal Training in record management and implementation of an Electronic Content Management System (ECM) i.e. e-filing.
1.1.6 The Department briefs it on the Permis System, including its similarities and differences to the Dashboard system and a cost-benefit analysis of these;	The Committee notes that the further development of the provincial government's performance management system (PERMIS), namely PERMIS Version 3 is in process with an implementation date of 1 April 2012.	Briefing held on 6 March 2013.

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
1.1.7 The Department briefs it on the future plans of its ICT transversal services, including the challenges it is experiencing, future risk areas and its plan to manage and overcome these challenges and risks;	The Committee shares the Auditor-General's concerns that controls to ensure the effective continuity of IT services have been designed but have not been implemented for the audit. The application development managers have not exercised appropriate oversight to ensure compliance to the approved backup policy. As a result, a disaster recovery location has not been specified, backups are not regularly restored and offsite storage has not been implemented for all backups.	Briefing held on 20 Feb 2013.
1.1.8 The Department briefs it on its ICT Infrastructure Investment initiative, providing an analysis of the impact of external drivers, including the current inflation rate and other economic factors, how these impact on procurement and roll out, and what the Department's response is	(Programme 4) The Centre for e- Innovation accounted for a major share of the Department's expenditure accounting for 56% in 2011/12. The sub-programme GITO Management Services accounted for 48.53% of total 2011/12 expenditure.	Briefing held on 20 Feb 2013
1.1.9 The Department presents it with its plan to address the concerns raised by the Auditor-General;	The Committee shares the concerns raised by the Auditor-General relating to the BAUD (Bio-acoustical Utilisation Device) Electronic Asset Register System which has been adopted and implemented by the Department to scan and control the access of staff. These relate to user access control and the Department's reliance on the third party service provider.	Briefing held on 20 Feb 2013
1.1.10 To design a new report template relating to the Departments actions on SCOPA Resolutions and requests that the Department replaces the old report template with this for the 2012/13 annual report onwards, once received;	The Committee thanks the Department for addressing the Committee's resolutions in the previous year and for including these in the annual report for the period under review.	This is not possible as the National Treasury includes the reporting template as part of the reporting framework issued to all national and provincial departments. Any requests should be routed via the Provincial Treasury to National Treasury.
1.1.11 The Department presents it with a report on the root causes of the losses, details of the items themselves and the preventative measures introduced to avoid such a recurrences;	The Committee notes that the Department could not locate assets valued at R3,762 million.	The Department of the Premier will await a date from the Standing Committee.

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
1.1.12 The Department presents its Skills Transfer Plan to the Committee	The Department highlighted the issue of three investigations which were undertaken by the Forensic Investigation Unit including the costs associated with centralising the Corporate Services Centre and the “value for money” assessment derived from its implementation. The Committee notes the Auditor-General’s concern that the Department’s leadership does not have a documented policy or procedures to guide the operations of the department with regards to the implementation, monitoring and reporting processes emanating from reports issued by the Forensic Investigations Unit (FIU), and that the lack of a centralised electronic database where all litigation cases are registered, updated and monitored for progress thereof.	Briefing held on 6 March 2013.
<p>1.1.13 The Forensic Investigation Unit briefs the Committee on the history and progress achieved in relation to the two investigations referred to in Paragraph 26 of the Annual Report (The Hip Hop matter)</p> <p>1.1.14 The Audit Committee briefs the Committee on the 2007 outstanding financial irregularities pertaining to Hip-Hop Media</p> <p>1.1.15 The Forensic Investigation Unit presents recommendations on the Hip-Hop Media financial irregularity matter to the Committee</p> <p>1.1.16 The Forensic Investigation Unit reports to the Committee on the R20 million investigations currently underway</p> <p>1.1.17 The Department addresses these concerns and prepares a report to the Committee in this regard</p>	<p>The Department highlighted the issue of three investigations which were undertaken by the Forensic Investigation Unit including the costs associated with centralising the Corporate Services Centre and the “value for money” assessment derived from its implementation.</p> <p>The Committee notes the Auditor-General’s concern that the Department’s leadership does not have a documented policy or procedures to guide the operations of the department with regards to the implementation, monitoring and reporting processes emanating from reports issued by the Forensic Investigations Unit (FIU), and that the lack of a centralised electronic database where all litigation cases are registered, updated and monitored for progress thereof.</p>	<p>Briefing held on 6 March 2013.</p> <p>Briefing held on 6 March 2013.</p> <p>The Annual Report 2011/12, page 65 refers to irregular expenditure amounts.</p> <p>The Annual Report 2011/12, page 65 refers to irregular expenditure amounts.</p>

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
1.1.18 The Department briefs the Committee on its Performance Readiness Audit;	The Committee notes that a performance audit was conducted on the readiness of Government to report on its performance, as well as the systems and processes which were put in place.	Briefing held on 6 March 2013.
<p>1.1.19 The Department drafts and adopts a policy that manages heritage assets and compiles such a register, in collaboration with the Western Cape Provincial Parliament, and Heritage Western Cape where necessary;</p> <p>1.1.20 The Department tracks and monitors all movement relating to heritage assets including details, with costs, of acquisition, damage, disposal, loss and value, and that all relevant details be included in its future annual reports;</p>	The Committee is concerned that no policy or register exists within the Department and the office of the Minister that manages heritage assets in terms of their identification, promotion, protection, conservation and value.	<p>Heritage assets form part of the department's assets and are included in the departmental asset register.</p> <p>Besides the aforementioned record, the Department also keeps a separate catalogue of all the heritage assets. This catalogue includes photographs of each heritage asset with its value, as valued by an independent valuer. All the details form part of the asset register and are disclosed in the annual report although not separately.</p> <p>We will look into adopting a policy as well.</p>
1.1.21 The Department drafts a clause to be inserted into the Accounting Policies of the Department confirming its commitment to complying with generally accepted creditor-payment periods and legislated requirements for payment of creditors within 30 days of receipt of invoice;	The Committee is concerned that the Department is not complying with generally accepted creditor-payment periods and legislated requirements for payment of creditors within 30 days of receipt of invoice.	<p>This is not possible as the National Treasury drafts the Accounting Policies and the department is not allowed to amend, insert or delete any details in the policies.</p> <p>Any request should be routed via the Provincial Treasury to National Treasury.</p> <p>The department has issued various Financial Instructions in this regard, and is very serious about this.</p>
1.1.22 The Department closely manages the process when staff leave its employment to ensure that staff with debt do not leave without at least re-acknowledging their debt and committing to a payment plan (only if settling the debt is impossible);	The Committee is concerned about levels of staff debt, especially those older than 3 years, and that this debt is written off in many instances, when staff fails to settle the debt after they leave the Departments of their employ.	Processes are in place to ensure that when an employee leaves that the debt, where possible, is recovered from the employees' pension benefits. However a majority of the debt written off and` debt older than three years was due to debt taken over from the previous Finance department of the old Cape Province without much documentation to support it. With critical staff shortages and moratoriums on advertising

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<p>of posts at the time this could not be followed up regularly. The debt cases were referred to the State Attorney and Sheriff for recovery without much success. However this is now done on a regular basis with monthly reporting thereon. All of the old cases that are still in the ledgers have been referred to the State Attorney for an opinion as they have prescribed by now. With corporatisation this department also took over staff debt from the transferring departments and this is recovered in instalments monthly.</p>
<p>1.1.23 The Department drafts and adopts a policy that guides the Head of Department (HOD) regarding the receipt, assessment and awarding or refusal of applications for gifts, donations and sponsorships to be made, and that it presents this to the Committee for deliberation; further that the Department includes more details relating to this in future annual reports</p>	<p>The Committee is concerned that the Department does not have a policy that guides the receipt, assessment and awarding or refusal of applications for gifts, donations and sponsorships to be made.</p>	<p>As this issue affects all departments and is financial in nature, Provincial Treasury should be requested to draft a transversal policy in this regard, such as it did on the use of cellular phones.</p>
<p>1.1.24 The Department ensures the implementation of mechanisms which address the concerns raised; and</p> <p>1.1.25 The Department presents the Committee with its plan to address the concerns raised by the Auditor-General.</p>	<p>The Committee shares the various concerns raised in the Auditor-General's report and in the briefing documents presented to the Committee, that are based on the final management report to the Department, relating, inter alia, to the design and implementation of an IT Governance Framework, Formal control over IT systems, IT Service continuity, User access control, Programme Change Management, Security management to ensure the reliability of the systems and the availability, accuracy and protection of information.</p>	<p>Briefing held on 20 February 2013.</p>

2.15 Progress made with regard to matters reported by the Auditor-General in prior periods

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/ resolving the matter
<p>Material Impairments</p> <ul style="list-style-type: none"> Assets were not found in the asset count and full investigations had not been conducted into these assets. 	2009/10, 2010/11 & 2011/12	Assets not found in the 2009/10 and 2010/11 were investigated and written off in the 2011/12 financial year and those not found in the 2011/12 financial year were written off in the 2012/13 financial year..
<p>Other Matters – Material Misstatements:</p> <ul style="list-style-type: none"> Overstatement of irregular expenditure condoned and misstatements in accruals and commitments as well as the accounting for GMT related transactions. Assets reconciliations not submitted by 31 May 2012. 	2011/12	<p>Corrected for 2012/13.</p> <p>Submitted by 15 May 2013.</p>

2.16 Exemptions and Deviations received from the National Treasury

There were no exemptions and deviations received.

2.17 Interim Financial Statements

Interim financial statements were submitted on a quarterly basis to the Provincial Treasury as per their requirements and these statements were assessed by them.

2.18 Other

During the year under review an overpayment to the ministerial driver was detected. This matter dates back a number of years, but is immaterial to the Annual Financial Statements and is still under investigation. Once the exact quantum has been determined its impact will be reflected in the 2013/14 Annual Financial Statements. Apart from the information provided in this report and under this section, there are no other material facts or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

2.19 Approval

The Annual Financial Statements set out on pages 199 to 258 have been approved by the Accounting Officer.

SIGNED



.....
ADVOCATE BRENT GERBER

ACCOUNTING OFFICER

Date: 31/7/2012

2. ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY

Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2013

The Accounting Office is responsible for the preparation of the department's annual financial statements and for the judgements made in this information.

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

In my opinion, the financial statements fairly reflect the operations of the department for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the AFS of the department. The Department of the Premier AFS for the year ended 31 March 2013 have been examined by the external auditors and their report is presented on page 194. The Annual Financial Statements of Department set out on page 199 to page 258 have been approved.



ADV BRENT GERBER
DIRECTOR-GENERAL
DATE: 31.7.2013

3. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to the Western Cape Provincial Parliament on vote no. 1: Western cape department of the premier

1. Report on the financial statements

1.1 Introduction

I have audited the financial statements of the Western Cape Department of the Premier set out on pages 199 to 249, which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

1.2 Accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation of these financial statements in accordance with 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 Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

1.3 Auditor-general's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

1.4 Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of the Premier as at 31 March 2013, and its financial performance and cash flows for the year then ended in accordance with the Departmental financial reporting framework prescribed by the National Treasury and the requirements of the PFMA and DoRA.

1.5 Emphasis of matters

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

1.6 Material Impairments

As disclosed in note 29 to the financial statements, assets valued at R2 141 400 (initial purchase cost value) in the asset register could not be located. The department is investigating these assets to determine whether these can be written off in accordance with the prescribed thefts and losses process. The value of the assets has been correctly accounted for in the financial statements.

1.7 Payables

As disclosed in note 20, payables which exceeded 30 days from invoice date amounted to R5 893 000. This amount, in turn, exceeded the voted funds to be surrendered of R816 000 as per the statement of financial performance by R5 077 000. The amount of R5 077 000 would therefore have constituted unauthorised expenditure had the invoices due been received in a timely manner.

1.8 Additional matters

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

1.9 Unaudited supplementary schedules

The supplementary information set out on pages 250 to 258 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

1.10 Financial reporting framework

The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they “present fairly”. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

2. Report on other legal and regulatory requirements

In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

2.1 Predetermined objectives

I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 17 to 104 of the annual report.

The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability for the programmes selected for auditing. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National

Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information (FMPP)*.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

The material findings are as follows:

2.1.1 Usefulness of information

Performance targets not measurable The FMPP requires that performance targets be measurable. The required performance could not be measured for a total of 29% of the targets. This was due to the fact that management was aware of the requirements of the FMPP, but did not receive the necessary training to enable application of the principles.

Performance indicators not well defined The FMPP requires that indicators/measures should have clear, unambiguous data definitions so that data is collected consistently and is easy to understand and use. A total of 29% of the indicators were not well defined in that clear, unambiguous data definitions were not available to allow for data to be collected consistently. This was due to the fact that management was aware of the requirements of the FMPP, but did not receive the necessary training to enable application of the principles.

2.1.2 Reliability of information

The FMPP requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets.

A significantly important target with respect to programme 3: human capital (corporate services centre) is materially misstated.

This was due to the lack of standard operating procedures for the accurate recording of actual achievements and frequent review of validity of reported achievements against source documentation.

2.1.3 Additional matters

I draw attention to the following matters below. These matters do not have an impact on the predetermined objectives audit findings reported above.

2.1.4 Achievement of planned targets

Of the total number of 93 targets planned for the year, 19 were not fully achieved during the year under review. This represents 20% of total planned targets that were not achieved during the year under review.

This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process.

2.1.5 Material adjustments to the annual performance report

Material misstatements in the annual performance report were identified during the audit, all of which were corrected by management.

2.2 Compliance with laws and regulations

I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA are as follows:

2.2.1 Expenditure management

The accounting officer did not take effective steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.

2.3 Internal control

I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

2.3.1 Leadership

Not all indicators and related targets per the 2012-13 APP were found to be given a clear and unambiguous definition and well defined inputs for both the numerator and denominator in cases of percentages and fractions to ensure that the output is measured correctly and consistently. This was mainly due to the annexure E to the APP being deficient in describing the indicators and the department was not yet sufficiently skilled in compiling the document.

2.3.2 Financial and performance management

Management did not review and monitor compliance with all laws and regulations relating to procurement and contract management during the year under review, which resulted in the department incurring irregular expenditure.

Management did not ensure that sufficient and appropriate monitoring controls were in place to ensure the accuracy, validity and completeness of reported performance in the annual performance report. A proper review was not performed by the reporting programme managers to ensure that reported information is in line with the requirements of the reporting guide and that it is supported by reliable underlying data. Reviews on the reported quarterly reports were only performed for the fourth quarter and due to capacity constraints faced by the unit, only a selection of the indicators and related targets were subject to the internal verification process prior to the information being submitted to external audit.

3 OTHER REPORTS

3.1 Performance audits

A performance audit was conducted on the readiness of government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The management report was issued during this year.

Auditor-General

Cape Town

31 July 2013



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence |

4. ANNUAL FINANCIAL STATEMENTS

APPROPRIATION STATEMENT for the year ended 31 March 2013

Appropriation per programme									
	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Executive Support									
Current payments	66,237	(755)	670	66,152	65,922	230	99.7%	59,497	59,357
Transfers and subsidies	257	44	(159)	142	134	8	94.4%	6,421	6,007
Payments for capital assets	443	708	766	1,917	1,904	13	99.3%	1,850	1,846
Payments for financial assets	-	3	158	161	160	1	99.4%	104	103
2. Provincial Strategic Management									
Current payments	28,969	(448)	233	28,754	28,650	104	99.6%	27,653	27,630
Transfers and subsidies	822	398	159	1,379	1,376	3	99.8%	908	841
Payments for capital assets	136	48	(1)	183	175	8	95.6%	249	247
Payment for financial assets	-	2	-	2	1	1	50.0%	-	-
3. Human Capital (CSC)									
Current payments	136,834	(1,699)	(232)	134,903	134,731	172	99.9%	126,541	126,500
Transfers and subsidies	1,267	158	-	1,425	1,416	9	99.4%	147	144
Payments for capital assets	393	1,540	-	1,933	1,922	11	99.4%	1,053	1,051
Payments for financial assets	-	1	-	1	1	-	100.0%	-	-
4. Centre for e-Innovation (CSC)									
Current payments	387,997	(4,233)	1,126	384,890	384,811	79	100.0%	359,301	358,471
Transfers and subsidies	19,511	93	-	19,604	19,599	5	100.0%	9,832	9,831
Payments for capital assets	12,285	4,140	566	16,991	16,981	10	99.9%	21,431	21,424
Payments for financial assets	-	-	-	-	-	-	-	-	-
5. Corporate Assurance (CSC)									
Current payments	91,938	(296)	(3,286)	88,356	88,208	148	99.8%	77,811	77,775
Transfers and subsidies	22	31	-	53	51	2	96.2%	553	553
Payments for capital assets	870	256	-	1,126	1,114	12	98.9%	667	665
Payments for financial assets	-	9	-	9	9	-	100.0%	-	-
TOTAL	747,981	-	-	747,981	747,165	816	99.9%	694,018	692,445
Reconciliation with statement of financial performance				714				1,129	
ADD: Departmental receipts									
Actual amounts per statement of financial performance (Total revenue)				748,695				695,147	
Actual amounts per statement of financial performance (Total expenditure)					747,165				692,445

Appropriation per programme

Per Economic Classification	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	382,590	(3,303)	(994)	378,293	378,098	195	99.9%	337,727	337,677
Goods and services	329,090	(3,862)	(495)	324,733	324,223	510	99.8%	312,817	311,811
Interest and rent on land	266	(266)	-	-	-	-	-	257	244
Transfers & subsidies									
Provinces and municipalities	9,000	-	-	9,000	9,000	-	100.0%	-	-
Departmental agencies and accounts	37	4	-	41	24	17	58.5%	3,354	2,943
Public corporations & private enterprises	-	173	57	230	230	-	100.0%	-	-
Non-profit institutions	12,550	218	(57)	12,711	12,711	-	100.0%	10,911	10,843
Households	292	329	-	621	611	10	98.4%	3,397	3,391
Gifts and donations	-	-	-	-	-	-	-	200	200
Payments for capital assets									
Machinery & equipment	14,156	6,509	1,331	21,996	21,915	81	99.6%	25,237	25,220
Software & other intangible assets	-	183	-	183	182	1	99.5%	14	13
Payments for financial assets	-	15	158	173	171	2	98.8%	104	103
Total	747,981	-	-	747,981	747,165	816	99.9%	694,018	692,445

Detail per programme 1 - Executive Support for the year ended 31 March 2013

Detail per sub-programme	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Programme Support									
Current payments	1,799	(247)	-	1,552	1,543	9	99.4%	1,569	1,566
Transfers and subsidies	1	-	-	1	-	1	-	-	-
Payments for capital assets	11	14	-	25	25	-	100.0%	35	35
1.2 Office of the Premier									
Current payments	12,873	(200)	248	12,921	12,877	44	99.7%	12,542	12,536
Transfers and subsidies	2	-	-	2	1	1	50.0%	-	-
Payments for capital assets	77	336	-	413	411	2	99.5%	427	426
1.3 Executive Secretariat									
Current payments	14,862	(349)	290	14,803	14,715	88	99.4%	12,976	12,964
Transfers and subsidies	192	27	(140)	79	77	2	97.5%	6,363	5,950
Payments for capital assets	54	332	41	427	421	6	98.6%	660	659
Payments for financial assets	-	2	-	2	2	-	100.0%	-	-
1.4 Office of the Director - General									
Current payments	16,082	9	-	16,091	16,035	56	99.7%	14,198	14,189
Transfers and subsidies	61	16	(19)	58	55	3	94.8%	58	57
Payments for capital assets	170	26	97	293	291	2	99.3%	246	245
Payments for financial assets	-	1	-	1	-	1	-	-	-
1.5 Financial Management									
Current payments	20,621	32	132	20,785	20,752	33	99.8%	18,212	18,102
Transfers and subsidies	1	1	-	2	1	1	50.0%	-	-
Payments for capital assets	131	-	628	759	756	3	99.6%	482	481
Payments for financial assets	-	-	158	158	158	-	100.0%	104	103
Total	66,937	-	1,435	68,372	68,120	252	99.6%	67,872	67,313

Detail per programme 1 - Executive Support for the year ended 31 March 2013

Statutory Appropriation per economic classification									
Per Economic classification	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	54,488	(44)	248	54,692	54,647	45	99.9%	48,508	48,499
Goods and services	11,662	(624)	422	11,460	11,275	185	98.4%	10,937	10,808
Interest and rent on land	87	(87)	-	-	-	-	-	52	49
Transfers and subsidies									
Departmental agencies & accounts	7	2	-	9	3	6	33.3%	3,354	2,943
Non-profit institutions	250	(7)	(159)	84	84	-	100.0%	303	302
Households	-	49	-	49	47	2	95.9%	2,664	2,662
Gifts & donations	-	-	-	-	-	-	-	100	100
Payments for capital assets									
Machinery and equipment	443	708	766	1,917	1,904	13	99.3%	1,850	1,847
Payments for financial assets									
	-	3	158	161	160	1	99.4%	104	103
Total	66,937	-	1,435	68,372	68,120	252	99.6%	67,872	67,313

Detail per programme 2 Provincial Strategic Management for the year ended 31 March 2013

Detail per sub-programme	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Programme Support									
Current payments	2,036	95	72	2,203	2,187	16	99.3%	3,029	3,024
Transfers & subsidies	-	-	-	-	-	-	-	90	90
Payments for capital assets	87	(75)	(1)	11	10	1	90.9%	35	35
2.2 Policy and Strategy									
Current payments	10,997	(19)	-	10,978	10,958	20	99.8%	8,437	8,433
Transfers and subsidies	520	398	102	1,020	1,019	1	99.9%	567	500
Payments for capital assets	21	44	-	65	64	1	98.5%	59	59
Payments for financial assets	-	2	-	2	1	1	50.0%	-	-
2.3 Strategic Management Information									
Current payments	8,679	(76)	(489)	8,114	8,067	47	99.4%	8,956	8,945
Transfers and subsidies	1	-	-	1	-	1	-	-	-
Payments for capital assets	23	62	-	85	81	4	95.3%	145	144
2.4 Strategic Communication									
Current payments	3,278	(43)	(348)	2,887	2,879	8	99.7%	7,231	7,228
Transfers and subsidies	1	-	-	1	-	1	-	251	251
Payments for capital assets	1	10	-	11	10	1	90.9%	10	9
2.6 Strategic Projects									
Current payments	3,979	(405)	998	4,572	4,559	13	99.7%	-	-
Transfers and subsidies	300	-	57	357	357	-	100.0%	-	-
Payments for capital assets	4	7	-	11	10	1	90.9%	-	-
Total	29,927	-	391	30,318	30,202	116	99.6%	28,810	28,718

Detail per programme 2 - Provincial Strategic Management for the year ended 31 March 2013

Statutory Appropriation per economic classification									
Per Economic classification	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	19,399	(9)	1,404	20,794	20,769	25	99.9%	17,045	17,037
Goods and services	9,545	(414)	(1,171)	7,960	7,880	80	99.0%	10,591	10,580
Interest and rent on land	25	(25)	-	-	-	-	-	16	13
Transfers and subsidies									
Departmental agencies and accounts	2	-	-	2	-	2	-	-	-
Public corporations & private enterprises	-	173	57	230	230	-	100.0%	-	-
Non-profit institutions	800	225	102	1,127	1,127	-	100.0%	808	741
Households	20	-	-	20	19	1	95.0%	-	-
Gifts & donations	-	-	-	-	-	-	-	100	100
Payments for capital assets									
Machinery and equipment	136	48	(1)	183	176	7	96.2%	250	247
Payments for financial assets	-	2	-	2	1	1	50.0%	-	-
Total	29,927	-	391	30,318	30,202	116	99.6%	28,810	28,718

Detail per programme 3 – Human Capital (CSC) for the year ended 31 March 2013

Detail per sub-programme	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Programme Support									
Current payments	1,981	186	(114)	2,053	2,046	7	99.7%	1,690	1,688
Transfers and subsidies	1	-	-	1	-	1	-	-	-
Payments for capital assets	-	9	-	9	8	1	88.9%	7	7
3.2 Organisation Development									
Current payments	36,653	(1,880)	(403)	34,370	34,317	53	99.8%	28,852	28,846
Transfers and subsidies	21	18	-	39	38	1	97.4%	100	99
Payments for capital assets	159	599	-	758	755	3	99.6%	186	185
3.3 Provincial Training Institute									
Current payments	19,047	780	410	20,237	20,200	37	99.8%	17,541	17,521
Transfers and subsidies	1,012	9	-	1,021	1,020	1	99.9%	11	11
Payments for capital assets	39	314	-	353	352	1	99.7%	230	229
3.4 Human Resource Management									
Current payments	79,153	(785)	(125)	78,243	78,168	75	99.9%	78,458	78,445
Transfers and subsidies	233	131	-	364	358	6	98.4%	36	34
Payments for capital assets	195	618	-	813	807	6	99.3%	630	630
Payments for financial assets	-	1	-	1	1	-	100.0%	-	-
Total	138,494	-	(232)	138,262	138,070	192	99.9%	127,741	127,695

Detail per programme 3 – Human Capital (CSC) for the year ended 31 March 2013

Statutory Appropriation per economic classification									
Per Economic classification	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	110,503	(36)	640	111,107	111,058	49	100.0%	101,210	101,202
Goods and services	26,247	(1,608)	(872)	23,767	23,673	94	99.6%	25,278	25,244
Interest and rent on land	55	(55)	-	-	-	-	-	53	52
Transfers and subsidies									
Departmental agencies and accounts	19	-	-	19	14	5	73.7%	-	-
Non-profit institutions	1,000	-	-	1,000	1,000	-	100.0%	-	-
Households	248	158	-	406	402	4	99.0%	147	145
Payments for capital assets									
Machinery and equipment	422	1,511	-	1,933	1,893	40	97.9%	1,053	1,052
Software & other intangible assets	-	29	-	29	29	-	100.0%	-	-
Payments for financial assets									
	-	1	-	1	1	-	100.0%	-	-
Total	138,494	-	(232)	138,262	138,070	192	99.9%	127,741	127,695

Detail per programme 4 – Centre for e-Innovation (CSC) for the year ended 31 March 2013

Detail per sub-programme	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Programme Support									
Current payments	6,027	182	293	6,502	6,485	17	99.7%	5,159	5,153
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	136	69	-	205	203	2	99.0%	4,957	4,956
4.2 Strategic ICT Services									
Current payments	52,977	1,834	833	55,644	55,642	2	100.0%	32,105	32,091
Transfers and subsidies	10,506	1	-	10,507	10,506	1	100.0%	9,800	9,800
Payments for capital assets	366	667	175	1,208	1,204	4	99.7%	928	926
4.3 GITO Management Services									
Current payments	328,993	(6,249)	-	322,744	322,684	60	100.0%	322,037	321,227
Transfers and subsidies	9,005	92	-	9,097	9,093	4	100.0%	32	31
Payments for capital assets	11,783	3,404	391	15,578	15,574	4	100.0%	15,546	15,542
Total	419,793	-	1,692	421,485	421,391	94	100.0%	390,564	389,726

Detail per programme 4 - Centre for e-Innovation (CSC) for the year ended 31 March 2013

Economic classification	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	138,343	(2,604)	-	135,739	135,706	33	100.0%	119,019	119,008
Goods and services	249,584	(1,559)	1,126	249,151	249,105	46	100.0%	240,198	239,385
Interest and rent on land	70	(70)	-	-	-	-	-	83	80
Transfers and subsidies									
Provinces and municipalities	9,000	-	-	9,000	9,000	-	100.0%	-	-
Departmental agencies and accounts	6	2	-	8	5	3	62.5%	-	-
Non-profit institutions	10,500	-	-	10,500	10,500	-	100.0%	9,800	9,800
Households	5	91	-	96	94	2	97.9%	32	31
Payments for capital assets									
Machinery and equipment	12,285	3,986	566	16,837	16,828	9	99.9%	21,418	21,409
Software & other intangible assets	-	154	-	154	153	1	99.4%	14	13
Total	419,793	-	1,692	421,485	421,391	94	100.0%	390,564	389,726

Detail per programme 5 – Corporate Assurance (CSC) for the year ended 31 March 2013

Detail per sub-programme	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Programme Support									
Current payments	1,713	(68)	-	1,645	1,634	11	99.3%	1,409	1,407
Transfers and subsidies	1	-	-	1	-	1	-	-	-
Payments for capital assets	41	35	-	76	75	1	98.7%	8	8
5.2 Enterprise Risk Management									
Current payments	5,966	(158)	(328)	5,480	5,464	16	99.7%	4,849	4,847
Transfers and subsidies	-	26	-	26	26	-	100.0%	-	-
Payments for capital assets	21	9	-	30	29	1	96.7%	6	5
5.3 Internal Audit									
Current payments	35,920	(2,858)	(891)	32,171	32,130	41	99.9%	29,801	29,789
Transfers and subsidies	19	5	-	24	24	-	100.0%	-	-
Payments for capital assets	360	206	-	566	560	6	98.9%	77	77
5.4 Forensic Investigation									
Current payments	14,667	4,009	-	18,676	18,668	8	100.0%	16,416	16,412
Transfers and subsidies	-	-	-	-	-	-	-	476	476
Payments for capital assets	1	1	-	2	1	1	50.0%	75	75
5.5 Legal Services									
Current payments	22,218	(218)	(1,362)	20,638	20,584	54	99.7%	18,596	18,583
Transfers and subsidies	1	-	-	1	-	1	-	-	-
Payments for capital assets	107	(81)	-	26	23	3	88.5%	41	41
5.6 Corporate Communication									
Current payments	11,454	(1,003)	(705)	9,746	9,728	18	99.8%	6,740	6,737
Transfers and subsidies	1	-	-	1	1	-	100.0%	77	77
Payments for capital assets	340	86	-	426	426	-	100.0%	460	459
Payments for financial asset	-	9	-	9	9	-	100.0%	-	-
Total	92,830	-	(3,286)	89,544	89,382	162	99.8%	79,031	78,993

Detail per programme 5 – Corporate Assurance (CSC) for the year ended 31 March 2013

Statutory Appropriation per economic classification									
Per Economic classification	2012/13							2011/12	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	59,857	(610)	(3,286)	55,961	55,918	43	99.9%	51,945	51,931
Goods and services	32,052	343	-	32,395	32,290	105	99.7%	25,813	25,794
Interest and rent on land	29	(29)	-	-	-	-	-	53	50
Transfers and subsidies									
Departmental agencies and accounts	3	-	-	3	2	1	66.7%	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	19	31	-	50	49	1	98.0%	554	553
Payments for capital assets									
Machinery and equipment	870	256	-	1,126	1,114	12	98.9%	666	665
Payments for financial assets									
	-	9	-	9	9	-	100.0%	-	-
Total	92,830	-	(3,286)	89,544	89,382	162	99.8%	79,031	78,993

NOTES TO THE APPROPRIATION STATEMENT For the year ended 31 March 2013

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

Detail of these transactions can be viewed in note 6 (Transfers and subsidies), and Annexures 1 - 5 to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in note 8 (Payments for financial assets) to the Annual Financial Statements.

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

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
1: Executive Support	68,372	68,120	252	0.37%
2: Provincial Strategic Management	30,318	30,202	116	0.38%
3: Human Capital (CSC)	138,262	138,070	192	0.14%
4: Centre for e-Innovation (CSC)	421,485	421,391	94	0.02%
5: Corporate Assurance (CSC)	89,544	89,382	162	0.18%
Total	747,981	747,165	816	0.11%

4.2 Per Economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments:				
Compensation of employees	378,293	378,098	195	0.05%
Goods and services	324,733	324,223	510	0.16%
Transfers and subsidies:				
Provinces and municipalities	9,000	9,000	-	-
Departmental agencies and accounts	41	24	17	42.86%
Public corporations and private enterprises	230	230	-	-
Non-profit institutions	12,711	12,711	-	-
Households	621	611	10	1.45%
Payments for capital assets:				
Machinery and equipment	21,996	21,915	81	0.37%
Software & other intangible assets	183	182	1	0.55%
Payments for financial assets	173	171	2	1.16%
Total	747,981	747,165	816	0.11%

Under spending on Departmental agencies and accounts, Households and Payments for financial assets is due to rounding of virements.

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2013

	Note	2012/13	2011/12
		R'000	R'000
REVENUE			
Annual appropriation	1	747,981	694,018
Departmental revenue	2	714	1,129
TOTAL REVENUE		748,695	695,147
EXPENDITURE			
Current expenditure			
Compensation of employees	3	378,098	337,677
Goods and services	4	324,223	311,811
Interest and rent on land	5	-	244
Total current expenditure		702,321	649,732
Transfers and subsidies	6	22,576	17,377
Expenditure for capital assets			
Tangible capital assets	7	21,915	25,220
Software and other intangible assets	7	182	13
Total expenditure for capital assets		22,097	25,233
Payments for financial assets	8	171	103
TOTAL EXPENDITURE		747,165	692,445
SURPLUS FOR THE YEAR		1,530	2,702
Reconciliation of Net Surplus for the year			
Voted funds	12	816	1,573
Departmental revenue	13	714	1,129
SURPLUS FOR THE YEAR		1,530	2,702

STATEMENT OF FINANCIAL POSITION
as at 31 March 2013

	Note	2012/13	2011/12
		R'000	R'000
ASSETS			
Current assets		1,928	3,265
Cash and cash equivalents	9	23	23
Prepayments and advances	10	-	166
Receivables	11	1,905	3,076
TOTAL ASSETS		1,928	3,265
LIABILITIES			
Current liabilities		1,852	3,164
Voted funds to be surrendered to the Revenue Fund	12	816	1,573
Departmental revenue to be surrendered to the Revenue Fund	13	52	295
Bank overdraft	14	981	1,251
Payables	15	3	45
TOTAL LIABILITIES		1,852	3,164
NET ASSETS		76	101
Represented by:			
Recoverable revenue		76	101
TOTAL		76	101

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2013

	Note	2012/13	2011/12
		R'000	R'000
Recoverable revenue			
Opening balance		101	114
Transfers:		(25)	(13)
Debts recovered (included in departmental receipts)		(25)	(13)
Closing balance		76	101
TOTAL		76	101

CASH FLOW STATEMENT
for the year ended 31 March 2013

	Note	2012/13	2011/12
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		749,307	695,738
Annual appropriated funds received	1.1	747,981	694,018
Departmental revenue received	2	1,326	1,720
Net (increase)/decrease in working capital		1,295	(2,019)
Surrendered to Revenue Fund		(3,143)	(4,502)
Current payments		(702,321)	(649,732)
Payments for financial assets		(171)	(103)
Transfers and subsidies paid		(22,576)	(17,377)
Net cash flow available from operating activities	16	22,391	22,005
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(22,097)	(25,233)
Proceeds from sale of capital assets	2.3	1	-
Net cash flows from investing activities		(22,096)	(25,233)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (Decrease) in net assets		(25)	(13)
Net cash flows from financing activities		(25)	(13)
Net increase (decrease) in cash and cash equivalents		270	(3,241)
Cash and cash equivalents at beginning of period		(1,228)	2,013
Cash and cash equivalents at end of period	17	(958)	(1,228)

ACCOUNTING POLICIES For the year ended 31 March 2013

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.

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.

2.3 Departmental revenue

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

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

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

3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

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

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

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

3.1.2 Social contributions

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

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

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

3.2 Goods and services

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

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

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

3.3 Interest and rent on land

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

3.4 Payments for financial assets

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

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

4.2 Other financial assets

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

4.3 Prepayments and advances

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

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

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (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 potentials irrecoverable are included in the disclosure notes.

4.5 Inventory

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

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

4.6 Capital assets

4.6.1 Movable assets

Initial recognition

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

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

4.6.2 Immovable assets

Initial recognition

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

Subsequent recognition

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

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

4.6.3 Intangible assets

Initial recognition

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

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.*

Subsequent expenditure

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the department.

Maintenance is expensed as current “goods and services” in the statement of financial performance.

5. Liabilities

5.1 Payables

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

5.2 Contingent liabilities

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

5.3 Contingent assets

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

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 a capital expense in the statement of financial performance and are not apportioned between the capital and interest portions. The total finance lease payment 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 statements.

5.8 Impairment

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.

5.9 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for departmental revenue

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

7. Net Assets

7.1 Recoverable revenue

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

8. Related party transactions

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

9. Key management personnel

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

1. Annual Appropriation

1.1 Annual Appropriation

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

Programmes	Final Appropriation	Actual Funds Received	Funds not requested/ not Received	Appropriation received
	2012/13	2012/13	2012/13	2011/12
	R'000	R'000	R'000	R'000
Executive Support	68,372	68,372	-	67,872
Provincial Strategic Management	30,318	30,318	-	28,810
Human Capital (CSC)	138,262	138,262	-	127,741
Centre for E-Innovation	421,485	421,485	-	390,564
Corporate Assurance (CSC)	89,544	89,544	-	79,031
Total	747,981	747,981	-	694,018

2. Departmental revenue

	Note	2012/13	2011/12
		R'000	R'000
Sales of goods and services other than capital assets	2.1	670	526
Interest, dividends and rent on land	2.2	6	38
Sales of capital assets	2.3	1	-
Transactions in financial assets and liabilities	2.4	650	1,156
Total revenue collected		1,327	1,720
Less: Own revenue included in appropriation	13	613	591
Departmental revenue collected		714	1,129

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department		670	524
Administrative fees		4	-
Other sales		666	524
Sales of scrap, waste and other used current goods		-	2
Total		670	526

2.2 Interest, dividends and rent on land

	Note	2012/13	2011/12
		R'000	R'000
Interest		6	38
Total		6	38

2.3 Sales of capital assets Tangible assets

Machinery and equipment		1	-
Total		1	-

2.4 Transactions in financial assets and liabilities

Other Receipts including Recoverable Revenue		650	1,156
Total		650	1,156

3. Compensation of employees

3.1 Salaries and Wages

Basic salary		267,985	235,263
Performance award		3,741	3,813
Service Based		405	371
Compensative/circumstantial		6,342	6,859
Periodic payments		127	644
Other non-pensionable allowances		58,513	53,047
Total		337,113	299,997

3.2 Social contribution

Employer contributions			
Pension		29,216	26,349
Medical		11,709	11,277
Bargaining council		60	54
Total		40,985	37,680
Total compensation of employees		378,098	337,677
Average number of employees		1,051	979

4. Goods and services

	Note	2012/13	2011/12
		R'000	R'000
Administrative fees		35	35
Advertising		12,165	14,902
Assets less than R5,000	4.1	1,349	1,469
Bursaries (employees)		520	642
Catering		544	1,062
Communication		5,935	4,916
Computer services	4.2	221,644	226,041
Consultants, contractors and agency/outsourced services	4.3	52,051	33,257
Entertainment		63	72
Audit cost - external	4.4	3,904	3,357
Inventory	4.5	4,504	5,001
Operating leases		396	644
Property payments	4.6	1,830	1,357
Rental and hiring		7	17
Travel and subsistence	4.7	9,885	11,575
Venues and facilities		1,321	2,372
Training and staff development		5,632	3,313
Other operating expenditure	4.8	2,438	1,779
Total		324,223	311,811

4.1 Assets less than R5,000

Tangible assets		1,322	1,094
Machinery and equipment		1,318	1,094
Transport assets		4	-
Intangible assets		27	375
Total		1,349	1,469

4.2 Computer services

SITA computer services		117,705	92,406
External computer service providers		103,939	133,635
Total		221,644	226,041

4.3 Consultants, contractors and agency/outsourced services

	Note	2012/13	2011/12
		R'000	R'000
Business and advisory services		18,477	10,172
Laboratory services		-	1
Legal costs		889	1,794
Contractors		8,866	1,189
Agency and support/outsourced services		23,819	20,101
Total		52,051	33,257

4.4 Audit cost - External

Regularity audits		3,904	3,357
Total		3,904	3,357

4.5 Inventory

Learning and teaching support material		283	206
Food and food supplies		304	332
Fuel, oil and gas		21	25
Other consumables		195	261
Materials and supplies		32	88
Stationery and printing		3,668	4,089
Medical supplies		1	-
Total		4,504	5,001

4.6 Property payments

Other *		1,830	1,357
Total		1,830	1,357

• Included in this note is expenditure for security services at the Provincial Training Institute (R 253 200), management fees for management of cafeterias at the Provincial Training Institute and 4 Dorp Street (R 1,177,600).

4.7 Travel and subsistence

	Note	2012/13	2011/12
		R'000	R'000
Local		8,484	10,265
Foreign		1,401	1,310
Total		9,885	11,575

4.8 Other operating expenditure

Professional bodies, membership and subscription fees		54	600
Resettlement costs		51	156
Gifts		19	68
Other *		2,314	955
Total		2,438	1,779

* Included in the note for "Other" is an amount of R 1,879,400 paid for the printing of the Provincial Government Gazette, the bi-monthly Better Together magazine, departmental Annual Report and the Annual Performance Plan.

5. Interest and rent on land

Interest paid		-	244
Total		-	244

6. Transfers and subsidies

Provinces and municipalities	Annex 1	9,000	-
Departmental agencies and accounts	Annex 2	23	2,943
Non-profit institutions	Annex 3	12,500	10,300
Households	Annex 4	612	3,391
Gifts, donations and sponsorships made	Annex 5	441	743
Total		22,576	17,377

7. Expenditure for capital assets

	Note	2012/13	2011/12
		R'000	R'000
Tangible assets		21,915	25,220
Machinery and equipment	29.1	21,915	25,220
Software and other intangible assets		182	13
Computer software		182	13
Total		22,097	25,233

7.1 Analysis of funds utilised to acquire capital assets - 2012/13

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	21,915	-	21,915
Machinery and equipment	21,915	-	21,915
Software and other intangible assets	182	-	182
Computer software	182	-	182
Total	22,097	-	22,097

7.2 Analysis of funds utilised to acquire capital assets - 2011/12

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	25,220	-	25,220
Machinery and equipment	25,220	-	25,220
Software and other intangible assets	13	-	13
Computer software	13	-	13
Total	25,233	-	25,233

8. Payments for financial assets

	Note	2012/13	2011/12
		R'000	R'000
Other material losses written off	8.1	144	5
Debts written off	8.2	27	98
Total		171	103

8.1 Other material losses written off

Nature of losses			
Irrecoverable fruitless and wasteful expenditure written off (five cases)		5	-
Damages to Government Garage vehicles		28	5
Damages to hired vehicles		30	-
Supplier liquidated		22	-
Penalties regarding non removal of posters		8	-
Loss of laptop		13	-
Replacement of rented scanner		19	-
Primary school unable to pay for usage of facilities at the Provincial Training Institute		19	-
Total		144	5

8.2 Debts written off

Nature of debts written off			
State guarantee debt written off - 1 case		-	69
Tax and salary debts written off - 33 cases		-	29
Irrecoverable debt written off - 8 cases		27	-
Total		27	98

9. Cash and cash equivalents

Cash on hand		23	23
Total		23	23

10. Prepayments and advances

Travel and subsistence		-	166
Total		-	166

11. Receivables

	Note	Less than one year	One to three years	Older than three years	2012/13 Total	2011/12 Total
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1 Annex 8	993	115	4	1,112	981
Recoverable expenditure	11.2	125	95	43	263	1,500
Staff debt	11.3	193	91	246	530	595
Total		1,311	301	293	1,905	3,076

11.1 Claims recoverable

	Note	2012/13	2011/12
		R'000	R'000
National departments		70	69
Provincial departments		914	508
Public entities		68	17
Local governments		60	387
Total		1,112	981

11.2 Recoverable expenditure

Disallowance Miscellaneous account *		65	1,392
Damages to Government Garage vehicles *		198	108
Total		263	1,500

* The comparative amounts for Disallowance Miscellaneous account and Damages to Government Garage vehicles were disclosed under the notes "Other debtors" and "Staff debt" respectively and are reclassified under the note "Recoverable expenditure" in the 2012/13 Annual Financial Statements.

11.3 Staff debt

Income Tax and Site Debt		7	23
Salary Suspense Account		-	118
Departmental Debt Account		523	454
Total		530	595

12. Voted funds to be surrendered to the Revenue Fund

	Note	2012/13	2011/12
		R'000	R'000
Opening balance		1,573	2,451
Transfer from statement of financial performance		816	1,573
Paid during the year		(1,573)	(2,451)
Closing balance		816	1,573

13. Departmental revenue to be surrendered to the Revenue Fund

Opening balance		295	626
Transfer from Statement of Financial Performance		714	1,129
Own revenue included in appropriation		613	591
Paid during the year		(1,570)	(2,051)
Closing balance		52	295

14. Bank Overdraft

Consolidated Paymaster General Account		981	1,251
Total		981	1,251

15. Payables - current

Clearing accounts	15.1	3	45
Total		3	45

15.1 Clearing accounts

Salary: Disallowance Account		3	-
Salary: Income Tax		-	39
Salary: Bargain Council		-	6
Total		3	45

16. Net cash flow available from operating activities

	Note	2012/13	2011/12
		R'000	R'000
Net surplus as per Statement of Financial Performance		1,530	2,702
Add back non cash/cash movements not deemed operating activities		20,861	19,303
(Increase)/Decrease in receivables - current		1,171	(1,528)
(Increase)/Decrease in prepayments and advances		166	(159)
Increase (decrease) in payables - current		(42)	(332)
Proceeds from sale of capital assets		(1)	-
Expenditure on capital assets		22,097	25,233
Surrenders to Revenue Fund		(3,143)	(4,502)
Own revenue included in appropriation		613	591
Net cash flow generated by operating activities		22,391	22,005

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

Consolidated Paymaster General account		(981)	(1,251)
Cash on hand		23	23
Total		(958)	(1,228)

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2013

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

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

	Note	2012/13	2011/12
		R'000	R'000
Liable to	Nature		
Housing loan guarantees - Employees	Annex 6	65	65
Claims against the department	Annex 7	10,2678	9,778
Other departments (interdepartmental unconfirmed balances)	Annex 9	1,319	679
Total		11,651	10,522

18.2 Contingent assets

Nature of contingent asset			
Possible salary overpayment		133	-
Total		133	-

19. Commitments

Current expenditure			
Approved and contracted		61,094	102,193
		61,094	102,193
Capital expenditure			
Approved and contracted		64	4,161
		64	4,161
Total Commitments		61,158	106,354

Note: The following commitments are mainly due to the:

- Information Communication Technology advisory services from SITA - R 1,245 million
- Outsourcing of Forensic services over a three year period - R 23,070 million
- External Information Communication Technology advisory services - R 13,482 million
- Specialised Information Communication Technology advisory services from Microsoft - R 10,773 million
- Consulting services from the University of Cape Town - R 3,141 million

20. Accruals

			2012/13	2011/12
			R1 000	R1 000
	30 Days	30+ Days	Total	Total
Listed by economic classification				
Goods and services	25,610	5,885	31,495	18,787
Capital assets	96	8	104	13,981
Total	25,706	5,893	31,599	32,768

	Note	2012/13	2011/12
		R'000	R'000
Listed by programme level			
1. Executive Support		1,764	1,843
2. Provincial Strategic Management		143	202
3. Human Capital (CSC)		1,681	2,308
4. Centre for E-Innovation (CSC)		24,484	25,606
5. Corporate Assurance (CSC)		3,527	2,809
Total		31,599	32,768

Includes:

Forensic Advisory Services in respect of March 2013 – R 2 million
 External computer services for March 2013 – R 7,857 million
 SITA computer services for February and March 2013 – R 15,051 million
 Microsoft specialised computer services for March 2013 – R 1 million

Confirmed balances with other departments	Annex 9	439	1,201
Confirmed balances with other government entities	Annex 9	903	688
Total		1,342	1,889

21. Employee benefits

	Note	2012/13	2011/12
		R'000	R'000
Leave entitlement		11,132	9,898
Service bonus (Thirteenth cheque)		8,694	7,994
Performance awards		4,243	3,792
Capped leave commitments		8,074	7,704
Other *		838	31
Total		32,981	29,419

* Included in this disclosure note for "Other" is an amount of R 278 000 in respect of overtime worked performed in March 2013 and various salary related claims (R 560 000) received from departments that relates to 2012/13.

Note: A debit balance of R 661,231.98 was included in the leave entitlement amount.

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

22. Lease commitments

22.1 Operating leases expenditure (Photocopy lease charges - Provincial Development Council)

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2012/13	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	119	119
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	119	119

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2011/12	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	153	105	258
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	143	143
Total lease commitments	-	-	153	248	401

22.2 Finance leases expenditure (Government Motor Transport)

As determined by the National Accountant General, the arrangement between the Department of the Premier and Government Motor Transport (GMT) constitutes finance leases. The obligation in respect of the finance leases are presented below:

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2012/13	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	5,016	5,016
Later than 1 year and not later than 5 years	-	-	-	17,935	17,935
Later than five years	-	-	-	3,882	3,882
Total lease commitments	-	-	-	26,833	26,833

The Department of the Premier leased 121 vehicles from GMT as at 31 March 2013 (March 2012:108). Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2011/12	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	3,747	3,747
Later than 1 year and not later than 5 years	-	-	-	10,120	10,120
Later than five years	-	-	-	2,645	2,645
Total lease commitments	-	-	-	16,512	16,512
Less: Finance costs	-	-	-	-	-
Total present value of lease liabilities	-	-	-	16,512	16,512

22.3 Finance leases expenditure

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2012/13	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	1,946	1,946
Later than 1 year and not later than 5 years	-	-	-	653	653
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	2,599	2,599
Less : Finance costs	-	-	-	-	-
Total present value of lease liabilities	-	-	-	2,599	2,599

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2011/12	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	2,531	2,531
Later than 1 year and not later than 5 years	-	-	-	1,500	1,500
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	4,031	4,031
Less: Finance costs	-	-	-	239	239
Total present value of lease liabilities	-	-	-	3,792	3,792

23. Receivables for departmental revenue

	Note	2012/13	2011/12
		R'000	R'000
Sales of goods and services other than capital assets		-	7
Total		-	7

23.1 Analysis of receivables for departmental revenue

Opening balance		7	140
Less: amounts received		(7)	(140)
Add: amounts recognised		-	7
Less: amounts written-off/reversed as irrecoverable		-	-
Closing balance		-	7

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

Opening balance		25,647	3,352
Add: Irregular expenditure - relating to prior year		-	22,867
Add: Irregular expenditure - relating to current year		2,782	103
Less: Amounts condoned		(2,218)	(675)
Less: Amounts recoverable (not condoned)		-	-
Less: Amounts not recoverable (not condoned)		-	-
Irregular expenditure awaiting condonation		26,211	25,647
Analysis of awaiting condonation per age classification			
Current year		2,430	49
Prior years		23,781	25,598
Total		26,211	25,647

24.2 Details of irregular expenditure - current year

Incident	Disciplinary steps taken/criminal proceedings	2012/13
		R'000
Non-compliance to AO System - three quotes not requested	No actions taken, amount condoned	174
Non-compliance to AO System - no declaration of interest certificate	No actions taken, amount condoned	11
Non-compliance to AO System - No tax clearance certificate	Case still under investigation	61
Non-compliance to AO System - Late approval for extension of contract	No actions taken, amount condoned	243
Non-compliance to AO System - IT requirement	Case still under investigation	132
Non-compliance to AO System - IT requirement	No actions taken, amount condoned	452
Non-compliance to AO System - Specifications	No actions taken, amount condoned	38
Non-compliance to AO System - No delegated approval for service	Case still under investigation	1,629
Non-compliance to AO System - Post facto approval	Case still under investigation	42
Total		2,782

24.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2012/13
		R'000
Increase of transfer payment without Provincial Treasury approval	Provincial Treasury	1,000
Non-compliance with AO System - one quote	Accounting Officer	9
Non-compliance with AO System - SCM delegation	Accounting Officer	118
Non-compliance with AO System - No contract in place	Accounting Officer	122
Non-compliance with AO System - No approval for expansion	Accounting Officer	92
Non-compliance with AO System - No prior approval	Accounting Officer	23
Non-compliance with AO System - SCM delegation	Accounting Officer	352
Fraud case. Funds recovered	Accounting Officer	502
Total		2,218

Note: Irregular expenditure to the value of R0,910m has been condoned after 31 March 2013 but before 31 May 2013.

24.4 Details of irregular expenditures under investigation

Incident	2012/13
	R'000
Various – relating to prior years	23,781
Various – current year (see note 24.2)	2,4301
Total	26,211

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	Note	2012/13	2011/12
		R'000	R'000
Opening balance		2,319	312
Fruitless and wasteful expenditure – relating to prior year		-	1,948
Fruitless and wasteful expenditure – relating to current year		36	60
Less: Amounts resolved		(322)	-
Less: Amounts transferred to receivables for recovery		-	(1)
Fruitless and wasteful expenditure awaiting condonation		2,033	2,319
Analysis of awaiting condonation per economic classification			
Current		2,033	2,319
Total		2,033	2,319

25.2 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2012/13
		R'000
Penalties for not removing posters within the prescribed period.	None. The amount was written off.	8
Bid advertisement costs.	None. In the process of being investigated.	9
Replacement of a misplaced rented scanner.	None. The amount was written off.	19
Total		36

26. Related party transactions

1. The Department occupies buildings free of charge managed by the Department of Transport & Public Works. Parking space is also provided for government officials at an approved fee that is not market related
2. A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Department. This relationship is based on an arm's length transaction in terms of tariffs approved by the Provincial Treasury.
3. The Department of the Premier rendered corporate services to all provincial departments in the Western Cape via the Corporate Services Centre with effect from 1 April 2010 in respect of the following service areas:
 - a) Information Technology related infrastructure and services
 - b) Human Resource Management services
 - c) Organisational Development services
 - d) Transversal Provincial Training
 - e) Enterprise Risk Management support
 - f) Internal Audit services
 - g) Forensic Investigative services
 - h) Legal Services
 - i) Corporate Communication servicesWith regard to the Departments of Health and Education all the above services were rendered excluding Human Resource Management Services.
4. The Department of the Premier received Security Advisory Services and Security Operations from the Department of Community Safety in the Western Cape Province excluding the Provincial Training Institute at Kromme Rhee where the services were outsourced and the Legislature Building where the South African Police Services renders the service.

27. Key management personnel

	No. of Individuals	2012/13	2011/12
		R'000	R'000
Political office bearers	1	1,888	1,790
Officials:			
Level 15 to 16	9	11,307	10,392
Level 14	14	12,526	12,405
Total		25,721	24,587

Note: Responsible Executive Authority - Premier Helen Zille.

28. Impairment*

	Note	2012/13	2011/12
		R'000	R'000
Ex-employee debts		60	39
Supplier debts		8	35
Loss and replacement of stolen laptop		-	14
Total		68	88

* The disclosure note Provisions was reclassified to Impairment in the 2012/13 Annual Financial Statements and hence restated for the 2011/12 comparatives.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2013					
	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	Cost	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Heritage assets	53	10	-	10	53
Heritage assets	53	10	-	10	53
Machinery and equipment	177,995	5,887	12,113	9,354	186,641
Computer equipment	158,716	5,638	6,909	7,194	164,069
Furniture and office equipment	6,773	129	228	261	6,869
Other machinery and equipment	202	115	106	296	127
GG Motor vehicles	12,304	-	4,870	1,603	15,571
Library Material	-	5	-	-	5
Total movable tangible capital assets	178,048	5,897	12,113	9,364	186,694

Note: 130 assets to the value of R 2,141,399.51 (initial purchase cost value) were not found during the annual departmental stock take of assets. This has been reported to Loss Control and is still under investigation and therefore the process has not been completed yet. This amount is included in the total disposal figure in the above table.

29.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2013					
	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	Cost	Fair Value/ R1	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Heritage assets	-	-	-	-	-
Heritage assets	-	-	-	-	-
Machinery and equipment	15,133	4,870	(7,890)	-	12,113
Computer equipment	6,909	-	-	-	6,909
Furniture and office equipment	228	-	-	-	228
Other machinery and equipment	3,416	-	(3,310)	-	106
GG Motor vehicles	4,580	4,870	(4,580)	-	4,870
Library Materials	-	-	-	-	-
Total additions to movable tangible capital assets	15,133	4,870	(7,890)	-	12,113

- The difference of R14,671m between Note 7: Expenditure for Capital Assets (R21,915m) and the total additions of movable assets (R12,113m) above is due to the fact that there are assets that are included in the current year asset register but only paid in the next financial year (R0,088m), assets paid this financial year and included in the previous financial year's asset register (-R7,821m), finance lease costs of (-R7,890m) and claim backs from other departments (R1,052m) included in note 7.

29.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2013				
	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
Heritage assets	-	10	10	-
Heritage assets	-	10	10	-
Machinery and equipment	-	9,354	9,354	-
Computer equipment	-	7,194	7,194	-
Furniture and office equipment	-	261	261	-
Other machinery and equipment	-	296	296	-
GG Motor vehicles	-	1,603	1,603	-
Total disposal of movable tangible capital assets	-	9,364	9,364	-

29.3 Movement for 2011/12

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2012				
	Opening balance	Additions	Disposals	Closing balance
	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000
Heritage assets	62	-	9	53
Heritage assets	62	-	9	53
Machinery and equipment	160,422	29,413	11,840	177,995
Transport assets	8,050	5,099	845	12,304
Computer equipment	145,253	23,710	10,247	158,716
Furniture and office equipment	6,729	440	396	6,773
Other machinery and equipment	390	164	352	202
Total movable tangible capital assets	160,484	29,413	11,849	178,048

29.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER for the year ended 31 march 2013

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	-	17	18,624	-	18,641
Current year adjustments to Prior year balances	-	-	238	-	238
Additions	-	-	561	-	561
Disposals	-	-	(1,699)	-	(1,699)
TOTAL	-	17	17,724	-	17,724

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	16	9,270	-	9,286
Total number of minor assets	-	16	9,270	-	9,286

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER for the year end 31 march 2012

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	-	20	21,780	-	21,800
Current year adjustments to Prior year balances	-	(3)	(3,738)	-	(3,741)
Additions	-	-	1,115	-	1,115
Disposals	-	-	(533)	-	(533)
Total	-	17	18,624	-	18,641

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	16	9,714	-	9,730
Total number of minor assets	-	16	9,714	-	9,730

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2013					
	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Computer Software	1,299	-	182	-	1,481
Total intangible capital assets	1,299	-	182	-	1,481

30.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2013					
	Cash	Non-Cash	(Development work-in-progress current cost)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Computer Software	182	-	-	-	182
Total additions to intangible capital assets	182	-	-	-	182

30.2 Movement for 2011/12

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2012				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer software	1,286	13	-	1,299
Total intangible capital assets	1,286	13	-	1,299

31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2013

	Opening balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	Cost	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	28	-	-	-	28
Other fixed structures	28	-	-	-	28
Total immovable tangible apital assets	28	-	-	-	28

31.1 Movement for 2011/12

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER for the year ended 31 march 2012

	Opening balance	Additions	Disposals	Closing balance
	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	28	-	-	28
Other fixed structures	28	-	-	28
Total immovable tangible assets	28	-	-	28

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS For the year ended 31 March 2013

ANNEXURE 1 STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

Name of Municipality	Grant allocation				Transfer			Spent			2011/12 Total Available
	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		
City of Cape Town	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000	
	18,500	-	(9,500)	9,000	9,000	100	9,000	9,000	100	-	
	18,500	-	(9,500)	9,000	9,000	-	9,000	9,000	-	-	

ANNEXURE 2 STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Agency	Transfer Allocation				Transfer			2011/12 Appropriation Act
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred		
WC Provincial Development Council	R'000	R'000	R'000	R'000	R'000	%	R'000	
	-	-	-	-	-	-	2,943	
South African Broadcasting Corporation	37	-	4	41	23	56	-	
	37	-	4	41	23	-	2,943	

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

	Transfer Allocation				Expenditure		2011/12 Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
Transfers	R'000	R'000	R'000	R'000	R'000	%	R'000
Library Business Corners	10,200	-	-	10,200	10,200	100	9,800
Cape Higher Education Consortium	-	-	500	500	500	100	500
Learning Cape Institute	1,000	-	-	1,000	1,000	100	-
Home of Compassion	300	-	-	300	300	100	-
Cape Town Partnership	500	-	-	500	500	100	-
Total	12,000	-	500	12,500	12,500	-	10,300

**ANNEXURE 4
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	Transfer Allocation				Expenditure		2011/12 Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
Transfers	R'000	R'000	R'000	R'000	R'000	%	R'000
Employees – leave gratuities	269	-	307	576	569	99	264
Severance packages	-	-	-	-	-	-	3,122
Injury on duty	23	-	22	45	43	96	5
Total	292	-	329	621	612	-	3,391

ANNEXURE 5

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

Nature of gift, donation or sponsorship	2012/13	2011/12
	R'000	R'000
PAID IN CASH		
Western Province Rugby Football Union - Sponsorship towards the IRB JWC 2012	100	
Speak to Me - Donation to Ruan Belcher towards buying an iControl.	10	
My Child Has Cancer Trust - Donation towards the cancer treatment of Connor Gerber.	16	
Disability Workshop Development Enterprise - Donation towards the Youth Month programme.	50	
Cape Town Literary Festival CC - Sponsorship towards the Open Book Cape Town 2012 festival.	30	
St Joseph's Home for Chronically ill Children - Donation towards a fundraising dinner.	8	
Firecracker - Sponsorship towards the 2012 Plettenberg rage student festival.	50	
Camissa Trading Solutions CC - Sponsorship towards the jazz on the rock music festival.	50	
Plexilon Trading 51 CC -Sponsorship towards the Ultimate X Extreme Games.	50	
The Loerie Awards Company - Sponsorship towards the creative future scholarship programme.	77	
DEAF Federation of SA - Sponsorship to support the 5 th World Federation of DEAF Youth Camp		20
Artscape - Donation towards Africa Day Celebrations to strengthen cultural, economic and trade relations with the African region		32
Radio Zibonele - Donation towards the radio station's fundraising dinner event		1

ANNEXURE 5 (continued)

Nature of gift, donation or sponsorship	2012/13	2011/12
	R'000	R'000
Zeekoevlei Sailing Centre - Sponsorship to assist with the launching of the Zeekoevlei Sailing Centre's 4 th summer programme at local schools		30
Cape Town Partnership - Sponsor the programme of the adjudicators of Cape Town's bid to be the World Design Capital in 2014		40
Cape of Good Hope SPCA - Donation towards the SPCA to address the dog over-population crisis in Sweet Home Farm and adjacent areas		100
Orion Organisation - Donation to the Orion Organisation and Carel Du Toit Charity Ball Dinner		10
University of the Western Cape - Donation to assist in the development and implementation of a communications and media strategy in support of the Hangberg Peace and Mediation Accord		100
Cape Higher Education Consortium - Sponsorship in the form of a bursary to nine female students as part of a positive behaviour programme		90
Various FET Colleges - Sponsorship in the form of a bursary to two female students as part of a positive behaviour programme		20
Beyond Sport Summit and Awards (PTY) LTD - sponsorship to the Beyond Sport Summit 2011 as host partner by the Western Cape Government		100
Various Individuals - Prize money of the 16 Days of Activism for no violence against women and children - "Get tested to win" campaign		100
Stretch Experimental Marketing - Sponsorship towards the Ultimate X Extreme Games		50
Servinet 43 CC T/A Valiant Media - Sponsorship of a chapter in the book "The World's Greatest Cycle Tour"		50
Total	441	743

**ANNEXURE 6
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2013 - LOCAL**

Guarantor Institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2012	Guarantees draw-downs during the year	Guaranteed repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2013	Guaranteed interest for year ended 31 March 2013	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	-	65	-	-	-	65	-	-
Total		-	65	-	-	-	65	-	-

**ANNEXURE 7
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013**

Nature of Liability	Opening Balance 1 April 2012	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable	Closing Balance 31 March 2013
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Ntinga Technologies CC - Claim for services rendered	557	-	-	-	557
Ambius - Claim for services rendered	14	-	-	-	14
WC Youth Commission - Litigation costs for goods delivered	117	-	117	-	-
Government Employees Pension Fund - Legal opinion regarding the charging of interest	42	-	-	-	42
Social Transformation Programme - Unfair labour practice	5,620	606	-	-	6,226
Legal Services - Alleged unfair labour practice and interpretation of collective agreement (OSD)	3,000	-	-	-	3,000
Ex-employee of the Provincial Development Council - Labour dispute	428	-	-	-	428
Total	9,778	606	117	-	10,267

ANNEXURE 8 CLAIMS RECOVERABLE

DEPARTMENT	Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
		31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
		R'000	R'000	R'000	R'000	R'000	R'000
WC Health		-	-	-	19	-	19
WC Education		-	15	-	-	-	15
WC Local Government		18	-	12	115	30	115
WC Provincial Treasury		209	38	-	-	209	38
WC Social Development		116	-	21	2	137	2
WC Transport and Public Works		224	-	-	240	224	240
WC Provincial Parliament		-	12	-	-	-	12
WC Environmental Affairs and Development Planning		5	13	-	-	5	13
WC Economic Development and Tourism		121	1	-	-	121	1
WC Community Safety		6	-	-	-	6	-
WC Cultural Affairs and Sport		43	-	-	-	43	-
WC Human Settlements		123	-	-	12	123	12
NC Agriculture, Land Reform and Rural Development		-	-	1	1	1	1
Department: Home Affairs		-	-	2	2	2	2
Department: Mineral Resources		-	20	-	-	-	20
Department: Environmental Affairs		13	-	-	-	13	-
The Presidency		38	-	-	-	38	-
Department: Water Affairs		14	-	-	-	14	-
Department: Public Service and Administration		-	-	2	-	2	-
Subtotal		930	99	38	391	968	490

**ANNEXURE 8 (continued)
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER GOVERNMENT ENTITIES						
South African Social Security Agency	-	-	-	3	-	3
Public Service Bargaining Council	-	-	1	1	1	1
PALAMA	-	-	55	12	55	12
Eden District Municipality	-	-	17	12	17	12
Cape Nature Board	-	-	6	-	6	-
City of Cape Town Municipality	-	-	43	375	43	375
Delft South Primary School	-	-	-	19	-	19
Government Motor Transport	-	-	(1)	2	(1)	2
Independent Electoral Commission	-	-	2	2	2	2
Sikelela Imizamo Primary School	-	-	-	17	-	17
Western Cape Gambling Board	6	-	-	5	6	5
Imboniselo Primary School	15	-	-	-	15	-
Subtotal	21	-	123	448	144	448
Total	951	99	161	839	1,112	938

**ANNEXURE 9
INTER-GOVERNMENT PAYABLES**

DEPARTMENT	Government Entity					
	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
R'000	R'000	R'000	R'000	R'000	R'000	
Current						
Department: Justice and Constitutional Development	79	-	488	634	567	634
WC Health	21	2	-	-	21	2
The Presidency	-	22	-	-	-	22
WC Economic Development and Tourism	-	498	-	-	-	498
WC Transport and Public Works	293	587	-	-	293	587
Government Printing Works	-	1	-	-	-	1
WC Social Development	-	90	-	-	-	90
Department: Science and Technology	-	1	-	-	-	1
WC Western Cape Education	46	-	-	-	46	-
Subtotal	439	1,201	488	634	927	1,835
OTHER GOVERNMENT ENTITY						
Current						
Government Motor Transport	903	688	786	-	1,689	688
Subtotal	903	688	786	-	1,689	688
Non - Current						
PALAMA	-	-	45	45	45	45
Subtotal	903	688	831	45	1,734	45
Total	1,342	1,889	1,319	679	2,661	2,568

ANNEXURE 10 INVENTORY

Inventory	2012/13		2011/12	
	Quantity	R'000	Quantity	R'000
Opening balance	18,639	161	16,225	290
Add/(Less): Adjustments to prior year balance	-	-	-	-
Add: Additions/Purchases - Cash	254,081	8,774	139,797	11,677
Add: Additions - Non-cash	3,000	-	830	25
(Less): Disposals	-	-	(54)	(27)
(Less): Issues	(255,807)	(8,769)	(138,161)	(11,799)
Add/(Less): Adjustments	-	32	2	(5)
Closing Balance	19,913	198	18,639	161

ORGANISATIONAL STRUCTURE OF THE DEPARTMENT OF THE PREMIER

1. Main chart

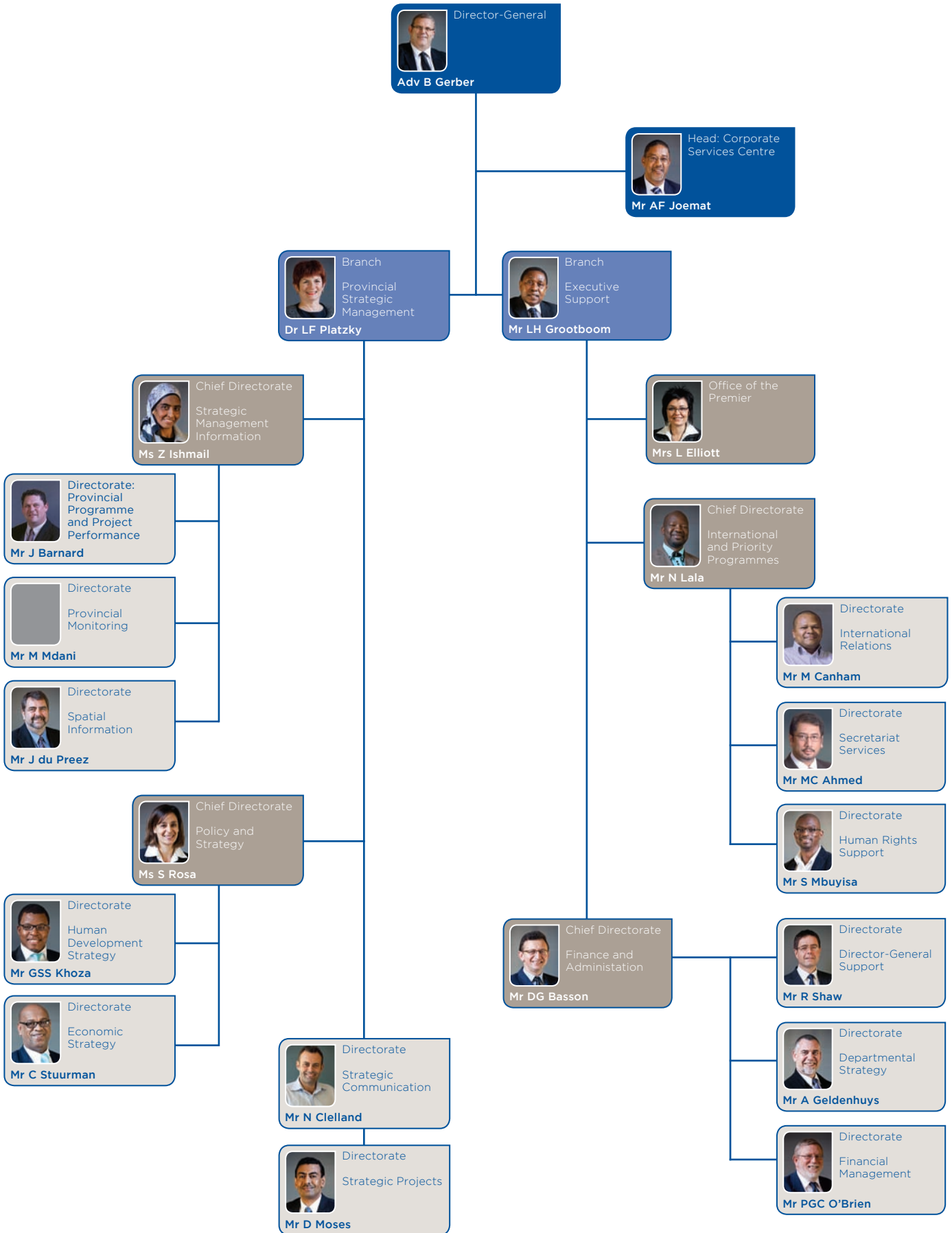
2. Corporate Services Centre

2.1 Centre for e-Innovation

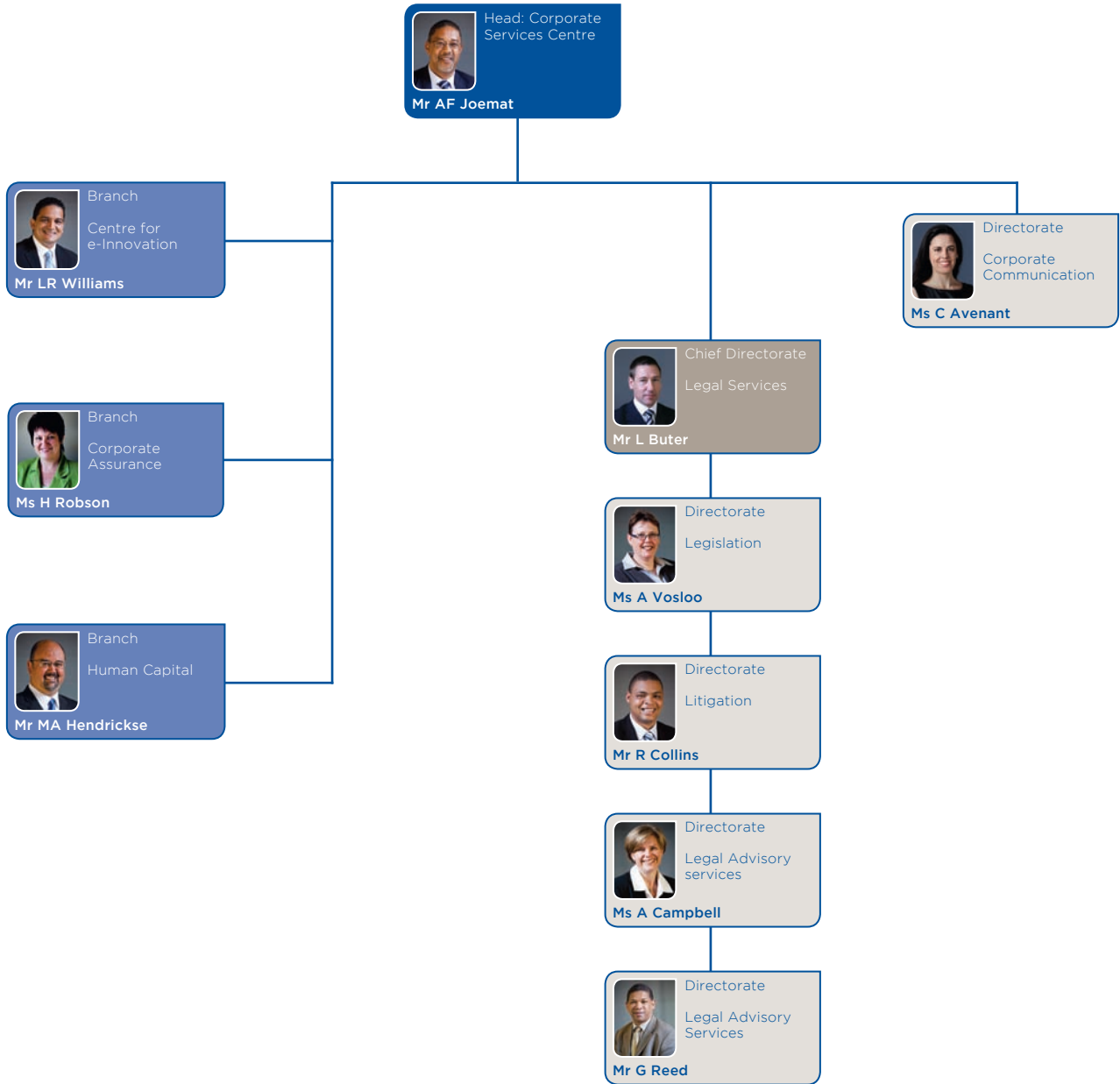
2.2 Human Capital

2.3 Corporate Assurance

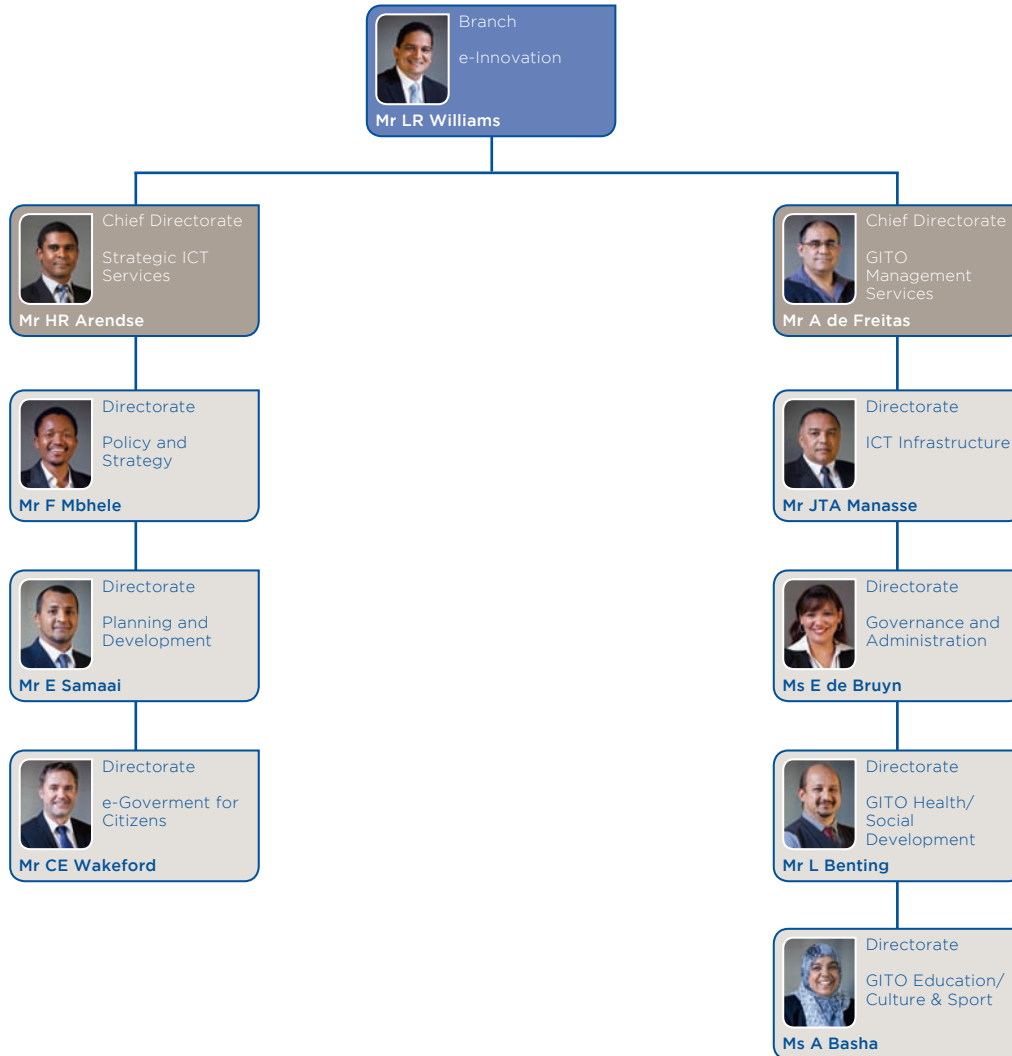
1. Main chart



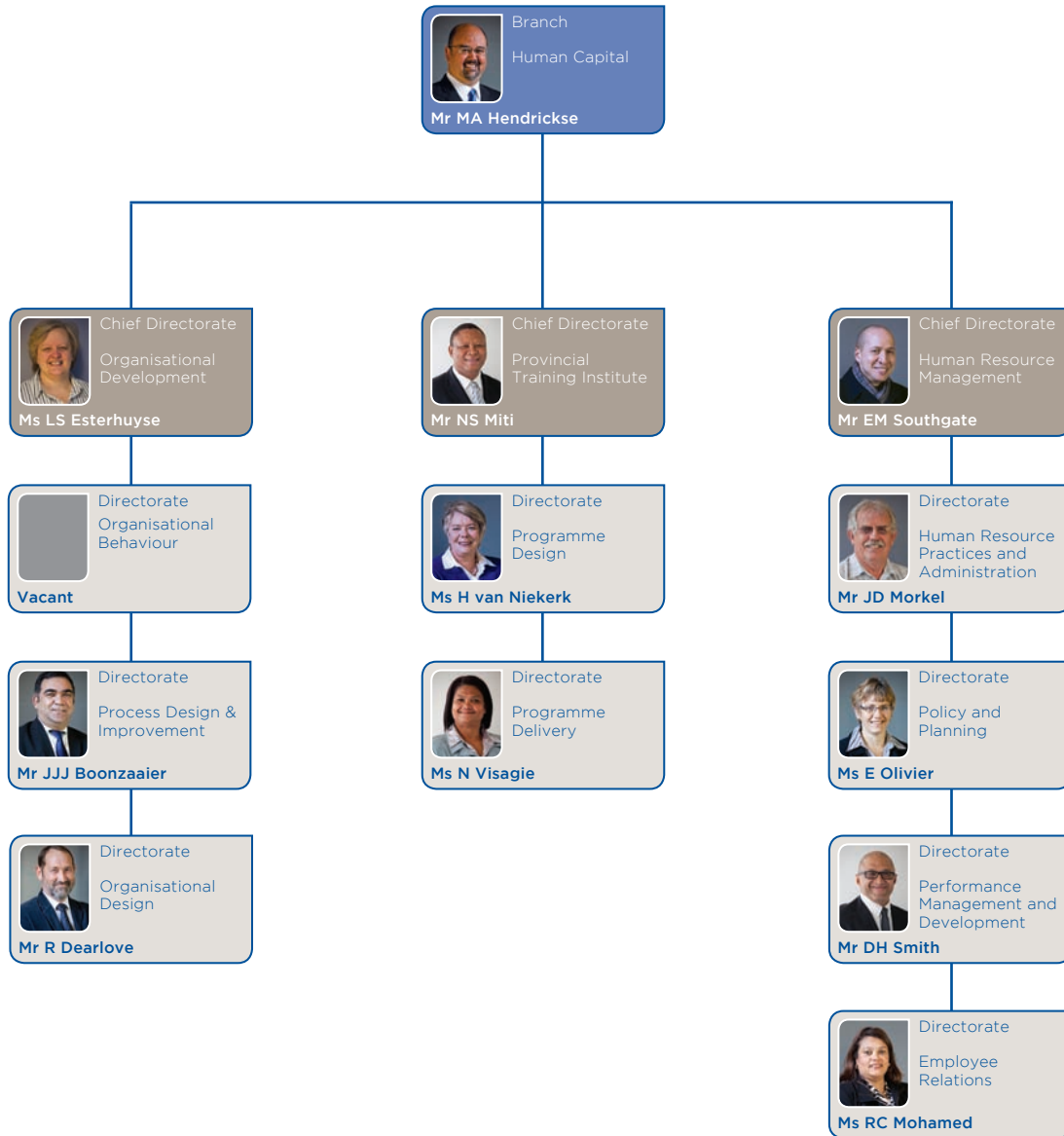
2. Corporate Services Centre



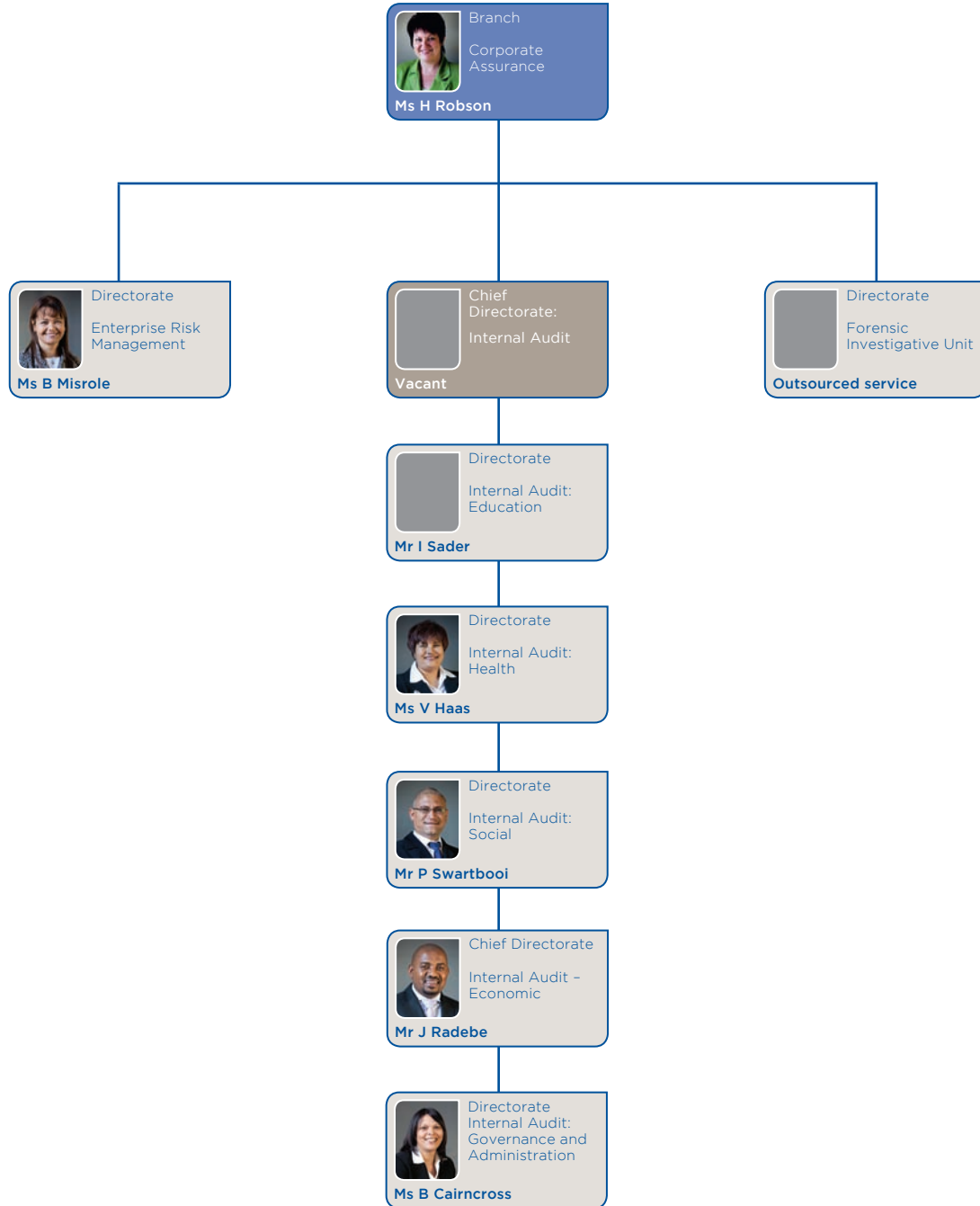
2.1 Centre for e-Innovation



2.2 Human Capital



2.3 Corporate Assurance



Department of The Premier
P.O. Box 659
Cape Town
8000

Tel.: +27 21 483 4992 **Fax:** +27 21 483 3300
www.westerncape.gov.za

Afrikaans and isiXhosa versions of this publication are available on request.



**Western Cape
Government**

Department of the Premier

PR122/2013
ISBN: 978-0-621-41801-9