



Western Cape
Government
FOR YOU



Department of Local Government

Annual Report
2022/23

Annual Report 2022/23

**Department of Local Government
Western Cape Government**

Vote 14

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Part



**GENERAL
INFORMATION**

1. Department's General Information

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2. Abbreviations

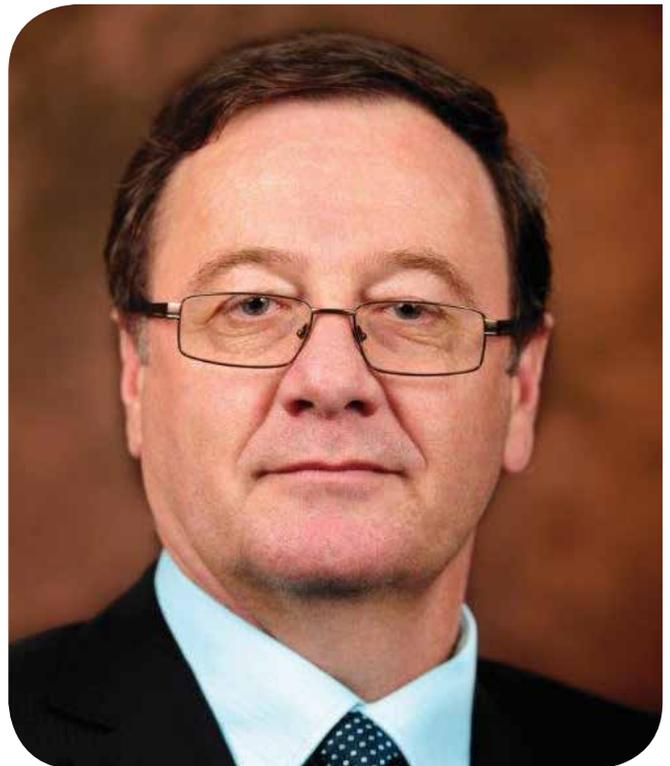
AGSA:	Auditor-General of South Africa
AO:	Accounting Officer
APP:	Annual Performance Plan
BAS:	Basic Accounting System
CDW:	Community Development Worker
CSC:	Corporate Service Centre
CWP:	Community Work Programme
D: ERM:	Directorate: Enterprise Risk Management
DCF:	District Co-ordinating Forum
DCFTECH:	District Co-ordinating Forum Technical Committee
DCOG:	Department of Co-operative Governance
DEADP:	Department of Environmental Affairs and Development Planning
DM:	District Municipality
DORA:	Division of Revenue Act
DPSA:	Department of Public Service and Administration
EAP:	Employee Assistance Programme
EE:	Employment Equity
EH:	Employee Health
EHP:	Emergency Housing Programme
EHWP:	Employee Health and Wellness Programme
EPWP:	Expanded Public Works Programme
ERM:	Enterprise Risk Management
ERMCO:	Enterprise Risk Management Committee
FFA:	Fire Fighting Aviation
FLSE:	Fire and Life Safety Education
GCIS:	Government Communications and Information Services
GEHS	Government Employment Housing Scheme
GPSSBC:	The General Public Service Sector Bargaining Council
HAT:	High Altitude Training
HIV/AIDS:	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
HR:	Human Resources
HRDC:	Human Resource Development Committee
ICASA:	The Independent Communications Authority of South Africa
ICDP:	Integrated Community Development Planning
ICT:	Information and Communications Technology
IESBA	International Independence Standards
IWP	Western Cape Integrated Work Plan
IDP:	Integrated Development Plan
IFM:	Integrated Fire Management
IGR:	Intergovernmental Relations
IPSS:	Integrated Performance Support System
ISAs	International Standards on Auditing
ISDF:	Integrated Strategic Development Framework
JDMA:	Joint District and Metro Approach
LRA:	Labour Relations Act, 1995 (Act 66 of 1995)
M&E:	Monitoring & Evaluation
MCS	Modified Cash Standard
MEC:	Member of Executive Council
MIG:	Municipal Infrastructure Grant
MINMAY:	Forum of Provincial Minister of Local Government and Executive Mayors

MINMAYTECH:	Forum of Head of Department: Local Government and Municipal Managers
MoU	Memorandum of Understanding
MPRA:	Municipal Property Rates Act, 2004 (Act 6 of 2004)
MSA:	Municipal System Act, 2000 (Act 32 of 2000)
MTEF:	Medium Term Expenditure Framework
NDMC:	National Disaster Management Centre
NEMA:	National Environmental Management Act, 1998 (Act 107 of 1998)
NTPSRMF:	National Treasury Public Sector Risk Management Framework
OD:	Organisational Design
OPMS:	Organisational Performance Management System
OSD:	Occupation-Specific Dispensation
PAIA:	Promotion of Access to Information Act, 2000 (Act 2 of 2000)
PAJA:	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
PCF:	Premier's Co-ordinating Forum
PDMC:	Provincial Disaster Management Centre
PERMPS:	Provincial Enterprise Risk Management Policy and Strategy
PFMA:	Public Financial Management Act, 2003 (Act 56 of 2003)
PILIR:	Policy on Incapacity Leave and Ill-Health Retirement
PMS:	Performance Management System
PSCBC:	Public Service Co-ordinating Bargaining Council
RDP:	Reconstruction & Development Programme
SALGA:	South Africa Local Government Association
SANS	South African National Standards
SAPS:	South African Police Service
SASSA:	South African Social Security Agency
SCM:	Supply Chain Management
SDBIPs:	Service Delivery & Budget Implementation Plans
SDIP:	Service Delivery Improvement Plan
SHE:	Safety, Health and Environment
SIU:	Special Investigations Unit
SLA:	Service Level Agreement
SMMEs:	Small Medium and Micro Enterprises
SMS:	Senior Management Service
SoE:	State-owned Enterprises
Stats SA:	Statistics South Africa
TIME	Technical Integrated Municipal Engagement
UIF:	Unemployment Insurance Fund
WCG:	Western Cape Government
WP:	Wellness Programme
WSP:	Workplace Skills Plan
WCMEs:	Western Cape Monitoring and Evaluation System
WWTWs	Waste-Water Treatment Works

3. Minister’s foreword

The year under review has seen the Country facing the consequences of failing critical infrastructure. Continuous loadshedding experienced for several hours in a day, posed a threat to the economy which was on its path to recovery following the disastrous effects of the COVID-19 pandemic, at the same time, disrupting the lives of citizens. Municipalities were not spared as a big portion of their revenue is generated from the sales of electricity. Of serious concern was the impact that prolonged loadshedding had on the provision of basic municipal services such as sanitation and water as the respective infrastructure installations operate on electricity. The profound impact of loadshedding on the provision of basic services required immediate and urgent attention. Given the Department’s mandate to support and strengthen the capacity of municipalities to deliver on their mandate, several initiatives were undertaken with the aim of assisting municipalities to manage and mitigate the impact of prolonged loadshedding on rendering basic services. These include, amongst others, assistance with technical advisory services, development of response strategies, assessment of key infrastructure components, and facilitation of partnerships in seeking sustainable solutions. As an immediate measure, my Department supported municipalities with the procurement of generators to ensure continued functioning of the Waste Water Treatment Plants and water reservoirs.

Subsequent to the 2021 local government elections, my Department along with key partners, guided, capacitated and supported municipal councillors to fulfill their oversight obligations. One such significant partnership, was our collaboration with the Hanns Seidel Foundation. Under this partnership, councillors were capacitated on various areas such as ethics, personal values as well as equipping municipalities with the necessary tools required to maximise strategic, administrative and operational efficiency. The Department further rolled out the Municipal Minimum Competency Training to 20 councillors, with an initial focus on Municipal Public Accounts Committee, Mayoral Committee members and Portfolio Chairs across municipalities in the Western Cape. The aim was to enhance the councillors’ knowledge and skills to fulfil their oversight roles and improve audit outcomes.



Mr AW Bredell

To respond positively and with urgency, government must understand citizens and their needs. It cannot be disputed that, for citizens to participate meaningfully, they need to be empowered with knowledge on how to actively participate and add value to the affairs of local government. The Department has over the years, through the Civic Education Programme, consciously decided to empower members of the public with not only the knowledge of their rights but also knowledge of their responsibilities in influencing municipal decision-making processes.

The Thusong Programme continues to be the Department’s flagship programme in piloting various initiatives to enhance positive economic impact on communities. The location and model of the programme continued to provide an opportunity for the establishment of public-private partnerships which involved collaboration between government departments and the private-sector on projects to improve the lives of the citizens of this province. These partnerships enabled the Department to implement various youth development and empowerment opportunities, the creation of active satellite centres as

well as job readiness, placement, career outreach and general information events. Annually the programme enabled over 1.3 million essential government services to be disbursed to communities. Through fostering of partnerships with government departments at all levels, the private sector, communities and NGOs, I believe that service delivery will not only be protected but can be accelerated. My Department has made valuable efforts towards successfully implementing projects in a collaborative manner. Following its endorsement by the Premier's Co-ordinating Forum and Western Cape Cabinet, the Joint District and Metropolitan Approach (JDMA) has successfully been implemented across the Province. The JDMA is premised on collaboration across the different spheres of government on a vertical and horizontal interface. To this end, a number of citizen- focused catalytic projects were launched across the Province to improve the lives of people and to improve their lived experiences.



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

31 August 2023

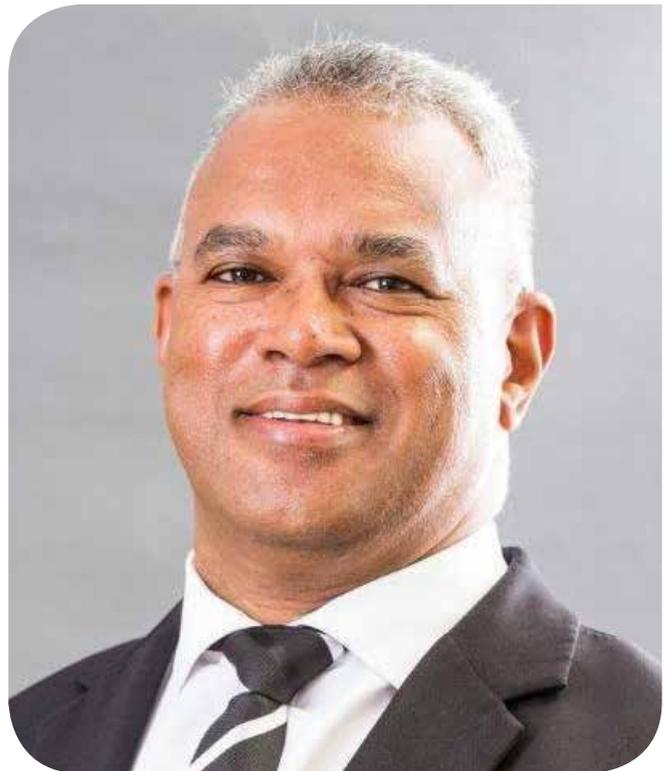
4. Report of the Accounting Officer

Despite a myriad of ongoing challenges, the Department continued to be one of the best performing Departments in the Province.

This report is an account of the Department's performance for the 2022/23 financial year, wherein we achieved 97% of our planned indicators. Also notable, is the tenth consecutive unqualified audit opinion without findings that the Department received during the 2022/23 audit by the Auditor-General South Africa. For these achievements I express gratitude to the management team and staff who have worked with dedication and energy even under difficult circumstances to ensure that the Department delivers on its mandate. I am also thankful to our partners who were always willing to offer their support when requested to do so.

If there is anything that loadshedding should remind us of is that, investment in infrastructure remains a key enabler for service delivery, growth and development. The Sustainable Infrastructure Development and Financing Facility Programme which is implemented by the Department with support from the French Government through the Agence Française de Développement is tailored to offer solutions to infrastructure challenges that municipalities are faced with, as it explores alternative financing options for infrastructure development. The programme aims to foster an enhanced integrated approach to municipal infrastructure development based on coordinated and sustainable principles, which include efficient governance that is crucial to the successful funding of the projects and programmes identified for development.

Guided by the lessons learnt during the drought period experienced in the Province, the Western Cape Government developed a 15-year Integrated Drought and Water Response Plan. The plan details assistance and support to municipalities to enhance water resilience through water supply augmentation, infrastructure capacity upgrades, water source management and water demand management across the Province. The plan was enhanced through a Water Indaba and Innovation which was hosted to afford an opportunity to the provincial government, municipalities, and stakeholders to reflect on the strategies and programmes in place and to ensure



Mr Graham Paulse

provincial water security. This was complemented by inputs and contributions by specialists from the academia and private sector.

Evidenced by various disaster incidents in the country, climate change brings with it more frequent and severe disasters. This calls for government to protect citizens, pointing to the importance of coordinated and multi-sectoral planning that aims to build resilient infrastructure geared towards risk avoidance. As an effort to strengthen resilience and mainstream disaster risk reduction into developmental planning, the Department developed Disaster Risk Reduction Planning Guidelines through a multi-stakeholder consultation process. This will provide guidance on ensuring that development planning is cognizant of disaster risk and provide direction on how to integrate risk knowledge into infrastructural projects.

Service delivery for the benefit of the people of the Province is not a task of municipalities alone, it is the responsibility of National Government, Provincial Government, the private sector and the civil society. Through various inter-governmental relations platforms, the Department will continue to lead initiatives on a strategic and operational level to nurture an enabling environment for collaboration and to prioritise accelerated service delivery.

Departmental Receipts

	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	Over/ under Collection	Estimate	Actual Amount Collected	Over/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	100	118	(18)	96	112	(16)
Transfers Received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-
Sales of capital assets	-	42	(42)	-	-	-
Financial transactions in assets and liabilities	9	5 418	(5 409)	13	6 701	(6 688)
Total	109	5 578	(5 469)	109	6 813	(6 704)

Departmental Expenditure

	2022/2023			2021/2022		
	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
Programme 1: Administration	54 499	52 933	1 566	52 254	50 589	1 665
Programme 2: Local Governance	168 569	159 714	8 855	208 372	200 120	8 252
Programme 3: Development and Planning	165 366	163 354	2 012	82 019	79 762	2 257
Programme 4: Traditional Intuitional Management	478	-	478	1	-	1
Grant Total	388 912	376 001	12 911	342 646	330 471	12 175

SPENDING TRENDS

The final appropriation for the Department of Local Government (DLG) amounts to R 388.912 million and the expenditure incurred by DLG amounts to R 376.001 million as at 31 March 2023, this reflects an underspending of R12.911 million as it relates to the following:

Compensation of employees

- The savings is due to delays in the filling of vacant critical posts and the appointment of staff to strengthen internal capacity within the Department to be able to provide support to municipalities, support the fire strategy of the Department as well as assist with research, policy and legislation development and support services to traditional councils (earmarked funding).

Goods and services

- The underspending relates the Information Technology (IT) consumables procured during 2022/23 financial year, but due to delays, the suppliers could not deliver the equipment by 31 March 2023. Furthermore, the unspent amount on Goods and services relates to the following:
 - Committed projects for the Municipal Minimum Competency (MMC) Training for Municipal Councillors, the Know your ward committee campaigns and the Research on Scarce and Critical Skills project emanating from the requests received from municipalities for provincial support in appropriately addressing scarce and critical skills in the municipal space;
 - The projects funded from earmarked funding i.e., commitment to appoint a service provider to conduct an Organisational Redesign to regulate the Human Resources environment in municipalities (earmarked Municipalities Intervention) and the internal compliance processes which delayed the start of the relevant SCM processes for the Sustainable Infrastructure Development and Finance Facility project (SIDAFF earmarked);

- The projects relating to in appointing a service provider to assess Public Participation in 24 Local Municipalities and 1 Metropolitan in the Province as well as the printing of the law library booklets requests received from municipalities (the post 2021 Local Government earmarked funds); and
- A rollover application has been submitted to Provincial Treasury (PT) to fund the commitments during 2023/24 financial year and the balance of the unspent on Goods and services will be surrendered to the Provincial Revenue Fund (PRF).

Machinery and equipment

- The underspending on Payment for capital assets relates to the commitments procured during 2022/23 financial year for IT and office equipment, but due to delays, the suppliers could not deliver the equipment by 31 March 2023. The Department have submitted a rollover application for the outstanding commitments.

Virements/Rollovers

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

- Programme 2 additional funds allocated to fund the pressure realised on the programme due to litigations; and
- Programme 3 additional funds allocated towards Aerial fire support to maintain adequate response resulting from the vast number of fires that occurred over the fire season in the Province during 2022/23 financial year.

The virements were undertaken within the guidelines of PT.

Public Private Partnerships

- N/A

New or proposed key activities:

- N/A

SUPPLY CHAIN MANAGEMENT

1. **List all unsolicited bid proposals concluded for the year under review**
 - No unsolicited bids have been received for the period under review
2. **Indicate whether SCM processes and systems are in place to prevent irregular expenditure**
 - Yes, there are systems in place.
3. **Challenges experienced in SCM and how they were resolved**
 - No challenges were experienced during the year under review.
4. **Gifts and Donations received in kind from non-related parties**
 - Refer to Part F, Annexure 1E
5. **Exemptions and deviations received from the National Treasury**
 - No exemption from the PFMA or TR or deviation from financial reporting requirements received for the current and/or previous financial year, can be reported.

6. **Events after the reporting date**
 - No events after the reporting date can be reported.
7. **Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made**
 - N/A
8. **Other**

Any other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

 - N/A



Accounting Officer
Mr Graham Paulse
Date: 31 August 2023

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

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

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully



Mr Graham Paule
Accounting Officer
31 August 2023

6. Strategic Overview

6.1 VISION

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

6.2 MISSION

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

6.3 VALUES

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

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

6.4 LEGISLATIVE AND OTHER MANDATES

6.4.1 Constitutional Mandates

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

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

6.4.2 Legislative Mandates

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

No	Legislation	Mandate
A	Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998)	This Act provides for <ul style="list-style-type: none"> • criteria and procedures for the determination of municipal boundaries by an independent authority.
B	Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)	This Act provides for <ul style="list-style-type: none"> • the establishment of municipalities in accordance with the requirements relating to the categories and types of municipalities; • the establishment of criteria for determining the category of municipality to be established in the area; • a definition of the type of municipality that may be established within each category; • an appropriate division of functions and powers between categories of municipality; and • the regulation of the internal systems, structures and office bearers of municipalities.
C	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)	This Act provides for <ul style="list-style-type: none"> • the core principals, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities; • ensuring universal access to essential services that are affordable to all; • defining the legal nature of a municipality, including the local community within the municipal area; • municipal powers and functions; • community participation; • the establishment of an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change; • a framework for local public administration and human resource development; • empowerment of the poor, ensuring that municipalities establish service tariffs and credit control policies that take their needs into account; and • investigations in relation to allegations of fraud, maladministration, corruption and/or failures to adhere to statutory obligations at a municipal level.
D	Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)	This Act provides for <ul style="list-style-type: none"> • securing sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; and • establishing treasury norms and standards for the local sphere of government.

No	Legislation	Mandate
E	Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) as amended by the Local Government: Municipal Property Rates Amendment Act, 2014 (Act No. 29 of 2014)	<p>This Act provides for</p> <ul style="list-style-type: none"> • securing sound and sustainable management of the financial affairs of municipalities; • the establishment of norms and standards against which the financial affairs can be monitored and measured; • regulating the power of a municipality to impose rates on a property; • excluding certain properties from rating, to make provision for municipalities to implement a transparent and fair system of exemptions; • introducing a rebate through rating policies; • making provision for fair and equitable valuation methods of properties; and • making provision for an ‘objection and appeal’ process. <p>The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015.</p> <p>The Act aims to provide for the various amendments, insertions and deletions in order to enhance proper reporting, compliance and implementation of the processes and procedures pertaining to the Act.</p>
F	Disaster Management Act, 2002 (Act 57 of 2002)	<p>This Act provides for</p> <ul style="list-style-type: none"> • integration and co-ordinating disaster management policy, which focuses on preventing or reducing the risk of disasters mitigating the severity of disasters; • emergency preparedness, rapid and effective response to disasters and post-disaster recovery; • the establishment of national, provincial and municipal disaster management centres; • disaster management volunteers; and • matters incidental thereto.
G	Disaster Management Amendment Act, 2015 (Act 16 of 2015)	<p>This Act provides for</p> <ul style="list-style-type: none"> • clarification of the policy focus on rehabilitation and functioning of disaster management centres; • the alignment of the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction; • the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures; and • the strengthening of the disaster risk reporting systems in order to improve the country’s ability to manage potential disasters.
H	Inter-governmental Relations Framework Act, 2005 (Act 13 of 2005)	<p>The aim of this Act is</p> <ul style="list-style-type: none"> • to establish a framework for national government, provincial governments and municipalities to promote and facilitate inter-governmental relationships; and • to provide mechanisms and procedures to facilitate the settlement of inter-governmental disputes.

No	Legislation	Mandate
I	Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)	<p>This Act</p> <ul style="list-style-type: none"> • provides for a framework for spatial planning and land use management in the republic • specifies the relationship between the spatial planning and the land use management system and other kinds of planning • the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government • provides a framework for the monitoring, co-ordination and review of the spatial planning and land use management system • provides a framework for policies, principles, norms and standards for spatial development planning and land use management • addresses past spatial and regulatory imbalances • promotes greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decision and development applications • provides for the establishment, functions and operations of Municipal Planning Tribunals • directs the facilitation and enforcement of land use and development measures.

6.4.3 Other Local Government Legislation

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

- Fire Brigade Services Act, 1987 (Act 99 of 1987);
- National Veld and Forest Fire Act, 1998 (Act 101 of 1998);
- Development Facilitation Act, 1995 (Act 65 of 1995);
- Local Government Laws Amendment Act, 2008 (Act 19 of 2008);
- Western Cape Determination of Types of Municipalities Act, 2000 (Act 9 of 2000);
- Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998);
- Western Cape Privileges and Immunities of Councillors Act, 2011 (Act 2 of 2011);
- Consumer Protection Act, 2008 (Act 68 of 2008); and
- Western Cape Monitoring and Support of municipalities Act, 2014 (Act 4 of 2014).

6.4.4 Transversal Legislation

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

- Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations of 2000;
- Public Finance Management Act, 1999 (Act 1 of 1999) and National Treasury Regulations;
- Annual Division of Revenue Act;
- Skills Development Act, 1998 (Act 97 of 1998);
- Skills Levy Act, 1999 (Act 9 of 1999);
- Employment Equity Act, 1998 (Act 55 of 1998);
- Labour Relations Act, 1995 (Act 66 of 1995);
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997);
- Occupational Health and Safety Act, 1993 (Act 85 of 1993);
- Municipal Electoral Act 2000, (Act 27 of 2000);
- Promotion of Access to Information Act 2000, (Act 2 of 2000);

- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000);
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000);
- National Archives and Record Service of South Africa Act, 1996 (Act 43 of 1996); and
- Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005).

6.4.5 Local Government Policy Mandates

The following provide the policy framework for local government:

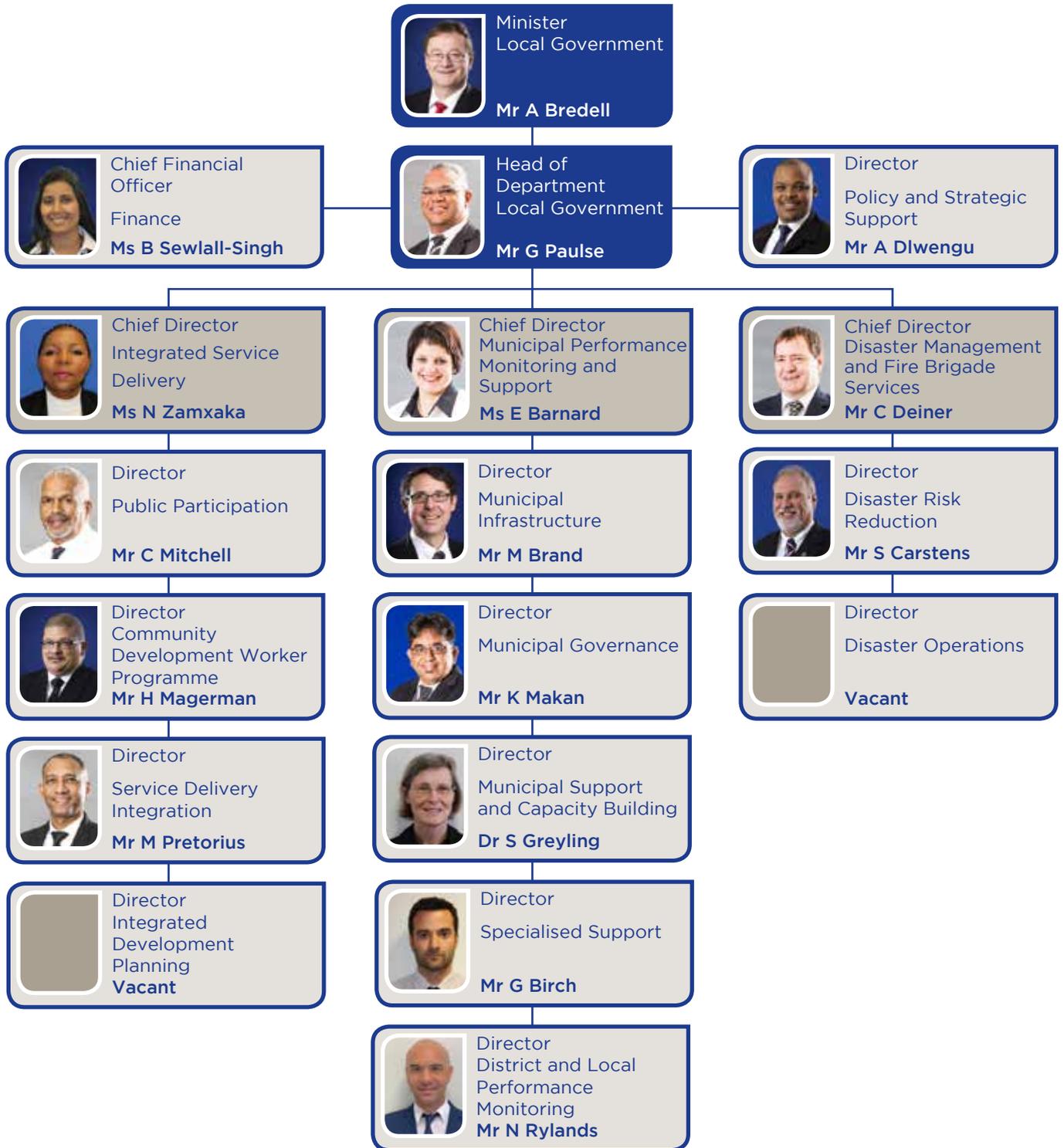
- White Paper on Local Government, 1998;
- National Local Government Turn Around Strategy 2009;
- Local Government Anti-Corruption Strategy, 2006;
- Free Basic Services Policy, 2000/01;
- National Public Participation Framework, 2007; and
- National Back to Basics Strategy, 2014

6.4.6 Other policy mandates

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

- Implementation of the Joint District and Metro Approach;
- National Development Plan (Vision 2030);
- National Skills Development Plan, 2030;
- Western Cape: Vision Inspired Priorities;
- Western Cape Disaster Management Framework, 2010;
- Batho Pele Principles;
- Policy Framework for Government-wide Monitoring and Evaluation System, 2007;
- South African Statistical Quality Assurance Framework, 2007;
- National Spatial Development Perspective, 2002;
- Provincial Spatial Development Framework, 2014; and
- National Disaster Management Framework, 2005.
- Western Cape Recovery Plan, 2021; and
- Western Cape Growth for Jobs Strategy 2023

6.5 Organisational Structure



Part

B

**PERFORMANCE
INFORMATION**

1. Auditor General’s Report: Predetermined Objectives

The Auditor-General reported no material findings on the Annual Performance Report concerning the usefulness and reliability of the information, please see detailed Report in Part F: Pages 131 - 137.

2. Overview of Departmental Performance

2.1 SERVICE DELIVERY ENVIRONMENT

Support to Local Government to ensure smooth transition post 2021 Local Government Elections

The Local Government Municipal Systems Act of 2000 (Act 32 of 2000) prescribes that the employment contract for a Municipal Manager must be for a non-renewable fixed term of employment up to a maximum of five years, not exceeding a period ending one year after the election of the next council of the municipality. During the period under review, the Department provided support and legal guidance in relation to the relevant legislative prescripts relating to the filling of senior management positions and assisted municipalities in the facilitation of secondments. This resulted in assessment of thirty-seven (37) senior management appointments for compliance with the legal prescripts.

Some municipal coalition councils changed, resulting in some instability in certain municipalities, however, through its monitoring and support initiatives, the Department mitigated the impact thereof.

Diagnostic assessments were conducted to review the Section 154 Support Plans for Kannaland and Beaufort West Municipalities. The aim was to strengthen the governance, administration and service delivery aspects contained in the Financial Recovery Plan. The Plan will be implemented in 2023 on receipt of Council Resolutions and progress monitored as per agreed time frames. Based on requests, Support Plans were reviewed, and implemented to address specific challenges identified by the Prince Albert, Laingsburg, Cederberg, Matzikama, Breede Valley, Witzenberg, Langeberg, Cape Agulhas, Overstrand, Overberg District, Swellendam and Theewaterskloof Municipalities.

The Department, working in collaboration with the Department of Cooperative Governance and the South African Local Government Association (SALGA) Western Cape, provided support to municipalities to ensure readiness for the implementation of the Local Government Municipal Staff Regulations and Guidelines, Section 72, read in conjunction with Section 120 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000), as promulgated by the Minister for Cooperative Governance and Traditional Affairs on 20 September 2021 and Circular 12 of 2022, which extends the implementation of Chapter 2 and 4 to 1 July 2023:

In this regard the Department:

- Facilitated orientation workshops targeting specific chapters, to allow local government practitioners to engage on interpretation and implementation challenges identified;
- Drafted a Frequently Asked Question Document (FAQ document) for consultation, the aim is to ensure consistent interpretation of the Municipal Staff Regulations and Guidelines and enable a uniform approach across all municipalities in the Western Cape; and
- The Departments’ training co-ordination team continues to support municipalities with skills audit implementation.

The Department maintains good practices in monitoring and supporting municipalities to ensure compliance with the implementation of the Municipal Property Rates Act (MPRA). To this end, for the sixth consecutive year, recognition has been received from the Department of Cooperative Governance. Some Eastern Cape municipal practitioners have approached the Department to participate in their MPRA Focus Group, to exchange good practices.

The Department rolled out the Municipal Minimum Competency (MMC) Training to 20 Councillors, with an initial focus on Municipal Public Accounts Committee (MPAC), Mayoral Committee (MAYCO) members and Portfolio Chairs across municipalities in the Western Cape. The aim was to enhance the Councillors' knowledge and skills to fulfil their oversight and improve audit outcomes.

Through its partnership with the Hanns Seidel Foundation, the Department conducted two district-based Councillor Seasonal Schools and Municipal Middle Managers were nominated to participate in a Mentoring and Coaching programme. Through its representation on relevant municipal, provincial and national fora, the Department continued to ensure that requisite support is mobilised for municipalities in respect of skills development needs. This resulted in municipalities gaining more access to the training curricula of the Provincial Training Institute.

Strengthening citizen interface

To strengthen the functionality of ward committees, post the establishment process, the Department supported municipalities with the training of ward committees as well as with the development and review of Ward Committee Operational Plans.

In addition, municipalities were supported with the development and the review of their Public Participation and Ward Committee Policies. The support amongst other entailed the identification of gaps in the relevant policies and amending certain sections in line with the amendments to the Municipal Structures Act of 1998, insofar as ward committees and public participation are concerned, such as the timeframe for the establishment of ward committees and the role of the Speaker in ward committees and public participation processes.

As part of strengthening citizen interface and deepening democracy at a municipal level, the Department conducted Civic Education Sessions on Public Participation in Klaarstroom and Leeu-Gamka for Prince Albert Municipality, in Kliprand and Vredendal North for Matzikama Municipality and in Qolweni, New Horizons and Kwa-Nokuthula for Bitou Municipality. The purpose of the civic education sessions was not only to empower citizens with knowledge on their rights and

responsibilities, but to also inform them of the crucial role they should play in influencing municipal decision-making processes.

The Community Development Worker Programme continued to strengthen its support in improving people's experience government. The programme played an instrumental role in ensuring that community members in targeted areas were aware and ready to respond to various community empowerment initiatives. For instance, given the importance of gender-based violence the Community Development Workers in partnership with key stakeholders played a leading role in creating awareness on gender-based violence in the Cape Winelands and the Central Karoo, this included focused conversations with communities on gender-based violence issues. This led to over four hundred (400) people participating in an awareness raising march in Worcester which was widely covered on social and print media.

Strengthening municipal infrastructure

Sustainable Infrastructure Development and Finance Facility Programme: The Sustainable Infrastructure Development and Financial Facility Programme (SIDAFF) was conceived to offer funding solutions for catalytic infrastructure in intermediate cities in the Western Cape. The involvement of the Western Cape Government (WCG) aims to foster an enhanced integrated approach to municipal infrastructure development based on coordinated and sustainable principles, which include efficient governance that is crucial to the successful funding of the projects and programmes identified for development by the SIDAFF Programme.

The Department of Local Government is the lead Department responsible for the planning and implementation of the programme, supported by the French Government through the Agence Française de Développement (AFD). The programme is currently in Phase 2, which aims to create a framework to access donor/grant funding to accelerate project preparation of catalytic municipal infrastructure projects for alternative financing such as taking projects from feasibility to bankability. Another key deliverable of Phase 2 is the development of proposed financial models for implementing these projects.

The programme will enable a group of municipalities to combine their collateral strength through a formal structured governing entity to jointly benefit from the economies of scale of the clustered projects value, which will attract more favourable financing terms and lower interest rates from debt capital markets and/or Development Finance Institutions.

Water Resilience: The Department finalised the development of the 15 Year Western Cape Water Resilience Plan. The Plan was completed in September 2022.

The deliverables for the project included the development of planning models and tools. Some of the key tools/models include:

- The Western Cape Infrastructure Framework 2022 Water Infrastructure Framework model Surface water availability tools for dams and Run of River (RoR);
- Municipal Infrastructure Tool (MIT);
- Water Balance Tool (WBT); and
- Restriction Tariff Model.

Electrical Master Plans: During the period under review the Department supported the Drakenstein and Saldanha Bay Municipalities with the development of their respective electrical master plans. These plans enable the municipalities to know what the future demands would be on the electrical distribution system in terms of finances, human resources, maintenance demands, spatial requirements, planning demands.

Disaster resilience and improving fire services capacity: The Department recognised the human capacity constraints at the local disaster management centres. During the period under review, district disaster management centres were supported through the placement of disaster management interns in the Cape Winelands, Central Karoo and West Coast district municipalities.

The Department through the Provincial Disaster Management Centre Western Cape, in collaboration with the Provincial Training Institute and the United Nations Office for the co-ordination of Humanitarian Affairs (UNOCHA), participated in a 4 (four) day Team Development and Management Training. This was aimed at enhancing team performance for all district

disaster management officials whilst addressing the challenges associated with disaster incidents such as the COVID-19 pandemic related stresses, amongst others.

As a first for the country, the Western Cape Department of Local Government commemorated World Drowning Prevention Day on 25 July 2022 by hosting a webinar, with the theme “Building Resilience around Floods due to Climate Change”. The following topics were presented:

- Lifesaving South Africa: The importance of multi-sectoral approaches in implementing the WC Strategic Framework for Drowning Prevention and Water Safety;
- City of Cape Town: Climate change and the impact on drowning risks;
- National Sea rescue Institute (NSRI): Drowning Prevention Intervention: Survival Swimming; and
- Search and Rescue South Africa (SARZA): Search & Rescue response to flooding incidents.

The Department facilitated the allocation of disaster funds (National) to the amount of R290 million to the Overberg, Cape Winelands and Garden Route District Municipalities, following the floods that took place during 2021. The funds were ring fenced for the reconstruction and rehabilitation of damaged infrastructure.

A search and rescue team was deployed to the disastrous flooding incident in KwaZulu Natal (KZN) which caused the deaths of 435 people and led to widespread devastation along the KZN coastline. The team arrived in KZN within 24 hours of activation and was involved in the rescue of 6 entrapped victims and the location and recovery of 36 missing bodies.

During the period under review, the department supported the Overberg District Municipality with the review and update of its Disaster Risk Profile. This will enable the Municipality to better prepare and respond to impending disasters in the area. In addition, the department has revised its standardized risk assessment methodology and developed a disaster risk and vulnerability assessment guideline to capacitate municipalities in reviewing and updating their Disaster Risk Profiles inhouse Furthermore , all municipalities were trained on the Disaster Hazard, Vulnerability and

Capacity Quantification Tool (HVC Tool) which allows disaster management professionals in the Province to regularly monitor and update the risk profiles and plan mitigation measures.

Learning from the practices during COVID-19 restrictions, the department initiated an innovative approach to hazard awareness. A Digital Awareness Campaign in a form of Area Based Risk and Hazard Awareness Campaign was adopted. This approach included:

- WhatsApp messaging;
- Bulk SMS messaging;
- Live-Reads; and
- Messaging on social media platforms such as, Facebook and Twitter Alerts.

The areas reached through this campaign were Driftsands, Langa, Dunoon, Witzenberg, George and Mossel Bay.

In dealing with veld fires, the province, adopted an integrated fire management approach, which is a proactive approach to veld fires geared towards developing a provincial capability to gain control of veld fires within the first hour. This approach included the rapid response in terms of deploying aerial fixed wing aircraft and helicopters to rapidly respond to fires in their incipient stages and commence an early fire attack. The objective is to prevent extended attack operations and major fire spread, where the possibility of a major incident is thus greatly minimised. In addition, to strengthen fire and rescue services in the Province, the department provided Fire Capacity Building Grants. The Grant is aimed at assisting municipalities improve their fire services capabilities and equipment.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

- WCG Departments will not be reporting on the SDIP 2022/23 Part B during the 2022/23 financial year. All national and provincial departments are required to submit approved 2023-2025 SDIPs to DPSA on 31 March 2023 (Service Delivery Improvement Plans DPSA Circular No 14 of 2022 and DG Circular No 59 of 2022).

2.3 ORGANISATIONAL ENVIRONMENT

Employment and vacancies by programme, as at 31 March 2023

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	63	63	-
Programme 2	254	250	1.6
Programme 3	57	54	5.3
Total	374	367	1.9

The Department has a total staff compliment of 374 active posts, with 98.1 % positions filled as at 31 March 2023, resulting in a vacancy rate of 1.9%. After the commencement of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) on 1 April 2021, the Premier assigned powers and functions relating to Traditional and Khoi-San affairs to the Provincial Minister responsible for Local Government. The Act provides for, amongst other, the recognition of Khoi-San communities, Khoi-San branches, senior Khoi-San leaders and Khoi-San branch heads. The Act, in various provisions, requires that the Department develops provincial legislation and policies to implement certain provisions of the Act. The Department is required to develop institutional capacity to implement the provisions of the Act.

The Department prioritised research, policy and legislation development and support services to traditional councils to facilitate the implementation of the Traditional and Khoi-San Leadership Act (no. 3 of 2019). The posts will be filled on a contractual basis giving time to the process of determining the appropriate organizational structure. This function will be allocated to Programme 4: Traditional Institutional Management which has been activated.

Key policy developments and legislative changes

- No key policy developments and legislative changes during this financial year.

3. Progress towards Achievement of Institutional Impacts and Outcomes

The Department has identified four impacts statements

Impact statement 1:	High performing department.
Impact statement 2:	An efficient, accountable, and enabling local government to enhance economic growth and service delivery.
Impact statement 3:	Active citizenry, reduced poverty and improved social well-being.
Impact statement 4:	A Disaster resilient Province.

Departmental outcomes

The following are eight departmental outcomes:

Outcome 1:	Well governed department enabling programmes to deliver on their mandates.
Outcome 2:	Well governed municipalities through efficient and effective oversight, capacity-building and governance structures.
Outcome 3:	Data and Knowledge Management Hub that informs decision making, planning and budget allocation within local government.
Outcome 4:	The provision and maintenance of infrastructure towards infrastructure-led economic growth.
Outcome 5:	Improved interface between government and citizens.
Outcome 6:	Reduction in poverty.
Outcome 7:	Improved integrated planning, budgeting and implementation.
Outcome 8:	Safer, Resilient Communities and Sustainable Development.

Some of the key successes towards the achievement of the Institutional Impacts and outcomes include the following:

Post 2021 local government elections, the Department provided support to municipalities to ensure smooth transition. The support entailed provision of legal guidance in relation to the relevant legislative prescripts relating to the filling of senior management positions and assisted municipalities in the facilitation of secondments. The new Councillors were exposed to ongoing training and support to ensure that they are able to perform their obligations.

Given that it is strategically positioned to facilitate collaboration amongst key stakeholders that work in the municipal space, the Department led a number

of initiatives on a strategic and operational level to accelerate service delivery. As a result, since its implementation, the Joint District and Metro Approach (JDMA) has seen success in various projects implemented in the province.

In strengthening participatory democracy, the Department has over the years reviewed its programmes and shifted to empowering members of the public with not only the knowledge of their rights but also knowledge of their responsibilities in influencing municipal decision-making processes.

The Thusong Programme continues to be the Department’s flagship programme in piloting various initiatives to enhance positive economic impact on communities. The programme provided an opportunity

for the establishment of public-private partnerships which involved collaboration between government departments and the private-sector on projects to improve the lives of the citizens of this province.

The Department, with the support of the French Government through the Agence Française de Développement, has implemented the Sustainable Infrastructure Development and Financing Facility Programme, which fosters an enhanced integrated approach to municipal infrastructure development based on coordinated and sustainable principles, which include efficient governance that is crucial to the successful funding of the projects and programmes identified for development. The Western Cape Government developed a 15-year Integrated Drought and Water Response Plan, which details assistance and support to municipalities to enhance water resilience through water supply augmentation, infrastructure capacity upgrades, water source management and water demand management across the province.

The approach of the Western Cape Government in dealing with disaster risks over the years has evolved to an anticipatory one, focusing on the identification of potential disaster risks and implementation of measures to prevent disasters from occurring and mitigation the severity thereof. The Department continued to provide support and sharing of best practices with other provinces in dealing with their disaster incidents.

The Department has, over the past three years, achieved over 90% of the planned indicators and this is an indication that the Department is still on track to deliver on all four Impact Statements and eight Departmental Outcomes as indicated in the Strategic Plan 2020-2025. As the Department that continues to support municipalities to ensure good governance, the Department continues to lead by example during the 2022/23 audit, the Department received a 10th consecutive unqualified audit opinion from AGSA.

4. Institutional Programme Performance Information

4.1 PROGRAMME 1: ADMINISTRATION

Programme Purpose	Provide overall management in the Department in accordance with all applicable acts and policies.
Sub-Programme: Office of the MEC	
Sub-Programme Purpose	To provide for the functioning of the Office of the MEC (provided for in Vote 9: Environmental Affairs and Development Planning).
Sub-Programme: Corporate Services	
Sub-Programme Purpose	Provide overall management in the Department in accordance with all applicable acts and policies.
Outcome	Well governed department enabling programmes to deliver on their mandates.
Progress towards Outcome	The Department has, over the past three years, achieved over 90% of the planned indicators and this is an indication that it is still on track to deliver on all four Impact Statements and eight Departmental Outcomes as indicated in the Strategic Plan 2020-2025. During the 2022/23 audit, the Department received a 10th consecutive unqualified audit opinion from AGSA.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 1: Administration								
Sub-programme 1.2: Corporate Services								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Well governed department enabling programmes to deliver on their mandates	1. Compliance with relevant planning/ budgeting & reporting legislative framework	1.1 Level of compliance with the planning & reporting legislative framework	100%	100%	100%	100%	-	All planning and reporting documents were submitted and tabled to Parliament as per legislative requirements.
		1.2 Level of compliance with financial legislative framework	100%	100%	100%	100%	-	All financial reporting documents were submitted and tabled to Parliament as per legislative requirements.

Strategy to overcome areas of underperformance/Changes to planned targets

- There were no changes to planned targets, all targets met with no over achievements

B. Linking Performance with Budgets: Programme 1: Administration

Sub-Programme Expenditure

Sub-programmes	2022/23			2021/2022		
	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
Office of the MEC ¹	-	-	-	-	-	-
Corporate Services	54 499	52 933	1 566	52 254	50 589	1 665
Total	54 499	52 933	1 566	52 254	50 589	1 665

4.2 PROGRAMME 2: LOCAL GOVERNANCE

Programme Purpose	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes.
Sub-programme 2.1: Municipal Administration: Municipal Governance and Specialised Support	
Sub-Programme Purpose	To provide management and support services to local government within a regulatory framework.
Outcome	Well governed municipalities through efficient and effective oversight, capacity building and governance structures.
Progress towards Outcome	Several Legal support initiatives such as the reviewing and amending of by-laws, hosting of forum meetings with municipal legal officials, Training of Councillors on various subject matter including inter alia, MPACs, Roles and Responsibilities, Code of Conduct, Rules of Order, with legal guidance provided to municipalities to ensure good governance.
	Allegations of maladministration, fraud, corruption or any other serious malpractice reported falling within the Provincial Minister’s mandate were assessed in accordance with the statutorily prescribed processes applicable to the assessment of these allegations.
Sub-programme 2.2: Public Participation	
Sub-Programme Purpose	To strengthen interface between government and citizens through public participation for maximum service delivery.
Outcome	Improved interface between government and citizens.
Progress towards Outcome	Municipalities were supported with public participation programmes such as Policy Development, Ward Operational Plan, Public Participation Training and Client Service Charter Development and Customised Municipal Communication Support.

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

Sub-programme 2.3: Capacity Development	
Sub-Programme Purpose	To capacitate municipalities to deliver effective services.
Outcome	Well governed municipalities through efficient and effective oversight, capacity building and governance structures.
Progress towards Outcome	Ensuring capacity in the municipal space, programmes such as: Shared Services support, development and implementation of Municipal Support Plans, HR Support, Indigent Policies, Municipal Minimum Competence training and Seasonal School for Councillors and Mentoring and Coaching training for municipal officials, and MPRA related support, were provided to Municipalities.
Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation	
Sub-Programme Purpose	To monitor and evaluate municipal performance.
Outcome	Data and Knowledge Management Hub that informs decision making, planning and budget allocations within local government.
Progress towards Outcome	<p>As part of establishing a capable knowledge management, the single repository knowledge management system has been piloted through the Department and will be extend to municipalities in the coming year. The Department also continued to support municipalities with ICT and GIS support.</p> <p>The Department also supported municipalities to interpret primary and secondary data, compiled a municipal performance report, monitor municipal performance to identify gaps, interventions, and to support municipal Performance.</p>
Sub-programme 2.5: Service Delivery Integration	
Sub-Programme Purpose	To manage the Thusong Programme and support co-operative governance between the three spheres of government.
Outcome	Reduction in poverty
Progress towards Outcome	<p>Over one million services were accessed through the Thusong Programme i.e., Thusong Service Centre, Satellite Centres, Zones and Outreaches.</p> <p>The Department also facilitated programmes to improve the functionality of both the District and Provincial IGR Forums.</p>
Sub-programme 2.6: Community Development Worker Programme	
Sub-Programme Purpose	To provide information to communities to access government services and to facilitate community access to socio-economic opportunities.
Outcome	Reduction in poverty
Progress towards Outcome	The Community Development Workers located in the metropolitan and the five districts continue to improve access of citizens to government services and economic opportunities through strengthening partnerships with various stakeholders.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.1: Municipal Administration: Municipal Governance								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Well governed municipalities through efficient and effective oversight, capacity building and governance structures	2.1 Municipalities complying with applicable legislation & governance prescripts	2.1.1(a) Number of Legislation development initiatives implemented	4	4	4	4	-	Municipalities were supported with legislative support through the following programmes, Provincial Legislation development, By-laws, Systems Delegations and comments on Bills.
		2.1.2(a) Number of assessments conducted on Senior Management Appointments in accordance with legal prescripts	14	21	30	37	7	Assessments of senior management appointments were conducted in various municipalities. This output is influenced by recruitments undertaken during the period, hence the deviation from the planned output.
		2.1.3(a) Number of Assessments on Municipal Public Account Committees (MPACs) conducted	10	10	10	10	-	The Department assessed the MPAC functionality of the following municipalities: Cape Winelands District, Mossel Bay, Drakenstein, Beaufort West, Garden Route District, Breede Valley, Langeberg, City of Cape Town, Swartland and George.
		2.1.4(a) Code of Conduct cases assessed to ensure legislative compliance	0	1	6	4	(2)	This output is dependent on actual cases received during the year.

Programme 2: Local Governance								
Sub-programme 2.1: Municipal Administration: Municipal Governance								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Well governed municipalities through efficient and effective oversight, capacity building and governance structures	2.1 Municipalities complying with applicable legislation & governance prescripts	2.1.5(a) Number of Legal Support initiatives provided to Municipalities to strengthen Municipal Governance	9	5	8	9	1	Support provided included, the hosting of the Legislative and Constitutional Task Team meeting, workshops on inter alia the following: Municipal Structures Amendment Act, System of Delegations, MPACs, Appointment of Senior Managers, , Code of Conduct for Councillors, Roles and Responsibilities, Rules of Order, and Anti-Corruption workshops. The over-achievement is as a result of training on the Municipal Structures Amendment Act 3 of 2021.

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Programme 2: Local Governance								
Sub-programme 2.1: Municipal Administration: Municipal Governance								
Output Indicator		Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/General comments	
		2020/21	2021/22	2022/23	2022/23	2022/23		
SPI:1.	Number of municipalities supported to comply with MSA Regulations on the appointment of senior managers (Linked to MTSF 2019 - 2024, Priority 1)	29	30	30	30	-	Dissemination and Interpretation of the Municipal Systems Amendment Act was circulated to all Municipalities and the published Upper Limits of Total Remuneration Packages Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers (dated 18 November 2022).	
SPI:2.	Number of municipalities monitored on the extent to which anti-corruption measures are implemented (Linked to MTSF 2019 - 2024, Priority 1)	30	30	30	30	-	All 30 Municipalities have Anti-Corruption Plans and/or Fraud Prevention Plans and have Anti-Corruption / Fraud & Risk Committees established.	

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.2: Specialised Support								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Well governed municipalities Through efficient and effective oversight, capacity building and governance structures	2.1.1(b) Assessments and investigations pertaining to allegations of fraud, corruption and mal-administration and formal provincial interventions justified or required in terms of section 139 of the Constitution	2.1.1(b) Reports in respect of assessments and investigations pertaining to allegations of fraud, corruption, and maladministration	4	4	4	4	-	
		2.1.2(b) Annual report in respect of formal provincial interventions justified or required in terms of Section 139 of the Constitution	1	1	1	1	-	

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.3: Public Participation								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Improved interface between government and citizens	2.2(a) Actions Implemented, monitored & supported to improve citizen interface	2.2.1(a) Number of support actions to improve citizen interface	5	5	6	6	-	Support programmes to improve citizens' interface included Development of Client Service Charters, Development and Review of Ward Committee Policies and Plans, Ward Committee Induction Training, and the Civic Education Programme.
Improved interface between government and citizens	2.2(a) Actions Implemented, monitored & supported to improve citizen interface	2.2.2(a) Number of municipalities supported with communication programmes	30	18	30	30	-	Communication support provided included: Fire Awareness, Anti-Corruption Awareness, Area Based Risk Assessments, JDMA and the Municipal Communications Forums.
Well governed municipalities through efficient and effective oversight, capacity-building, and governance structures	2.2(b) Capacity-building strategies in municipalities for improved service delivery implemented	2.2.1(b) Number of municipalities supported with capacity-building actions on gender mainstreaming	3	3	3	3	-	The Overberg District, City of Cape Town and Swellendam Municipalities received support through programmes such as gender mainstreaming capacity building, gender responsive budgeting, sexual harassment, and human trafficking awareness sessions.

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
		2020/21	2021/22	2022/23	2022/23	2022/23	
SPI:3	Number of municipalities supported to maintain functional ward committees (Linked to MTSF 2019 – 2024, Priority 1) ²	24	24	24	24	-	All 24 local municipalities were supported with various actions to maintain functional ward committees.
SPI:4	Number of municipalities supported to promote participation in community based local governance processes (Priority 1: Capable, Ethical and Developmental State) (Priority 6 MTEF indicatory: Social Cohesion and Safer Communities)	-	2	2	3	1	Civic Education Workshops were conducted in Bitou, Matzikama and Prince Albert Municipalities.
SPI:5	Number of municipalities supported to respond to community concerns (Outcome-9: Sub-Outcome 2) (B2B Pillar 1)	5	1	1	1	-	Witzenberg Municipality received financial support to improve the Customer Care System.
SPI:6	Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	-	16 144	17 700	16 689	(1 011)	Some participants temporarily found seasonal employment on farms. hence the deviation from planned output.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.3: Capacity Development								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Well governed municipalities through efficient and effective oversight, capacity building and governance structures	2.3 Capacity-building strategies in municipalities for improved service delivery implemented	2.3.1 Number of programmes implemented to enhance the capacity of municipalities	3	3	3	3	-	Capacity programmes implemented in municipalities include the development and implementation of Municipal Support Plans, Shared Services and HR-Support.
		2.3.2 Monitor compliance to the Skills Development Act	1	1	1	1	-	

² This indicator is directly linked to the Provincial indicator 2.2.1(a) Number of support actions to improve citizen interface

Programme 2: Local Governance								
Sub-programme 2.3: Capacity Development								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Well governed municipalities through efficient and effective oversight, capacity building and governance structures	2.3 Capacity-building strategies in municipalities for improved service delivery implemented	2.3.3 Number of training and development programmes implemented in municipalities	3	3	3	3	-	The following training programmes were implemented: Municipal Minimum Competence training and Seasonal School for Councillors and Mentoring and Coaching training for municipal officials.

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2020/21	2021/22	2022/23	2022/23	2022/23	
SPI: 7 Number of Capacity Building Interventions conducted in municipalities (Linked to MTSF 2019-2024, Priority 1) (B2B Pillar 5) ³	3	3	3	3	-	Same support programmes as provincial indicator 2.3.1
SPI: 8 Number Municipalities guided to comply with the MPRA (Linked to MTSF 2019-2024 Priority (B2B Pillar4)	25	25	25	25	-	Municipalities received support through quarterly MPRA focus groups as well as dedicated MPRA helpdesk.
SPI:9 Number of Municipalities supported to institutionalise the performance management system (PMS) (Linked to MTSF 2019-2024, Priority 1)	4	4	4	4	-	Support was provided with implementation of Performance Management Systems.
SPI:10 Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	6	4	4	4	-	Supported municipalities with the review of the indigent policies.

³ This indicator is directly linked to the Provincial indicator (2.3.1 Number of programmes implemented to enhance the capacity of municipalities)

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.4: Municipal Performance Monitoring and Evaluation								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Data and Knowledge Management Hub that informs decision making, planning and budget allocations within local government	2.4 Departmental & Municipal Data Repository	2.4.1 A single repository for the management and dissemination of information relating to municipalities established	2	Development of a single data repository	Implementation of single data repository		-	The single repository knowledge management system has been piloted through the Department and will be extend to municipalities in the coming year.
		2.4.2 Number of reports providing insight into municipal status and functioning produced	2	4 Status of Municipalities Reports	4	4	-	Municipal status reports were produced quarterly.
		2.4.3 Number of programmes implemented to institutionalise GIS in the municipal space	2	2	2	2	-	Provided technical, advisory and financial support to the Overberg and Garden Route Districts to ensure the effective implementation of GIS as a tool to inform and guide decision making at an operational and strategic level.
		2.4.4 Number of programmes implemented to institutionalise ICT in the municipal space	2	2	2	2	-	Two ICT forums were conducted with Municipalities.

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
		2020/21	2021/22	2022/23	2022/23	2022/23	
SPI:11	Number of Section 47 Reports complied as prescribed by the MSA (Linked to MTSF 2019-2024, Priority 1) (B2B Pillar 5)	1	1	1	1	-	A consolidated Municipal report was compiled and tabled.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.5: Service Delivery Integration								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Reduction in poverty	2.5(a) Opportunities created through the Thusong Programme	2.5.1(a) Socio-economic projects facilitated	2	4	4	4	-	The four socioeconomic projects facilitated were: <ul style="list-style-type: none"> • Multifunctional youth development and training facility in Bergrivier; • Leaners license & driver's license project in Hessequa; • Sewing and beading project in Mossel Bay; • Thusong digital youth ambassadors in Overstrand.
	2.5(b) Effective Thusong Programme	2.5.1(b) Number of services accessed through the Thusong Programme	337 682	1 386 856	1 300 000	1 347 486	47 486	More people required support to access to government services.
		2.5.2(b) Support actions to ensure effective functioning of the Thusong Programme	2	4	4	4	-	Support actions included the Establishment of Satellite Centres, Operational & Maintenance funding, Thusong Provincial Forums and Reports on Functional Scorecards.

Programme 2: Local Governance								
Sub-programme 2.5: Service Delivery Integration								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Improved integrated planning, budgeting and implementation	2.5(c) Functional IGR platforms	2.5.1(c) Support actions to improve District IGR platform	3	4	3	4	1	An additional District Coordination Forum was held during the 4th quarter.
		2.5.2(c) Support actions to improve Provincial IGR platform	4	4	4	5	1	An additional Premier Coordinating Forum was held during the 4th quarter.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.6: Community Development Worker Programme								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Reduction in poverty	2.6 Opportunities created through the Community Development Worker Programme	2.6.1. Government initiatives to enhance social well-being	5	5	5	5	-	• Support initiatives conducted to enhance social wellbeing included Social Development, Education, Health Services, Safety and Security Support and Municipal & Human Settlement Support.
		2.6.2 Initiatives to support informal economy	4	4	4	4	-	Small scale economic opportunities included support to informal traders, NPO development and small business support.

A. Strategy to overcome areas of underperformance/Changes to planned targets

- No changes to targets were made during the year.
- Reasons for under and over performance have been addressed in detail in the Indicator tables above.

B. Linking Performance with Budgets: Programme 2: Local Governance

Sub-Programme Expenditure

Sub-programmes	2022/23			2021/2022		
	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
Municipal Administration	17 383	16 668	715	17 062	16 366	696
Public Participation	11 804	11 651	153	10 201	9 907	294
Capacity Development	13 275	11 721	1 554	11 272	10 659	613
Municipality Performance Monitoring, Reporting and Evaluation	35 946	30 319	5 627	35 026	29 964	5 062
Service Delivery Integration	11 926	11 794	132	61 238	60 924	314
Community Development Worker Programme	78 235	77 561	674	73 573	72 300	1 273
Total	168 569	159 714	8 855	208 372	200 120	8 252

4.3 PROGRAMME 3: DEVELOPMENT AND PLANNING

Programme Purpose	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure, and promote integrated planning.
Sub-programme 3.1: Municipal Infrastructure	
Sub-Programme Purpose	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure.
Outcome	The provision and maintenance of infrastructure towards Infrastructure-led economic growth.
Progress towards Outcome	Hands on and financial support was provided to municipalities in support of various infrastructure projects such as water resilience and electricity, drought relief support as well as monitoring and supporting the effective and efficient utilisation of MIG allocations.
Sub-programme 3.2: Disaster Management	
Sub-Programme Purpose	To manage disaster management at the provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms.
Outcome	Safer, Resilient communities and Sustainable Development
Progress towards Outcome	The Province remained on high alert to various disasters threatening the province and continued to implement and adjust its programmes around ensuring that the province remains Disaster resilient. Some of the projects implemented were strengthening of partnerships with various partners, facilitating Disaster Reduction incidents and supporting municipalities to improve fire services capacity.
Sub-programme 3.3: Integrated Development Planning	
Sub-Programme Purpose	To strengthen inter-governmental planning and budgeting through establishment of IDP as the single co-ordinating plan of government.
Outcome	Improved integrated planning, budgeting, and implementation
Progress towards Outcome	The Department continued to provide support to improve the development, review, and amendment of IDPs. In addition, the Department facilitated the implementation of the Joint District and Metro Approach (JDMA) in the province to ensure co-planning, co-budgeting and co-implementation towards the improvement of service delivery.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 3: Development and Planning								
Sub-programme 3.1: Municipal Infrastructure								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
The provision and maintenance of infrastructure towards infrastructure-led economic growth	3.1 Strengthened basic service delivery	3.1.1 Number of programmes to strengthen basic service delivery	2	1	1	1	-	Municipalities received support through the Municipal infrastructure Grant. Achievement relating to Electrical Master Plans as indicated in the technical indicator description has been reported under indicator 3.1.2 below.
		3.1.2 Programme to enhance integrated and co-ordinated municipal infrastructure planning	1	1	1	1	-	Saldanha Bay and Drakenstein Municipalities received support with Electricity Master Plans.
		3.1.3 Municipal water security programme supported and monitored	1	1	1	1	-	Municipal Water Security Projects Implemented.

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2020/21	2021/22	2022/23	2022/23	2022/23	
SPI:12 Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, Sub-outcome 1) (B2B Pillar 5).	22	22	22	22	-	Municipalities were supported with Municipal Infrastructure Grant.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Safer, Resilient communities and Sustainable Development	3.2(a) Integrated systems and structures for disaster management established and maintained	3.2.1(a) Facilitate co-ordination of disaster management partnerships	13	12	10	10	-	The department facilitated various disaster management engagements with stakeholders.
		3.2.2(a) Monitor & evaluate the implementation of Disaster management	5	5	1	1	-	The Department produced Annual Disaster Management report and distributed to stakeholders.
		3.2.3(a) Development and review of WC Disaster Management Policy Provisions	2	2	1	1	-	The Western Cape Disaster Management Framework was drafted.
	3.2(b) Effective and rapid emergency/ di-saster response and recovery mechanisms	3.2.1(b) Support organs of state to ensure disaster readiness and response	6	6	4	5	1	Organs of State were supported with various preparedness plans such as winter, summer readiness plans, as well as other preparedness initiatives such as the Electricity Disruption Exercise, Disaster Management Information System and Western Cape Preparedness, Response and Relief Plan. The Electricity disruption exercise was prioritized due to the ongoing load shedding hence the additional achievement.

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Safer, Resilient communities and Sustainable Development	3.2.(b) Effective and rapid emergency/ di-saster response and recovery mechanisms	3.2.2(b) Co-ordinate disaster recovery process to enhance resilience	3	7	2	3	1	Recovery projects implemented were: <ul style="list-style-type: none"> Disaster Declaration Classifications/ Assessments; Covid-19 Debriefing Report; and Disaster funding applications and monitoring.
	3.2 (c) Institution-alisation and advocacy of Disaster Risk Reduction	3.2.1(c) Number of Risk and Vulnerability Assessments conducted	1	3	1	1	-	Risk and Vulnerability Assessment was completed for the Overberg District Municipality. The Department also conducted online risk register training online all municipalities and undertook an intensive project to review and update our standardised risk assessment methodology for the Province.
		3.2.2(c) Upgrade & maintain Disaster Management Spatial Data Repository	1	1	1	1	-	The Department supported Overberg District Municipality with Maps on Biomes, growth Potential, Land Cover, Population Density, and Protected Areas Conservation amongst others.

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Safer, Resilient communities and Sustainable Development	3.2 (c) Institution-alisation and advocacy of Disaster Risk Reduction	3.2.3(c) Number of municipalities supported in developing Disaster Risk Reduction measures in their IDPs	1	1	1	5	4	The Garden Route District Municipality with all 4 Local Municipalities were supported with Disaster Management (DM) Chapters within IDPs. The deviation from initial output can be attributed to the new approach of developing 'Disaster Risk Reduction Guidelines' that aids the inclusion of DM Chapters in IDP in both Districts and Locals simultaneously.
		3.2.4(c) Hazard Awareness Programme	1	2	1	1	-	The 2022-23 Hazard Awareness Campaign was expanded to include programmes on Hazard Awareness in Schools, Working on Fire in Middle/High Schools and Lifesaver Awareness competition in Middle/High Schools.
	3.2(d) Fire and Rescue Services Capability improved	3.2.1(d) Number of training programmes to improve fire & life safety in the Province	4	6	6	6	-	Training programmes such as Examination of Building Plans, Fire Risk Assessments, High Voltage Electric Car, Fundamentals of Fire Investigation, Interpretation of By-Laws and Design & Evaluation Solution Training were provided to municipalities.

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Safer, Resilient communities and Sustainable Development	3.2(d) Fire and Rescue Services Capability improved	3.2.2(d) Number of training programmes to improve Emergency & Special Capacity capability in the Province	2	4	3	4	1	Training programmes to improve Emergency and Special Capacity in the Province were Incident Command Systems Supervisor Divisional, Fireline Safety, and Incident Systems Commend training provided to municipalities. An additional Incident Command training provider to supervisors caused the deviation from original target.
		3.2.3(d) Aerial Firefighting and Ground Support Programme implemented	1	1	1	1	-	

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2020/21	2021/22	2022/23	2022/23	2022/23	
SPI:13 Number of municipalities supported to maintain functional Disaster Management Centres	6	6	6	6	-	All Disaster Management Centres in the Province are functional, the Department conducts quarterly monitoring on all District Municipalities and the Metro.
SPI:14 Number of municipalities supported on Fire Brigade Services	7	14	5	6	1	The Department supported 3 Municipalities with Pre-Attack Planning and 3 with Fire Capacity Building Grant. Increased in financial capacity allowed for additional support to be provided.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 3: Development and Planning								
Sub-programme 3.3: Integrated Development Planning								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2020/21	2021/22	2022/23	2022/23	2022/23	
Improved integrated planning, budgeting and implementation	3.3(a) Responsive IDPs developed	3.3.1(a) Initiatives to improve the quality of integrated development plans	3	3	3	3	-	The programmes implemented to improve IDPs were. <ul style="list-style-type: none"> Assessment of IDPs; Provincial IDP Managers Forums; and Assessments of planning alignment of the district with respective local municipalities.
	3.3(b) Joint district and metro approach implemented	3.3.1(b) Number of Functional District Interface Teams as part of the Joint District and Metro Approach	5	5	5	5	-	All five District interface teams which were established in 2019 are functional.

B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
		2020/21	2021/22	2022/23	2022/23	2022/23	
SPI:15	Number of municipalities with legally compliant IDPs	30	30	30	30	-	Municipalities were supported with the development of IDPs through workshops, IDP forums and IDP Assessments.
SPI:16	Number of Districts/ Metros monitored on the implementation One Plans (MTSF 2019 – 2024, Priority 5: Spatial integration, human settlements, and local government)	-	5	5	5	-	The implementation of the JDMA implementation plans which were developed between November 2019 and February 2020 in all five districts, are being implemented in all five districts.

A. Strategy to overcome areas of underperformance/Changes to planned targets

- No changes to targets were made during the year.
- Reasons for under and over performance have been addressed in detail in the Indicator tables above.

B. Linking Performance with Budgets: Programme 3: Development and Planning

Sub-Programme Expenditure

Sub-programmes	2022/23			2021/2022		
	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
Municipal Infrastructure	113 661	111 764	1 897	29 767	27 731	2 036
Disaster Management	44 070	43 955	115	44 089	43 927	162
Integrated Development Planning	7 635	7 635	-	8 163	8 104	59
Total	165 366	163 354	2 012	82 019	79 762	2 257

C. Linking Performance with Budgets: Programme 4: Traditional Institutional Administration

Sub-Programme Expenditure

Sub-programmes	2022/23			2021/2022		
	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
4.1 Traditional Institutional Management	478	-	478	1	-	1
Total	478	-	478	1	-	1

4.4 TRANSFER PAYMENTS

4.4.1 Transfer payments to Public Entities N/A

4.4.2 Transfer Payments (transfer payments made for the period 1 April 2022 to 31 March 2023)

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
Community Development Workers (CDW) Operational Support Grant					
Beaufort West	CDW Operational grant	Yes	223	84	The municipality has until 30 June 2023 to spend the funds
Bitou	CDW Operational grant	Yes	19	13	The municipality has until 30 June 2023 to spend the funds
Breede Valley	CDW Operational grant	Yes	94	-	The municipality has until 30 June 2023 to spend the funds
Cape Agulhas	CDW Operational grant	Yes	56	22	The municipality has until 30 June 2023 to spend the funds
Cape Winelands District Municipality	CDW Operational grant	Yes	75	-	The municipality has until 30 June 2023 to spend the funds
Cederberg	CDW Operational grant	Yes	152	4	The municipality has until 30 June 2023 to spend the funds
City of Cape Town	CDW Operational grant	Yes	1 034	164	The municipality has until 30 June 2023 to spend the funds
Drakenstein	CDW Operational grant	Yes	113	-	The municipality has until 30 June 2023 to spend the funds
George	CDW Operational grant	Yes	94	45	The municipality has until 30 June 2023 to spend the funds
Hessequa	CDW Operational grant	Yes	38	35	The municipality has until 30 June 2023 to spend the funds
Kannaland	CDW Operational grant	Yes	112	18	The municipality has until 30 June 2023 to spend the funds
Knysna	CDW Operational grant	Yes	56	16	The municipality has until 30 June 2023 to spend the funds
Laingsburg	CDW Operational grant	Yes	94	40	The municipality has until 30 June 2023 to spend the funds
Langeberg	CDW Operational grant	Yes	38	38	100% expenditure
Matzikama	CDW Operational grant	Yes	94	-	The municipality has until 30 June 2023 to spend the funds
Mossel Bay	CDW Operational grant	Yes	56	-	The municipality has until 30 June 2023 to spend the funds
Oudtshoorn	CDW Operational grant	Yes	56	9	The municipality has until 30 June 2023 to spend the funds

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
Overberg District Municipality	CDW Operational grant	Yes	56	-	The municipality has until 30 June 2023 to spend the funds
Overstrand	CDW Operational grant	Yes	75	54	The municipality has until 30 June 2023 to spend the funds
Prince Albert	CDW Operational grant	Yes	56	38	The municipality has until 30 June 2023 to spend the funds
Saldanha Bay	CDW Operational grant	Yes	75	-	The municipality has until 30 June 2023 to spend the funds
Stellenbosch	CDW Operational grant	Yes	38	23	The municipality has until 30 June 2023 to spend the funds
Swartland	CDW Operational grant	Yes	38	3	The municipality has until 30 June 2023 to spend the funds
Theewaterskloof	CDW Operational grant	Yes	112	-	The municipality has until 30 June 2023 to spend the funds
West Coast District Municipality	CDW Operational grant	Yes	75	-	The municipality has until 30 June 2023 to spend the funds
Witzenberg	CDW Operational grant	Yes	131	-	The municipality has until 30 June 2023 to spend the funds
Thusong Service Centre Grant (Sustainability: Operational Support Grant)					
Bitou	Thusong Operational Support Grant	Yes	150	69	Procurement for the next phase has been identified and the municipality will apply for rollover of unspent funds due to delays in Supply Chain Management (SCM) process.
Breede Valley	Thusong Operational Support Grant	Yes	150	150	Funds fully spent by municipality at the end of 31 March 2023
Cederberg	Thusong Operational Support Grant	Yes	150	-	The funds were transferred to the municipality in December 2022. The municipality has commenced with the procurement process and the municipality envisaged that the funds will be fully spent by 30 June 2023.
Oudtshoorn	Thusong Operational Support Grant	Yes	150	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Overstrand	Thusong Operational Support Grant	Yes	150	-	The municipality experienced delays with the procurement process for maintenance repairs and the municipality will apply for rollover of funds.
Prince Albert	Thusong Operational Support Grant	Yes	150	13	The funds were transferred to the municipality in December 2022. The municipality has commenced with the procurement process and the municipality envisaged that the funds will be fully spent by 30 June 2023.

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
Saldanha Bay	Thusong Operational Support Grant	Yes	146	14	The funds were transferred to the municipality in December 2022. The municipality has commenced with the procurement process and the municipality envisaged that the funds will be fully spent by 30 June 2023.
Municipal Electricity Master Plan Grant					
Drakenstein	Municipal Electrical Master Plan Grant	Yes	800	400	The municipality has until 30 June 2023 to spend the funds.
Saldanha Bay	Municipal Electrical Master Plan Grant	Yes	800	600	The municipality has until 30 June 2023 to spend the funds.
Municipal Service Delivery and Capacity Building Grant					
Cape Agulhas	Municipal Service Delivery and Capacity Building Grant	Yes	420	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Hessequa	Municipal Service Delivery and Capacity Building Grant	Yes	250	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Mossel Bay	Municipal Service Delivery and Capacity Building Grant	Yes	300	147	The municipality has until 30 June 2023 to spend the funds.
Overstrand	Municipal Service Delivery and Capacity Building Grant	Yes	1 550	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Saldanha Bay	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Theewaterskloof	Municipal Service Delivery and Capacity Building Grant	Yes	620	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
West Coast District	Municipal Service Delivery and Capacity Building Grant	Yes	200	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Witzenberg	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Fire Service Capacity Building Grant					
Langeberg	Fire Service Capacity Building Grant	Yes	821	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Mossel Bay	Fire Service Capacity Building Grant	Yes	824	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.

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
West Coast District	Fire Service Capacity Building Grant	Yes	821	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Western Cape Municipal Interventions Grant					
Beaufort West	Western Cape Municipal Interventions Grant	Yes	480	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Cape Agulhas	Western Cape Municipal Interventions Grant	Yes	700	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Cape Winelands District	Western Cape Municipal Interventions Grant	Yes	100	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Cederberg	Western Cape Municipal Interventions Grant	Yes	750	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Central Karoo District	Western Cape Municipal Interventions Grant	Yes	100	8	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Garden Route District	Western Cape Municipal Interventions Grant	Yes	100	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Kannaland	Western Cape Municipal Interventions Grant	Yes	606	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Laingsburg	Western Cape Municipal Interventions Grant	Yes	200	200	Funds fully spent by municipality at the end of 2022/23 financial year.
Matzikama	Western Cape Municipal Interventions Grant	Yes	450	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Mossel Bay	Western Cape Municipal Interventions Grant	Yes	250	-	The funds were only transferred towards the end of March 2023
Oudtshoorn	Western Cape Municipal Interventions Grant	Yes	250	-	The funds were only transferred towards the end of March 2023
Overberg District	Western Cape Municipal Interventions Grant	Yes	300	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Overstrand	Western Cape Municipal Interventions Grant	Yes	450	-	The funds were only transferred towards the end of March 2023
Prince Albert	Western Cape Municipal Interventions Grant	Yes	1 200	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.

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
Swellendam	Western Cape Municipal Interventions Grant	Yes	500	-	The funds were only transferred towards the end of March 2023
Theewaterskloof	Western Cape Municipal Interventions Grant	Yes	250	-	The funds were only transferred towards the end of March 2023
West Coast District	Western Cape Municipal Interventions Grant	Yes	100	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Witzenberg	Western Cape Municipal Interventions Grant	Yes	400	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Disaster Management Grant					
Breede Valley	Disaster Management Grant	Yes	118	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Municipal Water Resilience Grant					
Breede Valley	Municipal Drought Relief Grant	Yes	700	-	Municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Cederberg	Municipal Drought Relief Grant	Yes	3 000	-	Municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Hessequa	Municipal Drought Relief Grant	Yes	400	-	Municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Swartland	Municipal Drought Relief Grant	Yes	600	-	Municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Witzenberg	Municipal Drought Relief Grant	Yes	700	-	Municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Joint District and Metro Approach Grant					
Cape Winelands District Municipality	Joint District and Metro Approach Grant	Yes	1 000	-	Municipality has commenced with the Supply Chain Management process and will apply for the roll-over of unspent funds.
Central Karoo District Municipality	Joint District and Metro Approach Grant	Yes	1 000	-	Municipality has commenced with the Supply Chain Management process and will apply for the roll-over of unspent funds.
Garden Route District Municipality	Joint District and Metro Approach Grant	Yes	1 000	-	Municipality has commenced with the Supply Chain Management process and will apply for the roll-over of unspent funds.

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
Overberg District Municipality	Joint District and Metro Approach Grant	Yes	1 000	-	Municipality has commenced with the Supply Chain Management process and will apply for the roll-over of unspent funds.
West Coast District Municipality	Joint District and Metro Approach Grant	Yes	1 000	-	Municipality has commenced with the Supply Chain Management process and will apply for the roll-over of unspent funds.
Emergency Municipal Load-Shedding Relief Grant					
Beaufort West	Emergency Municipal Load-Shedding Relief Grant	Yes	1 115	-	The funds were only transferred towards the end of March 2023
Bergervier	Emergency Municipal Load-Shedding Relief Grant	Yes	3 600	2 604	The funds were only transferred towards the end of March 2023
Bitou	Emergency Municipal Load-Shedding Relief Grant	Yes	5 600	-	Municipality started spending in February 2023
Breede Valley	Emergency Municipal Load-Shedding Relief Grant	Yes	950	-	The funds were only transferred towards the end of March 2023
Cape Agulhas	Emergency Municipal Load-Shedding Relief Grant	Yes	350	-	The funds were only transferred towards the end of March 2023
Cape Winelands District	Emergency Municipal Load-Shedding Relief Grant	Yes	950	-	The funds were only transferred towards the end of March 2023
Cederberg	Emergency Municipal Load-Shedding Relief Grant	Yes	1 600	-	The funds were only transferred towards the end of March 2023
Central Karoo District	Emergency Municipal Load-Shedding Relief Grant	Yes	350	-	The funds were only transferred towards the end of March 2023
Drakenstein	Emergency Municipal Load-Shedding Relief Grant	Yes	6 000	-	The funds were only transferred towards the end of March 2023
Garden Route District	Emergency Municipal Load-Shedding Relief Grant	Yes	1 600	-	The funds were only transferred towards the end of March 2023
George	Emergency Municipal Load-Shedding Relief Grant	Yes	14 220	-	The funds were only transferred towards the end of March 2023
Hessequa	Emergency Municipal Load-Shedding Relief Grant	Yes	3 800	-	The funds were only transferred towards the end of March 2023

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
Kannaland	Emergency Municipal Load-Shedding Relief Grant	Yes	1 075	-	The funds were only transferred towards the end of March 2023
Knysna	Emergency Municipal Load-Shedding Relief Grant	Yes	2 400	-	The funds were only transferred towards the end of March 2023
Lainsgsburg	Emergency Municipal Load-Shedding Relief Grant	Yes	60	-	The funds were only transferred towards the end of March 2023
Langeberg	Emergency Municipal Load-Shedding Relief Grant	Yes	350	-	The funds were only transferred towards the end of March 2023
Matzikama	Emergency Municipal Load-Shedding Relief Grant	Yes	1 050	639	Municipality started spending in February 2023
Mossel Bay	Emergency Municipal Load-Shedding Relief Grant	Yes	5 000	-	The funds were only transferred towards the end of March 2023
Oudtshoorn	Emergency Municipal Load-Shedding Relief Grant	Yes	4 665	-	The funds were only transferred towards the end of March 2023
Overberg District	Emergency Municipal Load-Shedding Relief Grant	Yes	1 600	-	The funds were only transferred towards the end of March 2023
Overstrand	Emergency Municipal Load-Shedding Relief Grant	Yes	6 700	-	The funds were only transferred towards the end of March 2023
Prince Albert	Emergency Municipal Load-Shedding Relief Grant	Yes	175	-	The funds were only transferred towards the end of March 2023
Saldanha Bay	Emergency Municipal Load-Shedding Relief Grant	Yes	2 950	-	The funds were only transferred towards the end of March 2023
Stellenbosch	Emergency Municipal Load-Shedding Relief Grant	Yes	6 175	-	The funds were only transferred towards the end of March 2023
Swartland	Emergency Municipal Load-Shedding Relief Grant	Yes	10 945	-	The funds were only transferred towards the end of March 2023
Swellendam	Emergency Municipal Load-Shedding Relief Grant	Yes	1 360	-	The funds were only transferred towards the end of March 2023

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
Theewaterskloof	Emergency Municipal Load-Shedding Relief Grant	Yes	1 800	-	The funds were only transferred towards the end of March 2023
West Coast District	Emergency Municipal Load-Shedding Relief Grant	Yes	1 900	-	The funds were only transferred towards the end of March 2023
Witzenberg	Emergency Municipal Load-Shedding Relief Grant	Yes	475	-	The funds were only transferred towards the end of March 2023
Other					
National Sea Rescue Institute	Operational Support	Yes	6		N/A
South African Broadcasting Corporation (SABC)	TV license	Yes	376		N/A
Other					
Non-Profit Institutions Lifesaving Western Province (WP)	Operational Support	Yes	376		N/A
Households	Leave gratuities	Yes	1 036		N/A

4.4.3 Transfers not made: N/A

4.5 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	To assist in strengthening its support interventions in municipalities as per section 139 of the Constitution
Expected outputs of the grant	<p>Conduct formal and informal provincial interventions and support justified or required in terms of sections 139, 154 or 155 of the Constitution and the Western Cape Monitoring and Support of Municipalities Act;</p> <ul style="list-style-type: none"> • Improved infrastructure, systems, structures, and processes; • Improved level of corporate governance in municipalities; • Higher level of linkage between municipal strategies and municipal systems, processes and structures; and • Higher level of productivity and improved service delivery.
Actual outputs achieved	<ul style="list-style-type: none"> • Improved infrastructure, systems, structures, and processes; • Improved level of corporate governance in municipalities; • Higher level of linkage between municipal strategies and municipal systems, processes and structures; and • Higher level of productivity and improved service delivery.
Amount per amended DORA	N/A
Amount transferred (R'000)	R9 034
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R7 986
Reasons for the funds unspent by the entity	<ol style="list-style-type: none"> 1. Organisational Development (OD) - Support Municipalities with the redesign of their structures - this project was designed in line with the Publication of the National HR Regulations. After receiving confirmation of the scope and reach of the national project (COGTA), the project was designed and a service provider was appointed, however, due to the complex nature of this project it will be rolled out over 2 years. 2. Research project on Public Participation conceptualised, but non-responsive bids will result in the bid being repeated in the new financial year.
Monitoring mechanism by the receiving department	Project is monitored in accordance with the Terms of Reference and in line with the approved Standard Operating Procedure (SOP) of the Grant Committee.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	To provide for capacity building and support to municipalities in the execution of their roles and responsibilities during the transition period post the 2021 Local Government Elections, in coordination with the Provincial Treasury and Department of the Premier
Expected outputs of the grant	Strengthen departmental capacity to be able to support municipalities in the period leading up to, during and after the LG elections. Empower councillors to be able to fill their oversight responsibility in councils and its committees.

Actual outputs achieved	<p>Building capacity in councils: Law Library booklets: The tender was issued on Electronic Procurement System (EPS), however the quoted bid for the Law Library booklets was in excess of the budgeted amount of R 240 000.00.</p> <p>Building capacity in the Department: The post outputs are as follows: Assistant Director (Specialised Support) contract employee commenced duty on 1 February 2023. Contract Deputy Director (Specialised Support) recruitment process completed. The successful candidate declined the offer, as they had accepted a permanent post. The contract Deputy Director post is being re-advertised.</p> <p>Deputy Director (Human Resource post - SL 11) Nomination of appointment file signed by Head of Department (HoD) at the end of the 2022/23 financial year.</p> <p>Assistant Director (Municipal Governance), the nominated candidate has accepted the offer of appointment and assumed duty on 8 May 2023. In relation to the Deputy Director Post, the offer of appointment was made, however, the candidate declined the offer. Corporate Service Centre (CSC) was subsequently contacted to make the offer to the alternate candidate and CSC was screening the alternate candidate during the period under review to ensure that nothing precludes an offer to the alternate candidate. “</p>
Amount per amended DORA	N/A
Amount transferred (R'000)	R3 311
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R1 464
Reasons for the funds unspent by the entity	The short-term nature of the available contracts causes challenges for the requirement processes. Candidates are not willing to leave current employment. In addition, a number of offers were also declined. Ongoing consultations with HR to request the consideration to expand on contract periods to broaden the pool of interested candidates and ensure continuity in the team and in the functions.
Monitoring mechanism by the receiving department	Regular reporting to the HOD on progress made with the filling of posts.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	To fund dedicated project management support to ensure the successful rollout of the Sustainable Infrastructure Development and Finance Facility (SIDAFF) programme
Expected outputs of the grant	Operationalise the Grant financing facility (supplement capacity provided by French Development Bank (AFD))
Actual outputs achieved	The Department conducted ongoing consultation with various partners and the donor partner (AFD) to finalise the SCM requirements to supplement capacity secured by the donor. Procurement to commence in the 2023/24 financial year.
Amount per amended DORA	N/A

Amount transferred (R'000)	R3 000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	0
Reasons for the funds unspent by the entity	<p>An amount of R3 million were allocated to the Department during 2022/23 financial year towards the SIDAFF Programme. The funds were earmarked to procure a professional service provider who would operationalise the SIDAFF Grant Facility supplementing the resources already funded by the French Development Bank (AFD).</p> <p>There were delays experience due to the type of procurement process explored to ensure that the Department achieves value for money. The Department is in consultation with Provincial Treasury to determine the best procurement process to follow.</p>
Monitoring mechanism by the receiving department	Project steering committee in place with regular project updates to the Accounting Officer.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	To be utilised for research, policy and legislation development and support services to traditional councils
Expected outputs of the grant	To provide financial assistance to municipalities to improve infrastructure, systems, structures, corporate governance, service delivery and compliance with executive obligations.
Actual outputs achieved	No posts were filled during the 2022/23 financial year
Amount per amended DORA	N/A
Amount transferred (R'000)	R 478
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	0
Reasons for the funds unspent by the entity	<p>Organisational Development (OD) processes were followed regarding the drafting of Job descriptions for four posts Deputy Director Salary Level (SL) 11, Assistant Director SL 9, Senior Administrative Officer, SL 8 and an Administrative Officer, SL 9. Subsequently posts were identified internally which could be used to appoint staff against and subsequently approved. All four posts were advertised at the end of the second quarter of the financial year interviews conducted for the posts of a Deputy Director yielded no favourable outcomes as not suitable candidate was found. Furthermore, for the position of an Assistant Director no suitable candidates could be found during the short-listing process leading to the posts being re-advertised. The approval of post of a Senior Administrative Officer was approved later in the year and was only advertised in the last quarter of the financial year.</p>
Monitoring mechanism by the receiving department	Back up strategies in terms of identifying possible research areas and initiating research whilst readvertising the posts.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	To support the fire strategy of the Department and to strengthen the capacity in Fire and Rescue Services
Expected outputs of the grant	Appointment of 2 x Assistant Director at SL 9 and 2 x Senior Administrative Clerks at SL 5. Interviews were concluded and recommendations made. Vetting processes however delayed the appointments with none made at end of the 2022/23 financial year.
Actual outputs achieved	Due to non-appointment, authorisation was obtained from Provincial Treasury to utilise the available funding towards Aerial Firefighting support.
Amount per amended DORA	N/A
Amount transferred (R'000)	R 926
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R 926
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the receiving department	Internal process to monitor aerial firefighting includes active monitoring of fires and weekly engagements with the service provider where invoicing and utilisation are compared to internal authorisation and database.

4.6 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

The Department does not pay conditional grants and earmarked funds.

4.7 DONOR FUNDS

The Department did not receive donor funds.

4.8 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

The Department does not have infrastructure projects.

Part



GOVERNANCE

1. INTRODUCTION

The Department continues to maintain the highest standards of governance to ensure that public finances and resources are effectively utilised. The Department has good governance structures in place such as Enterprise Risk Management to ensure that state resources are utilised effectively, efficiently and economically. The Accounting Officer takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D: ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department

2. RISK MANAGEMENT

The Department established an Enterprise Risk Management and Ethics Committee (ERMCO) to assist the Accounting Officer (AO) in executing his responsibilities relating to risk management.

ENTERPRISE RISK MANAGEMENT POLICY AND STRATEGY

The Department adopted an ERM Policy on 09 April 2020 for the 2020/21 - 2024/25 financial years. This policy articulates the risk management philosophy and captures, on a high-level, the roles and responsibilities

of the different role players. It provides the basis for the risk management process which is supplemented with the detail in the strategy.

The ERM strategy and implementation plan outlines how the Department will go about implementing the ERM Policy adopted by the AO. This ERM strategy is informed by the Provincial Enterprise Risk Management Policy and Strategy (PERMPS) as well as its own ERM Policy and risk profiles.

ERMCO RESPONSIBILITY

ERMCO reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMCO also reports that it has adopted the appropriate formal Terms of Reference and regulated its affairs in compliance with this Terms of Reference and has discharged all its responsibilities as contained therein.

ERMCO MEMBERS

The ERMCO comprises of the AO, top management, SMS, and selected members of the department's management team. As per its Terms of Reference the ERMCO met four times during the year under review. The associated table reflects the number of meetings attended by each member.

The table below discloses relevant information on ERMCO members:

Name	Position	Attended	Date Appointed
Mr G Paulse	AO (Chairperson)	4	04/06/2016
Ms B Sewlall-Singh	Chief Financial Officer and Risk Champion	*3	14/03/2017
Mr A Dlwengu	Director: Policy and Strategic Support	4	14/03/2017
Ms E Barnard	Chief Director: Municipal Performance Monitoring and Support	4	14/03/2017
Ms N Zamxaka	Chief Director: Integrated Service Delivery	*3	14/03/2017
Mr C Deiner	Chief Director: Disaster Management and Fire Brigade Service	**2	14/03/2017
Secretariat	Directorate: Financial Management	4	N/A

*The member attended 2 out of the 4 meetings and a representative attended 1 meeting where the member was unable to attend.

**There has always been representation of the unit when the members were unable to attend the meeting

The following is an indication of other officials who attended the ERMCO meetings for the year under review:

Name	Position	Attended
Ms A Haq	Director: ERM(DotP)	3
Mr D Micketts	Chief Risk Advisor: Enterprise Risk Management (DotP)	4
Ms B Cebekhulu	Deputy Director: Provincial Forensic Services (DotP)	3
Ms V Simpson-Murray	Director: Internal Audit (DotP)	4
Ms L Arendse	Deputy Director: Internal Audit (DotP)	2
Mr L Naphakade	Security and Occupational Health and Safety (DLG)	4
Ms P Kleyn	Service Manager: IT Governance	1
Ms E de Bruyn	Director: Economic/Governance and Administration	1
Mr I Kahaar	Assistant Director: Governance Fraud and Losses Management	2
Ms J Reed	Risk Advisor: ERM (DotP)	3
Ms A Snyder	Deputy Director: Provincial Forensic Investigations (DotP)	1
Mr K Adams	Assistant Director: Corporate Services Relations Management	3
Ms J Bam	Accounting Clerk: Internal Control	1
Ms E Young	Service Manager: Economic /Governance and Administration	1
Mr F Matthee	Deputy Director: Corporate Services Relations Management	1
Mr K Cloete	Office Manager: Disaster Management & Fire Brigade Services	1
Ms S Kennedy	Assistant Director: Assurance Services	1

ERMCO KEY ACTIVITIES

The AO is the chairperson of the ERMCO, and the CFO is the Risk Champion of the department. In executing its function, the ERMCO performed the following key activities during the year:

- Reviewed the department’s ERM Strategy and Implementation Plan before recommendation by the Audit Committee and approval by the AO;
- Monitored and reviewed risks in set grouped categories of appetite ranges, reviewed and applied appropriate risk appetite and tolerances guided by the PERMPS adopted by Provincial Top Management;
- Reported to the AO any material changes to the risk profile of the department;
- Confirmed the department’s citizen centric strategic risks. This illustrates the department’s efforts in addressing the contributing factors and impacts that relate directly to the citizen;
- Received and considered risk intelligence and trend reports;
- Identified emerging risks;
- Reviewed risks that are outside the tolerance levels for further action / attention;

- Monitored the implementation of the Fraud and Corruption Prevention Implementation Plan;
- Monitored the implementation of the departmental ERM Policy, Strategy and Implementation Plan;
- Evaluated the effectiveness and mitigating strategies to address the material, ethics and economic crime risks;
- Provided oversight on ethics management in the department.

Key risks considered and addressed during the year

Cognisance is borne that the risk management process is an iterative one and that certain risk response decisions are available to management. Much attention is continuously spent on the top risks which are listed below and is driven by, inter alia, Principle 7 of the Corporate Governance Framework for the Western Cape of 2018 ‘Management must instil and inculcate a culture of risk and opportunity management at all levels across the Department that supports defining core functions and to set and achieve strategic objectives. The following are keys risks for the department and were deliberated on during the period under review:

1. Constraints in optimally executing the Department's growing legislative mandate against the current OD/resources. The Department rearticulated the risk statement to allow for a more focussed approach. The organisational structure investigation was completed at a macro level and the department will prioritise the filling of vacancies.
2. Municipalities may not sufficiently implement disaster risk reduction measures largely due to a lack of capacity to coordinate and implement disaster risk reduction measures. The Department however provides hands on support through municipal engagements and the provision of disaster management chapter guidelines.
3. Limitations in the prevailing legislative framework hinders the Provincial MEC to act expeditiously to challenges in municipalities might result in a perceived slow response in the Minister implementing available powers. Therefore, in the case of non-adherence to legislation and where there is merit, enforcement of legislation happens via the courts.
4. National Departments' regional offices, Provincial Government and Municipalities not taking the lead on the risks identified on the provincial disaster risk profile because of fiscal constraints at all spheres of government relevant to risk reduction and disaster response and recovery. There are continuous engagement and collaboration with other stakeholders (Climate Change Unit, CSIR, etc.) to acquire alternative funding/support to appoint service providers for development of Risk Profiles

Key emerging risks for the following financial year

The department fulfils a lead role in coordinating risks in relation to energy and water in the province. These risks are discussed and managed following an integrated and multi-disciplinary team approach. The risks are of a longer-term nature and externalities poses great challenges in the amelioration thereof.

Management of risks

Regular strategic and programme risk assessments are conducted to determine the effectiveness of the department's risk management strategy and to identify new and emerging risks because of changes in the internal and/or external environment. Each programme's risks were deliberated and debated during the year and presented at the quarterly ERMCO meetings. Senior managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. ERMCO also referred risks back to the respective programmes that should be analysed more extensively and recommended additional mitigations or actions to manage risks. Management takes ownership of risks and often discusses risk matters at various platforms as part of its culture in an effort to constrain risks in a collaborative and innovative way. The department's ERM Policy and Strategy are circulated to all officials on an annual basis for all levels of staff to stay abreast of enhancements that have been effected as a means of embedding risk management throughout the department. Bespoke and generic risk awareness sessions were also conducted to share benchmarking elements so that risk management can mature in the department. Activities detailed in the implementation plan are perpetually monitored and periodically reported on, in the same way that APP deliverables are monitored, to detect potential risks and deviations from indicators and the achievement of outcomes and non-adherence to legislative and policy mandates.

The Governance and Administration Cluster Audit Committee provided independent oversight of the department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and risk registers to execute their independent oversight role

Conclusion

Risk management has become a standard activity in the management calendar of the Department. As a result, mitigating actions become part of the Department's programmes and emerging risks are immediately identified and addressed.

3. FRAUD AND CORRUPTION

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

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

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

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

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements of the Protected Disclosures Act, No. 26 of 2000 e.g. if the disclosure was made in good faith). The WCG Whistle-blowing Policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and, should they do so in person, their identities are kept confidential by the person to whom they are reporting.

If, after investigation, fraud, theft or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where prima facie evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Service.

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

Cases	Number of cases
Open cases as at 1 April 2022	0
New cases (2022/23)	1
Closed cases (2022/23)	0
Open cases as at 31 March 2023	1

4. MINIMISING CONFLICT OF INTEREST

Every employee must declare his or her interest, and that of any family member, in an entity conducting business with the state.

When a staff member is involved with a procurement-related matter, they are required to declare any business, commercial interest and financial interest or activities undertaken for financial gain that may raise a possible conflict of interest. The declaration must be made to the Head of the Supply Chain Management Unit, who must in turn report it to the Accounting Officer.

If a staff member, or any close family member, partner, or associate has any private or business interest in any contract to be awarded, that staff member must both disclose that interest and withdraw from participating in the procurement process for that contract.

No such conflict of interest can be reported for the period under review.

5. CODE OF CONDUCT

The Department fully supports the Public Sector Code of Conduct as per the Public Service Regulations issued in 2016, and all employees are expected to comply with its standards. The Public Sector 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.

During induction, new appointees are made aware of the Code of Conduct, and they receive a copy thereof. All new employees are furthermore informed in their letters of appointment that the Code of Conduct is available on the WCG website.

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 subject to disciplinary action if he or she contravenes any provision of the Code of Conduct.

6. HEALTH, SAFETY, WELLNESS AND ENVIRONMENTAL ISSUES

The following interventions were conducted: Dealing with fear and anxieties amidst COVID-19, GBV - Consent/Non Consent, In Celebration of Women - Cultivation of Resilience, Transversal webinar: Leading from a Place of Personal Wellbeing Creates a Stronger Sense of Connectedness During Times of Crisis and Confusion, GRIT for Leaders, Identifying Employee In Crises, Positivity and Resilience, Responsive Leader, Psychological Impact of COVID, Psych First Aid, 11 provincial departments (excluding Health and Education) Youth webinar: Stress, Selfcare & Resilience, GBV and Mental Health, Self-Care and WellBeing during Covid, Getting over your own anxieties, Managing Trauma, Coping During a Crisis - Managing COVID-19 stress and anxiety, Transversal webinar: Developing and Managing my own Personal Brand.

These interventions are based on the outbreak of COVID-19 and trends reflected in the quarterly reports and implemented to address employee or departmental needs.

7. SCOPA RESOLUTIONS

Resolution No.	No	Subject	Response by the Department	Resolved (Yes/No)
WCPP 11/4/5 2	1	1.1 The date of the Thusong week, the services rendered, role-players involved and a report per Thusong Centre on the transport of communities to the Thusong Centres	Department responded with reports	Yes
		1.2 A report on how the Department assisted municipalities to identify water resources and whether there was a collaboration with the Department of Agriculture in doing so	Department responded with reports	Yes
		1.3 The proposed framework for coalitions at municipalities in Western Cape	Department responded with reports	Yes
		1.4 The legal opinion on the deduction of arear amounts when purchasing prepaid electricity and water	Department responded with reports	Yes
		1.5 The following information on the two additional Mayco Members that were appointed at the Matzikama Municipality	Department responded with reports	Yes

Resolution No.	No	Subject	Response by the Department	Resolved (Yes/No)
WCPP 11/4/5 2	1	1.5.1 How much was each Mayco Member paid?	Department responded with reports	Yes
		1.5.2 Was the money paid back and who paid it back?	Department responded with reports	Yes
		1.5.3 Was disciplinary steps taken against anybody in this regard?	Department responded with reports	Yes
		1.5.4 A Copy of the repayment agreement with the relevant councillors	Department responded with reports	Yes
		1.6 The number of councillors trained by the Department from 1 November 2021 to date and the type of training that was provided	Department responded with reports	Yes
		1.7 A copy of the Investment Propectus developed in 2020/21 for the Garden Route District	Department responded with reports	Yes
		1.8 A list of all the female staff that terminated their service with the Department during the period under review, reasons for termination and whether an exit interview was conducted	Department responded with reports	Yes
		1.9 A report per municipality on the Community Development Workers Operational Support Grant indicating whether the money was spent by the end of the June deadline	Department responded with reports	Yes
		1.10 A list of the areas where the Department envisaged to do further upgrades of ablution facilities	Department responded with reports	Yes
		1.11 A copy of the Human Settlements Emergency Grant policy for victims of fire disasters	Department responded with reports	Yes
		1.12 A copy of the advertisement calling for Khoi-San communities to submit applications to be recognised as a Khoi-San community	Department responded with reports	Yes
		1.13 Detail of the proposed Central Karoo Economic Summit	Department responded with reports	Yes
		1.14 A copy of the discussion document on the small village development initiative to attract people to the rural areas	Department responded with reports	Yes
		2	2	2.1 The proposed framework coalitions at the municipalities in the Western Cape
2.2 The research done to design a financial and operational sustainability model for municipalities in the Western Cape	Date to be determined			No
2.3 The Joint District and Metro Approach in all the districts in the province including the City of Cape Town	Date to be determined			No

8. PRIOR MODIFICATIONS TO AUDIT REPORTS

None

recommendations for enhancement or improvement.

Internal Audit work completed during the year under review for the Department included six assurance engagements (including one transversal engagement) and two follow ups. The details of these engagements are included in the Audit Committee report.

9. INTERNAL AUDIT AND AUDIT COMMITTEES

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

- Assess and make appropriate recommendations for improving the governance processes in achieving the department’s objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process; and
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing

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

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

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

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date Resigned	No. of Meetings attended
Mr F Barnard (Chair-person)	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA) MTP (SA)	External	N/A	01 January 2022 (2 nd term)	N/A	7
Mr A Davids	BCom; Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS)	External	N/A	01 January 2020 (1 st term)	31 December 2022 (end of contract)	5
Ms C Abdoll	BCom; BCompt (Hons); Certificate in the Theory of Accounting; CA (SA); Post-graduate Diploma: Certified Internal Auditing (CIA)	External	N/A	01 March 2021 (1 st term)	N/A	7
Mr C Bunting	ND: Internal Auditing MBA	External	N/A	01 January 2022 (1 st term)	N/A	7
Ms A Mvandaba	B Acc (Hons), CA(SA) Institute of Directors	External	N/A	01 February 2023 (1 st term)	N/A	2

10. INTERNAL CONTROL UNIT

The Internal Control Unit functions within the Directorate: Financial Management. The internal control unit support and provide reasonable assurance to the Accounting Officer in terms of his responsibilities emanating from Section 38 of the PFMA. The functions of the unit include rendering assurance services, governance and providing fraud and loss management services. Annually, the unit prepares a risk-based operational plan that is designed to ensure the control environment is sound.

11. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2023.

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 (TOR), has regulated its affairs in compliance with the TOR, and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The Department is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations. The WCG adopted a Combined Assurance Framework which identifies and integrates assurance providers.

The first level of assurance is management assurance, requiring of line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level

of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

A risk-based Combined Assurance Plan was developed for the Department, facilitated by Internal Audit, who is also an independent assurance provider. Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

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

Assurance Engagements:

- Directive on Public Administration and Management Delegations
- Internal Control Assessment
- Transfer Payments
- District and Local Performance Monitoring
- Community Development Worker Programme
- Safety Risks (WCG Transversal IA Plan)

The areas for improvements, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee continues to monitor the current actions and previously reported actions on an on-going basis.

In-Year Monitoring Monthly/Quarterly Report

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

Evaluation of Financial Statements

The Audit Committee has:

- reviewed the Audited Annual Financial Statements to be included in the Annual Report;
- reviewed the AGSA's Management Report and management's response thereto; and
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions. Feedback on new provisions that has an impact on the Department are provided quarterly to the Audit Committee.

Provincial Forensics Services

The Audit Committee has reviewed the reports presented by Provincial Forensic Services on a quarterly basis. There were no matters brought to our attention that required further reporting by the Audit Committee.

Performance Information

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

Report of the Auditor-General South Africa

The Audit Committee has on a quarterly basis reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit.

Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

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

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



Mr Francois Barnard
Chairperson of the Governance and Administration
Cluster Audit Committee
Date: 8 August 2023

12. B-BBEE Compliance Performance Information

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 - 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	N/A	It is not the mandate of the Department of Local Government to deal with the issuing of licences, concessions, or other authorisations in respect of economic activity.
Developing and implementing a preferential procurement policy?	NO	When the Preferential Procurement Regulations, 2022 (PPR's) were issued, the Provincial Cabinet approved interim arrangements for the WCG to deal with the requirements of the PPR's. Further technical research will be undertaken prior to the WCG being able to adopt a final preferential procurement approach that is evidence-based, effective and sustainable. This research will review best practice evidence to establish and develop an appropriate policy response that enables growth, provides appropriate redress, accounts for value for money and enables the desired impact. Any new preferential procurement will be based on an executive policy directive and approved by Cabinet.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The selling of state-owned enterprises is not the mandate of the Department of Local Government.
Developing criteria for entering into partnerships with the private sector?	N/A	The mandate of the Department of Local Government does not require the entering into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The mandate of the Department of Local Government does not make allowance for the award of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment.

Part



**HUMAN
RESOURCE
MANAGEMENT**

1. INTRODUCTION

Our ability to contribute effectively to the Western Cape Government's (WCG) work is a direct outcome of the persistent and often selfless efforts of the individuals within the Department.

The contemporary landscape of people management has undergone significant changes in recent years, exacerbated by the onset of COVID19, necessitating intricate navigation through various competing factors. These factors are not only interconnected but also subject to stringent rules and regulations, which pose challenges when implementing initiatives to attract and retain talent.

Some of these challenges include striking a balance between service delivery imperatives, attracting and retaining critical and scarce skills, empowering the workforce, managing career development, succession planning, promoting employment equity, and creating an environment that enables employee growth and fulfilment. Furthermore, the Department operates within a constrained budgetary environment, requiring managers to consider the impact of accomplishing more with limited resources.

Despite the evolving patterns and demands that impact the modern workplace, our dedicated employees have consistently demonstrated their unwavering commitment, resulting in notable achievements and improvements in service delivery throughout the year under review.

2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT

2.1 DEPARTMENTAL WORKFORCE PLANNING PRIORITIES

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the Department annually assesses its workforce profile against current and future organisational needs.
- The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.
- The Workforce Plan 2021 - 2026 is therefore aligned to the vision and mission of the Department's Strategic Plan.
- The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that the strategies (as per the listed priorities) would achieve its outcomes:
 - Identifying and developing the required organisational capability;
 - Values and Competency based recruitment practices (which includes the possibility of an online Application and Screening system to enhance the recruitment practices and attract the right candidates that are future and culture-fit);
 - Diversify the talent pool;
 - Talent and skills development for employees on new emerging skills (e.g., 4IR Meta competencies/functional and technical skills as well as behavioural skills that are critically needed to support the future-fit organisation;
 - Prioritise training interventions to address Departmental Critical Competencies and Career Development Plan (CDP) requirements;
 - Development and implementation of the Future Fit Skills Strategy (FFSS);
 - Youth development programmes for assisting with creating talent pipelines (internships);
 - Reconfiguration of the Provincial Training Institute (PTI) into a provincial learning and innovation centre;

- Employment Equity (EE) priorities as indicated in the departmental EE Plan to guide the Recruitment and Selection decisions of the Department;
- Provide Health and Wellness interventions/ services in support of employee wellbeing;
- Develop and implement the transition to a New Way of Work/WCG citizen-centric culture project

2.2 EMPLOYEE PERFORMANCE MANAGEMENT

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

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the Western Cape Government has devised an electronic system, namely PERMIS (Performance Management Information System), that allows for the entire performance management process to be captured, monitored and managed.

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

2.3 EMPLOYEE WELLNESS

The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy).

A quarterly report is prepared by the Directorate: Organisational Behaviour within the Department of the Premier that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely, HIV/ AIDS, Health and Productivity, Wellness Management and SHERQ (Safety Health Environment Risk and Quality).

2.4 PEOPLE MANAGEMENT MONITORING

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

3. PEOPLE MANAGEMENT OVERSIGHT STATISTICS

3.1 PERSONNEL RELATED EXPENDITURE

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from this point forward.

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

Table 3.1.1 Personnel expenditure by programme, 2022/23

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Programme 1	52 933	35 702	416	11 552	67,4%	503	71
Programme 2	159 714	122 887	385	14 228	76.9%	492	250
Programme 3	163 354	37 270	1 419	26 705	22,8%	678	55
Total	376 001	195 859	2 220	52 485	52.1%	521	376

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e. Premier's Advancement of Youth [PAY], matric, graduate and student], but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

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

Table 3.1.2: Personnel expenditure by salary band, 2022/23

Salary band	Personnel expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of employees
Interns	313	0.2	31	10
Lower skilled (Levels 1-2)	0	-	0	-
Skilled (Levels 3-5)	7 814	4.0	269	29
Highly skilled production (Levels 6-8)	82 603	41.9	367	225
Highly skilled supervision (Levels 9-12)	85 285	43.3	651	131
Senior management (Levels 13-16)	21 063	10.7	1 316	16
Total	197 077	100.0	480	411

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e. Premier's Advancement of Youth [PAY], matric, graduate and student], but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. These tables do not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2022/23

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	24 597	12.5	123	0.1	879	0.4	2 067	1.0
Programme 2	85 485	43.4	376	0.2	3 198	1.6	6 891	3.5
Programme 3	25 464	12.9	76	0.0	779	0.4	1 440	0.7
Total	135 546	68.8	575	0.3	4 857	2.5	10 398	5.3

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL [Personnel Salary] system and not the Basic Accounting System. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. Further to this, the table above does not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2022/23

Salary band	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
Interns	309	0.2	-	-	-	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-	-
Skilled (Levels 3-5)	4 924	2.5	11	0.0	470	0.2	903	0.5
Highly skilled production (Levels 6-8)	57 051	28.9	296	0.2	2 911	1.5	6 535	3.3
Highly skilled supervision (Levels 9-12)	59 755	30.3	268	0.1	1 268	0.6	2 730	1.4
Senior management (Levels 13-16)	13 508	6.9	-	-	208	0.1	231	0.1
Total	135 546	68.8	575	0.3	4 857	2.5	10 398	5.3

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL [Personnel Salary] system and not the Basic Accounting System. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. Further to this, the table above does not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

3.2 EMPLOYMENT AND VACANCIES

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

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2023

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	63	63	-
Programme 2	254	250	1.6
Programme 3	57	54	5.3
Total	374	367	1.9

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2023

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	28	27	3.6
Highly skilled production (Levels 6-8)	210	208	1.0
Highly skilled supervision (Levels 9-12)	120	117	2.5
Senior management (Levels 13-16)	16	15	6.3
Total	374	367	1.9

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2023

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Disaster Manager	19	18	5.3
Engineer	7	6	14.3
GIS Technologist	1	1	-
ICT Governance Specialist	3	3	-
Management Accountant	4	4	-
Supply Chain Management Practitioner	10	10	-
Total	44	42	4.5

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

3.3 JOB EVALUATION

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

Table 3.3.1 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 2022 to 31 March 2023

Salary band	Number of active posts as at 31 March 2023	Number of posts evaluated	% of posts evaluated	Posts upgraded		Posts downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	28	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	210	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	120	-	-	-	-	-	-
Senior Management Service Band A (Level 13)	12	-	-	-	-	-	-
Senior Management Service Band B (Level 14)	3	-	-	-	-	-	-
Senior Management Service Band C (Level 15)	1	1	0.3	-	-	-	-
Total	374	1	0.3	-	-	-	-

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

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2022 to 31 March 2023

Beneficiaries	African	Coloured	Indian	White	Total
None					

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches awarded to employees within a particular salary level. Each salary level consists of 12 notches. 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 per major occupation, 1 April 2022 to 31 March 2023

Major occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
None					

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2022 to 31 March 2023

Beneficiaries	African	Coloured	Indian	White	Total
None					

3.4. EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include information related to interns.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2022 to 31 March 2023

Salary band	Number of active posts as at 31 March 2022	Turnover rate % 2021/22	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2022/23
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	30	7.4	1	-	2	1	10.0
Highly skilled production (Levels 6-8)	202	8.1	20	1	12	1	6.4
Highly skilled supervision (Levels 9-12)	118	8.9	13	-	14	3	14.4
Senior Management Service Band A (Level 13)	12	7.7	-	-	-	1	8.3
Senior Management Service Band B (Level 14)	3	-	-	-	-	-	-
Senior Management Service Band C (Level 15)	1	-	-	-	-	-	-
Total	366	8.2	34	1	28	6	9.3
			35		34		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially and Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2022).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2022 to 31 March 2023

Critical occupation	Number of active posts as at 31 March 2022	Turnover rate % 2021/22	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2022/23
Disaster Manager	20	4.8	2	-	3	1	20.0
Engineer	5	66.7	3	-	2	-	40.0
GIS Technologist	-	100.0	1	-	-	-	-
ICT Governance Specialist	2	-	-	-	-	-	-
Management Accountant	4	-	-	-	-	-	-
Supply Chain Management Practitioner	9	-	1	-	-	-	-
Total	40	10.3	7	-	5	1	15.0
			7		6		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially and Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2022).

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2022 to 31 March 2023

Exit category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2022
Death	1	2.9	0.3
Resignation *	14	41.2	3.8
Expiry of contract	10	29.4	2.7
Dismissal - operational changes	-	-	-
Dismissal - misconduct	-	-	-
Dismissal - inefficiency	-	-	-
Discharged due to ill-health	-	-	-
Retirement	2	5.9	0.5
Employee initiated severance package	-	-	-
Transfers to Statutory Body	1	2.9	0.3
Transfers to other Public Service departments	4	11.8	1.1
Promotion to another WCG Department	2	5.9	0.5
Total	34	100.0	9.3

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.

Table 3.4.4: Reasons why staff resigned, 1 April 2022 to 31 March 2023

Resignation reasons	Number	% of total resignations
Need for career change	2	14.3
No reason provided	12	85.7
Total	14	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2022 to 31 March 2023

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	-	-
Ages 30 to 34	2	14.3
Ages 35 to 39	3	21.4
Ages 40 to 44	-	-
Ages 45 to 49	2	14.3
Ages 50 to 54	4	28.6
Ages 55 to 59	2	14.3
Ages 60 to 64	1	7.1
Ages 65 >	-	-
Total	14	100.0

Table 3.4.6 Employee initiated severance packages

Total number of employee-initiated severance packages offered in 2022/23	None
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Table 3.4.7: Promotions by salary band, 1 April 2022 to 31 March 2023

Salary band	Number of employees as at 31 March 2022	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	-	-	-	-	-
Skilled (Levels 3-5)	30	-	-	16	53.3
Highly skilled production (Levels 6-8)	202	2	1.0	67	33.2
Highly skilled supervision (Levels 9-12)	118	3	2.5	70	59.3
Senior management (Levels 13-16)	16	-	-	12	75.0
Total	366	5	1.4	165	45.1

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

Table 3.4.8: Promotions by critical occupation, 1 April 2022 to 31 March 2023

Critical occupation	Number of employees as at 31 March 2022	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Disaster Manager	20	-	-	11	55.0
Engineer	5	-	-	2	40.0
GIS Technologist	-	-	-	-	-
ICT Governance Specialist	2	-	-	2	100.0
Management Accountant	4	-	-	3	75.0
Supply Chain Management Practitioner	9	-	-	4	44.4
Total	40	-	-	22	55.0

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

3.5. EMPLOYMENT EQUITY

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2023

Occupational levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	1	-	-	-	-	-	-	-	-	1
Senior management (Levels 13-14)	1	4	1	4	1	-	1	2	-	-	14
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	22	26	-	5	15	37	-	10	1	-	116
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	23	45	-	-	59	76	1	6	-	-	210
Semi-skilled and discretionary decision making (Levels 3-5)	3	8	-	1	2	12	-	-	-	-	26
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	49	84	1	10	77	125	2	18	1	-	367
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand Total	49	84	1	10	77	125	2	18	1	-	367

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

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

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

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2023

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

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

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

Table 3.5.3: Recruitment, 1 April 2022 to 31 March 2023

Occupational levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	3	-	2	-	4	-	1	-	-	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	4	-	-	5	7	-	1	-	-	21
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	-	1	-	-	-	-	1
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	7	7	-	2	5	12	-	2	-	-	35
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand Total	7	7	-	2	5	12	-	2	-	-	35

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

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

Table 3.5.4: Promotions, 1 April 2022 to 31 March 2023

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

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

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, by applying and being successful for an advertised post, through the recruitment and selection process as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2022 to 31 March 2023

Occupational levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	1	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	2	-	3	3	5	1	-	-	-	17
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	4	-	-	2	4	-	1	-	-	13
Semi-skilled and discretionary decision making (Levels 3-5)	-	1	-	-	1	1	-	-	-	-	3
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	5	7	-	3	6	11	1	1	-	-	34
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand Total	5	7	-	3	6	11	1	1	-	-	34

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

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

Table 3.5.6: Disciplinary actions, 1 April 2022 to 31 March 2023

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

Table 3.5.7: Skills development, 1 April 2022 to 31 March 2023

Occupational levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	1	2	-	1	-	-	1	-	5
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	17	-	1	5	11	-	2	38
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	10	23	-	-	22	31	-	2	88
Semi-skilled and discretionary decision making (Levels 3-5)	1	3	-	1	2	4	-	-	11
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-
Total	14	45	-	3	29	46	1	4	142
Temporary employees	-	-	-	-	-	-	-	-	-
Grand Total	14	45	-	3	29	46	1	4	142

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

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

3.6. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2022

SMS post level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Head of Department	1	1	1	100.0
Salary Level 14	3	3	3	100.0
Salary Level 13	13	12	12	100.0
Total	17	16	16	100.0

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

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2022

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 2022

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

3.7. FILLING OF SMS POSTS

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

Table 3.7.1: SMS posts information, as at 30 September 2022

SMS level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.0	-	-
Salary Level 14	3	3	100.0	-	-
Salary Level 13	12	12	100.0	-	-
Total	16	16	100.0	-	-

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

Table 3.7.2: SMS posts information, as at 31 March 2023

SMS level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.0	-	-
Salary Level 14	3	3	100.0	-	-
Salary Level 13	12	11	91.7	1	8.3
Total	16	15	93.8	1	6.3

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

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2023

SMS level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Head of Department	-	-	-
Salary Level 14	-	-	-
Salary Level 13	3	-	-
Total	3	-	-

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

SMS Level	Reasons for non-compliance
Head of Department	N/A
Salary Level 14	N/A
Salary Level 13	N/A

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

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

3.8. EMPLOYEE PERFORMANCE

The following tables note the number of staff by salary band (table 3.8.1) and staff within critical occupations (Table 3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 and 4 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2022 to 31 March 2023

Salary band	Employees as at 31 March 2022	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	30	16	53.3
Highly skilled production (Levels 6-8)	202	67	33.2
Highly skilled supervision (Levels 9-12)	118	70	59.3
Senior management (Levels 13-16)	16	12	75.0
Total	366	165	45.1

Table 3.8.2: Notch progressions by critical occupation, 1 April 2022 to 31 March 2023

Critical occupation	Employees as at 31 March 2022	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Disaster Manager	20	11	55.0
Engineer	5	2	40.0
GIS Technologist	-	-	-
ICT Governance Specialist	2	2	100.0
Management Accountant	4	3	75.0
Supply Chain Management Practitioner	9	4	44.4
Total	40	22	55.0

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2022 to 31 March 2023

Race and gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2022	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
None					

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2021 to 31 March 2022

Salary bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2022	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
None					

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2022 to 31 March 2023

Salary bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2022	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
None					

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2022 to 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2022	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
None					

3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 3.9.1: Foreign Workers by salary band, 1 April 2022 to 31 March 2023

Salary band	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	1	100.0	1	100.0	-	-
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	1	100.0	1	100.0	-	-

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

Table 3.9.2: Foreign Workers by major occupation, 1 April 2022 to 31 March 2023

Major occupation	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% change
Chief Engineer	1	100.0	1	100.0	-	-

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

3.10. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2022 TO 31 DECEMBER 2022

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2022 to 31 December 2022

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)
Interns	18	61,1	6	6	100,0	3	4
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	340	95,9	25	34	73,5	14	251
Highly skilled production (Levels 6-8)	1 284	88,2	139	224	62,1	9	1 377
Highly skilled supervision (Levels 9-12)	1 042	88,3	101	129	78,3	10	1 997
Senior management (Levels 13-16)	123	86,2	14	17	82,4	9	397
Total	2 807	88,9	285	410	69,5	10	4 026

Note: The leave dispensation as determined in the “Leave Determination”, read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. The three-year sick leave cycle started in January 2022 and ends in December 2024. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2022 to 31 December 2022

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)
Interns	-	-	-	6	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	137	100,0	1	34	2,9	137	109
Highly skilled production (Levels 6-8)	139	100,0	5	224	2,2	28	147
Highly skilled supervision (Levels 9-12)	142	100,0	2	129	1,6	71	263
Senior management (Levels 13-16)	25	100,0	1	17	5,9	25	81
Total	443	100,0	9	410	2,2	49	600

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 Coordinating Bargaining Council (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 2022 to 31 December 2022

Salary band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	58	6	10
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	699	34	21
Highly skilled production (Levels 6-8)	4 437	208	21
Highly skilled supervision (Levels 9-12)	3 177	128	25
Senior management (Levels 13-16)	446	16	28
Total	8 817	392	22

Table 3.10.4: Capped leave, 1 January 2022 to 31 December 2022

Salary band	Total capped leave available as at 31 Dec 2021	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 2022	Total capped leave available as at 31 Dec 2022
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	169,93	-	-	-	5	99,22
Highly skilled supervision (Levels 9-12)	361,34	-	-	-	14	361,34
Senior management (Levels 13-16)	183,83	-	-	-	4	183,83
Total	715,10	-	-	-	23	644,39

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

Table 3.10.5: Leave pay-outs, 1 April 2022 to 31 March 2023

Reason	Total Amount (R'000)	Number of employees	Average payment per employee
Leave pay-outs during 2022/23 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service	31	1	31 214
Current leave pay-outs on termination of service	361	22	16 399

3.11. HEALTH PROMOTION PROGRAMMES, INCLUDING HIV AND AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2022 to 31 March 2023

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The 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.	Employee Health and Wellness Services are rendered to all employees in need and include the following: <ul style="list-style-type: none"> • Wellness screenings for employees to know their HIV status; • Condom distribution; • Information, Communication and Education Campaigns; • Psycho-social development interventions; and • Counselling

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2022 to 31 March 2023

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	✓		Letitia Isaacs, Director (Acting): Organisational Behaviour (Department of the Premier)
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		The Department of the Premier provides a transversal service to eleven (11) WCG client departments, including the Department of Local Government. A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments. The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners. The annual budget was R 3 261 000.00.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	✓		The Department of the Premier has entered into a service level agreement with Metropolitan Health (external service provider) to render an Employee Health and Wellness Service to eleven (11) provincial departments. The following interventions were conducted: Counselling; Trauma debriefing and awareness; Managerial Consultations; Psycho-social development Interventions; Information, Communication and Education; Coaching; Group Therapy; Reasonable Accommodation. These interventions are based on trends reflected in the quarterly reports and implemented to address employee or departmental needs. Information on how to access the Employee Health and Wellness (EHW) Programme was distributed online.

Question	Yes	No	Details, if yes
<p>4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department is represented by Franick Matthee.</p>
<p>5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	✓		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province in December 2016.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four EHW Policies were approved which includes HIV & AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Cape Government. The document is in line with the four pillars of the National EHW Strategic Framework 2018 as amended.</p> <p>During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been reviewed against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2023 - 2028) which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</p>

Question	Yes	No	Details, if yes
<p>6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>	✓		<p>The Provincial Strategic Plan on HIV & AIDS, STIs and TB has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is 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 the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. <p>The Department implemented the following measures to address the stigma and discrimination against those infected or perceived to be infective with HIV:</p> <ul style="list-style-type: none"> • Education campaigns • commemoration of World AIDS Day • Grievance Process • Interventions such as Diversity Management
<p>7. Does the department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.</p>	✓		<p>HCT SESSIONS:</p> <p>The Department participated in 3 HCT and Wellness screening sessions.</p> <p>79 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</p>
<p>8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.</p>	✓		<p>The EHWP is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individual and the workplace.</p>

3.12. LABOUR RELATIONS

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

Table 3.12.1: Collective agreements, 1 April 2022 to 31 March 2023

Subject Matter	Date
PSCBC Resolution 2 of 2023 - Agreement on the Salary Adjustment 2023 - 2025	31/3/2023

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2022 to 31 March 2023

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2022 to 31 March 2023

Type of misconduct	Number	% of total
	None	

Table 3.12.4: Grievances lodged, 1 April 2022 to 31 March 2023

Grievances lodged	Number	% of total
Number of grievances resolved	6	100.0
Number of grievances not resolved	0	0.0
Total number of grievances lodged	6	100.0

Note: Grievances lodged refers to cases that were finalised within the reporting period. Grievances not resolved refers to cases where the outcome was not in favour of the aggrieved. All cases resolved and not resolved have been finalised

Table 3.12.5: Disputes lodged with Councils, 1 April 2022 to 31 March 2023

Disputes lodged with Councils	Number	% of total
	None	

Table 3.12.6: Strike actions, 1 April 2022 to 31 March 2023

Strike actions	Number
Total number of people working days lost	2 hours
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 2022 to 31 March 2023

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	32 days
Cost (R'000) of suspensions	108

Note: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was 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 2022 to 31 March 2023

Occupational categories	Gender	Number of employees as at 1 April 2022	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	5	-	1	-	1
	Male	11	-	8	-	8
Professionals (Salary Band 9 - 12)	Female	64	-	37	-	37
	Male	54	-	49	-	49
Technicians and associate professionals (Salary Band 6 - 8)	Female	134	-	200	-	200
	Male	66	-	144	-	144
Clerks (Salary Band 3 - 5)	Female	17	-	38	-	38
	Male	13	-	17	-	17
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	220	-	276	-	276
	Male	144	-	218	-	218
Total		364	-	494	-	494
Employees with disabilities	Female	7	-	5	-	5
	Male	5	-	6	-	6

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

Table 3.13.2: Training provided, 1 April 2022 to 31 March 2023

Occupational categories	Gender	Number of employees as at 31 March 2023	Training provided during the reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	4	-	2	-	2
	Male	11	-	14	-	14
Professionals (Salary Band 9 - 12)	Female	62	-	44	-	44
	Male	54	-	54	-	54
Technicians and associate professionals (Salary Band 6 - 8)	Female	142	-	88	-	88
	Male	68	-	63	-	63
Clerks (Salary Band 3 - 5)	Female	14	-	7	-	7
	Male	12	-	11	-	11
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	222	-	141	-	141
	Male	145	-	142	-	142
Total		367	-	283	-	283
Employees with disabilities	Female	7	-	-	-	-
	Male	7	-	2	-	2

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

3.14. INJURY ON DUTY

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

Table 3.14.1: Injury on duty, 1 April 2022 to 31 March 2023

Nature of injury on duty	Number	% of total
None		

3.15. UTILISATION OF CONSULTANTS

Table 3.15.1: Consultant appointments using appropriated funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
1	Tredco Marketing Consultants	Annual Report 2021/22	Translation of the English version into Afrikaans and isiXhosa	1	3 months	R 64 000,00	1	4
	Department of the Premier	Inter Departmental Claims	SMS Competency Assessment: Coordinator - Joint District and Metro Approach (JDMA)	1	2 weeks	R 9 662,00	1	N/A
			Barret Value Survey	1	1 month	R 147 134,07	1	
	Wilfred Jewell Consultancy	Annual Performance Plan 2023/24	Publication including proof reading, layout, design and printing	1	1 month	R 74 060,00	1	1
2	Agitominds	Review and align the organisational structures of four (4) different types of municipalities	Review and align the organisational structures of four (4) different capacity municipalities, according to the prototype structure proposed in the municipal staff regulations promulgated as GN.R890 (Phase 1 & 2)	7	3 months	R 800 000,00	1	2
	Department of the Premier	Inter Departmental Claims	Business Analyst	1	6 months	R 430 381,23	1	N/A
			Hosting of the Integrated Performance and Support System (IPSS)	1	5 months	R 150 000,00	1	
3	Department of the Premier	Inter Departmental Claim	Water and Sanitation Land Use Model	2	362 hours	R 497 000,68	1	N/A
	Disaster Risk Management	Disaster Risk Assessment	Review and update the Overberg District Municipality's Disaster Risk Assessment	5	5 months	R 336 012,75	2	1

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
3	NCC Environmental Services	Fire Risk Assessments and Pre-attack Plans	Development and production of a Fire Risk Assessment and Pre-attack Plan for the Garden Route District Municipal Area - Groot Brak	4	6 weeks	R 143 750,00	1	2
			Development and production of a Fire Risk Assessment and Pre-attack Plan for the Cape Winelands District Municipal Area - McGregor	4	6 weeks	R 131 617,50	1	
	Vulcan Wildfire Management	Fire Risk Assessment and Pre-attack Plan	Development and production of a Fire Risk Assessment and Pre-attack Plan for the City of Cape Town Metro - Robben Island	3	3 months	R 129 950,00	1	4
	Disaster Risk Management	Risk Assessment Methodology	Review and update of the Western Cape Standardised Risk Assessment Methodology	5	4 months	R 349 623,00	1	1
	Department of the Premier	Inter Departmental Claim	SMS Competency Assessment: Director-Integrated Development Planning (IDP)	1	1 month	R 34 553,00	1	N/A
	Geoss South Africa	Hydro-geological Consulting Services	Hydrogeological Services for ongoing groundwater management required at Hessequa, Prince Albert, Cape Agulhas, Theewaterskloof, Laingsburg and Cederberg Municipalities	4	3 months	R 607 875,63	6	3
Hydrogeological Services for ongoing groundwater management required at Witzenberg, Cape Agulhas, Kannaland, Oudtshoorn, Beaufort West, Cederberg, Breede Valley, Hessequa, Laingsburg and Prince Albert Municipalities			4	3 months	R 994 566,00	10		

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
3			Hydrogeological Services for ongoing groundwater management required at Cederberg Local Municipality for Lambert's Bay Town	2	3 months	R 508 897,08	1	
	Zutari (Pty)Ltd	Advisory Consulting Service	Compilation of the Western Cape Integrated Drought and Water Response Plan (WCIDWRP)	3	6 months	R 501 631,04	1	1
						R 5 910 713,98		

Table 3.15.2: Consultant appointments using Donor funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	Total individual consultants	BBBEE level
NA									

Part



**PFMA
COMPLIANCE
REPORT**

Information on Irregular, Fruitless and Wasteful, Unauthorized Expenditure and Material Losses

1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	469
Add: Irregular expenditure confirmed	5	-
Less: Irregular expenditure condoned	-	(469)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	5	-

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	-
Irregular expenditure for the current year	5	-
Total	5	-

2022/23 one case of non-compliance with supply chain management prescripts. Made an award to a supplier with an expired WCBD4

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	-
Irregular expenditure for the current year	-	-
Total	-	-

c) Details of current and previous year irregular expenditure condoned

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure condoned	-	469
Total	-	469

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

e) Details of current and previous year irregular expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement

Description
None

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement

Description	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Consequence management has been recommended and is in process.

2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	21	-
Add: Fruitless and wasteful expenditure confirmed	5	21
Less: Fruitless and wasteful expenditure written off	(7)	-
Less: Fruitless and wasteful expenditure recoverable	(19)	-
Closing balance	-	21

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	5	21
Total	5	21

2022/23: One case is as a result of a missed flight.

2021/22: Three cases as a result of accommodation not utilised, non-attendance of training and damaged to rental vehicle.

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure recovered	19	-
Total	19	-

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure written off	7	-
Total	7	-

The Fruitless and Wasteful case relates to Tshwane Metro Police. The cost was written off, based on a legal opinion as it was considered not feasible to pursue the claim.

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Funds were recovered from the officials

3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off	-	-
Closing balance	-	-

The Department had no unauthorised expenditure.

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	-	-
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b) (i) &(iii))

c) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

d) Details of other material losses

Nature of other material losses	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

e) Other material losses recovered

Nature of other material losses	2022/23	2021/22
	R'000	R'000
None	-	-
Total	-	-

f) Other material losses written off

Nature of other material losses	2022/23	2021/22
	R'000	R'000
GG Vehicle Damage	3	12
Theft and Damage to Equipment	30	24
Total	33	36

4. Late and/or non-payment of suppliers

a) Reconciliation of irregular expenditure

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2027	53,345
Invoices paid within 30 days or agreed period	2027	53,345
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

The above number of invoices is an estimate based on the available reports from the Provincial Treasury. Excluded from the estimated number of invoices and consolidated value are all transfer payments, cell phones claims, and entertainment claims.

5. Information on Supply Chain Management

a) Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
-	-	-	-	-

b) Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Extension of the existing security agreement regarding security services at the Western Cape Disaster Management Centre	Princeton Protection Services	Expansion	WCPT-TR 01/2017/2018	R 832	N/A	R 242

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Extension of the existing travel management contract for a period of 12 months	Trigon Travel	Expansion	LG 03 2020-2021	Services are utilised on an as-and -when required basis. A definitive contract value can therefore not be determined	N/A	Services are utilised on an as-and -when required basis. A definitive value for the expansion can therefore not be determined
Total						

Part



**FINANCIAL
INFORMATION**

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Report of the Accounting Officer 2022/23

1. General review of the state of financial affairs

Spending trends

The final appropriation for the Department of Local Government (DLG) amounts to R 388.912 million and the expenditure incurred by DLG amounts to R 376.001 million as at 31 March 2023, this reflects an underspending of R12.911 million as it relates to the following:

Compensation of employees

- The savings is due to delays in the filling of vacant critical posts and the appointment of staff to strengthen internal capacity within the Department to be able to provide support to municipalities, support the fire strategy of the Department as well as assist with research, policy and legislation development and support services to traditional councils (earmarked funding).

Goods and services

- The underspending relates the IT consumables procured during 2022/23 financial year, but due to delays, the suppliers could not deliver the equipment by 31 March 2023. Furthermore, the unspent amount on Goods and services relates to the following:
 - committed projects for the Municipal Minimum Competency (MMC) Training for Municipal Councillors, the Know your ward committee campaigns and the Research on Scarce and Critical Skills project emanating from the requests received from municipalities for provincial support in appropriately addressing scarce and critical skills in the municipal space;
 - the projects funded from earmarked funding i.e., commitment to appoint a service provider to conduct an Organisational Redesign to regulate the Human Resources environment in municipalities (earmarked municipalities Intervention) and the internal compliance

processes which delayed the start of the relevant SCM processes for the Sustainable Infrastructure Development and Finance Facility project (SIDAFF earmarked);

- the projects relating to in appointing a service provider to assess Public Participation in 24 Local Municipalities and 1 Metropolitan in the Province as well as the printing of the law library booklets requests received from municipalities (the post 2021 Local Government earmarked funds); and
- a rollover application has been submitted to PT to fund the commitments during 2023/24 financial year and the balance of the unspent on Goods and services will be surrendered to the Provincial Revenue Fund (PRF).

Machinery and equipment

- The underspending on Payment for capital assets relates to the commitments procured during 2022/23 financial year for IT and office equipment, but due to delays, the suppliers could not deliver the equipment by 31 March 2023. The Department have submitted a rollover application for the outstanding commitments.

Virements/Rollovers

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

- Programme 2 additional funds allocated to fund the pressure realised on the programme due to litigations; and
- Programme 3 additional funds allocated towards Aerial fire support to maintain adequate response resulting from the vast number of fires that occurred over the fire season in the Province during 2022/23 financial year.

The virements were undertaken within the guidelines of Provincial Treasury.

Report of the Accounting Officer 2022/23

2. Capacity constraints

Compensation of employees (CoE) due to delays in the filling of vacant posts within the department, the appointment of additional capacity to support the JDMA (earmarked funding) in the Province and to strengthen internal capacity to be able to conduct investigations and interventions (earmarked funding).

3. Utilisation of donor funds

- None.

4. Trading entities and public entities

- None.

5. Organisations to whom transfer payments have been made

- All transfer payments and the purposes for the payments made are reported in note 27 and Annexures 1A - 1D of the Notes to the Annual Financial Statements. • Accountability arrangements are in place for each transfer payment as stipulated in the individual agreements to the entities receiving the transfer payments.

6. Public private partnerships (PPP)

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

7. Corporate governance arrangements

- This is covered under Section C.

8. Discontinued activities/activities to be discontinued

- No activities were discontinued during the 2022/ 23 financial year

9. New/proposed activities

- None.

10. Events after the reporting date

- None.

11. Service Delivery Environment

Despite a myriad of ongoing challenges, the Department continued to be one of the best performing Departments in the Province.

This report is an account of the Department's performance for the 2022/23 financial year, wherein we achieved 97% of our planned indicators. . Also notable, is the tenth consecutive unqualified audit opinion without findings that the Department received during the 2022/23 audit by the Auditor-General South Africa. For these achievements I express gratitude to the management team and staff who have worked with dedication and energy even under difficult circumstances to ensure that the Department delivers on its mandate. I am also thankful to our partners who were always willing to offer their support when requested to do so.

If there is anything that loadshedding should remind us of is that, investment in infrastructure remains a key enabler for service delivery, growth and development. The Sustainable Infrastructure Development and Financing Facility Programme which is implemented by the Department with support from the French Government through the Agence Française de Développement is tailored to offer solutions to infrastructure challenges that municipalities are faced with, as it explores alternative financing options for infrastructure development. The programme aims to foster an enhanced integrated approach to municipal infrastructure development based on coordinated and sustainable principles, which include efficient governance that is crucial to the successful funding of the projects and programmes identified for development.

Guided by the lessons learnt during the drought period experienced in the Province, the Western Cape Government developed a 15-year Integrated Drought and Water Response Plan. The plan details assistance and support to municipalities to enhance water resilience through water supply augmentation, infrastructure capacity upgrades, water source management and water demand management across the Province. The plan was enhanced through a Water Indaba and Innovation which was hosted to afford an opportunity to the provincial government, municipalities, and

Report of the Accounting Officer 2022/23

stakeholders to reflect on the strategies and programmes in place and to ensure provincial water security. This was complemented by inputs and contributions by specialists from the academia and private sector.

Evidenced by various disaster incidents in the country, climate change brings with it more frequent and severe disasters. This calls for government to protect citizens, pointing to the importance of coordinated and multi-sectoral planning that aims to build resilient infrastructure geared towards risk avoidance. As an effort to strengthen resilience and mainstream disaster risk reduction into developmental planning, the Department developed Disaster Risk Reduction Planning Guidelines through a multi-stakeholder consultation process. This will provide guidance on ensuring that development planning is cognizant of disaster risk and provide direction on how to integrate risk knowledge into infrastructural projects.

Service delivery for the benefit of the people of this province is not a task of municipalities alone, it is the responsibility of National Government, Provincial Government, the private sector and the civil society. Through various intergovernmental relations platforms, the Department will continue to lead initiatives on a strategic and operational level to nurture an enabling environment for collaboration and to prioritise accelerated service delivery.

12. Prior modifications to audit reports

- None.

13. Exemptions and deviations received from the National Treasury

- None.

14. Interim Financial Statements

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

15. Approval

- The financial statements set out on pages 138 - 190 have been approved by the Accounting Officer.



Mr Graham Paulse
ACCOUNTING OFFICER
DATE: 31 August 2023

REPORT OF THE AUDIT COMMITTEE for the year ended 31 March 2023

Please refer to Part C: pages 73 - 74 for the full report of the Audit Committee

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Department of Local Government set out on pages 138 to 181, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets, and cash flow statement and for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Local Government as at 31 March 2023, and their financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) as prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Underspending of the budget

7. As disclosed in the appropriation statement, the department materially underspent the budget by R12.9 million (2021-22: R12.2 million) which is mainly on programme 2: Local Governance (R8.8 million).

Other matters

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

National Treasury Instruction No. 4 of 2022/2023: PFMA Compliance and Reporting Framework

9. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure (UIFW expenditure). Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 22 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of Department of Local

REPORT OF THE AUDITOR-GENERAL for the year ended 31 March 2023

Government. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Unaudited Supplementary Schedules

- The supplementary information set out on pages 182 - 190 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

- The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS as prescribed by the National Treasury and the requirements of the PFMA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

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

Report on the audit of the annual performance report

- In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
- I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: Local Governance	34-42	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes.
Programme 3: Development and Planning	45-50	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure, and promote integrated planning.

REPORT OF THE AUDITOR-GENERAL for the year ended 31 March 2023

17. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
18. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
20. I did not identify any material findings on the reported performance information of Programme 2: Local Governance and Programme 3: Development and Planning.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievement's. Reasons for the underachievement of targets are included in the annual performance report on pages 34-50.

Material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 2: Local Governance and Programme 3: Development and Planning. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

REPORT OF THE AUDITOR-GENERAL for the year ended 31 March 2023

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FINANCIAL INFORMATION

26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
27. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

28. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
29. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
30. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

AUDITOR - GENERAL

Cape Town
31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

REPORT OF THE AUDITOR-GENERAL for the year ended 31 March 2023

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 38(1)(a)(iv); 38(1)(b); 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c’) Treasury Regulation 16A 3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b) & (e); 16A 6.3(a) & (d); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A 8.3; 16A8.2 (1) and (2); 16A 8.3(d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(c); 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2(a)(ii) &(iii) Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.6.1 Treasury Regulation 19.8.4
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2);
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1) & section 29
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2

REPORT OF THE AUDITOR-GENERAL for the year ended 31 March 2023

Legislation	Sections or regulations
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
SITA ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4 (a) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Par. 4.3.2; 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)

APPROPRIATION STATEMENT for the year ended 31 March 2023

Appropriation per programme									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. ADMINISTRATION	54 826	-	(327)	54 499	52 933	1 566	97,1	52 254	50 589
2. LOCAL GOVERNANCE	168 475	-	94	168 569	159 714	8 855	94,7	208 372	200 120
3. DEVELOPMENT AND PLANNING	165 133	-	233	165 366	163 354	2 012	98,8	82 019	79 762
4. TRADITIONAL INSTITUTIONAL MANAGEMENT	478	-	-	478	-	478	-	1	-
Total	388 912	-	-	388 912	376 001	12 911	96,7	342 646	330 471
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				5 464				6 704	
Actual amounts per statement of financial performance (total revenue)				394 376				349 350	
Actual amounts per statement of financial performance (total expenditure)					376 001				330 471

APPROPRIATION STATEMENT for the year ended 31 March 2023

Appropriation per economic classification									
Economic classification	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	261 612	(1 381)	-	260 231	248 344	11 887	95,4	251 145	244 271
Compensation of employees	199 914	(1 385)	(139)	198 390	195 859	2 531	98,7	190 921	188 528
Goods and services	61 698	4	139	61 841	52 485	9 356	84,9	60 224	55 743
Transfers and subsidies	119 996	829	-	120 825	120 825	-	100,0	83 878	80 435
Provinces and municipalities	119 031	-	-	119 031	119 031	-	100,0	82 341	78 898
Departmental agencies and accounts	382	-	-	382	382	-	100,0	382	382
Non-profit institutions	376	-	-	376	376	-	100,0	676	676
Households	207	829	-	1 036	1 036	-	100,0	479	479
Payments for capital assets	7 255	560	-	7 815	6 791	1 024	86,9	7 587	5 729
Machinery and equipment	7 255	560	-	7 815	6 791	1 024	86,9	7 587	5 729
Payment for financial assets	49	(8)	-	41	41	-	100,0	36	36
Total	388 912	-	-	388 912	376 001	12 911	96,7	342 646	330 471

APPROPRIATION STATEMENT for the year ended 31 March 2023

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FINANCIAL INFORMATION

Programme 1: ADMINISTRATION									
Sub-programme	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. OFFICE OF THE MEC	-	-	-	-	-	-	-	-	-
2. CORPORATE SERVICES	54 826	-	(327)	54 499	52 933	1 566	97,1	52 254	50 589
Total	54 826	-	(327)	54 499	52 933	1 566	97,1	52 254	50 589

Economic classification	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	48 782	(522)	(352)	47 908	47 254	654	98,6	45 767	44 935
Compensation of employees	36 297	-	(139)	36 158	35 702	456	98,7	35 460	34 760
Goods and services	12 485	(522)	(213)	11 750	11 552	198	98,3	10 307	10 175
Transfers and subsidies	52	-	-	52	52	-	100,0	57	57
Departmental agencies and accounts	6	-	-	6	6	-	100,0	6	6
Households	46	-	-	46	46	-	100,0	51	51
Payments for capital assets	5 943	546	25	6 514	5 602	912	86,0	6 427	5 594
Machinery and equipment	5 943	546	25	6 514	5 602	912	86,0	6 427	5 594
Payment for financial assets	49	(24)	-	25	25	-	100,0	3	3
Total	54 826	-	(327)	54 499	52 933	1 566	97,1	52 254	50 589

APPROPRIATION STATEMENT for the year ended 31 March 2023

Programme 2: LOCAL GOVERNANCE									
Sub-programme	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. MUNICIPAL ADMINISTRATION	16 729	560	94	17 383	16 668	715	95,9	17 062	16 366
2. PUBLIC PARTICIPATION	11 585	219	-	11 804	11 651	153	98,7	10 201	9 907
3. CAPACITY DEVELOPMENT	13 507	(232)	-	13 275	11 721	1 554	88,3	11 272	10 659
4. MUNICIPAL PERFORMANCE, MONITORING, REPORTING AND EVALUATION	36 174	(228)	-	35 946	30 319	5 627	84,3	35 026	29 964
5. SERVICE DELIVERY INTEGRATION	11 970	(44)	-	11 926	11 794	132	98,9	61 238	60 924
6. COMMUNITY DEVELOPMENT WORKER PROGRAMME	78 510	(275)	-	78 235	77 561	674	99,1	73 573	72 300
Total	168 475	-	94	168 569	159 714	8 855	94,7	208 372	200 120

Economic classification	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	146 675	(799)	94	145 970	137 115	8 855	93,9	132 574	128 769
Compensation of employees	125 364	(769)	-	124 595	122 887	1 708	98,6	116 812	115 482
Goods and services	21 311	(30)	94	21 375	14 228	7 147	66,6	15 762	13 287
Transfers and subsidies	20 782	769	-	21 551	21 551	-	100,0	74 627	71 205
Provinces and municipalities	20 632	-	-	20 632	20 632	-	100,0	74 394	70 972
Households	150	769	-	919	919	-	100,0	233	233
Payments for capital assets	1 018	14	-	1 032	1 032	-	100,0	1 138	113
Machinery and equipment	1 018	14	-	1 032	1 032	-	100,0	1 138	113
Payment for financial assets	-	16	-	16	16	-	100,0	33	33
Total	168 475	-	94	168 569	159 714	8 855	94,7	208 372	200 120

APPROPRIATION STATEMENT for the year ended 31 March 2023

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FINANCIAL INFORMATION

Programme 3: DEVELOPMENT AND PLANNING									
Sub-programme	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. MUNICIPAL INFRASTRUCTURE	113 703	(42)	-	113 661	111 764	1 897	98,3	29 767	27 731
2. DISASTER MANAGEMENT	43 723	114	233	44 070	43 955	115	99,7	44 089	43 927
3. INTEGRATED DEVELOPMENT PLANNING CO-ORDINATION	7 707	(72)	-	7 635	7 635	-	100,0	8 163	8 104
Total	165 133	-	233	165 366	163 354	2 012	98,8	82 019	79 762

Economic classification	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	65 677	(60)	258	65 875	63 975	1 900	97,1	72 803	70 567
Compensation of employees	37 886	(616)	-	37 270	37 270	-	100,0	38 648	38 286
Goods and services	27 791	556	258	28 605	26 705	1 900	93,4	34 155	32 281
Transfers and subsidies	99 162	60	-	99 222	99 222	-	100,0	9 194	9 173
Provinces and municipalities	98 399	-	-	98 399	98 399	-	100,0	7 947	7 926
Departmental agencies and accounts	376	-	-	376	376	-	100,0	376	376
Non-profit institutions	376	-	-	376	376	-	100,0	676	676
Households	11	60	-	71	71	-	100,0	195	195
Payments for capital assets	294	-	(25)	269	157	112	58,4	22	22
Machinery and equipment	294	-	(25)	269	157	112	58,4	22	22
Total	165 133	-	233	165 366	163 354	2 012	98,8	82 019	79 762

APPROPRIATION STATEMENT for the year ended 31 March 2023

Programme 4: TRADITIONAL INSTITUTIONAL MANAGEMENT									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Sub-programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. TRADITIONAL INSTITUTIONAL ADMINISTRATION	478	-	-	478	-	478	0	1	-
Total	478	-	-	478	-	478	0	1	-

	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	478	-	-	478	-	478	0	1	-
Compensation of employees	367	-	-	367	-	367	0	1	-
Goods and services	111	-	-	111	-	111	0	-	-
Total	478	-	-	478	-	478	0	1	-

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2023

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, and Annexure 1 (A-D) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

Detail of these transactions can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	54 499	52 933	1 566	2,9%

Explanation of variance: The savings on Compensation of employees (CoE) is as a result of delays with the filling of vacant posts due to staff exiting the Department. Furthermore, the underspending on Goods and services (G&S) and Payment for capital assets relates to Information Technology (IT) equipment and office equipment procured during 2022/23 financial year, but suppliers could not deliver the equipment by 31 March 2023. The rollover applications has been submitted to Provincial Treasury (PT) to fund the commitments during 2023/24 financial year.

Local Governance	168 569	159 714	8 855	5,3%
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Explanation of variance: The savings/underspending relates to the following:

- **Compensation of employees (CoE)**
 - the savings is due to delays in the filling of critical positions and the appointment of staff to strengthen internal capacity within the Department to provide support to municipalities (earmarked funding). The Department has surrendered the unspent amount on CoE to the Provincial Revenue Fund (PRF).
- **Goods and services (G&S)**
 - the Municipal Minimum Competency (MMC) Training for Municipal Councillors, printing of the Know your ward committee campaign booklets and the Research on Scarce and Critical Skills project emanating from the requests received from municipalities for provincial support in appropriately addressing scarce and critical skills in the municipal space;
 - the projects funded from earmarked allocations i.e., commitment to appoint a service provider to conduct an Organisational Redesign to regulate the Human Resources environment in municipalities (earmarked Municipalities Intervention) and the internal compliance processes which delayed the start of the relevant SCM processes for the Sustainable Infrastructure Development and Finance Facility project (SIDAFF earmarked);
 - the projects relating to the appointment of a service provider to assess Public Participation in 24 Local Municipalities and 1 Metropolitan in the Province as well as the printing of the law library booklets requests received from municipalities (post the 2021 Local Government earmarked funds); and
 - the rollover applications submitted to PT to fund the commitments during 2023/24 financial year. The Department has surrendered the balance of the unspent amount on G&S to the PRF.

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2023

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Development and Planning	165 366	163 354	2 012	1,22%
Traditional Institutional Management	478	-	478	100%

Explanation of variance: The savings relates to the delays with the recruitment process to appoint additional capacity within the Department to assist with research, policy and legislation development and support services to traditional councils funded from earmarked funding. The Department has surrendered the unspent earmarked amount to the PRF.

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	198 390	195 859	2 531	1,28%
Goods and services	61 841	52 485	9 356	15,13%
Transfers and subsidies				
Provinces and municipalities	119 031	119 031	-	0,00%
Departmental agencies and accounts	382	382	-	0,00%
Non-profit institutions	376	376	-	0,00%
Households	1 036	1 036	-	0,00%
Payments for capital assets				
Machinery and equipment	7 815	6 791	1 024	13,10%
Payments for financial assets	41	41	-	0,00%
Total	388 912	376 001	12 911	3,32%

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2023

Explanation of variance: The savings/underspending relates to the following:

- **Goods and services (G&S) -**

The underspending relates to the IT consumables procured during 2022/23 financial year, but suppliers could not deliver the equipment by 31 March 2023. Furthermore, the unspent amount on G&S relates to the following:

- The Municipal Minimum Competency (MMC) Training for Municipal Councillors, printing of the Know your ward committee campaign booklets and the Research on Scarce and Critical Skills project emanating from the requests received from municipalities for provincial support in appropriately addressing scarce and critical skills in the municipal space;
- The projects funded from earmarked allocations i.e., commitment to appoint a service provider to conduct an Organisational Redesign to regulate the Human Resources environment in municipalities (earmarked Municipalities Intervention) and the internal compliance processes which delayed the start of the relevant SCM processes for the Sustainable Infrastructure Development and Finance Facility project (SIDAFF - earmarked);
- The projects relating to the appointment of a service provider to assess Public Participation in 24 Local Municipalities and 1 Metropolitan in the Province as well as the printing of the law library booklets requests received from municipalities (post the 2021 Local Government - earmarked); and
- the rollover applications has been submitted to PT to fund the commitments during 2023/24 financial year. The Department has surrendered the balance of the unspent amount on G&S to the PRF.

- **Machinery and equipment -**

The underspending on Payment for capital assets relates to the equipment procured during 2022/23 financial year which includes laptops and office equipment, but suppliers could not deliver the equipment by 31 March 2023. The rollover applications has been submitted to PT to fund the commitments during 2023/24 financial year.

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	1	388 912	342 646
Departmental revenue	2	5 464	6 704
TOTAL REVENUE		394 376	349 350
EXPENDITURE			
Current expenditure		248 344	244 271
Compensation of employees	3	195 859	188 528
Goods and services	4	52 485	55 743
Transfers and subsidies		120 825	80 435
Transfers and subsidies	6	120 825	80 435
Expenditure for capital assets		6 791	5 729
Tangible assets	7	6 791	5 729
Payments for financial assets		41	36
Payments for financial assets	5	41	36
TOTAL EXPENDITURE		376 001	330 471
SURPLUS FOR THE YEAR		18 375	18 879
Reconciliation of Net Surplus for the year			
Voted Funds		12 911	12 175
Annual appropriation		12 911	12 175
Departmental revenue and NRF Receipts	12	5 464	6 704
SURPLUS FOR THE YEAR		18 375	18 879

STATEMENT OF FINANCIAL POSITION as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current Assets		13 446	12 654
Cash and cash equivalents	8	12 619	12 090
Receivables	10	827	564
Non-Current Assets		12	-
Receivables	10	12	-
TOTAL ASSETS		13 458	12 654
LIABILITIES			
Current Liabilities		13 014	12 247
Voted funds to be surrendered to the Revenue Fund	11	12 911	12 175
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	32	30
Payables	13	71	42
TOTAL LIABILITIES		13 014	12 247
NET ASSETS		444	407
Represented by:			
Recoverable revenue		444	407
TOTAL		444	407

STATEMENT OF CHANGES IN NET ASSETS as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
NET ASSETS			
Recoverable revenue			
Opening balance		407	470
Transfers		37	(63)
Debts recovered (included in departmental receipts)		(68)	(308)
Debts raised		105	245
Closing balance		444	407
TOTAL		444	407

CASH FLOW STATEMENT for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		394 448	349 459
Annual appropriated funds received	1.1	388 912	342 646
Departmental revenue received	2	5 536	6 813
Net (increase)/decrease in working capital		(234)	(9)
Surrendered to Revenue Fund		(17 751)	(11 330)
Current payments		(248 344)	(244 271)
Payments for financial assets		(41)	(36)
Transfers and subsidies paid		(120 825)	(80 435)
Net cash flow available from operating activities	14	7 253	13 378
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(6 791)	(5 729)
Proceeds from sale of capital assets	2.2	42	-
(Increase)/decrease in non-current receivables	10	(12)	47
Net cash flows from investing activities		(6 761)	(5 682)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		37	(63)
Net cash flows from financing activities		37	(63)
Net increase/ (decrease) in cash and cash equivalents		529	7 633
Cash and cash equivalents at beginning of period		12 090	4 457
Cash and cash equivalents at end of period	15	12 619	12 090

ACCOUNTING POLICIES for the year ended 31 March 2023

Summary of significant accounting policies

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

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

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

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

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

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

ACCOUNTING POLICIES for the year ended 31 March 2023

Appropriated funds are measured at the amounts receivable.

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

7.2 Departmental revenue

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

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

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

7.3 Accrued departmental revenue

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

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

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

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

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

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

8.3 Accruals and payables not recognised

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

ACCOUNTING POLICIES for the year ended 31 March 2023

8.4 Leases

8.4.1 Operating leases

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

The operating lease commitments are recorded in the notes to the financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

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

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

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9. Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

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

11. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

Prepayments will be expensed when the goods and services are received in terms of the signed agreement with a governmental entity.

ACCOUNTING POLICIES for the year ended 31 March 2023

12. Loans and receivables

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

13. Investments

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

14. Financial assets

14.1 Financial assets (not covered elsewhere)

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

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

14.2 Impairment of financial assets

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

15. Payables

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

16. Capital Assets

16.1 Immovable capital assets

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

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

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

16.2 Movable capital assets

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

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

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

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

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

ACCOUNTING POLICIES for the year ended 31 March 2023

16.3 Intangible capital assets

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

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

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

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

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

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

16.4 Project Costs: Work-in-progress

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

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

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

17. Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

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

17.3 Contingent assets

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

17.4 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

ACCOUNTING POLICIES for the year ended 31 March 2023

18. Unauthorised expenditure

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

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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

Unauthorised expenditure recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of;

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

21. Changes in accounting estimates and errors

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

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

22. Events after the reporting date

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

23. Principal-Agent arrangements

The department does not have a Principal-Agent arrangements.

ACCOUNTING POLICIES for the year ended 31 March 2023

24. Departures from the MCS requirements

The Department had no departures from the MCS requirements.

25. Capitalisation reserve

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

26. Recoverable revenue

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

27. Related party transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

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

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

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

29. Public-Private Partnerships

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

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

30. Employee benefits

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

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

ACCOUNTING POLICIES for the year ended 31 March 2023

31. Transfer of functions

Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

1 Annual Appropriation

1.1 Annual Appropriation

Programmes	2022/23			2021/22		
	Final Budget R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Budget R'000	Appropriation Received R'000	Funds not requested/ not received R'000
ADMINISTRATION	54 499	54 499	-	52 254	52 254	-
LOCAL GOVERNANCE	168 569	168 569	-	208 372	208 372	-
DEVELOPMENT AND PLANNING	165 366	165 366	-	82 019	82 019	-
TRADITIONAL INSTITUTIONAL MANAGEMENT	478	478	-	1	1	-
Total	388 912	388 912	-	342 646	342 646	-

Note	2022/23 R'000	2021/22 R'000
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2 Departmental Revenue

Sales of goods and services other than capital assets	2.1	118	112
Sales of capital assets	2.2	42	-
Transactions in financial assets and liabilities	2.3	5 418	6 701
Total revenue collected		5 578	6 813
Less: Own revenue included in appropriation	12	114	109
Total		5 464	6 704

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	2	118	112
Other sales		118	112
Total		118	112

Other sales consists of commission on insurance and garnishees

2.2 Sales of capital assets

Tangible capital assets	2	42	-
Machinery and equipment		42	-
Total		42	-

2.3 Transactions in financial assets and liabilities

Other Receipts including Recoverable Revenue	2	5 418	6 701
Total		5 418	6 701

Included in Other Receipts including Recoverable Revenue:
Refunds received from Municipalities for unspent grants

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
2.4 Donations received in-kind (not included in main note)			
List in-kind donations received			
United Nations Co-ordination of Humanitarian Affairs (UNOCHA) and European Union - Attend the Union civil Protection Mechanism Assessment Mission Course (18AMCS)		40	-
Hanns Seidel Foundation - Local Government Practitioners Course presented by Hanns Seidel Foundation and the Institute for Federalism (IFF)		54	-
United Nations Disaster Assessment and Co-ordination (UNDAC) - Capacity for Disaster Reduction Initiative (CADRI)		42	-
International Organisation for Industrial Emergency Response and Fire Hazard Management (JOIFF) - JOIFF Africa Summit		15	-
EURAC Research Institute - Winter School on Federalism and Governance		50	-
United Nations Disaster Assessment and Coordination (UNDAC) - Support Mission to Turkey		31	-
Total		232	-
3 Compensation of employees			
3.1 Analysis of balance			
Basic salary		135 434	130 935
Performance award		63	28
Service Based		54	66
Compensative/circumstantial		1286	676
Other non-pensionable allowances		31 805	30 858
Total		168 642	162 563
3.2 Social contributions			
Employer contributions			
Pension		16 864	16 131
Medical		10 311	9 794
Bargaining council		42	40
Total		27 217	25 965
Total compensation of employees		195 859	188 528
Average number of employees		376	371

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
4 Goods and services			
Administrative fees		108	80
Advertising		3 161	2 282
Minor assets	4.1	237	100
Bursaries (employees)		403	334
Catering		765	405
Communication		1 451	1 358
Computer services	4.2	702	439
Consultants: Business and advisory services		5 911	15 044
Legal services		2 499	2 376
Contractors		17 104	17 211
Agency and support / outsourced services		-	35
Entertainment		52	42
Audit cost - external	4.3	2 596	2 984
Fleet services		3 017	2 362
Consumables	4.4	793	1 073
Operating leases		240	174
Property payments	4.5	1 948	1 535
Rental and hiring		17	23
Transport provided as part of the departmental activities		250	243
Travel and subsistence	4.6	5 536	3 383
Venues and facilities		298	202
Training and development		2 220	2 542
Other operating expenditure	4.7	3 177	1 516
Total		52 485	55 743

Advertising includes the following:

Awareness campaigns such as Fire awareness, Knowledge management, Area based risk and anti-corruption

Consultants includes mainly the following:

Hydrogeological services, ICT Systems Analyst, Provincial Water Response Plan and Risk assessments

Contractors includes the following:

Aerial firefighting and Forensic investigators fees

Training includes mainly the following:

Municipal Minimum Competency (MMC) training, Interpretation and application of Local Authority by-laws and Firefighting training

4.1 Minor assets	4		
Tangible capital assets		237	100
Machinery and equipment		237	100
Total		237	100

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
4.2 Computer services	4		
SITA computer services		281	284
External computer service providers		421	155
Total		702	439

External computer service providers includes the development of a disaster management information and communication system

4.3 Audit cost - external	4		
Regularity audits		2 596	2 984
Total		2 596	2 984

4.4 Consumables	4		
Consumable supplies		390	599
Household supplies		74	97
Building material and supplies		207	425
IT consumables		103	77
Other consumables		6	-
Stationery, printing and office supplies		403	474
Total		793	1 073

Building material and supplies includes smoke detectors

4.5 Property payments	4		
Municipal services		14	15
Property management fees		-	13
Property maintenance and repairs		224	177
Other		1 710	1 330
Total		1 948	1 535

Property maintenance and repairs includes cleaning and gardening services
Other includes firefighting and protection services, safeguarding and security as well as fumigation of offices

4.6 Travel and subsistence	4		
Local		5 512	3 380
Foreign		24	3
Total		5 536	3 383

4.7 Other operating expenditure	4		
Professional bodies, membership and subscription fees		3	3
Resettlement costs		79	107
Other		3 095	1 406
Total		3 177	1 516

Other includes:
Photocopies, printing of legislative law library sets for new municipal councillors, printing and binding of the Annual Report and Annual Performance Plan, Know your ward committees, municipal client service charters and printing of fire services training material and fire index danger boards

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
5 Payments for financial assets			
Other material losses written off	5.1	33	36
Debts written off	5.2	8	-
Total		41	36
5.1 Other material losses written off	5		
Nature of other material losses			
GG Vehicle Damage		3	24
Assets		30	12
Total		33	36
Write-off consists of: 1 Vehicle damage and 2 assets			
5.2 Debts written off	5		
Nature of debts written off			
Vehicle Damage		7	-
Asset		1	-
Total debt written off		8	-
6 Transfers and Subsidies			
Provinces and municipalities	28	119 031	78 898
Departmental agencies and accounts	<i>Annexure 1B</i>	382	382
Non-profit institutions	<i>Annexure 1C</i>	376	676
Households	<i>Annexure 1D</i>	1 036	479
Total		120 825	80 435
7 Expenditure for capital assets			
Tangible capital assets	25	6 791	5 729
Machinery and equipment		6 791	5 729
Total		6 791	5 729
7.1 Analysis of funds utilised to acquire capital assets – current year			
		2022/23	
		Voted Funds	Aid assistance
		R'000	R'000
			Total
			R'000
Tangible capital assets		6 791	-
Machinery and equipment		6 791	-
Total		6 791	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

7.2 Analysis of funds utilised to acquire capital assets – prior year

	2021/22		
	Voted Funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	5 729	-	5 729
Machinery and equipment	5 729	-	5 729
Total	5 729	-	5 729

Note	2022/23 R'000	2021/22 R'000
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7.3 Finance lease expenditure included in Expenditure for capital assets

	2022/23 R'000	2021/22 R'000
Tangible capital assets	3 126	3 168
Machinery and equipment	3 126	3 168
Total	3 126	3 168

8 Cash and cash equivalents

	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General Account	12 569	12 040
Cash on hand	50	50
Total	12 619	12 090

9 Prepayments and advances

9.1 Prepayments (Expensed)

	2022/23				Amount as at 31 March 2023 R'000
	Amount as at 1 April 2022 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year pre-payments R'000	
	Goods and services	-	-	-	
Total	-	-	-	-	-

Prepayments (Expensed)

	2021/22				Amount as at 31 March 2022 R'000
	Amount as at 1 April 2021 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year pre-payments R'000	
	Goods and services	2	(2)	-	
Total	2	(2)	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

10 Receivables

		2022/23			2021/22		
		Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	10.1	147	-	147	-	-	-
Recoverable expenditure	10.2	113	-	113	38	-	38
Staff debt	10.3	551	11	562	524	-	524
Other receivables	10.4	16	1	17	2	-	2
Total		827	12	839	564	-	564

		Note	2022/23 R'000	2021/22 R'000
10.1	Claims recoverable	10		
	Provincial departments		147	-
	Total		147	-
10.2	Recoverable expenditure	10		
	Damages: GG Vehicles		67	8
	Theft and damages: Assets		46	30
	Total		113	38
10.3	Staff debt	10		
	Bursary		41	29
	Leave without pay		381	339
	Income Tax		11	8
	Salary		99	111
	Telephone		1	1
	Assets		29	36
	Total		562	524
10.4	Other receivables	10		
	Fruitless and wasteful expenditure		17	2
	Total		17	2
10.5	Impairment of receivables			
	Estimate of impairment of receivables		644	499
	Total		644	499

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
11 Voted Funds to be surrendered to the Revenue Fund			
Opening balance		12 175	4 538
As restated		12 175	4 538
Transfer from statement of financial performance (as restated)		12 911	12 175
Paid during the year		(12 175)	(4 538)
Closing balance		12 911	12 175
12 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		30	9
As restated		30	9
Transfer from Statement of Financial Performance (as restated)		5 464	6 704
Own revenue included in appropriation		114	109
Paid during the year		(5 576)	(6 792)
Closing balance		32	30
13 Payables - current	13.1		
Clearing accounts		71	42
Total		71	42
13.1 Clearing accounts	13		
Sal: GEHS refund control account: CL		41	42
Sal: Income Tax: CL		26	-
Sal: Reversal Control: CA		4	-
Total		71	42
14 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		18 375	18 879
Add back non cash/cash movements not deemed operating activities		(11 122)	(5 501)
(Increase)/decrease in receivables		(263)	41
Increase/(decrease) in payables - current		29	(50)
Proceeds from sale of capital assets		(42)	-
Expenditure on capital assets		6 791	5 729
Surrenders to Revenue Fund		(17 751)	(11 330)
Own revenue included in appropriation		114	109
Net cash flow generating		7 253	13 378
15 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		12 569	12 040
Cash on hand		50	50
Total		12 619	12 090

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

Note	2022/23 R'000	2021/22 R'000
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16 Contingent liabilities and contingent assets

16.1 Contingent assets

There are 2 PILIR cases under investigation which were not finalised by the Department of Local Government as at 31 March 2023.
The Department is not able to reliably measure the contingent asset in terms of the Government Employees Housing Scheme of the Individually Linked Savings Facility (ILSF), relating to resignations and termination of service.

17 Capital Commitments

Machinery and equipment	1 028	1 692
Total	1 028	1 692

18 Accruals and payables not recognised

18.1 Accruals

	2022/23			2021/22
	30 days R'000	30+ days R'000	Total R'000	Total R'000
Listed by economic classification				
Goods and services	587	-	587	289
Capital assets	-	-	-	34
Total	587	-	587	323

	2022/23 R'000	2021/22 R'000
Listed by programme level		
Programme 1: Administration	156	77
Programme 2: Local Governance	420	212
Programme 3: Development and Planning	11	34
Total	587	323

18.2 Payables not recognised

	2022/23			2021/22
	30 days R'000	30+ days R'000	Total R'000	Total R'000
Listed by economic classification				
Goods and services	31	-	31	50
Transfers and subsidies	1	-	1	-
Capital assets	-	-	-	1
Other	2	-	2	-
Total	34	-	34	51

	2022/23 R'000	2021/22 R'000
Listed by programme level		
Programme 1: Administration	9	31
Programme 2: Local Governance	3	6
Programme 3: Development and Planning	22	14
Total	34	51

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
18.2 Payables not recognised (continued)			
Included in the above totals are the following:			
Confirmed balances with departments	<i>Annex 3</i>	9	25
Confirmed balances with other government entities	<i>Annex 3</i>	81	-
Total		90	25

19 Employee benefits

Leave entitlement	8 474	10 449
Service bonus	4 750	4 579
Capped leave	1 547	1 595
Other	182	205
Total	14 953	16 828

At this stage the department is not able to reliably measure the long term portion of the long service awards.

Included in leave entitlement is a credit amount of R208 842

20 Lease commitments

20.1 Operating leases

	2022/23				
	Special- ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip- ment R'000	Total R'000
Not later than 1 year	-	-	-	178	178
Later than 1 year and not later than 5 years	-	-	-	24	24
Total lease commitments	-	-	-	202	202

	2021/22				
	Special- ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip- ment R'000	Total R'000
Not later than 1 year	-	-	-	227	227
Later than 1 year and not later than 5 years	-	-	-	202	202
Total lease commitments	-	-	-	429	429

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

20.2 Finance leases

	2022/23				
	Special- ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip- ment R'000	Total R'000
Not later than 1 year	-	-	-	2 994	2 994
Later than 1 year and not later than 5 years	-	-	-	5 514	5 514
Total lease commitments	-	-	-	8 508	8 508

	2021/22				
	Special- ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip- ment R'000	Total R'000
Not later than 1 year	-	-	-	3 032	3 032
Later than 1 year and not later than 5 years	-	-	-	3 370	3 370
Total lease commitments	-	-	-	6 402	6 402

Included in finance leases are data-cards and vehicles

The Department of Local Government leased 37 vehicles from GMT as at 31 March 2023 (31 March 2022: 38). Daily tariffs are payable on a monthly bases, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

The implicit Interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
21			
Accrued departmental revenue			
Transactions in financial assets and liabilities	21.1	604	1 328
Total		604	1 328
21.1			
Analysis of accrued departmental revenue	21		
Opening balance		1 328	1 748
Less: Amounts received		5 303	6 412
Add: Amounts recorded		5 117	5 992
Other (Adjustments)		(538)	-
Closing balance		604	1 328

Other includes adjustments to balances owed by municipalities

22 Unauthorised, Irregular and Fruitless and wasteful expenditure

Irregular expenditure - current year	5	-
Fruitless and wasteful expenditure - current year	5	21
Total	10	21

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report

Irregular expenditure comprises of one case relating to non-compliance to Supply Chain Legislation.

Fruitless and wasteful expenditure comprises of one case relating to a missed flight.

23 Related party transactions

The Department occupies a building free of charge (Waldorf Building) managed by the Department of Transport and Public Works. Parking space is also provided for government officials at an approved fee that is not market related.

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

Information and Communication Technology; Organisational Development; Provincial Training (transversal); Human Resource Management; Enterprise Risk Management; Internal Audit; Provincial Forensic Services; Legal Services and Corporate Communication.

The Department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Provincial Treasury.

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

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
24 Key management personnel			
Officials:			
Level 15 to 16		1 869	1 804
Level 14 (incl. CFO if at a lower level)		5 689	5 462
Total		7 558	7 266

25 Movable Tangible Capital Assets

Movable Tangible Capital Assets per asset register for the year ended 31 March 2023

	2022/23				Closing balance R'000
	Opening balance R'000	Value adjust- ments R'000	Additions R'000	Disposals R'000	
Machinery and equipment	22 494	-	3 694	884	25 304
Computer equipment	13 576	-	3 582	843	16 315
Furniture and office equipment	3 911	-	-	21	3 890
Other machinery and equipment	5 007	-	112	20	5 099
Total movable tangible capital assets	22 494	-	3 694	884	25 304

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the Movable Tangible Capital Assets per the asset register are assets that are under investigation:		
Machinery and equipment	36	505
Total	36	505

18 Assets reported and under investigation. Assets have been reported either as lost, stolen or damaged, and is under investigation to determine liability.

18 Assets not presented for verification during the annual asset verification process. These assets must be reported as a loss, which will subsequently be investigated to determine liability.

25.1 Movement in Movable Tangible Capital Assets per asset register for the year ended 31 March 2022

	2021/22				Closing balance R'000
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	
Machinery and equipment	21 063	21	2 584	1 174	22 494
Computer equipment	11 417	-	2 485	326	13 576
Furniture and office equipment	3 939	-	12	40	3 911
Other machinery and equipment	5 707	21	87	808	5 007
Total Movable Tangible Capital Assets	21 063	21	2 584	1 174	22 494

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
25.1.1 Prior period error			
Nature of prior period error			
Relating to 2021/22 (affecting the opening balance)	27		21
Assets previously removed in error			21
Total prior period errors			21

25.2 Minor assets

Movement in Minor Capital Assets per the asset register for the year ended 31 March 2023

	2022/23					Total R'000
	Special- ised military assets R'000	In- tangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	
Opening balance	-	-	-	6 034	-	6 034
Additions	-	-	-	237	-	237
Disposals	-	-	-	193	-	193
Total Minor Assets	-	-	-	6 078	-	6 078

	Special- ised military assets R'000	In- tangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
	Number of R1 minor assets	-	-	-	3	-
Number of minor assets at cost	-	-	-	3 335	-	3 335
Total number of Minor Assets	-	-	-	3 338	-	3 338

Minor Capital Assets under investigation

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:	Number	Value R'000
Machinery and equipment	64	126
Total	64	126

27 Assets reported and under investigation. Assets have been reported either as lost, stolen or damaged, and is under investigation to determine liability.

37 Assets not presented for verification during the annual asset verification process. These assets must be reported as a loss, which will subsequently be investigated to determine liability.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

25.2 Minor assets

Movement in Minor Capital Assets per the asset register for the year ended 31 March 2022

	2021/22					Total R'000
	Special- ised military assets R'000	In- tangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	
Opening balance	-	-	-	6 475	-	6 475
Prior period error	-	-	-	26	-	26
Additions				99		99
Disposals	-	-	-	566	-	566
Total Minor Assets	-	-	-	6 034	-	6 034

	Special- ised military assets R'000	In- tangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Number of R1 minor assets	-	-	-	3	-	3
Number of minor assets at cost	-	-	-	3 379	-	3 379
Total number of Minor Assets	-	-	-	3 382	-	3 382

Note

2021/22
R'000

25.2.1 Prior period error

Nature of prior period error

Relating to 2021/22 (affecting the opening balance)

Assets previously removed in error

Total prior period errors

27

26

26

26

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

25.3 Movable tangible capital assets written off

Movable Capital Assets written off for the year ended 31 March 2023

	2022/23					Total R'000
	Special- ised military assets R'000	In- tangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	
Assets written off			-	103	-	103
Total Movable Assets written off	-	-	-	103	-	103

Movable Capital Assets written off for the year ended 31 March 2022

	2021/22					Total R'000
	Special- ised military assets R'000	In- tangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	
Assets written off	-	-	-	235	-	235
Total Movable Assets written off	-	-	-	235	-	235

26 Intangible Capital Assets

Movement in Intangible Capital Assets per asset register for the year ended 31 March 2023

	2022/23			Closing balance R'000
	Opening balance R'000	Additions R'000	Disposals R'000	
Software	498	-	-	498
Total Intangible Capital Assets	498	-	-	498

26.1 Movement in Intangible Capital Assets per asset register for the year ended 31 March 2022

	2021/22				Closing balance R'000
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	
Software	498	-	-	-	498
Total Intangible Capital Assets	498	-	-	-	498

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

27 Prior period errors

27.1 Correction of prior period errors

		2021/22		
	Note	Amount bef error correction R'000	Prior period error R'000	Restated R'000
Assets				
Movable tangible capital assets	25.2.1	22 473	21	22 494
Minor assets	25.2.2	6 008	26	6 034
Net effect		28 481	47	28 528

Assets previously removed in error.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

28 Statement of Conditional Grants and other transfers to municipalities

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Community Development Worker Operational Support Grant									
Beaufort West	223	-	-	223	223	-	-	226	226
Bitou	19	-	-	19	19	-	-	19	19
Breede Valley	94	-	-	94	94	-	-	94	94
Cape Agulhas	56	-	-	56	56	-	-	57	57
Cape Winelands District	75	-	-	75	75	-	-	76	76
Cederberg	152	-	-	152	152	-	-	151	151
City of Cape Town	1 034	-	-	1 034	1 034	-	-	1 001	1 001
Drakenstein	113	-	-	113	113	-	-	113	113
George	94	-	-	94	94	-	-	94	94
Hessequa	38	-	-	38	38	-	-	38	38
Kannaland	112	-	-	112	112	-	-	113	113
Knysna	56	-	-	56	56	-	-	57	57
Laingsburg	94	-	-	94	94	-	-	94	94
Langeberg	38	-	-	38	38	-	-	38	38
Matzikama	94	-	-	94	94	-	-	94	94
Mossel Bay	56	-	-	56	56	-	-	57	57
Oudtshoorn	56	-	-	56	56	-	-	57	57
Overberg District	56	-	-	56	56	-	-	57	57
Overstrand	75	-	-	75	75	-	-	76	76
Prince Albert	56	-	-	56	56	-	-	57	57
Saldanha Bay	75	-	-	75	75	-	-	75	75
Stellenbosch	38	-	-	38	38	-	-	38	38
Swartland	38	-	-	38	38	-	-	38	38
Theewaterskloof	112	-	-	112	112	-	-	132	132
West Coast District	75	-	-	75	75	-	-	76	76
Witzenberg	131	-	-	131	131	-	-	132	132
Thusong Service Centre Grant (Sustainability: Operational Support Grant)									
Beaufort West	-	-	-	-	-	-	-	150	150
Bitou	150	-	-	150	150	-	-	150	150
Breede Valley	150	-	-	150	150	-	-	150	150
Cape Agulhas	-	-	-	-	-	-	-	150	150
Cederberg	150	-	-	150	150	-	-	150	150
Oudtshoorn	150	-	-	150	150	-	-	150	150

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Overstrand	150	-	-	150	150	-	-	-	-
Prince Albert	150	-	-	150	150	-	-	-	-
Saldanha Bay	146	-	-	146	146	-	-	-	-
Municipal Electrical Master Plan Grant									
Drakenstein	800	-	-	800	800	-	-	-	-
Mossel Bay	-	-	-	-	-	-	-	603	603
Overstrand	-	-	-	-	-	-	-	1 000	1 000
Saldanha Bay	800	-	-	800	800	-	-	-	-
Municipal Service Delivery and Capacity Building Grant									
Breede Valley	-	-	-	-	-	-	-	694	693
Cape Agulhas	-	-	420	420	420	-	-	1 300	1 300
Cape Winelands District	-	-	-	-	-	-	-	70	70
Cederberg	-	-	-	-	-	-	-	400	400
Central Karoo District	-	-	-	-	-	-	-	70	70
Garden Route District	-	-	-	-	-	-	-	350	350
Hessequa	-	-	250	250	250	-	-	200	200
Knysna	-	-	-	-	-	-	-	400	400
Mossel Bay	-	-	300	300	300	-	-	150	150
Overberg District	-	-	-	-	-	-	-	350	350
Overstrand	-	-	1 550	1 550	1 550	-	-	244	244
Saldanha Bay	-	-	500	500	500	-	-	300	300
Theewaterskloof	-	-	620	620	620	-	-	1 000	1 000
West Coast District	-	-	200	200	200	-	-	420	420
Witzenberg	-	-	500	500	500	-	-	600	600
Unallocated	4 427	-	(4 427)	-	-	-	-	-	-
Fire Service Capacity Building Grant									
Central Karoo District	-	-	-	-	-	-	-	1 925	1 925
Langeberg	821	-	-	821	821	-	-	-	-
Mossel Bay	824	-	-	824	824	-	-	-	-
West Coast District	821	-	-	821	821	-	-	-	-
Western Cape Municipal Interventions Grant									
Beaufort West	-	-	480	480	480	-	-	-	-
Cape Agulhas	-	-	700	700	700	-	-	-	-
Cape Winelands District	-	-	100	100	100	-	-	-	-
Cederberg	-	-	750	750	750	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

11

FINANCIAL INFORMATION

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Central Karoo District	-	-	100	100	100	-	-	-	-
Garden Route District	-	-	100	100	100	-	-	-	-
Kannaland	-	-	606	606	606	-	-	-	-
Knysna	-	-	-	-	-	-	-	400	400
Laingsburg	-	-	200	200	200	-	-	500	500
Matzikama	-	-	450	450	450	-	-	-	-
Mossel Bay	-	-	250	250	250	-	-	-	-
Oudtshoorn	-	-	250	250	250	-	-	-	-
Overberg District	-	-	300	300	300	-	-	-	-
Overstrand	-	-	450	450	450	-	-	-	-
Prince Albert	-	-	1 200	1 200	1 200	-	-	-	-
Swellendam	-	-	500	500	500	-	-	-	-
Theewaterskloof	-	-	250	250	250	-	-	150	150
West Coast District	-	-	100	100	100	-	-	-	-
Witzenberg	-	-	400	400	400	-	-	-	-
Unallocated	5 409	-	(5 409)	-	-	-	-	3 417	-
Disaster Management Grant									
Breede Valley	118	-	-	118	118	-	-	118	118
Municipal Water Resilience Grant									
Breede Valley	-	-	700	700	700	-	-	-	-
Cederberg	-	-	3 000	3 000	3 000	-	-	-	-
Central Karoo District	-	-	-	-	-	-	-	2 950	2 929
Garden Route District	-	-	-	-	-	-	-	100	100
Hessequa	-	-	400	400	400	-	-	-	-
Oudtshoorn	-	-	-	-	-	-	-	1 251	1 251
Swartland	-	-	600	600	600	-	-	-	-
Witzenberg	-	-	700	700	700	-	-	-	-
Unallocated	2 000	-	(2 000)	-	-	-	-	-	-
Local Government Public Employment Support Grant									
Beaufort-West	-	-	-	-	-	-	-	1 100	1 100
Bergrivier	-	-	-	-	-	-	-	1 200	1 200
Bitou	-	-	-	-	-	-	-	1 200	1 200
Breede Valley	-	-	-	-	-	-	-	1 700	1 700
Cape Agulhas	-	-	-	-	-	-	-	1 000	1 000
Cape Winelands District	-	-	-	-	-	-	-	200	200
Cederberg	-	-	-	-	-	-	-	1 100	1 100

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Central Karoo District	-	-	-	-	-	-	-	200	200
City of Cape Town	-	-	-	-	-	-	-	17 600	17 600
Drakenstein	-	-	-	-	-	-	-	2 000	2 000
Garden Route District	-	-	-	-	-	-	-	200	200
George	-	-	-	-	-	-	-	2 000	2 000
Hessequa	-	-	-	-	-	-	-	1 100	1 100
Kannaland	-	-	-	-	-	-	-	900	900
Knysna	-	-	-	-	-	-	-	1 100	1 100
Laingsburg	-	-	-	-	-	-	-	800	800
Langeberg	-	-	-	-	-	-	-	1 400	1 400
Matzikama	-	-	-	-	-	-	-	1 200	1 200
Mossel Bay	-	-	-	-	-	-	-	1 300	1 300
Oudtshoorn	-	-	-	-	-	-	-	1 100	1 100
Overberg District	-	-	-	-	-	-	-	200	200
Overstrand	-	-	-	-	-	-	-	1 300	1 300
Prince Albert	-	-	-	-	-	-	-	800	796
Saldanha Bay	-	-	-	-	-	-	-	1 400	1 400
Stellenbosch	-	-	-	-	-	-	-	1 800	1 800
Swartland	-	-	-	-	-	-	-	1 700	1 700
Swellendam	-	-	-	-	-	-	-	1 000	1 000
Theewaterskloof	-	-	-	-	-	-	-	1 600	1 600
West Coast District	-	-	-	-	-	-	-	200	200
Witzenberg	-	-	-	-	-	-	-	1 600	1 600
Joint District and Metro Approach Grant									
Cape Winelands District	-	-	1 000	1 000	1 000	-	-	2 000	2 000
Central Karoo District	-	-	1 000	1 000	1 000	-	-	1 800	1 800
Garden Route District	-	-	1 000	1 000	1 000	-	-	2 000	2 000
Overberg District	-	-	1 000	1 000	1 000	-	-	1 799	1 799
West Coast District	-	-	1 000	1 000	1 000	-	-	1 820	1 820
Emergency Municipal Load-Shedding Relief Grant									
Beaufort West	-	-	1 115	1 115	1 115	-	-	-	-
Bergrivier	-	-	3 600	3 600	3 600	-	-	-	-
Bitou	-	-	5 600	5 600	5 600	-	-	-	-
Breedee Valley	-	-	950	950	950	-	-	-	-
Cape Agulhas	-	-	350	350	350	-	-	-	-
Cape Winelands District	-	-	950	950	950	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Cederberg	-	-	1 600	1 600	1 600	-	-	-	-
Central Karoo District	-	-	350	350	350	-	-	-	-
Drakenstein	-	-	6 000	6 000	6 000	-	-	-	-
Garden Route District	-	-	1 600	1 600	1 600	-	-	-	-
George	-	-	14 220	14 220	14 220	-	-	-	-
Hessequa	-	-	3 800	3 800	3 800	-	-	-	-
Kannaland	-	-	1 075	1 075	1 075	-	-	-	-
Knysna	-	-	2 400	2 400	2 400	-	-	-	-
Lainsgsburg	-	-	60	60	60	-	-	-	-
Langeberg	-	-	350	350	350	-	-	-	-
Matzikama	-	-	1 050	1 050	1 050	-	-	-	-
Mossel Bay	-	-	5 000	5 000	5 000	-	-	-	-
Oudtshoorn	-	-	4 665	4 665	4 665	-	-	-	-
Overberg District	-	-	1 600	1 600	1 600	-	-	-	-
Overstrand	-	-	6 700	6 700	6 700	-	-	-	-
Prince Albert	-	-	175	175	175	-	-	-	-
Saldanha Bay	-	-	2 950	2 950	2 950	-	-	-	-
Stellenbosch	-	-	6 175	6 175	6 175	-	-	-	-
Swartland	-	-	10 945	10 945	10 945	-	-	-	-
Swellendam	-	-	1 360	1 360	1 360	-	-	-	-
Theewaterksloof	-	-	1 800	1 800	1 800	-	-	-	-
West Coast District	-	-	1 900	1 900	1 900	-	-	-	-
Witzenberg	-	-	475	475	475	-	-	-	-
Total	20 126	-	98 905	119 031	119 031	-	-	82 341	78 898

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
29 Broad Based Black Economic Empowerment Performance			
Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.			
30 COVID-19 Response Expenditure			
Goods and services	<i>Annex 3</i>	6	46
Total		6	46

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2022/23												2021/22	
	GRANT ALLOCATION				TRANSFER				SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
Community Development Worker Operational Support Grant														
Beaufort West	223	-	-	223	223	-	-	223	84	139	37,7%	226	226	
Bitou	19	-	-	19	19	-	-	19	13	6	68,4%	19	19	
Breede Valley	94	-	-	94	94	-	-	94	-	94	0%	94	94	
Cape Agulhas	56	-	-	56	56	-	-	56	22	34	39,3%	57	57	
Cape Winelands District	75	-	-	75	75	-	-	75	-	75	0,0%	76	76	
Cederberg	152	-	-	152	152	-	-	152	4	148	2,6%	151	151	
City of Cape Town	1 034	-	-	1 034	1 034	-	-	1 034	164	870	15,9%	1 001	1 001	
Drakenstein	113	-	-	113	113	-	-	113	-	113	0,0%	113	113	
George	94	-	-	94	94	-	-	94	45	49	47,9%	94	94	
Hessequa	38	-	-	38	38	-	-	38	35	3	92,1%	38	38	
Kannaland	112	-	-	112	112	-	-	112	18	94	16,1%	113	113	
Knysna	56	-	-	56	56	-	-	56	16	40	28,6%	57	57	
Laingsburg	94	-	-	94	94	-	-	94	40	54	42,6%	94	94	
Langeberg	38	-	-	38	38	-	-	38	38	-	100,0%	38	38	
Matzikama	94	-	-	94	94	-	-	94	-	94	0,0%	94	94	
Mossel Bay	56	-	-	56	56	-	-	56	-	56	0,0%	57	57	
Oudtshoorn	56	-	-	56	56	-	-	56	9	47	16,1%	57	57	
Overberg District	56	-	-	56	56	-	-	56	-	56	0,0%	57	57	
Overstrand	75	-	-	75	75	-	-	75	54	21	72,0%	76	76	
Prince Albert	56	-	-	56	56	-	-	56	38	18	67,9%	57	57	
Saldanha Bay	75	-	-	75	75	-	-	75	-	75	0,0%	75	75	
Stellenbosch	38	-	-	38	38	-	-	38	23	15	60,5%	38	38	
Swartland	38	-	-	38	38	-	-	38	3	35	7,9%	38	38	
Theewaterskloof	112	-	-	112	112	-	-	112	-	112	0,0%	132	132	
West Coast District	75	-	-	75	75	-	-	75	-	75	0,0%	76	76	
Witzenberg	131	-	-	131	131	-	-	131	-	131	0,0%	132	132	
Thusong Service Centre Grant (Sustainability: Operational Support Grant)														
Beaufort West	-	-	-	-	-	-	-	-	-	-	-	150	150	
Bitou	150	-	-	150	150	-	-	150	69	81	46,0%	150	150	
Breede Valley	150	-	-	150	150	-	-	150	150	-	100%	150	150	
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	150	150	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23												2021/22	
	GRANT ALLOCATION				TRANSFER				SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds with-held	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality			
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000		
Cederberg	150	-	-	150	150	-	-	150	-	150	0,0%	150	150	
Oudtshoorn	150	-	-	150	150	-	-	150	-	150	0,0%	150	150	
Overstrand	150	-	-	150	150	-	-	150	-	150	0,0%	-	-	
Prince Albert	150	-	-	150	150	-	-	150	13	137	8,7%	-	-	
Saldanha Bay	146	-	-	146	146	-	-	146	14	132	9,6%	-	-	
Municipal Electrical Master Plan Grant														
Drakenstein	800	-	-	800	800	-	-	800	400	400	50,0%	-	-	
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	603	603	
Overstrand	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000	
Saldanha Bay	800	-	-	800	800	-	-	800	600	200	75,0%	-	-	
Municipal Service Delivery and Capacity Building Grant														
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	694	693	
Cape Agulhas	-	-	420	420	420	-	-	420	-	420	0,0%	1 300	1 300	
Cape Winelands District	-	-	-	-	-	-	-	-	-	-	-	70	70	
Cederberg	-	-	-	-	-	-	-	-	-	-	-	400	400	
Central Karoo District	-	-	-	-	-	-	-	-	-	-	-	70	70	
Garden Route District	-	-	-	-	-	-	-	-	-	-	-	350	350	
Hessequa	-	-	250	250	250	-	-	250	-	250	0,0%	200	200	
Knysna	-	-	-	-	-	-	-	-	-	-	-	400	400	
Mossel Bay	-	-	300	300	300	-	-	300	147	153	49,0%	150	150	
Overberg District	-	-	-	-	-	-	-	-	-	-	-	350	350	
Overstrand	-	-	1 550	1 550	1 550	-	-	1 550	-	1 550	0,0%	244	244	
Saldanha Bay	-	-	500	500	500	-	-	500	-	500	0,0%	300	300	
Theewaterskloof	-	-	620	620	620	-	-	620	-	620	0,0%	1 000	1 000	
West Coast District	-	-	200	200	200	-	-	200	-	200	0,0%	420	420	
Witzenberg	-	-	500	500	500	-	-	500	-	500	0,0%	600	600	
Unallocated	4 427	-	(4 427)	-	-	-	-	-	-	-	-	-	-	
Fire Service Capacity Building Grant														
West Coast District												1 925	1 925	
Langeberg	821	-	-	821	821	-	-	821	-	821	0%	-	-	
Mossel Bay	824	-	-	824	824	-	-	824	-	824	0%	-	-	
West Coast District	821	-	-	821	821	-	-	821	-	821	0%	-	-	
Western Cape Municipal Interventions Grant														
Beaufort West	-	-	480	480	480	-	-	480	-	480	0%	-	-	
Cape Agulhas	-	-	700	700	700	-	-	700	-	700	0%	-	-	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23											2021/22	
	GRANT ALLOCATION				TRANSFER			SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds with-held	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
Cape Winelands District	-	-	100	100	100	-	-	100	-	100	0%	-	-
Cederberg	-	-	750	750	750	-	-	750	-	750	0%	-	-
Central Karoo District	-	-	100	100	100	-	-	100	8	92	8%	-	-
Garden Route District	-	-	100	100	100	-	-	100	-	100	0%	-	-
Kannaland	-	-	606	606	606	-	-	606	-	606	0%	-	-
Knysna	-	-	-	-	-	-	-	-	-	-	-	400	400
Laingsburg	-	-	200	200	200	-	-	200	200	-	100%	500	500
Matzikama	-	-	450	450	450	-	-	450	-	450	-	-	-
Mossel Bay	-	-	250	250	250	-	-	250	-	250	0%	-	-
Oudtshoorn	-	-	250	250	250	-	-	250	-	250	0%	-	-
Overberg District	-	-	300	300	300	-	-	300	-	300	0%	-	-
Overstrand	-	-	450	450	450	-	-	450	-	450	0%	-	-
Prince Albert	-	-	1 200	1 200	1 200	-	-	1 200	-	1 200	0%	-	-
Swellendam	-	-	500	500	500	-	-	500	-	500	0%	-	-
Theewaterskloof	-	-	250	250	250	-	-	250	-	250	0%	150	150
West Coast District	-	-	100	100	100	-	-	100	-	100	0%	-	-
Witzenberg	-	-	400	400	400	-	-	400	-	400	0%	-	-
Unallocated	5 409	-	(5 409)	-	-	-	-	-	-	-	-	3 417	-
Disaster Management Grant													
Breede Valley	118	-	-	118	118	-	-	118	-	118	0%	118	118
Municipal Water Resilience Grant													
Breede Valley	-	-	700	700	700	-	-	700	-	700	0%	-	-
Cederberg	-	-	3 000	3 000	3 000	-	-	3 000	-	3 000	0%	-	-
Central Karoo District	-	-	-	-	-	-	-	-	-	-	-	2 950	2 929
Garden Route District	-	-	-	-	-	-	-	-	-	-	-	100	100
Hessequa	-	-	400	400	400	-	-	400	-	400	0%	-	-
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	1 251	1 251
Swartland	-	-	600	600	600	-	-	600	-	600	0%	-	-
Witzenberg	-	-	700	700	700	-	-	700	-	700	0%	-	-
Unallocated	2 000	-	(2 000)	-	-	-	-	-	-	-	-	-	-
Local Government Public Employment Support Grant													
Beaufort-West	-	-	-	-	-	-	-	-	-	-	-	1 100	1 100
Bergervier	-	-	-	-	-	-	-	-	-	-	-	1 200	1 200
Bitou	-	-	-	-	-	-	-	-	-	-	-	1 200	1 200

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23											2021/22		
	GRANT ALLOCATION				TRANSFER			SPENT				DoRA and other transfers	Actual transfer	
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	-	1 700	1 700
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Cape Winelands District	-	-	-	-	-	-	-	-	-	-	-	-	200	200
Cederberg	-	-	-	-	-	-	-	-	-	-	-	-	1 100	1 100
Central Karoo District	-	-	-	-	-	-	-	-	-	-	-	-	200	200
City of Cape Town	-	-	-	-	-	-	-	-	-	-	-	-	17 600	17 600
Drakenstein	-	-	-	-	-	-	-	-	-	-	-	-	2 000	2 000
Garden Route District	-	-	-	-	-	-	-	-	-	-	-	-	200	200
George	-	-	-	-	-	-	-	-	-	-	-	-	2 000	2 000
Hessequa	-	-	-	-	-	-	-	-	-	-	-	-	1 100	1 100
Kannaland	-	-	-	-	-	-	-	-	-	-	-	-	900	900
Knysna	-	-	-	-	-	-	-	-	-	-	-	-	1 100	1 100
Laingsburg	-	-	-	-	-	-	-	-	-	-	-	-	800	800
Langeberg	-	-	-	-	-	-	-	-	-	-	-	-	1 400	1 400
Matzikama	-	-	-	-	-	-	-	-	-	-	-	-	1 200	1 200
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	-	1 300	1 300
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	-	1 100	1 100
Overberg District	-	-	-	-	-	-	-	-	-	-	-	-	200	200
Overstrand	-	-	-	-	-	-	-	-	-	-	-	-	1 300	1 300
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	-	800	796
Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	-	1 400	1 400
Stellenbosch	-	-	-	-	-	-	-	-	-	-	-	-	1 800	1 800
Swartland	-	-	-	-	-	-	-	-	-	-	-	-	1 700	1 700
Swellendam	-	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	-	1 600	1 600
West Coast District	-	-	-	-	-	-	-	-	-	-	-	-	200	200
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	-	1 600	1 600
Joint District and Metro Approach Grant														
Cape Winelands District	-	-	1 000	1 000	1 000	-	-	1 000	-	1 000	0%	2 000	2 000	
Central Karoo District	-	-	1 000	1 000	1 000	-	-	1 000	-	1 000	0%	1 800	1 800	
Garden Route District	-	-	1 000	1 000	1 000	-	-	1 000	-	1 000	0%	2 000	2 000	
Overberg District	-	-	1 000	1 000	1 000	-	-	1 000	-	1 000	0%	1 799	1 799	
West Coast District	-	-	1 000	1 000	1 000	-	-	1 000	-	1 000	0%	1 820	1 820	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23												2021/22	
	GRANT ALLOCATION				TRANSFER			SPENT					DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds with-held	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality			
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000		
Emergency Municipal Load-Shedding Relief Grant														
Beaufort West	-	-	1 115	1 115	1 115	-	-	1 115	-	1 115	0%	-	-	
Bergervier	-	-	3 600	3 600	3 600	-	-	3 600	2 604	996	72,3%	-	-	
Bitou	-	-	5 600	5 600	5 600	-	-	5 600	-	5 600	0%	-	-	
Breede Valley	-	-	950	950	950	-	-	950	-	950	0%	-	-	
Cape Agulhas	-	-	350	350	350	-	-	350	-	350	0%	-	-	
Cape Winelands District	-	-	950	950	950	-	-	950	-	950	0%	-	-	
Cederberg	-	-	1 600	1 600	1 600	-	-	1 600	-	1 600	0%	-	-	
Central Karoo District	-	-	350	350	350	-	-	350	-	350	0%	-	-	
Drakenstein	-	-	6 000	6 000	6 000	-	-	6 000	-	6 000	0%	-	-	
Garden Route District	-	-	1 600	1 600	1 600	-	-	1 600	-	1 600	0%	-	-	
George	-	-	14 220	14 220	14 220	-	-	14 220	-	14 220	0%	-	-	
Hessequa	-	-	3 800	3 800	3 800	-	-	3 800	-	3 800	0%	-	-	
Kannaland	-	-	1 075	1 075	1 075	-	-	1 075	-	1 075	0%	-	-	
Knysna	-	-	2 400	2 400	2 400	-	-	2 400	-	2 400	0%	-	-	
Lainsgsburg	-	-	60	60	60	-	-	60	-	60	0%	-	-	
Langeberg	-	-	350	350	350	-	-	350	-	350	0%	-	-	
Matzikama	-	-	1 050	1 050	1 050	-	-	1 050	639	411	60,9%	-	-	
Mossel Bay	-	-	5 000	5 000	5 000	-	-	5 000	-	5 000	0%	-	-	
Oudtshoorn	-	-	4 665	4 665	4 665	-	-	4 665	-	4 665	0%	-	-	
Overberg District	-	-	1 600	1 600	1 600	-	-	1 600	-	1 600	0%	-	-	
Overstrand	-	-	6 700	6 700	6 700	-	-	6 700	-	6 700	0%	-	-	
Prince Albert	-	-	175	175	175	-	-	175	-	175	0%	-	-	
Saldanha Bay	-	-	2 950	2 950	2 950	-	-	2 950	-	2 950	0%	-	-	
Stellenbosch	-	-	6 175	6 175	6 175	-	-	6 175	-	6 175	0%	-	-	
Swartland	-	-	10 945	10 945	10 945	-	-	10 945	-	10 945	0%	-	-	
Swellendam	-	-	1 360	1 360	1 360	-	-	1 360	-	1 360	0%	-	-	
Theewaterskloof	-	-	1 800	1 800	1 800	-	-	1 800	-	1 800	0%	-	-	
West Coast District	-	-	1 900	1 900	1 900	-	-	1 900	-	1 900	0%	-	-	
Witzenberg	-	-	475	475	475	-	-	475	-	475	0%	-	-	
Total	20 126	-	98 905	119 031	119 031	-	-	119 031	5 450	113 581		82 341	78 898	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL/ AGENCY/ACCOUNT	2022/23						2021/22	
	TRANSFER ALLOCATION				TRANSFER		Final budget	Actual transfer
	Adjusted budget	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National Sea Rescue Institute(NSRI)	376	-	-	376	376	100%	376	376
South African Broadcasting Corporation Limited	6	-	-	6	6	100%	6	6
Total	382	-	-	382	382		382	382

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE		Final budget	Actual transfer
	Adjusted budget	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Lifesaving WC	376	-	-	376	376	100%	376	376
Southern African Foundation for the Conservation of Coastal Birds (SANCCOB)	-	-	-	-	-		300	300
Total	376	-	-	376	376		676	676

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE		Final budget	Actual transfer
	Adjusted budget	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Leave gratuities	207	-	224	431	431	100%	479	479
Severance package	-	-	605	605	605	100%	-	-
Total	207	-	829	1 036	1 036		479	479

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2022/23 R'000	2021/22 R'000
Received in kind			
United Nations Co-ordination of Humanitarian Affairs (UNOCHA) and European Union	Attend the Union civil Protection Mechanism Assessment Mission Course (18AMCS)	40	-
Hanns Seidel Foundation	Local Government Practitioners Course presented by Hanns Seidel Foundation and the Institute for Federalism (IFF)	54	-
United Nations Disaster Assessment and Coordination (UNDAC)	Capacity for Disaster Reduction Initiative (CADRI)	42	-
International Organisation for Industrial Emergency Response and Fire Hazard Management (JOIFF)	JOIFF Africa Summit	15	-
EURAC Research Institute	Winter School on Federalism and Governance	50	-
United Nations Disaster Assessment and Coordination (UNDAC)	Support Mission to Turkey	31	-
Total		232	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 2

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Provincial Treasury	147	-	-	-	147	-		-
Total	147	-	-	-	147	-		-

ANNEXURE 3

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Current								
Justice and Constitutional Development	-	25	-	-	-	25		-
Premier	9	-	-	-	9	-		-
Total Departments	9	25	-	-	9	25		-

OTHER GOVERNMENT ENTITY								
Current								
Government Motor Transport	141	-	-	-	141	-		-
Total Other Government Entities	141	-	-	-	141	-		-
TOTAL INTER-GOVERNMENTAL PAYABLES	150	25	-	-	150	25		-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2023

ANNEXURE 4

COVID-19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2022/23					2021/22
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Goods services	6	-	-	-	6	46
Consumable supplies	6	-	-	-	6	28
Property payments	-	-	-	-	-	13
Operating payments	-	-	-	-	-	5
TOTAL COVID 19 RESPONSE EXPENDITURE	6	-	-	-	6	46

ANNEXURE 5

TRANSPORT ASSETS AS PER FINANCE LEASE REGISTER YEAR ENDED 31 MARCH 2023

Movable Tangible Capital Assets

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Government Motor vehicles	8 010	-	977	(811)	8 176

Transport assets as per finance lease register year ended 31 March 2022

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Government Motor vehicles	7 783	-	668	(441)	8 010

As at 31 March 2023 the Department used 37 motor vehicles (31 March 2022: 38 vehicles) which were under a financing arrangement unique to the Western Cape and this annexure enhances the minimum requirement in terms of the Modified Cash Standard.

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**Western Cape
Government**

PR 275/2023
ISBN: 978-0-621-51487-2