



ANNUAL REPORT 2021/2022

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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION



2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee	EH&W	Employee Health and Wellness
AGSA	Auditor-General South Africa	EMC	Executive Management Committee
AFS	Annual Financial Statements	EXCO	Executive Council
AIDS	Acquired Immune Deficiency Syndrome	FC	Finance Committee
APPs	Annual Performance Plans	FDI	Foreign Direct Investment
АО	Accounting Officer	GCIS	Government Communication and Information Services
AR	Annual Report	GDP	Gross Domestic Product
CFO	Chief Financial Officer	GIS	Geographic Information System
СОВІТ	Core Objectives of Information and Related Technologies	GITO	Government Information Technology Office
COGTA	Cooperative Governance and Traditional Affairs	нст	HIV Counselling and Testing
cs	Community Survey	HDIs	Historical Disadvantaged Individuals
COVID-19	Corona Virus Disease	HIV	Human Immunodeficiency Virus
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs	HRPIR	Human Resource Planning and Implementation Report
DCSSL	Department of Community Safety, Security and Liaison	HRM	Human Resource Management
DG	Director-General	HOD	Head of Department
DHS	Department of Human Settlements	ICT	Information and Communication Technology
DCSR	Department of Culture, Sport and Recreation	MANCOM	Management Committee
DDM	District Development Model	M&E	Monitoring and Evaluation
DORA	Division of Revenue Act	MEC	Member of the Executive Council
DPSA	Department of Public Service and Administration	MISS	Minimum Information Security Standards
DSD	Department of Social Development	MMS	Middle Management Services
EA	Executive Authority	MOU	Memorandum of Understanding
MPAC	Mpumalanga Provincial Aids Council	PSETA	Public Sector Education and Training Authority
МРС	Mpumalanga Planning Commission	QMR	Quarterly Monitoring Report
MP V2030	Mpumalanga Provincial Vision 2030 Strategic Implementation Framework	QPR	Quarterly Performance Report
MTEF	Medium Term Expenditure Framework	ROP	Rights for Older Persons
MTSF	Medium Term Strategic Framework	RMC	Risk Management Committee

NACH	National Anti-Corruption Hotline	RSA	Republic of South Africa
NDP	National Development Plan	SADC	Southern African Development Communities
NT	National Treasury	SARS	South African Revenue Services
ODA	Official Development Assistance	SBD	Standard Bidding Document
OHS	Occupational Health and Safety	SCM	Supply Chain Management
ОТР	Office of the Premier	SCOPA	Select Committee on Public Accounts
PCF	Premier's Coordinating Forum	SDF	Spatial Development Framework
PEP	Provincial Evaluation Plan	SDIP	Service Delivery Improvement Plan
PERSAL	Personnel Salaries	SITA	State Information Technology Agency
PESTEL	Political, Economic, Social, Technological, Environmental and Legal	SMS	Senior Management Services
PFMA	Public Finance Management Act	SONA	State of the Nation Address
PIP	Provincial Implementation Plan	SOPA	State of the Province Address
PMC	Provincial Management Committee	SSA	State Security Agency
PMDS	Performance Management and Development System	STIs	Sexually Transmitted Infections
POA	Programme of Action	SP	Strategic Plan
PPOA	Provincial Programme of Action	ТВ	Tuberculosis
PRIME	Planning, Research, Information, Monitoring and Evaluation	WEGE	Women Empowerment and Gender Equality
PSCBC	Public Sector Co-ordinating Bargaining Council	WSP	Workplace Skills Plan
PSDF	Provincial Spatial Development Framework		
PWRT	Public Works Roads and Transport		

3. FOREWORD BY THE PREMIER



Ms R.M. MTSHWENI-TSIPANE PREMIER OF MPUMALANGA PROVINCE

It gives me great pleasure to present to you the people of this beautiful province of Mpumalanga where the sun rises and to all our stakeholders in South Africa and beyond our borders the 2021/22 Annual Report of the Office of the Premier.

We present this financial year report during the period that is characterised by domestic and global events that are presenting us with crisscrossing paths which makes it difficult to plan for and predict what the future holds for our country and specifically our province. We stand at the crossroads, the decisions and the road we embark upon now will determine the kind of future we will create for the generations to come.

Our socio-economic reconstruction and recovery plan following the Covid 19 pandemic gives us a roadmap that is designed to cushion possible future unforeseen natural disasters and build better the socio economic lives of our people that were shattered by the pandemic. The recovery plan is gaining momentum yet the geopolitical events happening elsewhere in Ukraine and Russia are posing a serious threat to that recovery due to the escalation of energy and food prices. Food security is now receiving undivided attention by our government.

Whilst the incidents of Covid 19 virus has subsided, we remain alert of the possibility of a new variant making a strong comeback and causing havoc in the socio-economic system. Our health system is combat ready and we have built capacity that is resilient and equal to the challenges.

We also had to continue to adhere to the protocols of masking, washing hands, sanitizing, social distancing and the vaccination roll-out, to prevent

the further spread of the COVID 19 pandemic which hit us hard since the 2020/21 financial year.

The local government elections that took place in 2021 and were declared free and fair by the international community, ushered in a new administration at this level of government. The provincial government has been assisting newly formed municipalities to settle down and provide quality basic services to our people.

This Annual Report of the Office provides a detailed account of the work performed and accomplished during the 2021/22 financial year. Its contents is informed by a number of strategic documents including, the Strategic Plan 2020-2025, the National Development Plan, Mpumalanga Vision 2030, the 2019-24 Revised Medium Term Strategic Framework as well as the 2021/22 Annual Performance Plan.

The Office, during its implementation of the 2021/22 APP, registered considerable successes but also challenges due to some constraints caused by unforeseen circumstances. We remain concern over high rates of unemployment in particular youth unemployment which results in high rates of poverty, hunger and obscene inequalities. We will be putting more impetus on youth development fund and other programmes targeting young people. Despite these challenges, significant efforts were made to ensure the achievement of the targets that we pronounced in the approved APP when the financial year under review commenced (2021/22). Some of the realizations of 2021/22 included the following:

- > Coordinated *key intergovernmental structures* that enabled the Premier to execute her statutory responsibilities of leadership provision and decision-making through the PMC, PCF and EXCO Makgotla.
- > Supported and *disbursed funds* to several Youth qualifying Enterprises through the Mpumalanga Economic and Growth Agency (MEGA), with further beneficiaries approved in March 2022 and whose funds will be disbursed during the first quarter of the next financial year.
- > Filled critical vacant funded positions in the Office, including the post of Director-General, notwithstanding the finalization of the process, by the end of the period under review (2021/22 financial year);
- ➤ Co-ordinated the sittings of the MPAC, which deals with issues of HIV/AIDS and its effects as well as tracking the implementation of the Provincial COVID-19 vaccination roll-out plan.

Despite the achievements reported above, we also encountered challenges along the way, such as:

- ➤ The **COVID-19 pandemic** which continued to expose the Office and the entire Administration to challenges of always adhering to the protocols of wearing masks, washing hands, sanitizing, social distancing and vaccination, to prevent the further spread of the COVID-19 pandemic. As the Office, we also lost two officials to the pandemic during the year under review. May their souls rest in peace.
- > The **extreme weather events** that hit the Province, causing damage to the Provincial Road Infrastructure, leaving communities without access to roads in most areas of the Province and further threatened the already fragile tourism sector.
- ➤ The continued **electricity load shedding by ESKOM**, affecting almost all communities and businesses countrywide, and Mpumalanga in particular this whilst the Province is home to cluster of 12 of ESKOM's coal-fired power stations continued to cause great inconvenience and hamper economic activity.

Our appreciation and gratitude are expressed to the dedication of the EXCO, the PMC, the Director-General, the entire staff complement in the Office of the Premier in particular, and the Provincial Government in general, in ensuring that we are always able to effectively and efficiently execute the mandate given to us by the electorate.



Ms R.M. MTSHWENI-TSIPANE
PREMIER OF MPUMALANGA PROVINCE

4. REPORT OF THE ACCOUNTING OFFICER



Mr MN MAMPURU DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA

4.1 Overview of the operations of the Office

The 31st of March marks the end of the financial year period for government and this requires of us to reflect on the performance of the Office against the predetermined objectives as outlined in our SP and APP that are aligned to the 2019–24 Revised MTSF and the Mpumalanga Vision 2030. The Office as the centre of coordination in the Provincial Administration, is responsible for the alignment and implementation of the seven national MTSF priorities and directly contributes to Priorities 1 and 7, namely:

- Priority 1: A capable, ethical and developmental state; and
- Priority 7: A better Africa and the World;

Cross-cutting issues in respect of Women, Youth and Persons with Disabilities are embedded in the above priorities.

During the year under review, the Office realised the following:

- ldentified critical vacant funded posts that needed to be filled as a matter of priority. Based on the above, the Office has, during the course of this financial year, filled 28 critical vacant funded posts, including the post of Director-General. 51 posts were advertised and are scheduled to be filled in the next financial year.
- Conducted a total number of seven training programmes aimed at improving the knowledge, skills and competencies of officials. These programmes enhanced professionalism; competence; accountability; responsiveness; innovation; and integrity among staff members.
- > In an effort to strengthen research in the province, working relationships with the University of Mpumalanga and Tshwane University of Technology were established and a Database for a panel of advisory experts was created.
- > Approved the Integrated Provincial Communication Strategy in order to streamline Government communication across the Province.
- ➤ 41 of 64 qualifying Youth enterprises were supported through the Mpumalanga Youth Development Fund, with 20 beneficiaries approved in March 2022 and whose funds will be disbursed in the next financial year.

In its second year of implementing the 2020-25 Strategic Plan, the Office experienced the following challenges:

- ➤ Labour tensions between the employer and employee representatives continued to cause friction in the workplace, which resulted in the Office planning to convene a Provincial Labour Summit during the 2022/23 financial year.
- National decisions on Broadband rollout and the Data Lab which should be implemented in partnership with SITA, impacted negatively on service delivery.
- > Contract expiry of the electronic platform **Satise Silalele Smart Citizen Application** also impacted negatively on the interaction between Government and the public regarding service delivery.

During the 2021/22 financial year, the Office achieved an average of **62**% of its planned targets in the APP. It also spent **99.5%** of the adjusted appropriation budget for the said financial year.

4.2 Overview of the financial results of the Office

4.2.1 Departmental receipts

	2021/2022			2020/2021		
D epartmental receipts	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	210	176	34	201	184	17
Interest, dividends and rent on land	235	616	(381)	381	1007	(626)
Sale of capital assets	170	1698	1528	20	189	(169)
Financial transactions in assets and liabilities	-	496	-	17	2782	(2 765)
Total	615	2986	(2 371)	619	4162	(3 543)

The Office is a non-revenue generating organisation since it does not charge tariffs on goods and services.

The Office over-collected on its receipts by R1999 000. This better than anticipated performance is mainly due to money received for financial transactions in assets and liabilities and the sale of capital assets.

4.2.2 Programme Expenditure

	2021/2022			2020/2021		
Programme Name	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	148 881	148 767	114	125 728	123 500	2 228
Institutional Development	70 187	70 187	388	66 320	66 313	7
Policy and Governance	134 836	134 836	1294	45 649	45 648	1
Total	353 904	352108	1796	237 697	235 461	2 2 3 6

The Office has spent an amount of R352 108 000 which amounts to 99, 9% expenditure of the final appropriation budget of R353 904 000 for the 2021/2022 financial year. This is within Treasury's acceptable threshold of 2%.

4.2.3 Virements/roll overs

The following virements were made to Programme 1: Administration from Programme 2: Institutional Development and Programme 3: Policy and Governance respectively, in order to defray anticipated over expenditure:

- Programme 1: Administration R9 681 000.00
- Programme 2: Institutional Development R3 582 000.00
- > Programme 3: Policy and Governance-R6 099 000.00

The virements were applied between Programmes in terms of section 43 of the PFMA.

There were no requests for roll-overs for the 2021/22 financial year.

4.2.4 A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence

Unauthorised Expenditure

The Office did not incur unauthorised expenditure for the period ended 31 March 2022.

Irregular Expenditure

Irregular expenditure identified in the current financial year emanated from multiyear contracts, which were declared irregular in the previous years. Details can be found in Part E of this report.

Fruitless and wasteful Expenditure

Fruitless and wasteful expenditure identified in the current financial year are detailed in Part E of this report.

4.2.5 The strategic focus over the short to medium term period

- To institutionalize an ethical culture within the Province, the Office will review the Provincial Anti-Corruption Strategy and continuously monitor the implementation thereof.
- > To ensure effective control, security assessments will be conducted in Departments.
- > To improve audit outcomes, the Office will continue to support Departments regarding accuracy and credibility of performance information.
- > To improve good performance the Office will:
 - o Strengthen the research function within the Provincial Government through the establishment of Mpumalanga Research Initiative.
 - o Develop and implement an integrated plan to monitor the participation and mainstreaming of Women, Persons with Disabilities, Older Persons and Youth into the Provincial economy.
 - o Monitor the implementation of the Integrated Provincial Communication Plan.
 - o Roll-out and monitor the implementation of the Youth Development Fund Strategy, and
 - o Commission 1 Evaluation Study per annum.

4.2.6 Public Private Partnership

The Office did not enter into any Public-Private Partnerships during the financial year ended 31 March 2022.

4.2.7 Discontinued/to be discontinued

There were no activities that were discontinued during the financial year ended 31 March 2022.

4.2.8 New or proposed key activities

There were no proposed or new activities during the period under review.

4.2.9 Supply chain management

There were no unsolicited bid proposals for the current year.

SCM processes and systems are in place to prevent irregular expenditure. While the Office had incidences of non-compliance resulting to irregular expenditure, these were due to multi-year contracts entered into during prior financial years (Details can be found in Part E of this report). The Office continued with its efforts to inculcate a culture of compliance with SCM procurement prescripts in order to improve good governance.

4.2.10 Gifts and Donations received in kind from non-related parties

The Office did not provide nor receive goods and services or in kind donations.

4.2.11 Exemptions and deviations received from the National Treasury

The Office did not receive any exemptions or deviations from the National Treasury.

4.2.12 Events after the reporting date

The Office did not have events after the reporting period.

4.2.13 Other

There are no other material facts or circumstances that may have an effect on the understanding of the Office's financial state of affair.

4.2.14 Acknowledgement/s or Appreciation

I would like to take this opportunity to express words of appreciation to all staff members in the Office for the work undertaken in the interest of improving service delivery for the public in general and the inhabitants of the Mpumalanga Province in particular, as well as the effective and efficient functioning of the Office.

4.2.15 Conclusion

I hereby endorse the 2021/22 Annual Report for the Office of the Premier.

Mr MN MAMPURU

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA

DATE: 31 AUGUST 2022

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF 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 National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standards 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 on operations, Performance Information, Human Resources Information and financial affairs of the Office of the Premier for the financial year ended 31 March 2022.

Yours faithfully

Mr MN MAMPURU

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA

DATE: 31 AUGUST 2022

6. STRATEGIC OVERVIEW



 Professionalism – to be duly skilled, conscientious, objective, ethical and compliant with all relevant

prescripts in performing our duties.

7. LEGISLATIVE AND OTHER MANDATES

7.1 Updates to the relevant legislative and policy mandates

There has been no significant changes to the OTP's legislative mandates. There is sufficient capacity within the Office to ensure compliance with all legal responsibilities that relate to its mandate.

7.2 Legislative Mandates

The Office derives its legislative mandates primarily from the following pieces of legislation:

Legislative Mandate	Aim/Purpose
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	This Act gives effect to the Constitutional right of access to any information held by Government which is required for the exercise or protection of any rights
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)	This Act gives effect to the right to administrative action that is lawful, non-discriminatory and procedurally reasonable and fair
Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000)	This Act gives effect to section 9 of the Constitution to prevent and prohibit unfair discrimination and harassment and to promote equality and eliminate unfair discrimination
Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)	This Act establishes a framework for the National Government, Provincial Government and Local Government to promote and facilitate intergovernmental relations and also provides for mechanisms and procedures to facilitate the settlement of intergovernmental disputes
Public Finance Management Act, 1999 (Act No. 1 of 1999)	This Act regulates financial management in the National Government and Provincial Governments to ensure that all Government revenue, expenditure, assets and liabilities are managed efficiently and effectively
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	This Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of Government's procurement policy as contemplated in section 217(2) of the Constitution
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	This Act establishes a legislative framework for the promotion of Black Economic Empowerment
Division of Revenue Act (annually)	To annually provide for the equitable division of revenue raised among the National, Provincial and Local Spheres of Government
Public Service Act, 1994 (Proclamation No. 103 of 1994	This Act provides for the organisation and administration of the Public Service of the RSA
Public Service Regulations, 2016	These Regulations provide comprehensive detail regarding the organisation and administration of the Public Service, including issues of ethics and integrity
Labour Relations Act, 1995 (Act No. 66 of 1995)	This Act gives effect to section 27 of the Constitution and seeks to regulate the organisational rights of trade unions and to promote and facilitate collective bargaining
Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)	This Act gives effect to the right to fair labour practices referred to in section 23(1) of the Constitution
Employment Equity Act, 1998 (Act No. 55 of 1998)	This Act provides for equity in all levels and categories of employment

Legislative Mandate	Aim/Purpose
Protected Disclosures Act, 2000 (Act No. 26 of 2000)	This Act provides for procedures in terms of which employees in both the private and the public sector may disclose information regarding unlawful or irregular conduct to their employers and also provides for the protection of such employees
Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004)	This Act provides for the strengthening of measures to prevent and combat corruption and corrupt activities
State Information Technology Agency Act, 1998 (Act No. 88 of 1998)	This Act establishes a company responsible for the provision of Information Technology services to the Public Administration
Public Administration Management Act, 2014 (Act No. 11 of 2014)	This Act seeks to promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution
Disaster Management Act, 2002 (Act no. 57 of 2002)	This Act provides for an integrated and coordinated disaster management policy in South Africa that focuses on preventing and reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post-disaster recovery
Electronic Communications Act, 2005 (Act No. 36 of 2005)	This Act seeks to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting services.
Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	This Act seeks to promote the protection of personal information processed by public and private bodies.

7.3 Policy Mandates

The Office, in fulfilling its role within the Provincial Government, takes into account various National and Provincial policy mandates, in particular, the following:

- The annual **State of the Nation Address** (2021-22);
- The annual **State of the Province Address** (2021-22);
- The annual **Provincial Budget and Policy Speech** (2021-22);
- The annual Premier's Budget and Policy Speech (2021-22);
- The National and the Provincial Medium Term Strategic Framework (2019-2024);
- The National Strategic Framework of the Department for Women, Children and People with Disabilities;
- Specific National Policy Frameworks on Gender and Women's Empowerment, Disability and Children;
- National Strategic Plan for HIV and AIDS, TB and STIs (2017–2022);
- The White Paper on the *Transformation of the Public Service* (1995);
- The White Paper on *Public Service Training and Education* (1997);
- The White Paper on a **New Employment Policy for the Public Service** (1997);
- The National Youth Policy (2015-2020);
- Policy Frameworks of the National Department of Public Service and Administration on Gender Equality,
 Disability and Youth in the Public Service;
- National Development Plan (2012);
- Mpumalanga Vision 2030 Strategic Implementation Framework (2013-2030);
- The Policy Framework for Government-Wide Monitoring and Evaluation (2007);
- The Revised Framework for **Strategic Plans and Annual Performance Plans** (2019);
- The National Treasury Framework for Managing Programme Performance Information (2007);

- The Green Paper on **National Performance Management** (2009);
- The Revised National Evaluation Policy Framework (2019-2024);
- The National Child Care and Protection Policy (2019);
- The National Policy Development Framework (2020);
- The National Anti-Corruption Strategy (2020-2030);
- The National Youth Policy (2020-2030);
- The National Action Plan on Women, Peace and Security (2020-2025);
- National *Integrated ICT Policy White Paper* (2016);
- DPSA Directive on Public Administration and Management Delegations (2014);
- *African Agenda* 2063 (2015);
- Sustainable Development Goals 2030 (2015); and
- National Action Plan to combat *Racism, Racial Discrimination, Xenophobia and Related Intolerance*.

7.4 Updates to institutional policies and strategies

The Office will initiate or advance the following policies over the MTEF

- Security Management Policy;
- Performance Information Management Policy;
- Provincial Strategic Plan on Gender Based Violence and Femicide;
- Provincial Youth Development Strategy; and
- Provincial Anti-Corruption Strategy.

The Office will take the following into consideration:

- National Development Plan (NDP) 2030;
- 2019-24 Medium Term Strategic Framework;
- Mpumalanga Spatial Development Framework 2019;
- Local Government priorities;
- National Strategic Plan on Gender Based Violence and Femicide; and
- National Youth Development Strategy.

7.5 Updates to relevant court rulings

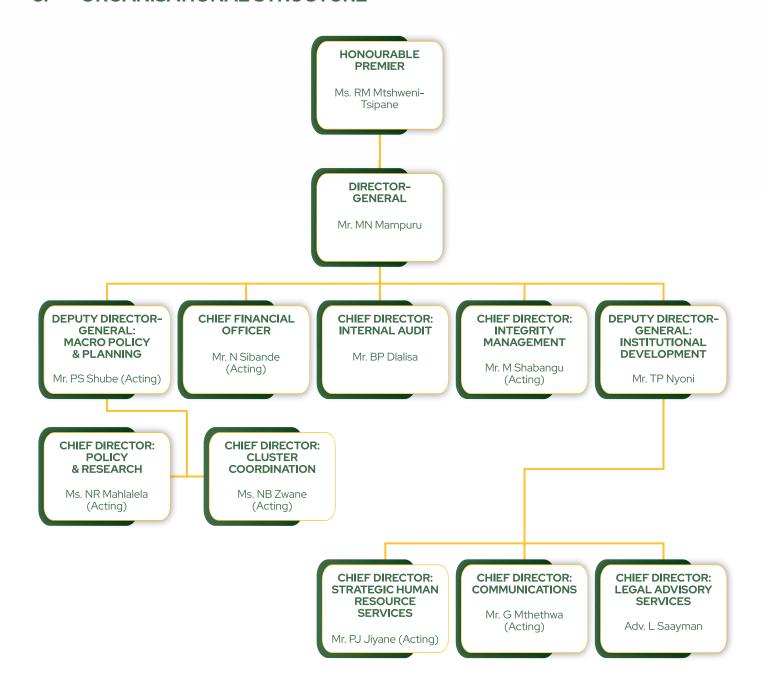
CHURCHILL v PREMIER, MPUMALANGA AND ANOTHER 2021 (4) SA 422 (SCA)

Appeal upheld, order of the High Court set aside and substituted with an order dismissing the special plea and declaring the Premier liable to compensate Ms Churchill for her agreed or proven damages. The matter was remitted to the High Court for determining of the nature of the injuries and the quantum of damages.

National Education Health and Allied Workers Union v Minister of Public Service and Administration and Others; South African Democratic Teachers Union and Others v Department of Public Service and Administration and Others; Public Servants Association and Others v Minister of Public Service and Administration and Others; National Union of Public Service and Allied Workers Union v Minister of Public Service and Administration and Others [2022] ZACC 6

The Constitutional Court ruled on Monday 29 February 2022 that Clause 3.3 of PSCBC Resolution 1 of 2018 three year wage increase agreement between government and Public Sector Unions is invalid and unlawful. Handing down the long-awaited judgment, the apex court found that there was non-compliance with regulations 78 and 79; therefore, clause 3.3 of the collective bargaining agreement is invalid and unlawful.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE PREMIER

There are no entities reporting to the Office.



PART B: PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the Performance Information to provide reasonable assurance in the form of an Audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management. No material findings were reported under the predetermined objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 113 to 117 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The service delivery environment in the Office is shaped by National and Provincial policy and strategy documents such as the National Development Plan, Mpumalanga Vision 2030, 2019/24 MTSF, 2020/25 Strategic Plan for the Office, White Paper on Transforming Public Service Delivery 1997, the Batho Pele Revitalising Strategy, as well as the Public Service Regulations, 2016.

The Office coordinates and monitors the alignment and implementation of 7 priorities contained in the revised 2019-2014 MTSF, and directly contributes to priorities 1 and 7 namely:

- Priority 1: A Capable, Ethical and Developmental State;
- Priority 7: A better Africa and the World; and

Cross-cutting issues in respect of Women, Youth and Persons with Disabilities are embedded in the above priorities.

During the period under review, the Office successfully coordinated intergovernmental structures i.e. PMC, EXCO Committees as well as EXCO meetings. These meetings are key in enabling the Premier to execute her statutory responsibilities effectively and efficiently.

During the period under review, the Office experienced challenges with monitoring service delivery complaints, as the Satise Silalele App is no longer accessible due to the expiry of the contract and the Presidential Hotline statistics that remains outstanding to date. This makes it difficult for the Office to measure its progress in the resolution of these matters. Through the Frontline Service Delivery Model (FSDM), the Office monitored and assessed the Covid-19 vaccine roll-out in Ehlanzeni (Nkomazi and Mbombela), Nkangala (Middelburg) and Gert Sibande (Bethal and Ermelo).

In its second year of implementing the 2020-25 Strategic Plan, the Office experienced the following challenges:

- Labour tensions between the employer and employee representatives continued to cause friction in the workplace, which resulted in the Office planning to convene the Provincial Labour Summit during the 2022/23 financial year.
- National decisions on Broadband rollout and the Data Lab which should be implemented in partnership with SITA, impacted negatively on service delivery.
- Dire shortages of staff across all Units impacted negatively on the delivery of services.

2.2 Service Delivery Improvement Plan

The department has completed a Service Delivery Improvement Plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Number of Change Management Programmes co-ordinated	11 Departments and the Office	Public Service Month was co- ordinated	4 Change Management Programmes co- ordinated	4 Batho Pele Projects co- ordinated (Africa Public Service Day, Service Delivery Improvement plans, Public Service Month and Khaedu Deployments)

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Produce reports on Batho Pele programmes	Produce reports for Departments and Municipalities	9 Municipalities monitored on Batho Pele programmes and report produced (Victor Khanye, Emakhazeni, Ehlanzeni, Steve Tshwete, Lekwa, Govan Mbeki, Dipaliseng, Nkomazi and Mkhondo)
Developed Service Delivery Improvement Plan	Consult with stakeholders	An SDIP Committee was established
Co-ordinate, workshop and monitor 11 Departments and the Office, and 12 Municipalities on the Batho Pele Change Management Engagement	Monitoring reports on Batho Pele programmes produced	Compiled status report on the monitoring of implementation of Batho Pele programmes
Programme		Africa Public Service Day celebration report produced.
		Khaedu and Public Service Month report produced
		Monitored submission of Service Delivery Improvement Plans

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Reports	Reports	Khaedu deployment /Africa Public Service Day
Press releases	Press releases	Six EXCO Statements released

Complaints mechanism

Current/actual complaints Desired complaints mechanism mechanism		Actual achievements
Presidential Hotline	Integrated complaints mechanism	Report not yet available on the information Technology Management System

2.3 Organisational environment

The core mandate of the Office is to "co-ordinate and monitor performance of Government in the Provincial Sphere". Without effective co-ordination and monitoring, it is impossible to provide desired and meaningful services. During the period under review, the Office has successfully co-ordinated inter-governmental structures such as PMC, PCF and EXCO. These structures are key in enabling the Premier to execute her Constitutional and statutory responsibilities. It is also important to note that Audit outcomes and the Audit Action Plan in addressing shortcomings as well as stepping up the co-ordination of the local sphere of Government on service delivery, were given special focus during these meetings.

The Office is currently operating using the organogram that was reviewed, approved and implemented as at June 2014. No changes to the organogram were effected during the course of the 2021/2022 financial year. It must however, be noted that the Office has undertaken the process of reviewing its organogram, as per the instruction by EXCO and the PMC in 2019. The reviewed organogram is awaiting concurrence by the Minister for Public Service and Administration, as well as the subsequent approval by the Premier. The Office has a balance of generic Administrative, Junior Management, Middle Management and Senior Management skills across the various units. The element of over-working employees whose units have several vacant posts as per the approved organogram still continues to manifest itself. This state of affairs demoralizes the affected employees in most instances, which was evident by Organised Labour raising this matter with the employer on several occasions. There were 38 employees, who were appointed to act in higher positions and were remunerated and/or compensated accordingly. These officials therefore have added responsibilities to attend to apart from their actual work emanating from a post in which they are acting or have been temporarily assigned to.

The Office has identified critical vacant funded posts that needed to be filled as a matter of priority. Based on the above, the Office has during the course of this financial year filled 28 critical vacant funded posts, including the post of Director-General. 51 posts were advertised and are scheduled to be filled in the next financial year. It must be noted that during this financial year, no new Interns were absorbed. The Office continued with the ten Interns that were absorbed in the financial year 2019/2020, as per the 24 months' Internship contract. These contracts came to an end in November 2021, whereafter 20 posts of Interns were advertised and are scheduled to be filled in the next financial year. 18 Interns were received from the Department of Education and TVET Colleges for experiential learning. The Internship Programme is aimed at providing work environment exposure to the graduates and subsequently promote accelerated development and utilization of available skills and qualified people for service delivery in the Public Service.

The Office has conducted a total number of seven out of the eight workshops and training programmes aimed at improving the knowledge, skills and competency of the officials. The workshops and training programmes were as follows: Re-Orientation in the Public Service (Rop) Salary Levels 1-16; Auditing Governance, Strategy, Ethics and Risk Management (GSER); Ethics in the Public Service (Online Course); Breaking the Barriers to Entry into the Public Service; Coaching for Leadership Development; Emergency Evacuation Procedure Training (First Aid Level 1); and the Compulsory Induction Programme (CIP) Level 1-3. The 8th training that was not achieved is Research Methodology.

The above activities were aimed at enhancing the following among the employees in particular: professionalism; competence; accountability; responsiveness; innovation; and integrity.

2.4 Key policy developments and legislative changes

The major policy developments during the financial year emanated from several Circulars issued by the DPSA and which are aimed at regulating Government's response to the COVID-19 Pandemic. In this regard, Circulars as well as regulations by the Ministers for DPSA and COGTA respectively served as guidelines for the containment of the Corona Virus.

We are still contending with the COVID-19 Pandemic and its effects. Departments thus still need to comply with the relevant Circulars and Directives issued by DPSA as well as all relevant Acts.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Office identified the following institutional outcomes towards the achievement of the NDP, revised 2019-24 MTSF and the impact statement:

Outcome 1: Improved ethical culture

Outcome 2: Effective control
Outcome 3: Good performance
Outcome 4: Improved trust

The following progress has been made towards the achievement of outcomes and targets as set in the 2020/2025 Strategic Plan:

Outcome 1: Improved ethical culture

The outcome refers to shared beliefs by employees in an organization, which would be reflected in the ethics that the organization subscribes to. The Office strives to attain an improved ethical culture through exemplary leadership and good governance. Over the five-year period, the Office would like to have zero instances of proven unethical conduct within its control environment. During the period under review, and with respect to performance regarding the 5-year target (zero instances of proven unethical conduct), no cases of unethical conduct were reported or uncovered.

Outcome 2: Effective control

This refers to the ability of the Office to put adequate and effective measures in place that would enable it to achieve good governance. Effective control would contribute towards reducing corruption, improving audit outcomes as well as better service delivery. To strengthen governance and compliance management across the Provincial Administration, special focus will be placed on improving Audit outcomes as well as the clearing of irregular expenditure. The following progress was made during the period under review:

- The Office, in partnership with Provincial Treasury set a five-year target of twelve departments with unqualified audit outcomes. The report of the Auditor-General shows that seven Departments in the Mpumalanga Provincial Administration obtained unqualified audit outcomes for the financial year ended 31 March 2021, the Province regressed by three from the ten realised in the previous financial year (i.e., the year ended 31 March 2020).
- The Office set a target that would see a reduction of unauthorised, irregular, fruitless and wasteful expenditure by 10% in rand value over the next five years. The financial results for the period under review reflect that there was no unauthorized expenditure incurred. The irregular expenditure incurred increased as a result of multi-year contracts which were signed in prior years; and there was a significant decrease in fruitless and wasteful expenditure incurred.

Outcome 3: Good performance

This refers to the ability of the Office to coordinate the MPG to meet customers' expectations in respect of service delivery and should also lead to the desired developmental impact. During the year under review, Provincial performance outcomes on the 5-year targets was poor (i.e. reduction of the poverty rate, unemployment rate, percentage of households with

internet access, real GDP per head, percentage of unemployed women, percentage of unemployed youth and total FDI in Mpumalanga), returned mixed results. Though youth unemployment has increased, a major breakthrough for the youth of Mpumalanga was realised through the Mpumalanga Youth Development Fund by means of which 41 of 64 qualifying youth Entities were supported.

This could be attributed to negative economic growth resulting from the impact of Covid-19, the July protests in KwaZulu Natal and Gauteng which resulted in damage to businesses and infrastructure, whilst extreme weather events also had a negative impact.

Outcome 4: Improved trust

This refers to the ability of the Office to coordinate the MPG to meet customers' expectations in respect of service delivery. Though the public perception is not yet determined, the Office has, as part of stakeholder engagements towards achieving the outcome, finalized approval of the Integrated Provincial Communication Strategy and Departments continuously monitored its implementation.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose of the Programme

The Programme is responsible for the appropriate and effective **coordination and monitoring** of administrative and strategic matters, both within the Office and the Provincial Government. The programme comprises of the following subprogrammes being Premier Support, Director-General Support, Executive Council Support and Financial Management.

Sub-Programme: Premier Support

This sub-programme provides programme management and coordination support to the Premier in executing her constitutional mandate. These include delivering the State of the Province Address as well as the annual Policy and Budget Speech for the Office.

Sub-Programme: Director-General Support

The sub-programme provides administrative leadership and directives through planning, reporting, auditing, security, integrity and forensic services. The Office of the Director-General is also required to provide *internal and external support to sections* within the Office and the various Departments in the Provincial Government.

This sub-programme comprises the Office of the Director-General, Planning and Programme Management, Integrity Management and Forensic Audit, Internal Audit and Security Management.

Strategic leadership and direction is delivered by providing support to other intergovernmental structures such as the PCF, EXCO and *Makgotla*, the Budget and Finance Committee, Premier's Advisory Committees, the PMC and Cluster Committees.

Section 38(1)(a)(ii) of the PFMA stipulates that each Department must have and maintain an Internal Audit Unit under the control and direction of an Audit Committee. The sub-programme, through the Internal Audit Unit, provides audit assurance, performance and computer audit services. The Office also provides these services to four other cluster departments namely, COGTA, DHS, DCSR and DCSSL.

Sub-Programme: Executive Council Support

The sub-programme is responsible for providing effective and efficient **secretarial and administrative support services** to the Executive Council and the Director-General, as Secretary to the Executive Council. Secretariat services are provided to EXCO Makgotla, EXCO Committees, Budget and Finance Committee, Cluster Committees, PCF and PMC. The service provided by the sub-programme includes fast-tracking the implementation of resolutions from these inter-governmental meetings.

Sub-Programme: Financial Management

The sub-programme provides *financial management support and advisory services* to ensure compliance with the PFMA and Treasury Regulations. It is responsible for the coordination and the implementation of the Audit Remedial Action Plan and financial delegations. The management of payroll, assets and logistics support is effected through the Supply Chain Management Unit. Risk and Ethics Management also resides within the Financial Management sub-programme. This unit furthermore is responsible for coordinating the Risk Management Committee and the development of the Departmental *risk registers* (*strategic and operational*) and reports to the Director-General on the progress made by the various units as per the risks identified by the Office as contained in the various Risk Registers.

The Programme contributes towards achieving the following outcomes as per the APP

- Improved Ethical Culture; and
- Effective Control.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Executive Authority and the Accounting Officer remained accountable by providing strategic direction and leadership on the development of departmental plans and coordination of government programmes for the year under review. Accountability was provided through quarterly and annual reporting to ensure compliance with the planning and reporting framework by the Office's Programmes.

The Office was able to coordinate intergovernmental structures such as PMC, EXCO Committees as well as EXCO meetings. In order to monitor progress in implementing Departmental plans, as well as the general operations of the Office, EMC as well as MANCOM meetings were coordinated and held.

To ensure effective control, security measures were implemented to create a safe environment for better service delivery through Security Management services in the Provincial Departments as well as the Office. Six security compliance assessments were conducted in the following Provincial Departments: DCSR; DCSSL; DSD; DARDLEA; DPWRT as well as DHS. Departments including the Office of the Premier were monitored to ensure compliance with MISS.

Integrity Management focused on promoting an ethically driven public service by conducting Anti-Corruption workshops.

In an endeavour to improve ethical culture, the Forensic Audit Services resolved 75% of fraud and corruption cases from the National Anti-Corruption Hotline. Resolution of Fraud and Corruption cases contributes to the outcome by ensuring that individuals who commit fraudulent acts are held accountable and the public funds are directed to be utilised efficiently. The Office has a Fraud Prevention Policy and Fraud Prevention Plan approved by the Accounting Officer in compliance with Treasury Regulation 3.2.1.

The Financial Management Unit improved accountability and enforced compliance with the applicable regulatory prescripts by ensuring that the percentage of valid invoices received from service providers are paid within the stipulated timeframes. This contributes to effective control as well as improving sustainability of service providers. The Office reported 100% (1512 of 1512) of invoices paid within 30 days from the date of receipt.

Table 2.4.4.1:

Not applicable since the Office did not **re-table** its Annual Performance Plan in the financial year under review.

Table 2.4.4.2:

Report against the originally tabled Annual Performance Plan

Outcome	Output	Output In- dicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achieve- ment 2021/2022	Devia- tion from planned target to Actual Achieve- ment 2021/2022	Reasons for devia- tions		
Effective control	Security measures implemented	Number of departments assessed for security compliance	11 departments and the OTP compliant to MISS	6 security compliance assessments were con- ducted in Departments of Economic Development and Tourism, Human Set- tlements, Ag- riculture, Rural Development, and Land Ad- ministration, Education, Cooperative Governance and Traditional Affairs as well as Health	6	Achieved 6 Departments assessed for security compliance (DCSR; DCSSL; DSD; DARDLEA; DPWRT and DHS)	None	None		

Sub-progra	Sub-programme: DG Support – Integrity Management										
Outcome	Output	Output In- dicator	Audited Actual Performance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Devia- tion from planned target to Actual Achieve- ment 2021/2022	Reasons for devia- tions			
Improved Ethical Culture	Provincial Anti- corruption Strategy developed	Provincial Anti- corruption Strategies reviewed	2019/20 Status report on the implementation of Anti- Corruption and Whistleblowing Strategy compiled	First Draft Provincial Anti- Corruption Strategy was developed	Provincial Anti- Corruption Strategy reviewed	Not achieved However, the first draft reviewed and Provincial Anti-Corruption Strategy is in place	Provincial Anti- Corruption Strategy not reviewed	Human capacity constraints			

Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Devia- tion from planned target to Actual Achieve- ment 2021/2022	Reasons for devia- tions
Improved Ethical Culture	National Anti-Corruption Hotline cases resolved	Percentage of cases from Na- tional An- ti-Corrup- tion Hotline resolved	44% (4 of 9) current fraud and corruption cases investi- gated 54% (6 of 11) backlog fraud and corruption cases investi- gated	89.88% (8 of 9) of cases from NACH resolved	80%	Not achieved 75% (9 of 12) cases from NACH resolved 21% (9 of 43) backlog fraud and corruption cases investigated	5% cases from NACH not re- solved	Some cases take longer to resolve due to the complexi- ties involved
	Calls from Presidential Hotline re- solved	Percentage of calls from Presidential Hotline re- solved	97.28% (6 536 of 6 719) calls from the Pres- idential Hotline resolved	16.4% (22 of 134) calls from the Presiden- tial Hotline re- solved However, the Office has also resolved 96 out of 96 calls received from the previous financial years	60%	Not achieved	Report not yet availa- ble on the information Technology Manage- ment Sys- tem	Report not yet availa- ble on the information Technology Manage- ment Sys- tem

Outcome	Output	Output In- dicator	Audited Actual Performance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achieve- ment 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devi- ations
Effective control	Invoices from service providers paid within 30 days from the date of receipt	Percentage of invoices paid within 30 days	99.80% (3 060 of 3 066) invoices paid within 30 days of receipt	98.3% (707 of 719) of valid invoices paid within 30 days from the date of receipt in compliance with the TR	100%	Achieved 100% (1512 of 1512) invoices paid within 30 days	None	None

Linking performance with budgets

Sub-programme expenditure

		2021/2022		2020/2021				
Sub-Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000		
Premier Support	27 550	27 548	2	21796	21796	-		
Executive Council Support	5 839	5 838	1	4 854	4 854	-		
Director general Support	41 625	41 589	96	54 260	54 260	-		
Financial Management	73 809	73 792	15	44 818	42 590	2 228		
Total	148 881	148 767	114	125 728	123 500	2 228		

The Programme has spent an amount of R148 748 000, which equates to 99.9% expenditure of the final appropriation budget of R148 881 000 for the 2021/2022 financial year. Therefore, this is within the 2% threshold as set by National Treasury. The Programme had five planned targets during the reporting period and it managed to achieve two, which translates to a 40% achievement rate.

Strategy to overcome areas of under performance

Integrity Management

- Develop a project plan for the review of the Provincial Anti-Corruption Strategy.
- Fill vacant funded positions in the unit.

Forensic Audit Services

- Fast track resolution of cases emanating from the National Anti-Corruption Hotline.
- Progress from the Presidential Hotline will be updated once the report is available.

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

N/A for the Office.

Reporting on the Institutional Response to the COVID-19 Pandemic

The Office has a legal obligation in accordance with section 8 of the Occupational Health and Safety Act (OHSA), 1993 to, as amended to, where reasonably practicable, provide and maintain a safe, healthy work environment that is without risk to employees. Based on the above, the Office has put adequate strategies and measures in place to, *inter alia*, contain and reduce the spread of COVID-19 outbreak in the workplace. The Office has also managed to co-ordinate and convene Occupational Health and Safety sessions on a monthly basis, aimed at reducing the spread of COVID-19 in the workplace.

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Pro- gramme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of ben- eficiaries (Where Possible)	Disaggre- gation of Beneficiaries (Where Pos- sible)	Total bud- get alloca- tion per in- tervention (R'000)	Budget spent per interven- tion	Contribu- tion to the Outputs in the APP (where ap- plicable)	Immediate outcomes
N/A	Procurement of sanitizers and face masks	Head office	225	N/A	R237	R237	N/A	Safe working environment

4.2 Programme 2: Institutional Development

Purpose of the Programme

To provide institutional development services, advice, strategic support, coordination and development of policies to ensure operational efficiency, alignment and corporate compliance in order to improve the capacity of the Mpumalanga Provincial Government to deliver effective and efficient services. The Programme is composed of Strategic Human Resources, Legal Advisory Services, Government Communications and Information Services and Provincial Government Information Technology Officer.

Sub-programme: Strategic Human Resources

The sub-programme is responsible for coordinating and monitoring the implementation of human resource practices and strategies by Departments in the Provincial Government. This sub-programme ensures that the Mpumalanga Provincial Government and the Office's human resource management practices are performed within the applicable legal frameworks and prescripts.

Sub-Programme: Legal Advisory Services

This sub-programme consists of the Chief Directorate: Legal Advisory Services which renders legal advisory services to the Mpumalanga Provincial Government in general and the Office of the Premier in particular. The Unit's services entail:

- The drafting of legally sound formal, written, legal opinions and furnishing of legal advice;
- The drafting of legally sound documents with a legal bearing;
- Consultations with clients to furnish oral legal advice; and
- > The drafting of legally and constitutionally sound Provincial legislation.

Sub-Programme: Government Communication and Information Services

The purpose of this sub-programme is to coordinate Government communication and information services within the Provincial Government. This sub-programme consists of the following units: Corporate Communication, Community Services and Research, Media, Departmental Liaison and Information Services. During the MTEF period the sub-programme will focus on the following key activities:

- Implementation of the Provincial Communication Strategy Framework;
- Implementation of the Integrated Provincial Communication Plan; and

Rendering of communication support services to the Office.

Sub-Programme: The Provincial Government Information Technology Officer

The purpose of this sub-programme is to provide an ICT support function across all Provincial Departments and the Office, and to promote the effective management of information and communication technology as a service delivery enabler and a strategic resource.

Information Communication Technology must rationalize unnecessary duplication and redundancy of information and technologies in the Departments and where feasible, promote common solutions for common requirements across all Provincial Departments.

The Programme contributes towards achieving two outcomes as per the APP namely;

- Improved ethical culture; and
- Good performance.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Programme implemented seven training programmes and four additional workshops aimed at improving the knowledge, skills and competencies of staff members, thus positively contributing to good performance and a professional way of doing things in the Office. Furthermore, five Draft Provincial Human Resource Policy Frameworks, prioritizing the wellbeing and performance of employees, were reviewed.

The review of the organisational structures of three Provincial Departments (including the Office) with the strategic plans and priorities of the Provincial Government Administration has improved employee performance as these structures are now aligned, and clearly outlines the functions of these Departments and each of their respective units / components.

The coordination of Change Management programmes aimed at monitoring the implementation of Batho Pele principles in nine local municipalities, the KHAEDU deployment of officials at Vaccination sites, as well as the monitoring of the submission of Service Delivery Improvement Plans' (SDIP) Annual Reports by six Departments contributed to improved service delivery in the Public Service.

In ensuring improved ethical culture, all disputes reported were attended to.

The implementation of the Integrated Provincial Communication Strategy by the Provincial Government in general and the Office in particular was monitored, as well as the announcement by the National Minister of Communications and Digital Technologies, on the rollout of SA Connect phase 2 over 36 months, which replaces the need for a Provincial 10-Year Broadband Plan is welcomed and is scheduled to proceed in April 2022 in the Province.

Table 2.4.4.1:

Not applicable since the Office did not **re-table** its Annual Performance Plan in the financial year under review.

<u>Table 2.4.4.2:</u>

Report against the originally tabled Annual Performance Plan

Out- come	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	Actual Achieve- ment 2021/2022	Deviation from planned tar- get to Actual Achievement 2021/2022	Reasons for devia- tions
Good perfor- mance	Competent staff in the Office of the Premier produced	Number of skills pro- grammes imple- mented	2019/20 status re- port on the implemen- tation of WSP com- piled	7 of 9 skills programmes in the Work Place Skills Plan implemented	10	Not achieved However, 7 Skills programmes in the WSP implemented as follows: Coaching for Leadership Development Re-orientation Programme Breaking Barriers to entry into the Public Service Auditing Governance, Strategy, Ethics and Risk Management Ethics in Public Service Compulsory Induction Programme (CIP) for Level 1-3 Emergency Evacuation Procedure Training (First Aid Level 1)	3 Skills programmes not implemented as per the approved Plan 4 more Skills programmes not in the WSP implemented as follows: • Provincial Peer Learning Seminar • E-Leave Management Workshop • Service Conditions & Policy Benefits • Basic Archives and Records Management workshop	The response rate by the Service Providers did not meet the SCM Bidding Standards (only instead of 3) quotations were received and this affected the process of finalizing procurement timeously

Out- come	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Good perfor- mance	Provincial Human Resource policy frameworks reviewed	Number of Provincial Human Resourc- es policy frame- works re- viewed	8 Provincial HRM policy frameworks reviewed	4 Policy Frame- works reviewed, that is, the Safety Health Environment and Quality Management, HIV & AIDS Pol- icy Framework, Management of Diversity Policy Framework and Job Access Poli- cy Framework	4	Not Achieved However, 5 Draft Provincial Human Resource Policy Frameworks reviewed: PMDS Policy Overtime Policy Reasonable Accommodation Policy Recruitment Policy Selection Policy	Reviewed Provincial Human Re- source Policy Frameworks not approved	Consultation processes took longer than antici- pated

Out- come	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devia- tions
lm- proved ethical culture	Disputes duly attend- ed to within 90 days of receipt in the 11 Depart- ments as well as the Office of the Pre- mier	Percentage of disputes duly attend- ed to within 90 days	0% (O of 15) disputes dealt with within 90 days, how- ever, 2 were dealt with be- yond 90 days of receipt in 11 Departments as well as the OTP	100% (7 of 7) disputes dealt with within 90 days of re- ceipt in 11 Departments and the Of- fice	100%	Achieved 100% (3 of 3) disputes duly attended to within 90 days: • Grievance on unpaid cell phone allowance • Grievance on Acting without compensation • DCSSL disciplinary hearing 100% (1 of 1) Grievance of non-payment of acting allowance emanating from previous years resolved	None	None

Out- come	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Devia- tion from planned tar- get to Actual Achievement 2021/2022	Reasons for devia- tions
Good perfor- mance	Organi- sational Structures reviewed	Number of Organ- isational Structures reviewed		Developed organisational structures for 6 Provincial Departments, i.e. DCSR, DEDT, DCSSL, COGTA and the Office, and the Swartfontein Treatment Centre in the DSD	2	Achieved 3 Organizational structures reviewed as follows: Provincial Treasury DSD; and Office of the Premier	The additional one reviewed organizational structure was a special request from the Office of the Premier	None

Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achieve- ment 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devi- ations
Good perfor- mance	Change Manage- ment pro- grammes coordinat- ed (Ba- tho Pele Projects i.e. Africa Public Ser- vice Day, Service Delivery Improve- ment Plans, Khaedu de- ployments and Public Service Month	Number of Change Manage- ment Pro- grammes coordinated	4 Batho Pele Projects co- ordinated (APSD, Pub- lic Service Month, Ser- vice Delivery Improve- ment Plans and Khaedu deploy- ments)	Public Service Month conducted	4	Achieved 4 Change Management Programmes coordinated: • KHAEDU deployment for officials in the OTP and Health during the Public Service Month • Monitored the submission of SDIP annual reports by 6 Departments (CoGTA, Health, DCSR, Finance, DHS and DCSSL) • Hosted the Provincial Africa Public Service Day celebration at Thembisile Hani Local Municipality 9 Municipalities monitored on Batho Pele programmes (Victor Khanye, Emakhazeni, Ehlanzeni, Steve Tshwete, Lekwa, Govan Mbeki, Dipaliseng, Nkomazi and Mkhondo)	None	None

Sub-Pro	gramme: Govern	ment Commun	ication and Inform	ation Service	es			
Out- come	Output	Output Indi- cator	Audited Actual Performance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devia- tions
Good perfor- mance	Implementation of Integrat- ed Provincial Communica- tion Strategy by the 11 De- partments and the OTP moni- tored	Number of monitoring reports on the imple- mentation of Integrated Provincial Communica- tion Strategy	Not achieved	-	4	Achieved 4 Monitoring Reports on the implementation of Integrated Provincial Communication Strategy compiled	None	None

Out- come	Output	Output Indi- cator	Audited Actual Performance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Devia- tion from planned target to Actual Achieve- ment 2021/2022	Reasons for devia- tions
Good perfor- mance	Provincial 10- year Broadband Plan developed	Provincial 10- year Broad- band Plans developed	2019/20 status report on the management of the performance of the Transac- tional Advisor compiled	Draft Provincial 10-year Broadband Plan developed	Provincial 10- year Broad- band Plans developed	Not Achieved Final Draft Provincial 10 Year Broad- band Plan developed	Provincial 10-year Broadband Plan still in a draft form	On 01 February 2022, the Minister for Communications and Digital Technologies announced the rollout of SA Connect Phase 2 over 36 months. This broadband rollout replaces the need for a Provincial 10-Year Broadband Plan

Linking performance with budgets

Sub-programme expenditure

		2021/2022			2020/2021	
Sub-Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Strategic Human Resource	35 017	34 687	330	33 938	33 936	2
Information Communication Technology	8 691	8 682	9	11 699	11 699	1
Legal Services	3 535	3 533	12	4132	4132	0
Communication Services	19 691	19 650	41	13 685	13 683	2
Programme Support	3 253	3 247	6	2866	2864	2
Total	70 187	69 799	388	66 320	66 313	7

The Programme spent an amount of R69 799 000 which amounts to 99.5% expenditure of the final appropriation budget of R70 187 000 for the 2021/2022 financial year. Therefore, this is within the 2% threshold as set by National Treasury. The Programme had seven planned targets during the reporting period and it managed to achieve four which translates to a 57% achievement rate.

Strategy to overcome areas of under performance

Internal Human Resources Management and Development

- Improve on planning for the procurement of skill programmes to be implemented.
- The skills (training) will be conducted in the next financial year i.e. April June 2022.

Transversal Human Resources Services

Draft Provincial Human Resource Policy Frameworks to be approved in the next financial year.

Provincial Government Information Technology Officer

SA Connect Phase 2 to proceed as from 01 April 2022.

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

N/A for the Office.

4.3 Programme 3: Policy and Governance

Purpose of the Programme

To provide effective macro policy advice, co-ordination and monitoring in the following key focus areas:

- Provincial Planning;
- > Implementation of Provincial programmes;
- Mainstreaming of Gender, Youth and Older Persons' issues;
- Regional and International co-operation;
- Research and Information Management;
- Advisory services to the Premier, EXCO, EXCO committees and MPAC; and
- Coordinate key strategic interventions to improve Departmental performance.

Sub-Programme: International Relations

This sub-programme facilitates the development and implementation of the **Provincial International Relations Programme of Action** and monitor progress thereof. The sub-programme is also responsible for the facilitation of International Relations partnerships and signing of MoUs to support Socio-Economic Development in the Province.

Sub-Programme: Provincial Policy Management

The sub-programme consists of the following Units:

- Special Programmes;
- Macro Planning;
- Monitoring and Evaluation;
- Research and Strategic Information Management;
- Cluster Management; and
- Mpumalanga Province Aids Council.

The purpose of the sub-programme is to enhance evidence-based decision-making processes by the EXCO through provision of integrated research, coordination, planning, monitoring and evaluation within the Province. The sub-programme also conducts macro policy analysis and develops baseline indicators for the Mpumalanga Province (Provincial 5-Year Plan). The following are the key deliverables:

- Developing Provincial priorities and monitoring implementation through the cluster system (PPOA);
- Implementation of the Provincial Evaluation Plan (PEP) and co-ordinating the evaluation of programmes identified;
- Providing guidance on the development of Departmental plans (SPs, APPs, AOPs) and monitoring the implementation thereof i.e. through the e-QPR;

- > Implementation of the Provincial Research Agenda and providing quality assurance on the research projects implemented;
- Co-ordination of MPAC sittings and monitoring the implementation of the Provincial Implementation Plan on HIV, STIs and TB:
- Facilitating the implementation of Youth Empowerment Programmes in the Province;
- Co-ordinating and monitoring the mainstreaming of needs and rights of vulnerable groups; and
- Co-ordination and monitoring of Gender Based Violence and Femicide (GBVF) interventions.

The Programme is responsible for the development of the Provincial Long-term Plans and enforcing alignment of all Provincial sector plans to the Provincial Long Term Plans. Currently, the following long term plans are being implemented:

- Provincial Vision 2030;
- Provincial Spatial Development Framework (PSDF); and
- Provincial 5-year plan for 2019-24.

In the current financial year, the programme will support Provincial Departments on developing and facilitating the implementation of the following Provincial Sector Plans:

- > Department of Economic Development and Tourism (DEDT) the Provincial Economic Reconstruction and Recovery Plan;
- Department of Human Settlement (DHS) Provincial Sustainable Human Settlement Master Plan and Multi Year Implementation Plan for 2019–2024; and
- Department of Public Works, Roads and Transport (DPWRT) Provincial Infrastructure Master Plan.

The Provincial 5-year plan for 2019-24 is developed in line with the national 2019-24 Medium Term Strategic Framework (MTSF). The National 2019-24 MTSF has since been reviewed in March 2021, taking into consideration the following:

- Recommendations from the NDP Review:
- Recommendations from the Presidential Commission on 4IR;
- > The institutional arrangements for the District Development Model (DDM); and
- The Impact of COVID-19 Pandemic (Coronavirus disease).

As a result, the Programme will initiate the review of the Provincial 5-year plan in line with these new developments during the current financial year. In addition, a monitoring tool for the 5-year plan and a mid-term review will be developed and conducted. These will also form the basis for the review of the Provincial 5-years plan, which will be discussed at the Executive Council Makgotla. The review process will be concluded in February 2022 to allow alignment with the Provincial planning, monitoring and budgeting cycle.

The Programme contributes towards achieving one of the four institutional outcomes namely;

Good performance.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

During the year under review the following progress have been registered:

- Reviewed Provincial 5 Year 2019-24 Plan and the approval of the Provincial Evaluation Plan by EXCO that led to the conclusion of an evaluation study on the Shongwe Boarding School.
- Despite the increase in youth unemployment due to the impact of Covid-19, storm damage, etc. the Province was able to fund 41 of 64 approved youth enterprises.
- > The Office monitored the implementation of the annual Provincial Implementation Plan (PIP) on HIV, STIs and TB and generated four quarterly monitoring reports that were shared with stakeholders. This will ensure successful execution of the HIV, STI and TB programmes which would then help reduce the number of new infections and ultimately reduce the number of people who are living with the viruses. This would lead to healthy communities which can be economically active and contribute towards economic growth and development rather than merely becoming dependant on social grants. Furthermore, this would ultimately contribute towards reducing income inequality and increasing life expectancy.
- > To ensure that issues pertaining to women and the most vulnerable groups receive the necessary attention, a Task Team for the GBVF was facilitated.
- > The Provincial Research Agenda and Implementation Plan was also approved.

Table 2.4.4.2:

Report against the originally tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devi- ations
Good perfor- mance	Implementation of International Relations MoUs as per the Programme of Action coordinated	Number of inter- national relations Memoran- da of Un- derstand- ing coordi- nated	2019/20 Status re- port on the implemen- tation of Memoranda of Under- standing compiled	Achieved 2020/21 Programme of Action for implementa- tion of Inter- national Rela- tions MOUs	4	Not Achieved 2 Inter- national relations MOUs not coordinated (Russia and Mozam- bique)	2 Inter- national Relations MOUs not coordinated (Kenya and Cameroon)	Co-ordination of partnerships with Kenya and Cameroon was not successful due to inadequate response from DIRCO and High Commissions for Kenya and Cameroon.

Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devi- ations
Good perfor- mance	2019-2024 Provincial 5-Years Plan reviewed	2019-2024 Provincial 5-Year Plan reviewed	Draft 5 Year Me- dium Term Strategic Framework 2019/20- 2023/24 developed	-	2019 -2024 Provincial 5-Year Plan reviewed	Achieved 2019 -2024 Provincial 5-Year Plan reviewed	None	None

Sub-Prog	amme: Cluste	er Managem	ent					
Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Good perfor- mance	Performance reports on implementation of Governance and Socio-Economic interventions as per PPOA compiled	Number of Per- formance reports on the Pro- vincial Pro- gramme of Action compiled	Status report on the imple- mentation of the 2019/20 PPOA com- piled	4 Performance reports on Implementation of the PPOA (2020/21) compiled	4	Achieved 4 Performance reports on the Provincial Programme of Action compiled	None	None

Sub-Progr	ramme: Monito	oring and Eval	uation					
Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Devia- tion from planned target to Actual Achieve- ment 2021/2022	Reasons for deviations
Good perfor- mance	Programme evaluation study com- missioned	Number of programme evaluation studies commis- sioned	Status report on the implementation of the 2019/20 Provincial Evaluation Plan compiled	Draft Terms of Reference developed	1	Achieved 1 Programme Evaluation study commissioned - Rapid Evaluation at Shongwe Boarding School completed	None	None
	Provincial Programme Performance Assessments based on De- partments' Annual Per- formance Plans		4 Provincial Programme Perfor- mance As- sessments concluded based on Depart- ments APPs	4 Provincial Programme Performance Assessments concluded based on APPs	4	Achieved 4 Provincial Programme Performance Assessments based on Departments' APPs concluded	None	None

Sub-Progr	Sub-Programme: Research Services								
Outcome	Output	Output In- dicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Good perfor- mance	Reports on the imple- mentation of Provincial Research Agenda compiled	Number of Status re- ports on the implemen- tation of the Provincial Research Agenda compiled	2019/20 Status report on the imple- mentation of the Provincial Research Agenda compiled	4 status reports on the implementation of the Provincial Research Agenda compiled	4	Achieved 4 Status Reports on the Imple- mentation of the Provincial Research Agenda compiled	None	None	

Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Tar- get 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for devia- tions
Good perfor- mance	Integrated PPOA on mainstreaming of women empowerment and gender equality, youth development, persons with disabilities and older persons' rights into Provincial	Number of reports on monitoring imple- mentation of the Integrated PPOA	2019/20 Status Report compiled on the implementation of Gender Equality, Women Empowerment (GEWE) and rights of Older persons integrated POA compiled	4 quarter- ly reports on main- streaming of WEGE, Youth, Old- er Persons Rights into Provincial Government programmes developed	4	Achieved 4 Reports on monitoring the implementation of the Integrated PPOA compiled	None	None
	Government Programmes	Percentage of qualify- ing youth enterprises supported through Mpumalan- ga Youth Develop- ment Fund	-	-	100%	Not Achieved 64% (41 of 64) qualifying Youth enterprises sup- ported through Mpumalanga Youth Develop- ment Fund	36% (23 of 64) quali- fying Youth enterprises support- ed (funds not yet disbursed) through Mpumalanga Youth De- velopment Fund	3 beneficiaries have issues to be resolved 20 beneficiaries were approved i March 202

Outcome	Output	Output Indicator	Audited Actual Per- formance 2019/2020	Audited Actual Per- formance 2020/2021	Planned Annual Target 2021/2022	**Actual Achieve- ment 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for de- viations
Good per- formance	Performance reports on the imple- mentation of the Provincial implementa- tion plan on HIV, STIs and TB compiled	Number of per-formance reports on the implementation of the Provincial implementation plan on HIV, STIs and TB compiled	Monitor implementation of the National Strategic Plan for HIV, STIs and TB (2017-2022) through annual review of the PIP and development of annual PIP and quarterly monitoring	-	4	Achieved 4 Performance Reports on the Implementation of the Provincial Implementation Plan on HIV, STIs and TB compiled	None	None

Linking performance with budgets

Sub-programme expenditure

Policy and Develop-		2021/2022		2020/2021			
ment	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	
Special Programmes	95 041	94 470	571	5 677	5 659	2308	
Intergovernmental Relations	7 016	6 850	166	6110	6 107	3 051	
Provincial and Policy Management	32 566	32 062	504	33 480	33 504	4 158	
Programme Support	213	160	53	382	379	648	
Total	134 836	133 542	1294	45 649	45 649	10 165	

The Programme spent an amount of R133 542 000 which amounts to 99.04% expenditure of the final appropriation budget of R134 836 000 for the 2021/2022 financial year. Therefore, this is within the 2% threshold as set by National Treasury. The Programme had nine planned targets during the reporting period and it managed to achieve seven which translates to a 78% achievement rate.

Strategy to overcome areas of under performance

International Relations

• The Office will explore other avenues for partnerships (i.e. Oman, Tanzania, Egypt, Cameroon and Kenya).

Special Programmes

• The remaining Funds transferred to MEGA will be disbursed in the next financial year.

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

N/A to the Office.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The table below reflects the transfer payments made to the Mpumalanga Economic Growth Agency for the period 1 April 2021 to 31 March 2022

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Mpumalanga Economic Growth Agency	Youth Development	81 953	81953	The Mpumalanga Economic Growth Agency managed to disburse funds to 64% (41 of 64) of qualifying Youth enterprises supported through Mpumalanga Youth Development Fund to the satisfaction of the Office
TOTAL		81993	81 953	

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made to Provinces, Municipalities, Departmental Agencies (excluding public entities), higher education institutions, public corporations, private enterprises, foreign governments, non-profit institutions, and households for the period 1 April 2021 to 31 March 2022.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Mbombela Municipality	Municipality	Renewal of motor vehicle licenses	N/A	24	N/A	N/A
Various institutions of higher learning	Higher Education	Premier's Discretionary Bursaries	N/A	710	N/A	N/A
	Employees	Injury on duty	N/A	7	N/A	N/A
	Ex -Employees	Leave Gratuity	N/A	626	N/A	N/A
	Ex -Employees	Severance Package	N/A	1337	N/A	N/A
TOTAL			N/A	2704	N/A	N/A

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The Office did not have conditional grants and earmarked funds during the period 1 April 2021 to 31 March 2022.

6.2. Conditional grants and earmarked funds received

The Office did not have conditional grants and earmarked funds during the period 1 April 2021 to 31 March 2022.

7. DONOR FUNDS

7.1. Donor Funds Received

The Office did not receive donor funds during the period 1 April 2021 to 31 March 2022.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

		2021/2022		2020/2021		
Infrastructure projects	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	16 263	16 258	5	4500	2 279	2 221
Total	16 263	16 258	5	4500	2 2 7 9	2 221



PART C: GOVERNANCE

1. INTRODUCTION

To ensure that the highest standard of governance is maintained, the Office established governance structures such as the Risk Management Committee, the Audit Committee and Management Committees. The Mpumalanga Provincial Legislature, through the relevant Portfolio Committee as well as SCOPA holds the Office accountable through reports and during oversight meetings on how public finances and resources are managed, through reports and during meetings.

2. RISK MANAGEMENT

The Office understands that risk management is a strategic imperative within high performing organisations. During 2009, a Risk Management Unit was established in terms of Section 38(1) of the PFMA and it is under the custodianship of the Office of the Chief Financial Officer.

The Office has a Risk Management Policy and Strategy developed in terms of the Public Sector Risk Management Framework. The Policy and Strategy duly express the Office's risk management philosophy and it is reviewed annually.

The Office conducts risk assessments and reviews annually in accordance with Treasury Regulation 3.2.1. This helps the Office to direct its Internal Audit effort and prioritize the allocation of resources.

The Risk Management Committee, chaired by an external member, has been appointed by the Accounting Officer to assist him in discharging his risk management responsibility. The Committee meets on a quarterly basis to evaluate the effectiveness of mitigating strategies to address the material risks and subsequently reports to the Accounting Officer any material changes to the risk profile of the Office.

The Committee also provides oversight on ethics management in the Office. An Ethics Management Strategy informed by the ethical risks has been developed and has been reviewed in the period under review to incorporate recent Lifestyle Audit Directive by the MPSA. On a quarterly basis the Committee discusses the progress regarding the implementation of the Strategy by management.

The Audit Committee provides oversight of the Risk Management function in the Office and as such, risk management is a standing item on the quarterly meetings of the Audit Committee.

To improve the implementation of the Action Plans and ensure alignment of risk management strategies with the plans and budget of the Office, management has reviewed the composition of the Risk Management Committee. The highest ranking officials in the Office are members of the Committee in order to promote strategic discussions and improved decision-making.

3. FRAUD AND CORRUPTION

The Office has, in terms of Treasury Regulation 3.2.1, an approved Fraud Prevention Plan in place to implement the Fraud Prevention Policy. Fraud Risk Assessments conducted shows that the Office has a minimum exposure to fraud risks and management has put measures in place to ensure that these risks do not materialise.

Nevertheless, Management accepts fraud and corruption as a business risk. Acceptance however, does not mean it condones fraud and it therefore commits itself to actively fight fraud and corruption including all other acts of dishonesty with perseverance and vigour.'

There are measures in place to ensure that fraudulent activities are reported, investigated and resolved within a specified period. Employees and the public are encouraged through awareness programmes and initiatives to report any suspected fraud and corruption activities. NACH and the Presidential Hotline are available by means of which employees and the public can report allegations of fraud. Reporting can be made either anonymously or through walk-ins, to the General Manager: IMU. The Office has a Whistle-Blowing Policy or Protected Disclosure Policy which accords assurance to provide protection to all reporters of unethical conduct.

All incidences of fraud and corruption detected, are dealt with. The Office has a responsibility to investigate all cases on behalf of the Provincial Government. Due to capacity challenges in the Office, vacant posts were identified to be filled. During the year under review the Office has filled the positions of Manager, Assistant Manager and Forensic investigator to address the capacity constraints and more positions are still to be filled in the next financial year.

4. MINIMISING CONFLICTS OF INTEREST

Conflict of Interest refers to any financial or other private interest or undertaking that could directly or indirectly compromise the performance of the public servant's duties or the reputation of a public servant's Department in its relationship with its stakeholders"; or "a situation in which a public official has a private interest which influences, or appears to influence a public decision."

In order to manage conflicts of interest, management has put in place the following measures:

- Declaration of financial interests by SMS, MMS, Ethics officers, Supply Chain & Financial Management Officials.
- Declaration of interest forms which are completed during Committee meetings for attendees to declare any potential conflict of interest.
- The Office requires potential service providers to declare on SBD forms if they are connected to any person employed by the State.
- Employees in the Office are prohibited from conducting business with an organ of state.
- Employees are required to make a formal application to render any remunerative work outside their employment in the Public Service.
- There is a Gifts Register where employees are required to declare gifts received in the scope and course of their employment.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with accordingly in line with the provisions of the Disciplinary Code and Procedure.

5. CODE OF CONDUCT

The Code of Conduct acts as a guide to employees as to what is expected of them from an ethical point of view, in their individual conduct, relationship with others and the State as the employer. Compliance with the Code of Conduct enhances professionalism and ensures confidence in the Public Service and the promotion of exemplary conduct. Notwithstanding this, employees shall be guilty of misconduct and may be dealt with in accordance with the PSCBC Resolution 1 of 2003 (applicable to employees on salary levels 1 to 12) and the SMS Handbook (applicable to employees on salary levels 13 to 16) if they contravene any provisions of the Code.

The Office acknowledges the Public Service Code of Conduct as its value system. The conduct and behaviour of employees in the Office is guided by the Public Service Code of Conduct. Management in the Office displays and

promotes a high standard of professional ethics.

Awareness workshops are conducted annually for new and existing employees in the Office on the Code of Conduct. All employees are expected to understand and abide by the Code of Conduct.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with accordingly in line with the provisions of the Disciplinary Code and Procedure, as set out below.

PROCESS FOLLOWED FOR THE BREACH OF CODE OF CONDUCT IN TERMS OF RESOLUTION 1 OF 2003 AND CHAPTER SEVEN OF THE SMS HANDBOOK

INFORMAL ENQUIRY (FOR LESS SERIOUS MISCONDUCT)

In the case of an informal enquiry the manager of the employee must bring:

- (a) The misconduct to the employee's attention;
- (b) Determine the reasons for the misconduct and give the employee an opportunity to respond to the allegations;
- (c) Seek to get agreement on how to remedy the conduct; and
- (d) Take steps to implement the agreed course of action.

FORMAL ENQUIRY (FOR MORE SERIOUS FORMS OF MISCONDUCT)

In the case of a formal enquiry the employer must appoint an employee as a representative who as far as possible should be the manager for the employee to initiate the enquiry.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Office has a legal obligation in accordance with section 8 of the Occupational Health and Safety Act (OHSA), 1993 to, as amended to, where reasonably practicable, provide and maintain a safe, healthy work environment that is without risk to employees.

The Office has a transversal Unit (Transversal Human Resource Management Services), which is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programmes, including Occupational Health and Safety Programmes, across the Mpumalanga Provincial Government. Furthermore, the Office has an Internal Employee Health and Wellness (EHW) Division within its ranks. The Office could not implement most of the activities, contained in the approved employee health and wellness operational plan, as they were suspended, owing to the COVID-19 pandemic.

However, towards the end of the financial year, the Office managed to conduct two EHW events, i.e. a Mental Health Awareness Session and a Physical Fitness Session. During the course of the financial year, the Office has managed to coordinate and convene twelve Occupational Health and Safety sessions, on a monthly basis, aimed at reducing the spread of COVID-19 in the workplace. The Office has also identified the lower ground level as uninhabitable, and as such, it did put mechanisms in place to ensure that acceptable working conditions are restored. Furthermore, the Office has as and when required, co-ordinated and implemented several bereavement programmes to honour officials who have passed away, as well as to support officials affected by bereavements in their private lives.

In addition to the above, the Office managed to develop and implement several documents that were used as guides to reduce the spreading of COVID-19 in the workplace and beyond. The guides included, amongst others, COVID-19

Protocols, Circulars on return to work of employees, based on the adjusted and re-adjusted alert levels and update reports on measures to contain and reduce the spreading of COVID-19.

7. PORTFOLIO COMMITTEES

Matters raised by the Portfolio Committee and how the Office addressed these matters

Date	Subject	Action taken to address issue	Progress
25 May 2021	Consideration of the 2019/20 4 th Quarterly Performance Report and the 2020/21 APP	The Office noted the matters raised by the Committee	The Office responded to the matters raised by the Committee
24 August 2021	Consideration of the 2021/22 First Quarter Performance Report and Progress reports in respect of the implementation of House Resolutions in respect of the 2021/22 1st Quarter Performance Reports	Committee	Committee
23 November 2021	Consideration of the 2021/22 2nd Quarter Performance Report and Progress reports in respect of the implementation of House Resolutions in respect of the 2021/22 1st Quarter Performance Reports		
	Consideration of the 2020/21 Annual Report and Progress reports in respect of the implementation of House Resolutions in respect of the 2019/20 Annual Report.		
8 March 2022	Consideration of the 2019/20 Annual Report		

8. SCOPA RESOLUTIONS

The Office met the SCOPA twice during the year under review as follows:

- 18 May 2021, to present responses on the 2019/20 Annual Report, as well as progress on implementing SCOPA resolutions made during 2018/19 and prior years.
- 11 March 2022, to present responses on the 2020/21 Annual Report, as well as progress on implementing SCOPA resolutions made during 2019/20 and prior years.

18 May 2021 for AR 2019/20 (IMPLEMENTATION OF RESOLUTIONS EMANATING FROM THE 2018-19 FINANCIAL YEAR

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	Underspending of vote	The AO must ensure that procured services are paid for on time upon receipt of invoices to avoid incurring unnecessary accruals	The AO put some measures in place to avoid incurring unnecessary accruals and to ensure that payments are paid within 30 days. These measures included the implementation of the invoice tracking system which was a project initiated by Provincial Treasury. However, by the end of the financial year the Office incurred accruals as invoices could not be processed as a result of the 3rd adjustment and insufficient funds to defray accruals amounting to R 8.4 million. 98.33% (707 of 719) invoices amounting to the value of R90 101 000.00 for goods and services and the payment of capital assets were paid within 30 days and 12 were not paid within 30 days, amounting to R226 806.00.	Yes (Closed)
2		The AO must ensure that he obtains approval from EXCO to fill vacant funded positions that exist within the Office.	The AO has approached the EXCO through the Executive Authority to request an approval for the lifting of the moratorium, with the aim to advertise and fill critical vacant funded posts. Approval therefore was granted and the Office has filled 19 posts and 18 are still in the process of being filled.	Yes (closed)
3	Irregular expenditure	The AO must provide a progress report on assessments conducted by National Treasury on condonation of the 2015/16 incurred irregular expenditure amounting to R52,957,000.00	There were delays in the work that was supposed to be done by National Treasury. However, during the 2019/20 financial year, requests for condonation were referred back to Provincial Treasury since the powers to condone were delegated to them. The Office is still awaiting the outcome of the assessment by Provincial Treasury.	No (ongoing)
4		The AO must ensure that that procurement within the Office is always in line with SCM prescripts	 The following measures were put in place in an effort to ensure that procurement was in line with SCM prescripts: Issued finance circulars emphasising the importance of adherence to the procurement prescripts, centralised and restricted the procurement activities to be conducted only by the SCM practitioners within the SCM unit Prioritised the conducting of a skills audit to ensure that officials are suitably placed in areas which match their respective competencies Prioritised the recruitment of competent and capable officials. Ensured that officials undergo capacity development programmes / training courses to upskill competencies; and Reviewed the existing organisational structure and created an Internal Control unit which will be responsible for reviewing compliance with SCM prescripts. 	Yes (closed)

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
5	Fruitless and wasteful expenditure	The AO must provide progress on the implementation of recommendations on the R5,083,000.00 fruitless expenditure investigations that were finalized in November 2019	In 2019/20 the service provider did not conduct investigations into fruitless and wasteful expenditure due to depleted resources (financial). The AO referred the cases to IMU and delegated them to undertake the investigations. However, due to human resource constraints experienced by the OTP, a new service provider was appointed in April 2021 to conduct the investigation and it is envisaged that the investigations will be concluded by end of June 2021.	No (ongoing)
6	Strategic Planning and Performance Management	The AO must ensure that the Office has clearly defined strategies to monitor and evaluate progress on targets	The AO has put in place strategies such as Business Review Sessions that are held on a quarterly basis where performance is tracked. Through the Planning and Programme Management Unit, the annual and quarterly reports are validated against the Portfolio of Evidence provided. Management views these strategies as effective. Furthermore, these are subjected to further reviews by both Internal Audit and the Auditor- General.	Yes (closed)
7		The AO must ensure that there is sufficient human resources and capacity to produce efficient results on the monitoring of progress made towards achieving targets	The Office has appointed a service provider to conduct a skills audit with the aim to identify capacity gaps and employ intervention strategies. Identified critical vacant funded positions have been advertised and 19 vacancies are filled already whilst the balance are still in progress. This process will assist the Office in reducing its vacancy rate.	Yes (closed)

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8	Financial Statements and Annual Reports	The AO must ensure that the OTP is well capacitated to prepare financial statements in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Furthermore, the AO must take action against officials who contravened section 40(1)(b) of the PFMA	The Office has included financial management posts in the pool of critical vacant funded positions that have been advertised and are currently in the process of being filled. This process will assist the Office in ensuring the preparation of sound financial statements as per the relevant prescripts. In the previous investigations conducted by the Office, no one was found to be liable to be subjected to consequence management	Yes (closed)
9		The AO must establish a system of development and reviewing Financial Statements on quarterly basis	The AO has established a Financial Statements review committee, which consists of personnel from different fields of specialization for the purpose of performing adequate reviews of the Financial Statements. Provincial Treasury has introduced a Provincial wide approach to implement the Caseware management system in preparation of Annual Financial Statements, which will address some of inaccuracies that are experienced leading to material adjustments in the AFS. As at 01May 2021, the Office has appointed a qualified and an experienced preparer of the Financial Statements.	Yes (closed)
10	Procurement and contract Management	The AO must ensure that the OTP Operates with an adequate and effective contract management system	The Office has adopted the standardized form of recording and reporting on contract management issues that was designed and circulated by Provincial Treasury. The Office has a designated contract manager to monitor the performance of contracts for the whole office.	Yes (closed)
11		The AO must ensure that consequence management is implemented	In the previous investigations conducted by the Office, no one was found to be liable and to be subjected to consequence management	Yes (closed)
12		The AO must provide progress on the investigations of contravention of Treasury Regulation 16A6	In the year 2020/21, the Office subsequently secured an independent service provider to conduct the investigations, which are currently in progress. The investigation by the service provider commenced during the month of March 2021 with the expected completion date of June 2021. The Office will be able to provide progress on the investigations once certain stages have been reached.	No (ongoing)

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
13	Consequence Management	The AO must ensure that pending investigations are concluded and submit a report thereof. Furthermore, the AO must ensure that recommendations made therein are implemented	The service provider has been provided with timelines expected for the completion of the investigations. Once concluded, the AO will be able to provide a conclusive report on the investigations. Furthermore, the AO will then consider the recommendations for implementation.	No (ongoing)
14		The Accounting Officer must take disciplinary action against officials who contravened Preferential Procurement Regulation 9.1	The service provider has been provided with timelines expected for the completion of the investigations. Once concluded, the AO will be able to provide a conclusive report on the investigations. Furthermore, the AO will then consider the recommendations for implementation.	No (ongoing)
15	Internal control and leadership	The AO must ensure that quarterly reviews of the internal control system is conducted	The Office has put in place a Compliance matrix tool that seeks to strengthen the effectiveness of internal controls for the entire Office. The established Finance Committee is also one of the mechanisms that have been put in place to respond to all findings and inefficiencies that were identified within the system. The Office has designed a template to be utilised for performing quarterly reviews on the Office wide internal control financial system. The Office conducts Business Review Sessions on a quarterly basis where performance is tracked. Through the Planning and Programme Management Unit, the annual and quarterly reports are validated against the Portfolio of Evidence provided.	No (ongoing)
16		The AO must ensure that various Provincial Departments are well capacitated to interpret financial statements through conducting awareness workshops	The AO will ensure that various sections are provided with relevant exposure on the use of the Financial Statements by providing basic training on financial statements. Furthermore, awareness workshops are currently being conducted by the team responsible for the preparation of financial statements.	Yes (closed)
17		The Executive Authority must develop systems that will enhance oversight over Departments	The Executive Authority has developed systems such as Cluster Committees, Provincial Management Committee, Executive Council, Premier's Coordinating Forum, M&E Systems, shared Internal Audit function, as well as the Audit Committee to enhance oversight over Departments.	Yes (closed)

11 March 2022 for AR 2020/21 (IMPLEMENTATION OF RESOLUTIONS EMANATING FROM THE 2019-20 FINANCIAL YEAR)

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	Progress Report on the Implementation of Previous House Resolutions – 2018/19 Financial Year	The AO must provide a progress report on assessments conducted by National Treasury on condonation of the 2015/16 incurred irregular expenditure amounting to R52,957,000.00	The request for condonation was subsequently submitted to Provincial Treasury and the Office has confirmed with Provincial Treasury that the request was submitted to the committee for consideration, However the Office still awaits for the outcome.	No (ongoing)
2		The AO must provide progress on the implementation of recommendations on the R5,083,000.00 fruitless expenditure investigations that were finalized in November 2019	The Service provider provided a draft report of the investigation. However, due to quality issues of the Investigation report it was sent back for correction and will be available by the 28th of February 2022.	No (ongoing)
3		The AO must provide progress on the investigations of contravention of Treasury Regulation 16A6	The Service provider provided a draft report of the investigation. However, due to quality issues of the Investigation report it was sent back for correction and will be available by the 28th of February 2022.	No (ongoing)
4		The AO must ensure that pending investigations are concluded and submit a report thereof. Furthermore, the AO must ensure that recommendations thereof are implemented	The Ongoing investigation within the Office will be finalized by 31 March 2022. The Accounting Officer will implement the recommendations of the Report upon finalization thereof.	No (ongoing)
5		The Accounting Officer must take disciplinary action against officials who contravened Preferential Procurement Regulation 9.1	The Ongoing investigation within the Office will be finalized by 31 March 2022. The Accounting Officer will implement the recommendations of the Report upon finalization thereof.	No (ongoing)
6		The AO must ensure that quarterly reviews of the internal control system is conducted	The Finance Committee is still in place and is currently used as a mechanism to resolve previously raised findings and inefficiencies identified within the Office. The Executive Management Committee (EMC) is also in place as an oversight body to monitor and review the internal control systems.	No (ongoing)

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
7	Voteensure that measures are put in place to ensure expenditure areEMC and MANCOM as an oversig to monitor expenditure trends, tar		The Accounting Officer has establish the EMC and MANCOM as an oversight body to monitor expenditure trends, targets and budgets on a quarterly and monthly basis.	No (ongoing)
8		The Accounting Officer must improve on the marketing of the bursary fund and review the selection criteria to accommodate a broader scope of potential beneficiaries.	In addition to the current strategy and policies the Honourable Premier will through her various Public addresses and outreaches make announcements to matriculants from previously disadvantaged backgrounds to make use of the Premier's bursary fund. The Honourable Premier did appeal to matriculants who are financial needy to make use of the Premier's Bursary fund during the announcements of the 2021 matric results held at the University of Mpumalanga.	No (ongoing)
9	Irregular Expenditure	The Accounting Officer must conduct a quarterly review of multi-year contracts in order to avoid over payments and ensure progress is still aligned with the budget	Expenditure on Multi-year contracts is prepared by the expenditure section on a quarterly basis and reviewed by the Finance committee	No (ongoing)
10		The Accounting Officer must ensure that procurement within the Office is always in line with SCM prescripts. Furthermore, the Accounting Officer must impose disciplinary action where prescripts were not followed	A finance committee was established to look into all compliance issues for the Office to ensure compliance with SCM prescripts.	No (ongoing)
11	Fruitless Expenditure	The Accounting Officer must provide the outcomes of the investigations of fruitless and wasteful expenditure to be completed by June 2021 and ensure the implementation of the recommendations made therein	The Service provider provided a draft report of the investigation. However, due to quality issues of the Investigation report it was sent back for correction and will be available by the 28 th of February 2022.	No (ongoing)
12	Strategic Planning and Performance Management	The Accounting Officer must ensure that the established system is flexi and easy to access even outside the premises of the Office	To ensure efficiency in the running of government business, officials who work remotely are provided with necessary tools of trade and the electronic systems put in place by the AO are accessible even when outside the Office.	Yes (closed)
13		The Accounting Officer must ensure the appointment of skilled personnel to monitor the system, as the moratorium was uplifted.	The Office finalised the recruitment and selection processes on the filling of the 29 vacant funded positions on salary levels 1-12. Furthermore, the Office will through the recently advertised posts continue to appoint skilled personnel to assist in monitoring the system.	Yes (closed)

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
14	Financial Statements and Annual Reports	The Accounting Officer must subject the office of the CFO to a training by Provincial Treasury on the preparation of Financial Reporting Framework as required by section 40 (1)(b) of the PFMA. Furthermore, the Accounting Officer must ensure the quarterly monitoring of the financial report	The AO appointed a qualified person for the preparation of the Annual Financial Statements (AFS) as of 1April 2021. Furthermore, the newly appointed official underwent training in April 2021 on the preparation of the Annual Financial Statements (AFS) and the Caseware System. On job training is provided on a continuous basis. Furthermore, the AO has established the EMC and MANCOM as an oversight body to monitor expenditure trends, targets and budgets on a quarterly and monthly basis.	Yes (closed)
15	Procurement and Contract Management	The Accounting Officer must ensure that disciplinary action is taken against officials who contravened Treasury Regulation 16A6.1 once investigations are finalised.	The Ongoing investigation within the Office will be finalized by 31 March 2022. The Accounting Officer will implement the recommendations of the Report upon its finalisation.	No (ongoing)
16		The Accounting Officer must provide outcomes on the investigations of the contravention of Treasury Regulation 16A6.	At present the investigation report is at the draft stage and outcomes will be provided once finalized.	No (ongoing)

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

During the previous financial year, the Office received a qualified audit opinion with significant matters being reported in the AGSA's audit report. The reported significant matters related to the following:

- Expenditure management;
- Financial statements and annual report;
- Strategic planning and performance management;
- Consequence management; and
- Procurement and contract management.

The Office embarked on a robust integrated approach to address all the matters of emphasis as raised in the AGSA report. Management developed an Audit Remedial Action Plan to respond to all the audit findings which were raised by AGSA during the 2020/21 financial year regularity audit. The Office of the CFO monitors progress related to the implementation of the Audit Remedial Action Plan at regular intervals.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Basis for qualified opinion Included in goods and services is expenditure related to computer services – external computer service providers of R21,13 million. I was unable to obtain sufficient appropriate audit evidence for this expenditure due to the status of the accounting records. I was unable to confirm this expenditure by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to computer services – external computer service provider's expenditure disclosed in note 4.2 to the financial statements.	2020/21	An independent investigation was conducted and an amount of R7 637 400.40 is demanded back from the service provider to refund the Office.
Expenditure management Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R47,01 million, as disclosed in note 24 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. Most of the irregular expenditure was caused by non-compliance with Supply Chain Management Regulations. Effective internal controls were not in place for the approval and processing of payments, as required by treasury regulation 8.1.1.	2018/19	The Accounting Officer sought legal guidance and review of the obligations with the intention to opt-out of the existing contracts
Financial statements and annual reports The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1) (a) and (b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, but the supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.	2020/21	Checklist for the compilation of the annual financial statements was developed and the annual financial statements were subjected to independent reviews
Strategic planning and performance management Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery, as required by public service regulation 25(1)(e)(i) and (iii).	2018/19	Measures were put in place and business reviews were undertaken at regular intervals
Procurement and contract management Some goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by treasury regulation 16A6.1 and paragraph 3.3.1 of Practice Note 8 of 2007/08. Similar non-compliance was also reported in the prior year. Some goods and services with a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the accounting officer although it was practical to invite competitive bids, contrary to treasury regulation 16A6.1, paragraph 3.4.1 of Practice Note 8 of 2007/08 and treasury regulation 16A6.4.	2018/19	Treasury Regulations were followed to avoid irregular expenditure and deviations were carefully scrutinised prior to obtaining authorisation from the Accounting Officer.
Consequence management I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure, as required by section 38(1)(h) (iii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.	2020/21	The draft report of the Investigation into irregular, fruitless and wasteful expenditure were received. Management is studying the documents with the intention of implementing their recommendations.

10. INTERNAL CONTROL UNIT

The Office does not have an Internal Control Unit.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

11.1 Internal Audit

The Office established, in terms of Section 38(1)(a)(ii) of the PFMA, established an Internal Audit function under the control and direction of the Audit Committee. Pursuant to a previously made determination, the Internal Audit function and the Audit Committee located within the Office is a shared service responsible for the following five cluster Departments:

- Office of the Premier;
- Department of Community Safety, Security and Liaison;
- Department of Co-operative Governance and Traditional Affairs;
- Department of Culture, Sport and Recreation; and
- Department of Human Settlements.

The mission of the shared Internal Audit function, being what the shared Internal Audit aspires to accomplish, is to enhance and protect departmental values by providing risk-based and objective assurance, advice and insight. In line with the definition of internal auditing as per the Institute of Internal Auditors, the primary mandate and objective of the shared Internal Audit function is to provide an independent, objective assurance and consulting activity designed to add-value and improves the operations of the Office.

In keeping with its primary mandate, the shared Internal Audit supports the Director-General through evaluating and contributing to improving the effectiveness of risk management, control and governance processes. In addition, it also facilitates the functioning of the shared Audit Committee.

Treasury Regulation 3.2.6 requires that Internal Audit must be in accordance with the Standards. During the year under review, the shared Internal Audit function ensured that its operations are aligned with the Standards for the Professional Practice of Internal Auditing ("Standards").

The shared Internal Audit function also operated within an approved Internal Audit Charter and in accordance with the requirements of the PFMA, Treasury Regulations and the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

During the year under review, the shared Internal Audit function developed a rolling three-year Strategic Internal Audit Plan and an Annual Internal Audit Coverage/Operational Plan based on the results of the annual risk assessment. The plans were in consultation with Management and were supported by the Director-General and approved by the Audit Committee in June 2021.

The Annual Internal Audit Coverage/Operational Plan identified different audit engagements, and these were performed by the shared Internal Audit function as such. Respective reports were issued to Management communicating identified control weaknesses, recommendations for improvement(s), and also incorporated agreed management action plans for implementation of corrective action.

In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the identified control weaknesses

were also communicated and tabled in meetings of the Audit Committee to allow for effective monitoring and oversight. The following is the summary of the audit work done by the shared Internal Audit function during the year under review as per the approved plans:

Assurance services

- Monitoring and tracking of audit findings as previously reported by both AGSA and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed Audit Action Plans.
- Follow-up reviews were performed on both the AGSA and Internal Audit findings to evaluate the effectiveness and improvements to the internal control environment;
- Review of the Mid-term Performance Information;
- Review of the Draft Annual Report and Annual Financial Statements for 2020/21;
- Review of Interim Financial Statements for the period ended 30 September 2021;
- Supply Chain Management;
- Transfer Payments;
- Risk Management;
- Human Resource Management; and
- ICT General and Application Controls Review.

Consulting services

• Participation in informal consulting engagements including routine activities such as participating in Standing Management Committee meetings, and the provision of advice, as and when invited and required.

11.2 Audit Committee

The shared Audit Committee serves as an independent governance structure whose primary function is to provide an oversight over the Office's financial reporting, risk management, control and governance processes. The shared Audit Committee assists the Accounting Officer in the effective execution of his responsibilities.

The Shared Audit Committee is constituted to ensure its independence and comprises of external non-official members (appointed from outside the Public Service). It operates in terms of a formally documented and approved terms of reference referred to as the Audit Committee Charter, which deals with matters such as its membership, authority and responsibilities, amongst others. The said "terms of reference" are reviewed annually, and in accordance with the requirements set by the PFMA and its Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Accounting Officer, Senior Management, the Provincial Treasury, Shared Internal Audit Function and AGSA.

Cluster Shared Audit Committee

In October 2021, the Provincial Treasury analysed the set-up of the shared Audit Committee and determined that the arrangement in place was not adding value due to the workload versus the time allocated to the Shared Audit Committee, considering the preparation and participation required in Audit Committee meetings. Provincial Treasury determined that for the Audit Committee to be effective, sufficient time for preparation is required in order to go through the Audit Committee packs to allow effective participation in meetings.

As a result, the Provincial Treasury requested that the Shared Audit Committee be split into two clusters. It was then resolved that the Office of the Premier fall within the first Clustered Audit Committee which was formally appointed on 01 November 2021.

Attendance of Audit Committee meetings by the Audit Committee Members

In accordance with section 77(b) of the PFMA, an Audit Committee must meet at least twice a year. However, as per the approved Audit Committee Terms of Reference (Audit Committee Charter), the Shared Audit Committee shall meet at least four times a year, with authority to convene additional meetings as may be deemed necessary.

In the meetings held, the Accounting Officer and Executive Management were always represented. AGSA was always invited to attend the meetings of the shared Audit Committee, thus ensuring that meetings are as effective and transparent as possible.

The Audit Committee meetings held were attended as follows:

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Mr MS Mthembu Chairperson	Master of Business Leadership (UNISA), BCom (Accounting), Commercial Banking Licentiate Diploma (Institute of Bankers SA), FAP(IAC)SA	External	01 April 2018	30 June 2021 End of term	04
Ms. BN Mzuzu	B. Proc Degree (University of Fort Hare) Cert. Business Rescue Cert. Attorney of High Court of South Africa Cert. Attendance in conveyancing practice	External	01 April 2018	30 June 2021	0
Ms. TH Mbatha CA(SA)	Master's degree in business leadership (UNISA) BCompt. Honours Accounting UNISA) BCom Accounting Degree (UNISA) Chartered Accountant South Africa	External	O1 April 2018 O1 July 2021 Reappointed as a Chairperson of the shared Audit Committee	30 June 2021 30 Sept 2021	11
			O1 Nov 2021 Re-appointed as a Chairperson of the first Cluster 1 Audit Committee	31Oct 2023	
Mr. M Sebeelo	B-Tech Internal Auditing (UNISA) Nat Diploma Internal Auditing (TUT) Advance Programme Project Management (UNISA)	External	O1 April 2018 O1 July 2021 Reappointed as an ordinary member of the Shared Audit Committee O1 Nov 2021 Reappointed as an ordinary member of the Cluster 1 Audit Committee	30 June 2021 30 Sept 2021 31Oct 2023	11

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Dr. C Motau	BCom (VISTA) Higher Diploma in Computer Auditing (WITS) Certificate in Executive Leadership (Regenesys Business School) Certificate in Human Resource Management (Regenesys Business School) Certificate in Digital Transformation Strategy Master's Degree Business Leadership (UNISA)	External	O1 July 2021 Reappointed as an ordinary member of the Shared Audit Committee	30 June 2021 30 Sept 2021	09
	Master's Degree in Information Technology (UP) Doctorate in Computer Science		O1 Nov 2021 Reappointed as an ordinary member of the Cluster 1 Audit Committee	31Oct 2023	
Ms. TI Ranape	BTech in Public Management (UNISA) Higher Diploma in Public Management & Administration (Mangosothu Technikon) Diploma in Government Finance (Mangosothu Technikon)	External	01 August 2021	30 Sep 2021 End of term	02
Mr. A Mashifane	BCom in Accounting (WITS) BCom Honours (UNISA) LLB (UNISA) CA(SA)	External	01 August 2021	30 Sept 2021 End of term	02
Mr. HK Masango	Master's Degree in Public Management (Regenesys) Postgraduate Diploma in Public Management (Regenesys) Bachelor's Degree in commerce (STADIO) Certificate in Public Management (Regenesys) Certificate Programme in Management Development for Municipal Finance (Univ. Witwatersrand Business School)	External	01 Nov 2021	30 Oct 2023	05
Ms. SS Tshitlho	BTech - Internal Auditing (Cape Peninsula University) National Diploma - Internal Auditing (Cape Peninsula University) Certificate in Fraud & Forensic Investigation Audit (UNISA) Financial Management Certificate (Cape College)	External	01 Nov 2021	30 Oct 2023	04

12. AUDIT COMMITTEE REPORT

We are pleased to present our Annual Report for the financial year ended 31 March 2022.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed the changes in accounting policies as these changes are as per the National Treasury instruction.

The effectiveness of internal control

In line with the PFMA, Internal Audit provides the Audit Committee and Management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The Accounting Officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

From the various reports of Internal Auditors and the AGSA it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to Annual Financial Statements, reporting on Pre-determined Objectives and compliance with laws and regulations.

The work performed by Internal Audit throughout the year was monitored and reviewed by the Audit Committee.

Through our analysis of audit reports and engagement with the Office, it can be reported that the system on internal controls for the period under review was not entirely adequate and effective.

Based on our interaction with the Office we concluded that the Office does have adequate but not fully effective action plan to address Internal Audit and AGSA findings.

Risk Management

The Audit Committee is also responsible for the oversight of risk management. The Risk Management Committee reports to the Audit Committee on a quarterly basis on the governance and management of risk. Based on the Audit Committee quarterly reviews of the reports from the Risk Management Committee, it can be concluded that the Office's processes and systems relating to fraud prevention and risk management are adequate and not entirely effective.

The following Internal Audit work was completed during the year under review:

- Monitoring and tracking of audit findings as previously reported by both AGSA and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed Audit Action Plans;
- Follow-up reviews were performed on both the Auditor-General and Internal Audit findings to evaluate the effectiveness and improvements to the internal control environment.
- Review of the Mid-term Performance Information;
- Review of the Draft Annual Report and Annual Financial Statements for 2020/21;
- Review of Interim Financial Statements for the period ended 30 September 2021;

- Supply Chain Management;
- Transfer Payments;
- Risk Management;
- Human Resource Management; and
- ICT General and Application Controls Review.

In-Year Management and Monthly Quarterly Report

The Office has confirmed that they have reported to the Provincial Treasury as is required by the PFMA.

Evaluation of the Annual Financial Statements

The Audit Committee has reviewed the draft Annual Financial Statements prepared by the Office and has advised the Accounting Officer to ensure that all the review notes and comments of the Internal Audit and the Audit Committee are fully addressed prior to submission of the Annual Financial Statements to the AGSA.

Subsequently, the material misstatements identified during the external audit process were also reviewed when the Management report of the AGSA was discussed with the Audit Committee.

The Audit Committees remains concerned with a qualified audit opinion for the second time in a row and has urged the Accounting Officer to develop a robust action plan to address the weaknesses in the system of internal control.

Evaluation of the reporting on Predetermined Objectives

The Audit Committee has reviewed the draft Annual Report prepared by the Office and has advised the Accounting Officer to ensure that all the review notes and comments of the Internal Audit and Audit Committee are fully addressed prior to submission of the Annual Report to the AGSA.

The Audit Committee has discussed the external audit outcomes on the reporting on predetermined objectives to be included in the annual report with the AGSA and the Accounting Officer.

Furthermore, the Audit Committee has noted an improvement in the quality of Performance Information submitted to AGSA, resulting in an unqualified audit opinion.

Compliance with laws and regulations

Throughout the year under review the Audit Committee has remained concerned with the status of compliance with all applicable laws and regulations. The Committee however appreciates that the Office has established the Compliance Management and Strategic Reporting unit to deal with all compliance issues in the Office of the Premier and further noted that the Compliance Matrix has been developed to monitor the compliance issues in the Office.

The Audit Committee's is of the view that the implementation of the compliance matrix should be accelerated and be effectively monitored across the Office.

Internal Audit

The Audit Committee is reasonably satisfied that the Internal Audit function operated effectively and that it has addressed the risks pertinent to the Office in its audits during the year under review.

The Audit Committee has regularly enquired and reviewed the work performed by the Internal Audit function and has seen an improvement in the quality of the internal audit reports; the actions initiated by the Internal Audit function to bring the reported weaknesses to the attention of Senior Management and the process of ensuring action to address such deficiencies. However, there is still room for improvement in areas such as flexibility of the planning process to adapt to emerging risks and changing risk profile of the Office; the timing and execution of internal audit engagements; influence and persuasion by Internal Audit of Management to effect the necessary changes and improvement of the maturity of governance, risk management and internal control systems.

Audit Committee is also concerned with the slow progress of implementing internal audit and Auditor-General South Africa findings.

The Audit Committee noted with concern that the Internal Audit function remains under-resourced and that the instability still surrounds the position of the Chief Audit Executive.

The Audit Committee further appreciates the support provided by various officials who acted in the position of the Chief Audit Executive and all the other Internal Audit Officials, by assisting the Committee in discharging its responsibilities.

Information and Communication Technology Governance

The Audit and Risk Committee reviewed the progress with respect to the ICT Governance in line with the ICT Policy Framework issued by the Department of Public Service and Administration. Although there was progress on the ICT Governance notwithstanding the fact that the ICT Steering Committee is not operating effectively, however improvements are expected in the next financial year. Furthermore, the Audit Committee noted with concern the CiiMS challenges and the impact the system has in the performance of the Office.

Auditor-General's Report

We have reviewed the Office's Implementation Plan for audit issues raised in the previous year and we are not entirely satisfied that all the matters have been adequately resolved.

The Audit Committee is not aware of any unresolved issues with respect to the current audit.

The Audit Committee concurs and accepts the conclusions of the AGSA on the Annual Financial Statements and predetermined objectives is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the AGSA.

Conclusion

The Audit Committee recommends that the Office of the Premier should ensure adequate and effective implementation and frequent monitoring of the Audit Action Plans for both internal and external audits in order to achieve a clean administration.

The Audit Committee wishes to extend its appreciation to the Executive Authority, Accounting Officer and Management, Internal Auditors and AGSA for their tireless efforts, commitment and support throughout the year.

Signed on behalf of the Audit Committee by:

Chairperson of the Audit Committee

Ms. TH Mbatha CA(SA)

Date: 6 August 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

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	N/A					
Developing and implementing a preferential procurement policy?	Yes	The Office has adopted and continues to implement the National Treasury Preferential Procurement Policy.					
Determining qualification criteria for the sale of state-owned enterprises?	N/A	N/A					
Developing criteria for entering into partnerships with the private sector?	N/A	N/A					
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	N/A					



PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The information contained in this part of the Annual Report has been prescribed by the Minister for the Public Service and Administration for all Departments in the Public Service.

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Office of the Premier

The Office of the Premier has a legal obligation in accordance with section 8 of the Occupational Health and Safety Act (OHSA), 1993 to, where as amended to, where reasonably practicable, provide and maintain a safe, healthy work environment that is without risk to employees. Based on the above, the Office has put adequate strategies and measures in place to *inter alia*, contain and reduce the spread of COVID-19 outbreak in the workplace.

The Office has also continued to streamline its Workplace Skills Plan based on the latest technological developments and innovations, in an effort to remain relevant. Several meetings, workshops and sessions, including management committees, provincial human resource fora, employee health and wellness, occupational health and safety committee meetings, etc. were conducted virtually in an effort to minimize employees' risk of contracting the COVID-19 virus. The emergence of the COVID-19 pandemic towards the end of the 2019/2020 financial year has accelerated the use of advanced technology in our daily operations to such an extent that during the course of this financial year, no activity could be conducted without putting measures in place to circumvent the spread of the deadly pandemic. All activities and operations in the Office had to be planned and conducted in a manner that comply with the provisions of the COVID-19 protocols.

Furthermore, the Office kept positioning itself accordingly and continued to emphasise the importance of keeping up with the latest human resource trends, aimed at improving effectiveness and efficiency within its ranks. The Chief Directorate: Strategic Human Resource Services plays a pivotal role in providing support to all the line units with the purpose of facilitating the achievements of the Office's outcomes and outputs as outlined in the APP.

Human resource priorities for the year under review and the impact of these

The recruitment processes in the Office is informed by legal prescripts such as the selection and recruitment policies, and the code of remuneration that must guide the process of identifying and acquiring relevant skills. In addition, the Office is required to conduct competency assessments prior to filling posts of Managers and those within the Senior Management Services.

The Office has identified critical vacant funded posts that needed to be filled as a matter of priority. Based on the above, the Office has during the course of this financial year filled 28 critical vacant funded posts, including the post of Director-General. 51 posts were advertised and are scheduled to be filled in the next financial year. It must be noted that during this financial year, no new Interns were absorbed – The Office continued with the 10 Interns that were absorbed in the financial year 2019/2020, as per the 24 months' Internship contract, which contracts came to an end in November 2021. 20 posts of Interns were advertised and are scheduled to be filled in the next financial year. 18 Interns were accepted from the Department of Education (TVET Colleges) for the purpose of experiential learning. The Internship Programme is aimed at providing work environment exposure to the graduates and subsequently promote accelerated development and utilization of available skills and qualified people for service delivery in the Public Service.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The Office has an approved Human Resource Plan that had to be adjusted slightly to incorporate the provisions and requirements of the moratorium on the filling of posts. The HR Plan was reviewed and submitted to the Department of Public Service and Administration as per the applicable requirements. It outlines clearly the need and strategies to attract and recruit a skilled workforce. It also outlines the need to reduce the period taken to fill vacant posts to at most six months and decrease the vacancy rate to be in line with the national norm of 10 percent. It further emphasizes the need to meet all employment equity targets as reflected in the approved Employment Equity Plan of the Office.

The Office acknowledges that there is still a long way to go before all employment equity goals are realized, especially with regard to representation of women in the senior management services level which currently stands at 23.3%, i.e., seven women out of 30 SMS members. However, the Office will keep developing and implementing strategies aimed at achieving this crucial goal. To achieve ultimate equity in the Office, additional measures such as policies, programmes and plans must be integrated and implemented in harmony. These policies, programmes and plans must be developed in an interactive, participative, consultative and transparent manner.

The Employment Equity Act, 1998 and the Office Employment Equity Policy place an obligation upon the Office to develop, implement and monitor an employment equity plan. The Office is, however, doing well in terms of the representation of people with disabilities within its ranks, i.e. ten out of 225 staff members, which is 3.4%. With regard to representation of females in the various lower categories, the status is as follows: 35.2% women representation in the Middle Management Services (MMS) levels, i.e. 18 females out of 51; 66.7% women representation in the Junior Management level (JM) levels, i.e. 30 females out of 45; 50% women representation in the Middle and Junior Management Services (MMS & JM) levels, i.e. 38 females out of 96; 64.4% women representation on post levels 2 to 12, i.e. 125 out 194; and Overall, the Office has 58.7% representation of females within its ranks, i.e. 132 out of 225 employees.

According to the Oversight Report, the Office's occupancy rate stands at 69.9%, while the vacancy rate stands at 30.1% on the PERSAL establishment. These figures are informed by the fact that most of those vacant funded posts were abolished, subject to them being resuscitated for filling, after the recruitment and selection processes of the second batch of advertisement has been concluded.

The vacant funded posts in which appointed officials are acting, were kept on the PERSAL establishment in order to facilitate the payment of their acting allowances. Note must be taken though that the vacancy rate based on the approved organogram has remained high throughout the Financial Year. The approved organogram has 384 posts, of which 225 (58.6%) are filled and 159 (41.4%) are vacant.

Employee performance management

The Office of the Premier has shown stability in relation to the implementation of the Performance Management and Development System (PMDS) in terms of the approved Performance Management and Development Policy (PMDP), for officials on salary levels 3–12, i.e. 89.47% compliance in terms of signing of Performance Undertakings. The signing of Performance Agreements by SMS members on or before the deadline as per Chapter 4 of the SMS Handbook resulted in a 73.3% compliance rate (22 SMS members out of 30), which is a decline in comparison to the previous financial year. Eight SMS members have not submitted their Performance Agreements.

Employee wellness programmes

The Office has a transversal Unit (Transversal Human Resource Management Services), which is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programmes across the Mpumalanga Provincial Government. Furthermore, the Office has an Internal Employee Health and Wellness (EHW) Division within its

ranks. The Office could not implement most of the activities, contained in the employee health and wellness operational plan, as they were suspended, owing to the COVID-19 pandemic.

The Office has, however, managed to host two EHW events, i.e. a Mental Health Awareness Session as well as a Physical Fitness Session. The Office also managed to co-ordinate and convene Occupational Health and Safety sessions on a monthly basis, aimed at reducing the spread of COVID-19 in the workplace. Furthermore, the Office co-ordinated and implemented several bereavement programmes to honour those officials who passed away, as well as to support officials affected by bereavements in their private lives.

Achievements by the Office, as well as future human resource plans /goals

The following human resource achievements were recorded during the period under review:

- Availability of an approved comprehensive human resource plan, which was submitted to the DPSA.
- Filling of 28 critical vacant funded posts, as per the EXCO approval.
- Availability of an approved comprehensive human resource planning implementation Report, which was submitted to the DPSA.
- Availability of an approved Employment Equity Plan and Report, which were submitted to the DPSA and the Department of Employment and Labour.
- Representation of People with Disabilities, i.e. 4.4% (10 out 225) employees.
- Availability of approved human resource policies and frameworks, including Employee Health and Wellness policies.
- Availability of a fully functional Occupational Health and Safety Committee to strategise and advise staff on measures to reduce the spread of the COVID-19 outbreak in the workplace and beyond.
- Availability of an approved Ad Hoc Policy on returning of employees to work after the easing of the National Lockdown COVID-19.
- Availability of approved Return to Work: COVID-19 Protocols.
- Availability of an approved Occupational Health and Safety Policy.
- Availability of Update reports on measures to contain and reduce the spread of COVID-19 in the workplace.

Challenges

The following human resource challenges were experienced during the period under review:

- Non-achievement of 50% target on women representation at SMS level, i.e. 23.3% (7 out of 30).
- Low representation of youth in the Office, i.e. 20 out of 225 officials, which constitutes 8.9 %.
- Non-filling of the advertised critical vacant funded SMS posts.
- Limited or no accountability at all, regarding officials working from home, during the National Lockdown period, i.e. Adjusted and Re-adjusted Alert Levels.
- Limited resources to cater for officials working from home when implementing rotational plans aimed to reduce overcrowding of officials in the workplace during the National Lockdown period, i.e. Adjusted and Re-adjusted Alert Levels.
- Too many officials acting in higher positions.
- Delays in having the proposed organizational structure approved.
- Poor employer-employee relations.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 to 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
ADMINISTRATION	148 740,00	66 921,00	0,00	0,00	45,00	735,00
INSTITUTIONAL DEVELOPMENT	69 829,00	50 523,00	0,00	0,00	72,40	648,00
POLICY & GOVERNANCE	133 539,00	40 552,00	0,00	0,00	30,40	863,00
Total as on Financial Systems (BAS)	352 108,00	157 996,00	0,00	0,00	44,90	702,00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 to 31 March 2022

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Lower skilled (Levels 1-2)	746,00	0,40	5,00	149 200,00
02 Skilled (Levels 3-5)	11 150,00	6,60	32,00	348 438,00
03 Highly skilled production (Levels 6-8)	25 730,00	15,30	53,00	485 472,00
04 Highly skilled supervision (Levels 9-12)	74 138,00	44,10	90,00	823 756,00
05 Senior management (Levels >13)	28 428,00	16,90	22,00	1 292 182,00
11 Contract (Levels 3-5)	506,00	0,30	4,00	126 500,00
12 Contract (Levels 6-8)	1644,00	1,00	4,00	411 000,00
13 Contract (Levels 9-12)	3 676,00	2,20	5,00	735 200,00
14 Contract (Levels >13)	12 116,00	7,20	9,00	1346 222,00
18 Contract Other	502,00	0,30	1,00	502 000,00
TOTAL	158 636,00	94,40	225,00	705 049,00

<u>Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 to 31 March 2022</u>

	Sala	aries	Overtime		Home Owners Allowance		Medical Aid	
Programme	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
PR1: ADMINISTRATION	56 211,00	77,40	621,00	0,90	1049,00	1,40	2 649,00	3,60
PR2: INSTITUTIONAL DEVELOPMENT	42 770,00	81,60	509,00	1,00	983,00	1,90	2 210,00	4,20
PR3: POLICY AND PLANNING	33 633,00	82,00	0,00	0,00	600,00	1,50	1659,00	4,00
PROGRAM 3: POLICY AND GOVERNANCE	1597,00	79,80	0,00	0,00	37,00	1,80	122,00	6,10
TOTAL	134 212,00	79,90	1130,00	0,70	2 669,00	1,60	6 640,00	4,00

<u>Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2021 to 31 March 2022</u>

	Sala	ries	Over	Overtime		Home Owners Allowance		al Aid
Salary band	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	620,00	83,10	15,00	2,00	43,00	5,80	0,00	0,00
02 Skilled (Levels 3-5)	8 206,00	72,90	177,00	1,60	637,00	5,70	1 191,00	10,60
03 Highly skilled production (Levels 6-8)	20 124,00	76,50	616,00	2,30	918,00	3,50	1927,00	7,30
04 Highly skilled supervision (Levels 9-12)	63 213,00	81,70	321,00	0,40	901,00	1,20	2 599,00	3,40
05 Senior management (Levels >13)	25 452,00	86,60	0,00	0,00	63,00	0,20	447,00	1,50
11 Contract (Levels 3-5)	438,00	86,40	0,00	0,00	18,00	3,60	0,00	0,00
12 Contract (Levels 6-8)	1236,00	65,70	0,00	0,00	54,00	2,90	225,00	12,00
13 Contract (Levels 9-12)	3 250,00	60,90	0,00	0,00	36,00	0,70	77,00	1,40
14 Contract (Levels >13)	11 173,00	75,60	0,00	0,00	0,00	0,00	174,00	1,20
18 Contract Other	500,00	96,30	2,00	0,40	0,00	0,00	0,00	0,00
TOTAL	134 212,00	79,90	1130,00	0,70	2 669,00	1,60	6 640,00	4,00

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
PR1: ADMINISTRATION*, Permanent	127,00	91,00	28,30	0,00
PR2: INSTITUTIONAL DEVELOPMENT*, Permanent	117,00	78,00	33,30	0,00
PR3: POLICY AND PLANNING, Permanent	73,00	53,00	27,40	0,00
PROGRAM 3:*POLICY AND GOVERNANCE, Permanent	5,00	3,00	40,00	0,00
TOTAL	322,00	225,00	30,10	0,00

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	8,00	5,00	37,50	0,00
02 Skilled (Levels 3-5), Permanent	47,00	32,00	31,90	0,00
03 Highly Skilled Production (Levels 6-8), Permanent	70,00	53,00	24,30	0,00
04 Highly Skilled Supervision (Levels 9-12), Permanent	136,00	90,00	33,80	0,00
05 Senior Management (Levels >= 13), Permanent	38,00	22,00	42,10	0,00
09 Other, Permanent	1,00	1,00	0,00	0,00
11 Contract (Levels 3-5), Permanent	4,00	4,00	0,00	0,00
12 Contract (Levels 6-8), Permanent	4,00	4,00	0,00	0,00
13 Contract (Levels 9-12), Permanent	5,00	5,00	0,00	0,00
14 Contract (Levels >= 13), Permanent	9,00	9,00	0,00	0,00
TOTAL	322,00	225,00	30,10	0,00

<u>Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022</u>

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	68,00	47,00	30,90	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	15,00	11,00	26,70	0,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS), Permanent	3,00	2,00	33,30	0,00
COMMUNICATION AND INFORMATION RELATED, Permanent	18,00	14,00	22,20	0,00
ECONOMISTS, Permanent	2,00	2,00	0,00	0,00
FINANCE AND ECONOMICS RELATED, Permanent	17,00	12,00	29,40	0,00
FINANCIAL AND RELATED PROFESSIONALS, Permanent	4,00	2,00	50,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	29,00	21,00	27,60	0,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	1,00	1,00	0,00	0,00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED, Permanent	1,00	1,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	9,00	4,00	55,60	0,00
HUMAN RESOURCES CLERKS, Permanent	11,00	6,00	45,50	0,00
HUMAN RESOURCES RELATED, Permanent	24,00	15,00	37,50	0,00
INFORMATION TECHNOLOGY RELATED, Permanent	2,00	0,00	100,00	0,00
LEGAL RELATED, Permanent	1,00	0,00	100,00	0,00
LIBRARY MAIL AND RELATED CLERKS, Permanent	5,00	5,00	0,00	0,00
MOTOR VEHICLE DRIVERS, Permanent	1,00	1,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	44,00	33,00	25,00	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	5,00	4,00	20,00	0,00
OTHER OCCUPATIONS, Permanent	3,00	3,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	3,00	3,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	21,00	16,00	23,80	0,00
SENIOR MANAGERS, Permanent	35,00	22,00	37,10	0,00
TOTAL	322,00	225,00	30,10	0,00

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	3	2	66.7%	1	33.3%
Salary Level 14	10	5	50%	5	50%
Salary Level 13	26	22	84.6%	4	15.4%
Total	40	30	75%	10	25%

Table 3.3.2 SMS post information as on 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	O%
Salary Level 15	3	2	66.7%	1	33.3%
Salary Level 14	10	5	50%	5	50%
Salary Level 13	26	22	84.6%	4	15.4%
Total	40	30	75%	10	25%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

	Advertising	Filling of Posts			
SMS Level	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months		
Director-General/ Head of Department	1	1	0		
Salary Level 16	0	0	0		
Salary Level 15	1	0	0		
Salary Level 14	5	0	0		
Salary Level 13	5	0	0		
Total	12	0	0		

Reasons for vacancies not advertised within six months

The process of filling SMS posts was put on hold, owing to operational reasons.

Reasons for vacancies not filled within twelve months

The process of filling SMS posts was put on hold, owing to operational reasons.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 to 31 March 2022

Reasons for vacancies not advertised within six months

Not applicable

Reasons for vacancies not filled within six months

Not applicable

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 to 31 March 2022

	Number of	Number	% of posts	Posts U	ograded	Posts dov	vngraded
Salary band	posts on approved establishment	of Jobs Evaluated	evaluated by salary bands	Number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	8,00	0,00	0,00	0,00	0,00	0,00	0,00
02 Skilled (Levels 3-5)	47,00	0,00	0,00	0,00	0,00	0,00	0,00
03 Highly Skilled Production (Levels 6-8)	70,00	0,00	0,00	0,00	0,00	0,00	0,00
04 Highly Skilled Supervision (Levels 9-12)	136,00	0,00	0,00	2,00	100,00	0,00	0,00
05 Senior Management Service Band A	29,00	0,00	0,00	0,00	0,00	0,00	0,00
06 Senior Management Service Band B	7,00	0,00	0,00	0,00	0,00	0,00	0,00
07 Senior Management Service Band C	1,00	0,00	0,00	0,00	0,00	0,00	0,00
08 Senior Management Service Band D	1,00	0,00	0,00	0,00	0,00	0,00	0,00
09 Other	1,00	0,00	0,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	4,00	0,00	0,00	0,00	0,00	0,00	0,00
12 Contract (Levels 6-8)	4,00	0,00	0,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	5,00	0,00	0,00	0,00	0,00	0,00	0,00
14 Contract Band A	3,00	0,00	0,00	0,00	0,00	0,00	0,00

	Number of	Number	% of posts	Posts U	ograded	Posts downgraded			
Salary band	posts on approved establishment	of Jobs Evaluated		approved Fyaluated	evaluated by salary bands	Number	% of posts evaluated	Number	% of posts evaluated
15 Contract Band B	3,00	0,00	0,00	0,00	0,00	0,00	0,00		
16 Contract Band C	2,00	0,00	0,00	0,00	0,00	0,00	0,00		
17 Contract Band D	1,00	0,00	0,00	0,00	0,00	0,00	0,00		
TOTAL	322,00	0,00	0,00	2,00	100,00	0,00	0,00		

<u>Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April</u> 2021 to 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00

Employees with a disability	0,00
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<u>Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1</u> <u>April 2021 to 31 March 2022</u>

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
-	0,00	0,00	0,00	0,00
-	0,00	0,00	0,00	0,00
-	0,00	0,00	0,00	0,00
-	0,00	0,00	0,00	0,00
Total number of employee	0,00			
Percentage of total emplo	0,00			

<u>Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1</u> April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00
Employees with a disability	0,00	0,00	0,00	0,00	0,00

Total number of Employees whose salaries exceeded the grades determined by job evaluation 0,00
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3.5 Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 to 31 March 2022

Salary band	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
01 Lower Skilled (Levels 1-2) Permanent	5,00	5,00	0,00	0,00
02 Skilled (Levels 3-5) Permanent	40,00	0,00	2,00	5,00
03 Highly Skilled Production (Levels 6-8) Permanent	52,00	1,00	1,00	1,90
04 Highly Skilled Supervision (Levels 9-12) Permanent	78,00	2,00	4,00	5,10
05 Senior Management Service Band A Permanent	18,00	0,00	0,00	0,00
06 Senior Management Service Band B Permanent	2,00	0,00	0,00	0,00
08 Senior Management Service Band D Permanent	1,00	0,00	0,00	0,00
09 Other Permanent	10,00	9,00	18,00	180,00
11 Contract (Levels 3-5) Permanent	2,00	3,00	1,00	50,00
12 Contract (Levels 6-8) Permanent	4,00	0,00	0,00	0,00
13 Contract (Levels 9-12) Permanent	6,00	0,00	1,00	16,70
14 Contract Band A Permanent	3,00	0,00	0,00	0,00
15 Contract Band B Permanent	3,00	0,00	0,00	0,00
16 Contract Band C Permanent	2,00	0,00	0,00	0,00
17 Contract Band D Permanent	0,00	1,00	0,00	0,00
TOTAL	226,00	21,00	27,00	11,90

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 to 31 March 2022

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	43,00	2,00	2,00	4,70
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	11,00	6,00	1,00	9,10
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS) Permanent	3,00	0,00	1,00	33,30
COMMUNICATION AND INFORMATION RELATED Permanent	14,00	0,00	0,00	0,00
ECONOMISTS Permanent	2,00	0,00	0,00	0,00
FINANCE AND ECONOMICS RELATED Permanent	11,00	0,00	1,00	9,10
FINANCIAL AND RELATED PROFESSIONALS Permanent	2,00	0,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	22,00	0,00	0,00	0,00

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	0,00	1,00	0,00	0,00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED Permanent	1,00	0,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	3,00	1,00	1,00	33,30
HUMAN RESOURCES CLERKS Permanent	13,00	11,00	18,00	138,50
HUMAN RESOURCES RELATED Permanent	17,00	0,00	0,00	0,00
LEGAL RELATED Permanent	1,00	0,00	1,00	100,00
LIBRARY MAIL AND RELATED CLERKS Permanent	5,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS Permanent	1,00	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	34,00	0,00	2,00	5,90
OTHER OCCUPATIONS Permanent	3,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES Permanent	1,00	0,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	18,00	0,00	0,00	0,00
SENIOR MANAGERS Permanent	21,00	0,00	0,00	0,00
TOTAL	226,00	21,00	27,00	11,90

Table 3.5.3 Reasons why staff left the department for the period 1 April 2021 to 31 March 2022

Termination Type	Number	% of Total Resignations
Death	4,00	14,80
Resignation	3,00	11,10
Expiry of contract	18,00	66,70
Dismissal – operational changes	0,00	0,00
Dismissal – misconduct	0,00	0,00
Dismissal – inefficiency	0,00	0,00
Discharged due to ill-health	0,00	0,00
Retirement	2,00	7,40
Transfer to other Public Service Departments	0,00	0,00
Other	0,00	0,00
Total	27,00	100,00
Total number of employees who left as a % of total employment	27,00	12,00

<u>Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 to 31 March 2022</u>

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	43,00	3,00	7,00	47,00	109,30
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	11,00	0,00	0,00	11,00	100,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	3,00	0,00	0,00	2,00	66,70
COMMUNICATION AND INFORMATION RELATED	14,00	1,00	7,10	14,00	100,00
ECONOMISTS	2,00	0,00	0,00	2,00	100,00
FINANCE AND ECONOMICS RELATED	11,00	1,00	9,10	13,00	118,20
FINANCIAL AND RELATED PROFESSIONALS	2,00	0,00	0,00	2,00	100,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	22,00	2,00	9,10	22,00	100,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0,00	0,00	0,00	1,00	0,00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	1,00	0,00	0,00	1,00	100,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	3,00	2,00	66,70	4,00	133,30
HUMAN RESOURCES CLERKS	13,00	0,00	0,00	6,00	46,20
HUMAN RESOURCES RELATED	17,00	0,00	0,00	17,00	100,00
LEGAL RELATED	1,00	0,00	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS	5,00	0,00	0,00	5,00	100,00
MOTOR VEHICLE DRIVERS	1,00	0,00	0,00	1,00	100,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	34,00	2,00	5,90	37,00	108,80
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	0,00	0,00	0,00	4,00	0,00
OTHER OCCUPATIONS	3,00	1,00	33,30	1,00	33,30
RISK MANAGEMENT AND SECURITY SERVICES	1,00	2,00	200,00	3,00	300,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	18,00	0,00	0,00	19,00	105,60
SENIOR MANAGERS	21,00	0,00	0,00	21,00	100,00
SOCIAL WORK AND RELATED PROFESSIONALS	0,00	1,00	0,00	0,00	0,00
TOTAL	226,00	15,00	6,60	233,00	103,10

Table 3.5.5 Promotions by salary band for the period 1 April 2021 to 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2), Permanent	5,00	0,00	0,00	5,00	100,00
02 Skilled (Levels 3-5), Permanent	40,00	0,00	0,00	33,00	82,50
03 Highly Skilled Production (Levels 6-8), Permanent	52,00	2,00	3,80	61,00	117,30
04 Highly Skilled Supervision (Levels 9-12), Permanent	78,00	13,00	16,70	93,00	119,20
05 Senior Management (Levels >= 13), Permanent	21,00	0,00	0,00	21,00	100,00
09 Other, Permanent	10,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5), Permanent	2,00	0,00	0,00	4,00	200,00
12 Contract (Levels 6-8), Permanent	4,00	0,00	0,00	4,00	100,00
13 Contract (Levels 9-12), Permanent	6,00	0,00	0,00	5,00	83,30
14 Contract (Levels >= 13), Permanent	8,00	0,00	0,00	7,00	87,50
TOTAL	226,00	15,00	6,60	233,00	103,10

3.6 Employment Equity

<u>Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022</u>

Occupational category		Male				Femal	е		Total
Occupational category	African	Coloured	Indian	White	African	Coloured	Indian	White	iotai
01 - SENIOR OFFICIALS AND MANAGERS	13,00	0,00	0,00	3,00	7,00	0,00	0,00	0,00	23,00
02 - PROFESSIONALS	27,00	2,00	1,00	1,00	20,00	0,00	0,00	0,00	51,00
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	23,00	0,00	0,00	1,00	26,00	0,00	0,00	1,00	51,00
04 - CLERKS	18,00	0,00	0,00	0,00	61,00	3,00	0,00	1,00	83,00
05 - SERVICE SHOP AND MARKET SALES WORKERS	1,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	4,00
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
09 - LABOURERS AND RELATED WORKERS	1,00	0,00	0,00	0,00	11,00	0,00	0,00	0,00	12,00
TOTAL	84,00	2,00	1,00	5,00	128,00	3,00	0,00	2,00	225,00
Employees with disabilities	6,00	0,00	0,00	1,00	3,00	0,00	0,00	0,00	10,00

<u>Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022</u>

Occupational band		Mal	le			Fem	ale		
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
01 Top Management, Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
02 Senior Management, Permanent	12,00	0,00	0,00	3,00	6,00	0,00	0,00	0,00	21,00
03 Professionally qualified and experienced specialists and mid-management, Permanent	40,00	2,00	1,00	2,00	43,00	1,00	0,00	1,00	90,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	11,00	0,00	0,00	0,00	40,00	1,00	0,00	1,00	53,00
05 Semi-skilled and discretionary decision making, Permanent	9,00	0,00	0,00	0,00	22,00	1,00	0,00	0,00	32,00
06 Unskilled and defined decision making, Permanent	0,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	5,00
07 Not Available, Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
08 Contract (Top Management), Permanent	3,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	3,00
09 Contract (Senior Management), Permanent	5,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	6,00
10 Contract (Professionally Qualified), Permanent	2,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	5,00
11 Contract (Skilled Technical), Permanent	1,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	4,00
12 Contract (Semi-Skilled), Permanent	1,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	4,00
TOTAL	84,00	2,00	1,00	5,00	128,00	3,00	0,00	2,00	225,00

<u>Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022</u>

Occumational band		Ma	ale			Fem	nale		Total
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
03 Professionally qualified and experienced specialists and mid- management, Permanent	0,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	2,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
06 Unskilled and defined decision making, Permanent	0,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	5,00
07 Not Available, Permanent	3,00	0,00	0,00	0,00	5,00	1,00	0,00	0,00	9,00
08 Contract (Top Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
12 Contract (Semi-skilled), Permanent	1,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	3,00
TOTAL	6,00	0,00	0,00	0,00	14,00	1,00	0,00	0,00	21,00
Employees with disabilities	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00

<u>Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022</u>

		Male				Femal	e		
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
02 Senior Management, Permanent	12,00	0,00	0,00	3,00	6,00	0,00	0,00	0,00	21,00
O3 Professionally qualified and experienced specialists and mid- management, Permanent	48,00	2,00	1,00	2,00	50,00	1,00	0,00	2,00	106,00
O4 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	11,00	0,00	0,00	0,00	50,00	1,00	0,00	1,00	63,00
05 Semi-skilled and discretionary decision making, Permanent	10,00	0,00	0,00	0,00	22,00	1,00	0,00	0,00	33,00
06 Unskilled and defined decision making, Permanent	0,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	5,00
08 Contract (Top Management), Permanent	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
09 Contract (Senior Management), Permanent	4,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	5,00
10 Contract (Professionally qualified), Permanent	2,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	5,00
11 Contract (Skilled technical), Permanent	1,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	4,00
12 Contract (Semi-skilled), Permanent	1,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	4,00
TOTAL	91,00	2,00	1,00	5,00	143,00	3,00	0,00	3,00	248,00
Employees with disabilities	6,00	0,00	0,00	1,00	2,00	1,00	0,00	0,00	10,00

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band		Male				Female			
Occupational band	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
03 Professionally qualified and experienced specialists and mid- management, Permanent	2,00	1,00	0,00	0,00	1,00	0,00	0,00	0,00	4,00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
05 Semi-skilled and discretionary decision making, Permanent	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00

07 Not Available, Permanent	7,00	0,00	0,00	0,00	9,00	2,00	0,00	0,00	18,00
10 Contract (Professionally qualified), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
12 Contract (Semi-skilled), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
TOTAL	12,00	1,00	0,00	0,00	12,00	2,00	0,00	0,00	27,00
Employees with Disabilities	2,00	1,00	0,00	0,00	0,00	0,00	0,00	0,00	3,00

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

	Disciplinant action		Male	Male			Female				
Disciplinary action	African	Coloured	Indian	White	African	Coloured	Indian	White	Total		
	-	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
	-	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

					_				
Occupational category		Male				Femal	е		Total
Occupational category	African	Coloured	Indian	White	African	Coloured	Indian	White	iotai
01 - SENIOR OFFICIALS AND MANAGERS	11	0	0	3	7	0	0	0	21
02 - PROFESSIONALS	25	2	1	1	21	0	0	0	50
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	18	0	0	1	23	0	0	1	43
04 - CLERKS	25	0	0	0	67	4	0	1	97
05 - SERVICE SHOP AND MARKET SALES WORKERS	0	0	0	0	2	0	0	0	2
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	1	0	0	0	0	0	0	0	1
09 - LABOURERS AND RELATED WORKERS	1	0	0	0	6	0	0	0	7
TOTAL	81	2	1	5	126	4	0	2	221
Employees with disabilities	6,00	0,00	0,00	1,00	2,00	1,00	0,00	0,00	10,00

3.7 Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2021

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	0	0	0	0%
Salary Level 15	3	2	1	50%
Salary Level 14	10	5	2	40%
Salary Level 13	26	22	19	86.4%
Total	40	30	23	76.7%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022

Reasons
Non-compliance
Advisors to the Premier not required by law to sign performance Agreements

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022

Reasons			
None			

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

		Beneficiary Profile			Cost
Race and Gender	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	48,00	125,00	38,40	591,02	12 313,00
African, Male	21,00	78,00	26,90	277,38	13 208,00
Asian, Female	0,00	0,00	0,00	0,00	0,00
Asian, Male	0,00	1,00	0,00	0,00	0,00
Coloured, Female	0,00	3,00	0,00	0,00	0,00
Coloured, Male	0,00	2,00	0,00	0,00	0,00
Total Blacks, Female	48,00	128,00	37,50	591,02	12 313,00
Total Blacks, Male	21,00	81,00	25,90	277,38	13 208,00
White, Female	2,00	2,00	100,00	32,63	16 314,00
White, Male	1,00	4,00	25,00	22,81	22 805,00
Employees with a disability	2,00	10,00	20,00	35,34	17 670,00
TOTAL	74,00	225,00	32,90	959,16	12 962,00

<u>Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022</u>

	Ве	eneficiary Profi	le	Co	Total cost	
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	as a % of the total personnel expenditure
01 Lower Skilled (Levels 1-2)	0,00	5,00	0,00	0,00	0,00	0
02 Skilled (Levels 3-5)	14,00	32,00	43,80	139,07	9 933,00	0.1
03 Highly Skilled Production (Levels 6-8)	23,00	53,00	43,40	254,93	11 084,00	0.2
04 Highly Skilled Supervision (Levels 9-12)	33,00	90,00	36,70	513,94	15 574,00	0.3
09 Other	0,00	1,00	0,00	0,00	0,00	0
11 Contract (Levels 3-5)	0,00	4,00	0,00	0,00	0,00	0
12 Contract (Levels 6-8)	2,00	4,00	50,00	19,96	9 978,00	0.01
13 Contract (Levels 9-12)	1,00	5,00	20,00	17,60	17 598,00	0.01
TOTAL	73,00	194,00	37,60	945,50	12 952,00	0.62

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

	Beneficiary Profile			Cost	
Critical occupation	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	15,00	21,00	71,40	175,69	11 713,00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	0,00	1,00	0,00	0,00	0,00
HUMAN RESOURCES CLERKS	1,00	6,00	16,70	9,33	9 335,00
HUMAN RESOURCES & ORGANISATIONAL DEVELOPMENT & RELATE PROFESSIONS	0,00	4,00	0,00	0,00	0,00
RISK MANAGEMENT AND SECURITY SERVICES	2,00	3,00	66,70	32,89	16 443,00
FINANCE AND ECONOMICS RELATED	2,00	12,00	16,70	23,85	11 927,00
OTHER ADMINISTRATIVE & RELATED CLERKS AND ORGANISERS	12,00	33,00	36,40	124,04	10 336,00
OTHER OCCUPATIONS	1,00	3,00	33,30	14,40	14 396,00
FINANCIAL AND RELATED PROFESSIONALS	1,00	2,00	50,00	12,40	12 404,00
ADMINISTRATIVE RELATED	14,00	47,00	29,80	241,73	17 266,00
COMMUNICATION AND INFORMATION RELATED	9,00	14,00	64,30	112,77	12 530,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	2,00	16,00	12,50	22,71	11 354,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	3,00	11,00	27,30	30,33	10 109,00
LIBRARY MAIL AND RELATED CLERKS	3,00	5,00	60,00	29,13	9 709,00
HUMAN RESOURCES RELATED	6,00	15,00	40,00	97,08	16 180,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0,00	1,00	0,00	0,00	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	0,00	4,00	0,00	0,00	0,00
SENIOR MANAGERS	1,00	22,00	4,50	13,67	13 669,00
CLIENT INFORMATION CLERKS (SWITCHBOARD RECEPTION INFORM CLERKS)	1,00	2,00	50,00	9,62	9 617,00
ECONOMISTS	0,00	2,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS	1,00	1,00	100,00	9,53	9 528,00
TOTAL	74,00	225,00	32,90	959,16	12 962,00

<u>Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1</u> April 2021 to 31 March 2022

	Ben	eficiary Profile		С	Total cost as a % of the total personnel expenditure	
Salary band	Number of beneficiaries			Total Cost (R'000)		
Band A	1,00	22,00	4,50	13,67	13 668,70	0,00
Band B	0,00	5,00	0,00	0,00	0,00	0,00
Band C	0,00	2,00	0,00	0,00	0,00	0,00
Band D	0,00	2,00	0,00	0,00	0,00	0,00
TOTAL	1,00	31,00	3,20	13,67	13 668,70	0,00

3.9 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 to 31 March 2022

Colombond	01 April 2021		31 Marc	h 2022	Change	
Salary band	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Lev. 6-8)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Lev. 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 to 31 March 2022

Major occupation	01 Apr	01 April 2021		:h 2022	Change		
Major occupation	Number	% of total	Number	% of total	Number	% Change	
-	0,00	0,00	0,00	0,00	0,00	0,00	
-	0,00	0,00	0,00	0,00	0,00	0,00	

3.10 Leave utilisation

Table 3.10.1 Sick leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract Other	18,00	0,00	2,00	4,20	9,00	7,00
Highly skilled production (Levels 6-8)	104,00	27,90	10,00	20,80	10,00	184,00
Highly skilled supervision (Levels 9-12)	233,00	6,90	25,00	52,10	9,00	653,00
Senior management (Levels 13-16)	42,00	9,50	6,00	12,50	7,00	211,00
Skilled (Levels 3-5)	52,00	5,80	5,00	10,40	10,00	55,00
TOTAL	449,00	11,60	48,00	100,00	9,00	1110,00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Levels 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.10.3 Annual Leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	9,00	1,00	9,00
Contract (Levels 3-5)	12,00	1,00	12,00
Contract (Levels 6-8)	50,00	3,00	17,00
Contract Other	146,00	9,00	16,00
Highly skilled production (Levels 6-8)	1 219,00	56,00	22,00
Highly skilled supervision (Levels 9-12)	1895,00	83,00	23,00
Lower skilled (Levels 1-2)	8,00	2,00	4,00
Senior management (Levels 13-16)	491,00	21,00	23,00
Skilled (Levels 3-5)	843,00	34,00	25,00
TOTAL	4 673,00	210,00	22,00

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Contract (Levels 13-16)	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	0,00	0,00	0,00	0,00
Contract Other	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	39,00
Highly skilled supervision (Levels 9-12)	0,00	0,00	0,00	48,00
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	0,00	84,00
Skilled (Levels 3-5)	0,00	0,00	0,00	39,00
TOTAL	0,00	0,00	0,00	49,00

Table 3.10.5 Leave pay-outs for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
ANNUAL - DISCOUNTING WITH RESIGNATION (WORK DAYS)	24,00	1,00	24 000,00
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	185,00	3,00	61 667,00
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	323,00	1,00	323 000,00
TOTAL	532,00	5,00	106.4

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	-

<u>Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)</u>

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part 3 of Chapter 4 of the Public Service Regulations, 2016? If so, provide her/his name and position.	X		Mr André Liebenberg (A) Senior Manager: Transversal Human Resource Management Services
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.	X		The Transversal Human Resource Management Services Unit is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programme, including HCT campaigns across the Mpumalanga Provincial Government. The team has four staff members, who facilitate the implementation of the Employee Health and Wellness (EH&W) Strategic Plan and Occupational Health and Safety Plan to ensure the employee wellness, safety in the workplace and co-ordination. The budget for the Internal Employee Health and Wellness Programme is allocated within the Internal HRM and Development Unit – The budget is therefore not specifically allocated for the Internal Employee Health and Wellness Division.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	YES		Financial Management, Stress management, Home Visits, Health Screening, Physical Activities, Pre-Counselling HIV Counselling and Testing. The Key elements of the Programme are: HIV&AIDS and TB management and mitigation; Prevention; Treatment; Care and Support; Wellness management; Safety Health Environment Risk and Quality Management; and Health Productivity Management in compliance with the National Policy Framework on Employee Health and Wellness.

Question	Yes	No		Details, if yes	
4. Has the department established (a) committee(s)	X		NAME	POSITION	
as contemplated in Part 3 of Chapter 4 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the			1. Mr PJ Jiyane	Acting General Manager: Strategic HR (Co-ordinator)	
stakeholder(s) that they represent.			2. Mr BP Dlalisa	Compliance Officer – First semester	
			3. Mr EM Nkosi	Senior Manager: Mpumalanga Province AIDS Council	
			4. Mr JP Dlamini	Manager: Internal HRM and Development (Co-ordinator)	
			5. Mr E Jansen	Manager: Media Liaison	
			6. Mr W Nkuna	Security and Protocol Services	
			7. Mr L van der Walt	Manager: Office of the Director- General	
			8. Ms YA Fakude	Manager: Risk Management	
			9. Mr RA Bellim	Manager: Monitoring and Evaluation	
			10.Mr P Mahlakoane	Assistant Director: Governance & Criminal Justice Cluster	
			11. Mr M Myalezwa	Manager: Public Service Transformation & Service Delivery Improvement	
			12.Mr A Liebenberg	Manager: Transversal HRM Services	
			13.Mr AB Mashele	Manager Office of the DDG: Institutional Development	
			14. Ms MN Radebe	OHS Practitioner (Co-ordinator)	
			15. Ms PPL Tlou	Labour Union representative	
			16. Mr MS Lebea	Labour Union representative	
			17. Mr NC Sibande	Acting Chief Financial Officer (Compliance Officer – Second Semester)	
			18. Mr S Shabangu	Assistant Manager: Budget	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		The Office has reviewed its HIV/AIDS and TB Management Policy Framework, Wellness Management Policy and Bereavement policies. All the above policies have been approved by the Accounting Officer.		
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Health and Wellness F on condom usage and addition, there are po	Programmes, it provides awareness d condom distribution. In licies in place that can be used as important issues relating HIV/AIDS.	

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	×		During the course of this financial year, no employee got tested through the Office's initiative or programme, owing to the disruptions brought about by the COVID-19 pandemic. It must however be noted that according to the Office's plans, during every Health and Wellness promotion event, employees are required to be provided with the opportunity to undergo voluntarily counselling and testing including General and Physical Health assessment. To date 143 officials in the Office have undergone VCT.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	×		There are several Policies in place to guide the implementation of EH&W and the conduct of employees Quarterly Sick leave utilization profile; Reduction in absenteeism; behaviour and lifestyle modification; the levels of compliance to treatment and healthy lifestyles; and the improved level of attendance to EH&W Programmes and HCT campaigns. The Annual Operational Plan that talks to the four (4) Pillars, Implementation and Operation of the EH&W Management system and EH&W evaluation, corrective and preventative action makes provision for the effective monitoring and evaluation of the EH&W Programme.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2021 to 31 March 2022

Subject matter	Date
Total number of collective agreements	None

Total number of Collective agreements	None
---------------------------------------	------

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 to 31 March 2022

Outcomes of disciplinary hearings	Number	% of total	
Correctional counselling	0	0%	
Verbal warning	0	0%	
Written warning	0	0%	
Final written warning	0	0%	
Suspended without pay	0	0%	
Fine	0	0%	
Demotion	0	0%	
Dismissal	0	0%	
Not guilty	0	0%	
Case withdrawn	0	0%	
Total	0	0%	

Total number of Disciplinary hearings finalised	None
---	------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 to 31 March 2022

Type of misconduct	Number	% of total	
-	0	0%	
-	0	0%	
Total	0	0%	

Table 3.12.4 Grievances logged for the period 1 April 2021 to 31 March 2022

Grievances	Number	% of Total	
Number of grievances resolved	1	100%	
Number of grievances not resolved	0	0%	
Total number of grievances lodged	1	100%	

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 to 31 March 2022

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	0	0%
Total number of disputes lodged	0	0%

Table 3.12.6 Strike actions for the period 1 April 2021 to 31 March 2022

Total number of persons working days lost	0
Total costs of working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 to 31 March 2022

Number of people suspended	2
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	210
Cost of suspension(R'000)	R602 306.19

3.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2021 to 31 March 2022

Occupational Gend		Number of	Training ı	needs identified at start of the repo	orting period	
	Gender	employees as at 1 April 2021	Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior	Female	8	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	1	24
officials and managers	Male	16	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	1	24
Professionals	Female	30	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	1	54
	Male	34	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	54

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Technicians and associate professionals	Female	35	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	- 59
	Male	24	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	
Clerks	Female	51		Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	73
	Male	22		Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	
Service and sales workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Skilled agriculture and fishery workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Craft and related trades workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Plant and machine operators and assemblers	Female	0	-	-	-	0
	Male	0	-	-	-	
Elementary occupations	Female	11	-	Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	15
	Male	4	-	Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	
Sub Total	Female	135	6	-	-	10
	Male	90	4	-	-	
Total		225	10	-	-	235

Table 3.13.2 Training provided for the period 1 April 2021 to 31 March 2022

		Number of	Training	g needs identified at start of the repo	orting perio	d
Occupational category	Gender	employees as at 1 April 2021	Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	24
	Male	16	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	
Professionals	Female	30	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	54
	Male	34	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; First Aid level 1;	-	
Technicians and associate professionals	Female	35	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	59
	Male	24	-	Executive Management Programme; Programme and Project Management; Skills Auditing; Internal Audit Client conflicts; ; First Aid level 1;	-	
Clerks	Female	51		Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	73
	Male	22		Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	
Service and sales	Female	0	-	-	-	0
workers	Male	0	-	-	-	
Skilled agriculture and fishery workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Craft and related trades workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Plant and machine operators and assemblers	Female Male	0	-	-	-	0

		Number of	Training	g needs identified at start of the repo	orting perio	d
Occupational category	Gender	employees as at 1 April 2021	Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Elementary occupations	Female	11	-	Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	15
	Male	4	-	Basic archives and records management workshop; First Aid Level 1; Re-orientation in the Public Service	-	
Sub Total	Female	135	6	-	-	10
	Male	90	4	-	-	
Total		225	10	-	-	235

1.14 Injury on duty

Table 3.14.1 Injury on duty for the period 1 April 2021 to 31 March 2022

Nature of injury on duty	Number	% of total
Required basic medical attention only	3	1.3%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	0	0%
Total	0	0%

1.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 to 31 March 2022

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
-	0	0	0
-	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

<u>Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged</u> Individuals (HDIs) for the period 1 April 2021 to 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	0	0	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 to 31 March 2022

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
-	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
-	0	0	0

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 to 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	0	0	0

1.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2021 to 31 March 2022

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0



PART E: FINANCIAL INFORMATION

PART E: CONTENTS

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Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 1: Office of the Premier

Report on the audit of the financial statements

Qualified opinion

- 1. I have audited the financial statements of the Office of the Premier set out on pages 118 to 175, which comprise the appropriation statement, statement of financial position as at 31 March 2022, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Office of the Premier as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Goods and services – computer services

3. During 2020-21, I was unable to obtain sufficient appropriate audit evidence for goods and services related to computer services – external computer service providers due to the status of accounting records. I was unable to confirm the expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the corresponding figure for computer services – external service providers, stated at R21,13 million in note 4.2 to the financial statements. My audit opinion on the financial statements for the period ended 2020-21 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the computer services – external service providers for the current period.

Context for the opinion

- 4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
- 5. 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.
- 6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Accruals and payables not recognised

8. As disclosed in note 20 to the financial statements, payables of R15,34 million exceeded the payment term of 30 days, as required by treasury regulation 8.2.3. This amount, in turn, exceeded the R1,80 million of voted funds to be surrendered by R13,54 million as per the statement of financial performance. The amount of R13,54 million would therefore have constituted unauthorised expenditure had the amounts due been paid in time.

Restatement of corresponding figures

9. As disclosed in note 31.1 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2022.

Responsibilities of the accounting officer for the financial statements

- 10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS 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.
- 11. 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.

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

- 12. 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.
- 13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

- 14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
- 15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters
- 16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2022:

Programmes	Pages in the annual performance report
Programme 2: Institutional development	34 – 41

- 17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programme.

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 23 to 51 for information on the achievement of planned targets for the year and management explanations provided for the under/overachievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

Annual financial statements

23. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, but the supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

Expenditure management

21. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R9,16 million, as disclosed in note 24 to the financial statements, in contravention of section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulations.

Consequence management

24. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

Procurement and contract management

- 25. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with treasury regulation 16A6.1, paragraph 3.3.1 of practice note 8 of 2007-08, and paragraph 3.2.1 of SCM instruction note 2 of 2021-22. Similar non-compliance was also reported in the prior year.
- 26. Some goods and services with a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the accounting officer although it was practical to invite competitive bids, contrary

- to treasury regulation 16A6.1, paragraph 3.4.1 of practice note 8 of 2007-08 and treasury regulation 16A6.4. Similar non-compliance was also reported in the prior year.
- 27. The invitation to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content, as required by the 2017 preferential procurement regulation 8(2).

Other information

- 28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
- 29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
- 30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained during the audit, or otherwise appears to be materially misstated.
- 31. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

- 32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
- 33. Leadership and management did not ensure that systems of internal control relating to financial management were adequately implemented and monitored. This was as a result of the partial implementation of the audit action plan.
- 34. Management did not adequately review and monitor compliance with laws and regulations. This resulted in repeat non-compliance with supply chain management legislation.

Auditor-General

Mbombela

29 July 2022



Auditing to build public confidence

Annexure - Auditor-general's responsibility for the audit

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

Financial statements

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

Communication with those charged with governance

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

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Figures in Rand thousand					2021/2022				2020/2021	2021
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per programme										
Programme Programme 1 Administration Programme 2 Institutional	- 2	139,200 73,769		9,681 (3,582)	148,881	148,767 69,799	114	99.92 % 99.45 %	125,728 66,320	123,500 66,313
Development Programme 3 Policy and Governance	က	140,935	•	(6,099)	134,836	133,542	1,294	99.04 %	45,649	45,648
Programme subtotal		353,904			353,904	352,108	1,796	99.49 %	237,697	235,461
Programme sub total Total		353,904 353,904			353,904 353,904	352,108 352,108	1,796 1,796	99.49 % 99.49 %	237,697 237,697	235,461 235,461
Reconciliation with statement of financial performance	ncial p	oerformance								
Add: Departmental revenue					205				1.853	
Actual amounts per statement of financial performance (total revenue)	ıncial	performance (tota	ıl revenue)		354,109				239,550	
Actual expenditure						352,108				235,461
Add: Actual amounts per statement of financial performance (total expenditure)	ıncial	performance (tota	_			352,108				235,461

				000011000				0000	7000/0004
rigules III Nalid ulousalid				2021/202				2020	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	138,913 20.952	1 1	(876)	138,037	137,951 20.045	98 66 8	99.94 % 99.51 %	125,615	125,612 18.832
	159,865		(1,684)	_	157,996	185	% 88.66	_	144,444
Goods and services									
Administrative fees	2,001	•	(828)		1,079	63	94.48 %		243
Advertising	8,540	1	(1,948	6,5	995'9	26	99.61 %	9	6,648
Minor assets	10	•	73		80	ဂ	68.39 %		171
Audit costs: External	7,700	i	(2,129)		5,571	•	100.00 %	7	7,044
Catering: Departmental activities	1,804	•	(328)		1,281	144	89.89 %		470
Communication	16,398	1	1,975	_	18,357	16	99.91 %		12,630
Computer services	1,440	•	(153		1,289	(2)	100.16 %		21,674
Consultants: Business and advisory	14,379	•	(2,222	12,157	12,117	40	% 29 .65	, 20,882	20,903
services									
Legal services	2,404	•	2,268		4,656	16	% 99.66	(,)	329
Contractors	413	•	936		1,332	17	98.74 %		9
Fleet services	2,640	•	11		2,649	2	99.92 %	Ť	1,846
Consumable supplies	1,914	•	180	2,094	2,073	21	800.66		807
Consumable: Stationery, printing and	3,562	•	(1,023)		2,539	ı	100.00 %	1,255	1,252
office supplies									
Operating leases	484	•	456		940	•	100.00 %		467
Property payments	6,077	•	3,401	ó	9,477	_	% 66.66	5,224	5,224
Transport provided: Departmental	955	1	(49)	906 (851	52	93.93 %	1	1
activity Travel and embaintones	40.025		(1 270		17 044	016	05 12 %		7 220
Training and development	2,233		(1,5/6)	7,037	7,041	010	_	7,346	7,530
Operating and development	7,02,		(47)		1,010	- 7	20.00		750
Operating payments Venues and facilities	258	' '	(492) (65)	0	2 163	130	94.33		255
	2,000		(20)		2, 100	2	20.10		

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued) Rental and hiring	on (continued) 1,220	,	(264)	926	955	1	% 06:66	,	'
	96,142		(1,604)	94,538	93,173	1,365	% 95.86	87,900	87,894
Compensation of employees	159,865		(1,684)	158,181	157,996	185	% 88.66	144,446	144,444
Goods and services Total current payments	96,142 256.007		(1,604) (3.288)	94,538	93,173	1,365	% 68.56 %		87,894 232,338
Transfers and subsidies Provinces and municipalities									
Municipalities Municipal agencies and funds Municipalities	32			32	24 24	∞ ∞	75.00 % 75.00 %	32 32	31
Public corporations and private enterprises									
Other transfers to public corporations Public corporations	82,000		1 1	82,000	81,953 81,953	47	99.94 % 99.94 %		
Households Social benefits Other transfers to households	2,115			2,115	1,971	144 144	93.19 %	554	550
	2,865			2,865	2,680	185	93.54 %	762	757
Provinces and municipalities Public corporations and private	32 82,000			32 82,000	24 81,953	8 47	75.00 % 99.94 %	32	31
Force prises Households Total transfers and subsidies	2,865 84,897			2,865 84,897	2,680 84,657	185 240	93.54 % 99.72 %	762 794	757 788
Payments for capital assets Machinery and equipment Transport equipment	2,000	,	(308)	1,692	1,691	+	99.94 %	1,745	,

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued) Other machinery and equipment	n (continued) 10,980	1	3,571	14,551	14,546	2	% 26.66	2,658	2,183
	12,980		3,263	16,243	16,237	9	% 96.66	4,403	2,183
Software and other intangible assets	12.980		3.263	16 243	20	۱ ر	100.00 %	97	96
Intangible assets	20	1)	20	20	'	100.00 %		96 .i
Total payments for capital assets	13,000	'	3,263	16,263	16,257	9	% 96.66	4,500	2,279
Payments for financial assets	1	,	25	25	25	'	100.00 %	22	99
Total current payments Total transfers and subsidies	256,007		(3,288)	252,719	251,169	1,550	99.39 %	232,346	232,338
Total payments for capital assets	13,000	1	3,263	16,263	16,257	9	% 96.66	4	2,279
Total payments for financial assets Total	353,904	1 1	. 25	25 353,904	25 352,108	1,796	100.00 % 99.49 %	57 237,697	56 235,461

Figures in Rand thousand					2021/2022				2020/2021	2021
	▼	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. Programme 1 Administration										
Sub programme Premier Support Executive Council Support Director-General Support	1. 1. 1. 1. 1. 5. 6. 4.	27,154 5,601 40,815 65,630		396 238 870 8,177	27,550 5,839 41,685 73,807	27,548 5,838 41,589 73,792	2 + 6 1 + 6 1 + 6 1 + 7	99.99 % 99.98 % 77.96 99.98	21,796 4,854 54,260 44,818	21,796 4,854 54,260 42,590
Subtotal		139,200		9,681	148,881	148,767	114	99.92 %	125,728	123,500
Economic classification										
Current payments Compensation of employees										
Salaries and wages Social contributions		58,556 8,556	1 1	187 (364)	58,743 8,192	58,739 8,183	4 6	% 68.66 % 68.86	51,933 7,449	51,931 7,450
		67,112		(177)	66,935	66,922	13	% 86.66	59,382	59,381
Goods and services				;			,			
Administrative fees Advertising		1,405		(1,087)	318	310	∞ m	97.48 %	172	169
Minor assets)	1	83	83	80	, e	% 68:96	172	170
Audit costs: External		7,700	•	(2,129)	5,571	5,571	1	100.00 %	7	7,044
Catering: Departmental activities		069	•	(256)	434		ည	98.85 %		354
Communication		12,632	•	3,277	15,909	_	(16)	100.10 %		8,587
Computer services		950 3 845		136 295	1,086	1,087	(1)	100.099 %	21,592	21,590
services)				, .)	-		
Legal services		1,900	•	2,430	4,330	4,330	'			•
Contractors		370	•	820	1,220	1,216	4	% 29.66		4
Fleet services		2,640	•	11	2,651	2,649	2	99.92 %	_	1,846
Consumable supplies		1,443	•	45		1,484	4	99.73 %		807
Consumable: Stationery, printing and office supplies		2,821	•	(1,098)	1,723	1,723	•	100.00 %	1,094	1,092

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted	Shifting of	Virement	Final	Actual	Variance	Expenditure	Final	Actual
	Appropriation	Funds		Appropriation	Expenditure		as % of final appropriation	Appropriation	Expenditure
Operating leases	484	'	456	940	940	1	100.00 %	467	467
Property payments	6,077	•	3,401	9,478	9,477	_	% 66.66	5,224	5,224
Transport provided: Departmental	•	1	15	15	14	_	93.33 %	•	1
Travel and subsistence	12,755	1	(171)	12,584	12,596	(12)	100.10 %	6,450	6,456
Training and development	80	•	,498	578	579) E	100.17 %		52
Operating payments	444	'	(428)	16	_	15	6.25 %		30
Venues and facilities	913	'	287	1,200	1,213	(13)	101.08 %	_	156
	57,489	•	6,595	64,084	64,073	11	% 86.66	61,630	61,627
Compensation of employees	67,112	'	(177)	66,935	66,922	13	% 86.66		59,381
Goods and services	57,489	-	6,595	64,084	64,073	11	99.98 %	61,630	179,10
Total current payments	124,601	-	6,418	131,019	130,995	24	% 86.66	121,012	121,008
Transfers and subsidies Provinces and municipalities Municipalities									
Municipal agencies and funds	32	•	•	32	24	∞ α	75.00 %	32	31
Municipalities	32	'	•	32	74	Φ	% 00.67		3.1
Households Social benefits	1,567		1	1,567	1,491	92	95.15 %		125
Provinces and municipalities	32	•	•	32	24	ω	75.00 %	32	31
Households	1,567	-	-	1,567	1,491	92	95.15 %		125
Total transfers and subsidies	1,599	•	•	1,599	1,515	84	94.75 %	159	157
Payments for capital assets Machinery and equipment									
Transport equipment	2,000	•	(308)	1,692	1,691	_	99.94 %	1,745	•
Other machinery and equipment	10,980	-	3,571	14,551	14,546	5	% 26.66		2,183
	12,980	-	3,263	16,243	16,237	9	% 96'66	4,403	2,183
Software and other intangible assets	20	•	•	20	20	•	100.00 %	26	96
Machinery and equipment	12,980	•	3,263	16,243	16,237	9	% 96.66	4,403	2,183

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Intangible assets	20	1		20	20		100.00 %	26	96
Total payments for capital assets	13,000		3,263	16,263	16,257	9	% 96.66	4,500	2,279
Payments for financial assets	1	,		1		·	% -	22	99
Total current payments	124,601	'	6,418	131,019	130,995	24	% 86.66	121,012	121,008
Total transfers and subsidies	1,599	•	•	1,599	1,515	84	94.75 %	159	157
Total payments for capital assets	13,000	1	3,263	16,263	16,257	9	% 96 [.] 66	4,500	2,279
Total	139,200	' '	9,681	148,881	148,767	114	99.92 %	125,7	123,500

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.1 Premier Support									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	14,201	1 1	275 9	14,476	14,475	~ ~	99.99 % 99.94 %	14,239	14,239 1,613
	15,764		284	16,048	16,046	2	% 66.66		15,852
Goods and services									
Administrative fees	1,000	1	(883)		116	← (99.15 %		84 48 48
Catering: Departmental activities	300	•	(58)	242	240	7	99.17 %		166
Communication	110	1	(101)		000	· 〔	100.00	2003	287
Contractors	310		(93)	217	216	<u>-</u>	99.54 %		- '
Consumable supplies	330	•	(22)		306	2	99.35 %	70	02
Consumable: Stationery, printing and	_	•		_	~	ı	100.00 %	~	1
Travel and subsistence	8,411	1	1,127	9,538	9,551	(13)	100.14 %	5,092	5,098
Operating payments	80	1	1		•	œ,	% -		2
Venues and facilities	200	-	(136)	64	64	-	100.00		28
	11,390	-	112	11,502	11,502	•	100.00 %	5,944	5,944
Compensation of employees	15,764	•	284	16,048	16,046	2	% 66.66	15,852	15,852
Goods and services	11,390	-	112	11,502	11,502	-	100.00 %		5,944
Total current payments	27,154	-	396	27,550	27,548	2	% 66 [.] 66	21,796	21,796
Total current payments	27,154	•	396	27,550	27,548	2.0	% 66.66	21,796	21,796
lotai	44,124	'	380	0cc, 12	27,548	7	% 88.88		71,796

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.2 Executive Council Support									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	4,508	1 1	41 29	4,549 622	4,547 624	2 (2)	99.96 % 100.32 %	4,219 587	4,219 587
	5,101		70	5,171	5,171	•	100.00 %	4,806	4,806
Goods and services									
Administrative fees	30	'	6)	21	20	_	95.24 %	•	'
Minor assets	•	•	6		80	_	88.89 %	•	•
Catering: Departmental activities	75	•	(13)	62	62	•	100.00 %	18	18
Consumable supplies	•	•	24		23	_	95.83 %	•	•
Travel and subsistence	245	'	144	(1)	392	(3)	100.77 %	30	30
Training and development	20	•	(20)	•	•	•	% -	•	•
Venues and facilities	100	•	63	163	162	_	68.39 %	1	1
	200		168	899	299	-	% 58.66	48	48
Compensation of employees	5,101	•	20	5,171	5,171	1	100.00 %	4,806	4,806
Goods and services	200	1	168	899	299	1	99.85 %	48	48
Total current payments	5,601	-	238	5,839	5,838	1	% 86.66	4,854	4,854
Total current payments	5,601	1	238	5,839	5,838	1	% 86.66	4,854	4,854
Total	5,601	•	238	5,839	5,838	_	% 86 [.] 66		4,854

Figures in Rand thousand				2021/2022				2020	2020/2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Director-General Support									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	25,100 3,499	1 1	(38)	25,062	25,059 3,336	с 0	99.99 % 99.82 %	3,002	21,209 3,003
	28,599		(195)	28,404	28,395	6	% 26.66	, 24,212	24,212
Goods and services									
Administrative fees	280	•	(139)		135	9	95.74 %	72	72
Advertising	320	•	' (i		317	с	99.06 %		' !
Catering: Departmental activities	290	•	(172)		116	2	98.31 %	141	145
Communication	5	•	7	0	∞	~	88.89 %		2
Computer services	80	•	(80)		1	1	% -		21,131
Consultants: Business and advisory	3,538	•	(143)	3,395	3,394	~	% 26.66	7,527	7,527
services									
Legal services	1,900	•	2,430	4,330	4,330		100.00 %		1
Contractors	10	•	(8)		_	_	20.00 %	0	က
Consumable supplies	93	•	(16)	77	9/	_	98.70 %		9
Consumable: Stationery, printing and	•	•	_	_	_	'	100.00 %	_	_
office supplies			ļ	ļ	;	•			
Iransport provided: Departmental activity	1	1	15	15	41	_	93.33 %	_	1
Travel and subsistence	3,316	1	(1,440)	1,876	1,877	(1)	`	926	926
Training and development	30	•	548		218		100.00		20
Operating payments	300	•	(300)		•	'	'	23	23
Venues and facilities	490	•	362	852	856	(4)	100.47 %		66
	10,649		1,065	11,714	11,703	11	99.91 %	30,017	30,018
Compensation of employees	28,599	'	(195)		28,395	6	% 26.66		24,212
Goods and services	10,649	'	1,065	11,714	11,703	11	99.91 %	30,017	30,018
Total current payments	39,248	•	870	40,118	40,098	20	% 96'66	, 54,229	54,230

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Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Director-General Support (continued)									
Transfers and subsidies									
Households	1997			1 567	707	92			C
Social benefits	1,567	•	•	1,367	1,40	9/	95.15 %		30
Houselloids	1,00,1	•	•	1,00,1	1,431	0/			00
Total current payments	39,248	•	870	40,118	40,098	20		54,229	54,230
Total transfers and subsidies	1,567	•	'	1,567	1,491	92	95.15 %		30
Total	40,815	-	870		41,589	96		54,260	54,260

Figures in Rand thousand				2021/2022				2020	2020/2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.4 Financial Management									
Economic classification									
Current payments Compensation of employees Salaries and wages	14,747	1	(91	14,656	14,658	(2)	100.01 %		12,264
Social contributions	2,901	1	(245)			,4	99.85 %	2,247	
	17,648	•	(336)) 17,312	17,310	2	% 66'66	, 14,512	14,511
Goods and services									
Administrative fees	95	1	(56)	39	39	•	100.00 %	15	13
Advertising	20	•	(20)		' '	' (% - 6		. 64
Minor assets Audit costs: External	- 002 2	• 1	(2 120)	7 7 7 7 1	7 / Z	7	97.30 % 100.00 %	7/1	7 047
Catering: Departmental activities	25,	' '	(2, 123)			· ←	9167 %		75
Communication	12,520	1	3,371	15,8	15,908	(17)	100.11 %	8,	8,500
Computer services	150	'	(62)		88				78
Consultants: Business and advisory	307	•	438		738	7	% 90.66	, 52	52
services									
Contractors	20	•	951		666	2	% 08.66		_
Fleet services	2,640	•	11		2,649	2	99.92 %	<u> </u>	1,846
Consumable supplies	1,020	•	29		1,079	•	100.00 %		731
Consumable: Stationery, printing and	2,820	•	(1,099)	1,721	1,721	•	100.00 %	1,093	1,091
office supplies	:				:				
Operating leases	484	•	456			•	100.00 %		467
Property payments	6,077	•	3,401	တ်	တ်	_	% 66.66	5	5,224
Travel and subsistence	783	•	(2)	.) 781	216	2	98.36 %	37	372
Training and development	•	•	•		_	(1)	% -	2	2
Operating payments	136	•	(128)		_	7	12.50 %		2
Venues and facilities	123	-	(2)	()	131	(10)	108.26 %	- 0	-
	34,950	-	5,250	40,200	40,201	(1)	100.00 %	5,621	25,618
Compensation of employees	17,648	1	(336)	17,312	17,310	2	% 66'66	, 14,512	14,511

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shiffing of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.4 Financial Management (continued) Goods and services	34,950		5,250	40,200	40,201	(1)	100.00 %	25,621	25,618
Total current payments	52,598		4,914	57,512	57,511	-	100.00 %	40,133	40,129
Transfers and subsidies Provinces and municipalities Municipalities Municipal agencies and funds Municipalities	32	1 1	1 1	32	24 24	& &	75.00 % 75.00 %	32	33
Households Social benefits Provinces and municipalities Households	32	1 1 1		32	- 24 -	' & '	% - % - % -	96 32 96	95 31 95
Total transfers and subsidies	32	•	•	32	24	8	% 00'52	128	126
Payments for capital assets Machinery and equipment Transport equipment Other machinery and equipment	2,000 10,980		(308) 3,571	1,692	1,691 14,546	~ w d	99.94 % 99.97 %	1,745 2,658	2,183
	12,980	•	3,263		16,237	٥	99.96 %		2,183
Software and other intangible assets Machinery and equipment Intangible assets	20 12,980 20		3,263	20 16,243 20	20 16,237 20	9 -	100.00 % 99.96 % 100.00 %	97 4,403 97	96 2,183 96
Total payments for capital assets	13,000	•	3,263	16,263	16,257	9	% 96.66	4,500	2,279
Payments for financial assets	1	•	1	-	1	İ	% -	25	99
Total current payments	52,598	-	4,914	5,75	5,75	← 0	100.00 %	40	40,129
lotal transfers and subsidies Total payments for capital assets	32 13,000		3,263	32 16,263	24 16,257	ထ ထ	% 96.66 89.96 %	4,5	1.26 2,279
Total payments for financial assets	•	•	•	•	•	•	% -		99

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final / appropriation	Final Actual Appropriation Expenditure	Actual Expenditure
1.4 Financial Management (continued) Total	65,630		8,177	73,807	73,792	15	% 86.66	6 44,818	42,590

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Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. Programme 2 Institutional Development	pment								
Strategic Human Resource 2.1 Information Communication 2.2	36,660 9,979		(1,643) (1,288)	35,017 8,691	34,687 8,682	330	% 06.66 % 06.66	33,938 11,699	33,936 11,698
Legal Services Communication Services Programme Support 2.3	3,650 20,195 3,285		(115) (504) (32)	3,535 19,691 3,253	3,533 19,650 3,247	7 + 9	99.94 % 99.79 % 99.82 %	4,132 13,685 2,866	4,132 13,683 2,864
Subtotal	73,769		(3,582)	70,187	69,799	388	99.45 %	66,320	66,313
Current payments Compensation of employees Salaries and wages Social contributions	43,811 6.809	1 1	156 (180)	43,967	43,949 6.574	18 55	99.96 %	42,551	42,550 6.555
	50,620		(24)	49	50,523	73	% 98.66		49,105
Goods and services	010		00	311	208	13	95 82 %	24	40
Advertising	7,368	•	(1,681)	5,687	5,666	21	99.63	6,3	6,388
Minor assets	10	1	(10)	180	150	' α	% - % - % 00 20	2 2	- 5
Communication	84	' '	(92)	98	85	o —	98.84	(4	298
Computer services	214	•	(13)	201	202	Ξ	100.50		84
Consultants: Business and advisory	7,584	•	(1,053)	6,531	6,500	31	99.53 %		8,707
Legal services	504	1	(162)	342	326	16		32	329
Contractors	18	•	10	28	28	' 7	100.00 %	2	2
Consumable supplies Consumable: Stationery, printing and	671		145	360 816	37.9 816	- '	100.00 %	161	160
office supplies									

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transport provided: Departmental activity	80		(80)	1	1	1	% -	1	1
Travel and subsistence	2,296	•	(626)	1,670	•	115	93.11 %		408
Training and development	1,892	•	(426)	1,466	1,466	•	100.00	192	192
Operating payments	15	•	(14)	_	•	_	% -		189
Venues and facilities	195	•	205	400	400	•	100.00 %		52
Rental and hiring	20	1	(10)	10	10	1	100.00 %	'	•
	21,872		(3,583)	18,289	18,083	206	% 28.86	16,884	16,880
Compensation of employees	50,620		(24)	50,596	50,523	73	% 98.66	49,106	49,105
Goods and services	21,872	1	(3,583)	18,289		206	% 28.86		16,880
Total current payments	72,492	•	(3,607)	68,885	909'89	279	% 65.66	65,990	65,985
Transfers and subsidies Households									
Social benefits	527	•	1	527	459	89	87.10 %		121
Other transfers to households	750	1	1	750	200	41	94.53 %	208	207
	1,277		'	1,277	1,168	109	91.46 %		328
Households	1,277	1	•	1,277	1,168	109	91.46 %	330	328
Payments for financial assets	1	1	25	25	25	1	100.00 %	1	1
Total current payments	72,492		(3,607)	68,885	909'89	279	99.59 %	65,	65,985
Total transfers and subsidies	1,277	•	•	1,277	1,168	109	91.46 %	330	328
Total payments for financial assets	•	•	25	25	25	•	100.00	•	•
Total	73,769		(3,582)	70,187	69,799	388	99.45 %	66,320	66,313

Figures in Rand thousand				2021/2022				2020	2020/2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.1 Strategic Human Resource									
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	24,755 4,000		58 (114)	24,813	24,799 3,835	14	99.94 % 98.69 %	24,206	24,206 3,887
	28,755	'	(99)	28,699	28,634	65	% 22.66	6 28,093	28,093
Goods and services									
Administrative fees	141	•	135		266	10	96.38		43
Advertising	2,218	•	(814)	Ť,	1,404	•	100.00	4,6	4,636
Catering: Departmental activities	212	•	(64)	_	145	3	97.97	5 20	18
Communication	•	•	13		14	(1)	107.69	.0	•
Consultants: Business and advisory	86	•	(46)	40	17	23	42.50 %	10	5
services									
Legal services	504	•	(162)		326	16	95.32	329	329
Contractors	16	•	10	26	26	•	100.00 %	2	2
Consumable supplies	459	•	119	578	277	_	99.83 %		•
Consumable: Stationery, printing and	•	•	_	~	<u> </u>	•	100.00 %		•
Unice supplies Travel and enheistence	075		(69)		803	103	% 88 83 %	288	208
Training and development	1.842		(696)	873	873	3 '	100.00		192
Operating payments	15	'	(14)		'	_	% -		'
Venues and facilities	140	'	260	400	400	'	100.00 %	53	52
Rental and hiring	20	1	(10)	10	10	'	100.00 %	. 0	•
	6,628	1	(1,610)	5,018	4,862	156	% 68.96	6, 5,575	5,575
Compensation of employees	28,755	'	(99)	2	28,634	99		2	28,093
Goods and services	6,628	-	(1,610)	5,018	4,862	156	96.89 %	5,575	5,575
Total current payments	35,383	-	(1,666)	33,717	33,496	221	99.34 %	33,668	33,668

Office of The Premier

(Vote number 1) Annual Financial Statements for the year ended 31 March 2022

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Actual Appropriation Expenditure	Actual Expenditure
2.1 Strategic Human Resource (continued)	(pə								
Transfers and subsidies Households									
Social benefits	527	•	'	527		89	87.10 %		09
Other transfers to households	750	1	•	750	402	41		5 208	208
	1,277		'	1,277	1,168	109			268
Households	1,277	1	'	1,277	1,168	109	91.46 %	5 270	268

33,668 268

33,668 270

99.34 % 91.46 % 100.00 % **99.06 %**

221 109

33,496 1,168 23 **34,687**

33,717 1,277 23 35,017

23 (1,**643**)

(1,666)23

35,383 1,277

Total current payments
Total transfers and subsidies
Total payments for financial assets
Total

Payments for financial assets

36,660

1,168 1,168 23

1,277 1,277 23

100.00 %

33,936

33,938

Appropriation Statement

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.2 Information Communication Technology	ology								
Economic classification									
Current payments Compensation of employees			,		,				
Salaries and wages Social contributions	1,934 245	1 1	3 (1)	1,937) 244	1,936 244	← '	99.95 % 100.00 %	2,416	2,415 315
	2,179	1	2	2,181	2,180	_	% 56.66	, 2,731	2,730
Goods and services							ò		
Administrative rees	10	•	(10)	-	•	'	% `		١,
Minor assets	10	•	(10	-	•	•	% -	2	_
Catering: Departmental activities	10	•	(10	•	١,	'	% - 00 001		' 700
Communication	1	•	1 10		7	' (100.000 %		261
Consultants: Business and advisory	7,498	1	(1,007)	6,491	6,483	×	% 88.88	8,699	8,702
Services Consumable: Stationery, printing and	40	1	(40)	-	ı	'	% -	7	_
office supplies									
Travel and subsistence	181	•	(163)	18	18	'	100.00 %	<u>ო</u>	က
Training and development	20	-	(20	- (-	-	% -	-	-
	7,800	•	(1,290)	6,510	6,502	8	% 88'66	896'8	8,968
Compensation of employees	2,179	•	2	2,181	2,180	1	% 56.66	2,731	2,730
Goods and services	7,800	-	(1,290)		6,502	8	99.88 %		8,968
Total current payments	6/6/6	-	(1,288)	8,691	8,682	6	% 06 [.] 66	, 11,699	11,698
Total current payments	9,979	•	(1,288)	8,691	8,682	0	% 06.66	11,699	11,698
lotal	8,8,8	•	(1,288		8,682	S.	99.90 %		11,698

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.3 Legal Services									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	3,058		- (47)	3,058	3,057		99.97 %	3,612	3,612
	3,470		(47)		3	2	99.94 %		4,036
Goods and services									
Administrative fees	3	•	(3)	-	•	1	% -		'
Catering: Departmental activities	5	•	Ξ	4	4	'	100.00 %	1	•
Contractors	2	'			_	'	100.00	-	•
Consumable: Stationery, printing and office supplies	124	•	(21)	103	103	•	100.00 %	96	96
Travel and subsistence	46	•	(42)	4	4	•	100.00 %	1	ı
	180		(89)	112	112		100.00 %	96	96
Compensation of employees	3,470	'	(47)	3,423	3,421	2	99.94 %	4,036	4,036
Goods and services	180	•	(89)		112	•	100.00 %		96
Total current payments	3,650	•	(115)	3,535	3,533	2	99.94 %	, 4,132	4,132
Total current payments	3,650		(115)	3,535	3,533	2	99.94 %	4,132	4,132
Total	3,650	•	(115		3,533	2	99.94 %		4,132

Appropriation Statement

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.4 Communication Services									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	11,377 1,754	1 1	99 (10)	11,476 1,744	11,475 1,742	7 7	% 66.66 % 68.66	9,892 1,551	9,892 1,551
	13,131		88	13,220	13,217	8	% 86.66	11,443	11,443
Goods and services									
Administrative fees	65	•	(30)	35	32	လ			9
Advertising	5,150	•	(867)	4,283	4,262	21		1,752	1,752
Catering: Departmental activities	15	•			က	· 2	37.50	4	က
Communication	30	•	(11)		18	_	94.74		•
Computer services	214	•	(13)	201	202	(1)	100.50	82	84
Contractors		•	ς,	- (- (•	100.00	•	•
Consumable supplies		•		2 :	2 - 2	•	100.00 %		' ;
Consumable: Stationery, printing and office supplies	205	•	205	712	712	•	100.00 %	63	63
Transport provided: Departmental	80	1	(80)	1	1	'	% -	1	•
activity									
Travel and subsistence	947	•	(332)		909	6	98.54 %	80	83
Training and development	•	•	593	593	293	•	100.00 %		•
Operating payments	•	•	•	•	•	•	% -	189	189
Venues and facilities	55	•	(22)	•	•	•	% -	•	•
	7,064	•	(262)	6,469	6,431	38	99.41 %	2,182	2,180
Compensation of employees	13,131	•	88	1	13,217	3	% 86.66		11,443
Goods and services	7,064	-	(262)	6,469	6,431	38	99.41 %	2,182	2,180
Total current payments	20,195		(206)	19,689	19,648	41	% 62'66	13,625	13,623

Transfers and subsidies

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure	Actual Expenditure
2.4 Communication Services (continued)									
Households									
Social benefits	•	•	'	•	'	'	% -	09	09
Households	•	•	•	•	•	•	% -	09	09
Payments for financial assets	ı	1	2	2	2	'	100.00 %	1	1
Total current payments	20,195		(206)	19,689	19,648	41	% 62'66	13,625	13,623
Total transfers and subsidies	•	ı	'	•	•	'	% -	09	09
Total payments for financial assets	•	•	2	2	2	'	100.00 %	•	•
Total	20,195	•	(504)	19,691	19,650	41	% 6 2 .66	13,685	13,683

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				2021/2022				2020	2020/2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.5 Programme Support									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	2,687		(4)	2,683	2,682		99.96 %	6 2,425 % 378 %	2,425
	3,085		(12)	3,073	3,071	2	99.93 %	6 2,803	2,803
Goods and services									
Communication	53	•	' (0)		52	← (37
Iravel and subsistence	147	'	(20)	/71 (174	5	97.04 %	67	74
	200	•	(20)	180	176	4	% 82.76 1	9 %	61
Compensation of employees	3,085	•	(12)	3,	3,071	2		6 2,803	2,8
Goods and services	200	1	(20)	180	176	4	% 82.78 %	63	61
Total current payments	3,285	•	(32)	3,253	3,247	9	3 99.82 %	, 2,866	2,864
Total current payments	3,285	•	(32)	3,253	3,247	9		6 2,866	2,864
Total	3,285	•	(35)			w	99.82 %		2,864

Figures in Rand thousand				2021/2022				2020/2021	,2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3. Programme 3 Policy and Governance	eo.								
Sub programme Special Programmes 3.1 Intergovernmental Relations 3.2 Provincial & Policy Management 3.3 Programme Support 3.4	95,729 7,416 36,799 991	1 1 1 1	(688) (400) (4,233) (778)	95,041 7,016 32,566 213	94,470 6,850 32,062 160	571 166 504 53	99.40 % 97.63 % 98.45 % 75.12 %	5,677 6,110 33,480 382	5,659 6,107 33,504 379
Subtotal	140,935		(6,099)	134,836	133,542	1,294	99.04 %	45,649	45,649
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	36,546 5,587	1 1	(1,219) (264)	35,327 5,323	35,263 5,288	64 35	99.82 % 99.34 %	31,131 4,827	31,131 4,827
	42,133	1	(1,483)	40,650	40,551	66	% 92.66	35,958	35,958
Goods and services									
Administrative fees	377	1	136	513	471	42	91.81 %		25
Advertising	832	1	(247)	585	583	137	99.66 %	260	260 95
Catering, Departmental activities Communication	3,682		(41)	2,378	2,347	31	98.70 %	3,7	3,745
Computer services	276	1	(276)			'	% -		
Consultants: Business and advisory	2,950	1	(1,464)	1,486	1,485	~	99.93 %	4,594	4,617
Services Contractors	25	'	76	101	80	13	87.13 %	'	,
Consumable supplies	11	•	15	26	19	16	38.46 %	•	•
Consumable: Stationery, printing and	70	1	(20)		•	1	% -	1	'
office supplies Transport provided: Departmental	875	•	16	891	837	54	93.94 %	1	•
activity Travel and subsistence	4 184	'	(581)	3 603	2 890	713	80 21 %	496	474
Training and development	55	1	(52)		Î		% -		: '

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Operating payments Venues and facilities Rental and hiring	122 1,250 1,200	1 1 1	(10) (557) (254)	112 693 946	111 550 945	143 143	99.11 % 79.37 % 99.89 %	16 154	16 154 -
	16,781		(4,616)	12,165	11,017	1,148	% 99.06	986,6	9,386
Compensation of employees Goods and services	42,133 16,781		(1,483) (4,616)	40,650 12,165	40,551 11,017	99 1,148	99.76 % 90.56 %	35,958 9,386	35,958 9,386
Total current payments	58,914		(660'9)	52,815	51,568	1,247	97.64 %	45,344	45,344
Transfers and subsidies Public corporations and private enterprises Public corporations Other transfers to public corporations Public corporations	82,000 82,000			82,000 82,000	81,953 81,953	74 74	99.94 % 99.94 %		
Households Social benefits Public corporations and private	21 82,000		1 1	21 82,000	21 81,953	- 47	100.00 %	305	304
enterprises Households	21	•	1	21	21	•	100.00 %	305	304
Total transfers and subsidies	82,021			82,021	81,974	47	99.94 %	302	304
Total current payments Total transfers and subsidies Total	58,914 82,021 140,935		(660'9)	52,815 82,021 134,836	51,568 81,974 133,542	1,247 47 1,294	97.64 % 99.94 % 99.04 %	45,344 305 45,649	45,344 304 45,648

Appropriation Statement

Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.1 Special Programmes									
Economic classification									
Current payments Compensation of employees						;			
Salaries and wages Social contributions	7,720 1,293		(96) (34)	7,624 1,259	7,604 1,254	20 5	99.74 % 99.60 %	3,882	3,882 739
	9,013		(130)	8,883	8,858	25	99.72 %	4,621	4,621
Goods and services									
Administrative fees	123	•	(4)		92	27	77.31 %		13
Advertising	832	•	(247)	585	583	2	% 99.66	(1	260
Catering: Departmental activities	342	•	(80		143	119	54.58 %	, 10	14
Communication	14	•	_	15	8	7	53.33 %		•
Computer services	276	•	(276)			•	% -		•
Consultants: Business and advisory	006	•	586	1,486	1,485	_	99.93 %	586	582
services									
Contractors	25	•	•	25	2	23	8.00 %		•
Consumable supplies	8	•	_	6	•	6	% -		•
Transport provided: Departmental	175	•	63	238	184	54	77.31 %		•
activity					0	ļ			Č
Travel and subsistence	1,126	•	(101)	1,025	846	179	82.54 %	, 82	64
Training and development	5	•	(2)		•	•	% -		•
Venues and facilities	890	•	(496	394	316	78	80.20 %	, 102	102
	4,716	1	(228)	4,158	3,659	499	88.00 %	1,056	1,038
Compensation of employees	9,013	'	(130)			25	99.72 %		4,621
Goods and services	4,716	1	(558	4,158	3,659	499	88.00 %	1,056	1,038
Total current payments	13,729		(889)	13,041	12,517	524	% 86:36	5,677	5,659

Transfers and subsidies

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.1 Special Programmes (continued) Public corporations and private									
enterprises Public corporations									
Other transfers to public corporations	82,000	•	'	82,000	81,953	47	99.94 %		'
Public corporations	82,000	•	•	82,000	81,953	47	99.94 %	1	•
Public corporations and private enterprises	82,000	1	1	82,000	81,953	47	99.94 %		1
Total current payments	13,729	•	(889)	13,041	12,517	524	95.98 %	5,677	5,659
Total transfers and subsidies	82,000	•		82,000	81,953	47	99.94 %		'
Total	95,729		(889)	95,041	94,470	571	99.40 %	5,677	5,659

Appropriation Statement

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Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.2 Intergovernmental Relations									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	5,614 831		(200)	5,414 831	5,405 822	o o	99.83 % 98.92 %	5,171	5,171 813
	6,445		(200)	6,245	6,227	18	99.71 %	5,984	5,984
Goods and services Administrative fees	65		(56)	о .	σ	'	100.00 %	_	
Catering: Departmental activities	10	1	(10)		, '	'	% '	. —	_
Consumable supplies	2	1	(2)		•	1	% -		•
Travel and subsistence	808	1	(89)	741	593	148	80.03 %	_	106
Operating payments Venues and facilities	10 54		(10) (54)		1 1		% % ' ' '	10.	16 -
	950	1	(200)	750	602	148	80.27 %	, 126	123
Compensation of employees Goods and services	6,445 950		(200)	6,245 750	6,227	18	99.71 % 80.27 %	5,984	5,984
Total current payments	7,395		(400)	6,995	6,829	166	97.63 %	6,110	6,107
Transfers and subsidies									
Social benefits	21	1	•	21	21	•	100.00 %	.0	'
Households	21	1	1	21	21	•	100.00 %		1
Total current payments	7,395		(400)	9,6	6,829	166	97.63 %	6,110	6,107
Total	7,416		(400)	7,016	6,850	166	% 00.001 % 29.76	6,110	6,107

Appropriation Statement

Appropriation statement									
Figures in Rand thousand				2021/2022				2020	2020/2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.3 Provincial & Policy Management									
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	22,401 3,353	1 1	(233)	22,168	22,134 3,204	34 19	99.85 % 99.41 %	6 21,778 8 3,199	21,779
	25,754		(363)			53	% 62.66		24,978
Goods and services Administrative fees	184		196	380	366	41		, 12	12
Catering: Departmental activities	520	1	49		257	12	% 68.76		80
Communication	3,668	1	(1,305)	2,363	2,339	24		3,745	3,745
Services	7,000	1	(2,000,		ı	•			4,000,
Contractors	•	1	92		86	(10)	`	,0	1
Consumable supplies	•	1	16	16	6	, 7	56.25	,0	•
Consumable: Stationery, printing and	70	ı	(20)	1	1	1	% -	,0	1
onice supplies Transport provided: Departmental	700	•	(47)	(653	653	'	100.00 %	,0	ı
activity Travol and cultaintage	8000		(100)	1 704	1 4 4 7	727	01 11 0/	106	100
Training and development	2,200		(50)		/ ++ ,-	, cc	%		- 00
Operating payments	112	٠		112	111		99.11 %	,	'
Venues and facilities	283	•	(2)		211	65	76.45 %	6 52	52
Rental and hiring	1,200	1	(254)		945	_	% 68'66	,0	•
	11,045	·	(3,870)	7,175	6,724	451	93.71 %	% 8,198	8,222
Compensation of employees Goods and services	25,754 11,045		(3.870)	25,391	25,338	53	99.79 %	6 24,977 6 8,198	24,978
			0.000			2			1110
Total current payments	36,799	•	(4,233)	32,566	32,062	504	98.45 %	33,175	33,200

Appropriation Statement									
Figures in Rand thousand				2021/2022				2020/2021	021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation	Actual Expenditure

3.3 Provincial & Policy Management (continued)

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Transfers and subsidies Households								
Social benefits	1	•	1	,	1	% -	305	304
Households		•	•			% -	305	304
Total current payments	36,799	(4,233)	32,566	32,062	504	98.45 %	33,175	33,200
Total transfers and subsidies		•				% -	305	304
Total	36,799	(4,233)	32,566	32,062	504	98.45 %	33,480	33,504

Appropriation Statement

אלוס ליים מיים אליים לאלי									
Figures in Rand thousand				2021/2022				2020/2021	2021
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.4 Programme Support									
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	811	' '	(690)	121	120	7 7	99.17 % 80.00 %	300	300 76
	921		(190)	131	128	ဗ	97.71 %	376	376
Goods and services									
Administrative fees	5	1	'	5	4	_	80.00 %	_	'
Consumable supplies	_	•	'	_	_	•	100.00 %	. 0	•
Travel and subsistence	41	•	12	53	4	49	7.55 %	5	က
Venues and facilities	23	•	•	23	23	•	100.00 %	. 0	•
	70	1	12	82	32	20	39.02 %	9	ဂ
Compensation of employees	921	1	(190)	_	128	3	97.71 %	376	376
Goods and services	70	1	12		32	20			က
Total current payments	991		(778)	213	160	53	75.12 %	382	379
Total current payments	991	'	(778)	213	160	53	75.12 %	382	379
Total	991	•	(178)		160	53	75.12 %		379

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Appropriation Statement

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the annual financial statements.

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

Detail of these transactions can be viewed in note 1 Annual appropriation to the annual financial statements.

3. Detail on payments for financial assets

Details of these transactions per programme 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

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Programme 1 Administration	148,881	148,748	133	0.1 %
Programme 2 Institutional Development	70,187	69,818	369	0.5 %
Programme 3 Policy and Governance	134,836	133,542	1,294	1.0 %

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments Compensation of employees Goods and services	158,181 94,538	157,997 93,173	184 1,365	- % 1 %
Transfers and subsidies Provinces and municipalities Public corporations and private enterprises Households	32 82,000 2,865	24 81,953 2,679	8 47 186	25 % - % 6 %
Payments for capital assets Machinery and equipment Intangible assets	16,243 20	16,238 20	5 -	- % - %
Payments for financial assets	25	25	-	- %

There is no material deviation under different economic classification except Transfers and subsidies which can be attributed to savings realised through payment of gratuties and licences.

(Vote number 1)
Annual Financial Statements for the year ended 31 March 2022

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2021/2022	2020/2021 Restated*
Revenue			
Annual appropriation	1	353,904	237,697
Departmental revenue Total revenue	2	205 354,109	1,853 239,550
		, , , , ,	,
Expenditure Current expenditure		251,169	232,338
Transfers and subsidies		84,656	788
Expenditure for capital assets		16,258	2,279
Payments for financial assets		25	56
Current expenditure			
Compensation of employees	3	157,997	144,445
Goods and services	4	93,172	87,893
Total current expenditure		251,169	232,338
Transfers and subsidies			
Transfers and subsidies	6	84,656	788
Expenditure for capital assets			
Tangible assets	7	16,238	2,183
Intangible assets	7	20	96
Total expenditure for capital assets		16,258	2,279
Payments for financial assets	5	25	56
Total current expenditure		251,169	232,338
Total transfers and subsidies		84,656	788
Total expenditure for capital assets		16,258	2,279
Total payments for financial assets Total expenditure		25 352,108	56 235,461
Total revenue		354,109	239,550
Total expenditure Surplus for the year		(352,108) 2,001	(235,461) 4,089
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		1,796	2,236
		2,001	4,089
		(205)	(1,853)
		1,796	2,236
Voted funds	40	1,796	2,236
Departmental revenue and NRF Receipts	13	205	1,853
Surplus for the year		2,001	4,089

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Annual Financial Statements for the year ended 31 March 2022

Statement of Financial Position as at 31 March 2022

Figures in Rand thousand	Note(s)	2021/2022	2020/2021 Restated*
Assets			
Current Assets			
Cash and cash equivalents	9	395	-
Prepayments and advances	10	42	177
Receivables	11	3,492	2,445
		3,929	2,622
Non-Current Assets		-	-
Current Assets		3,929	2,622
Total Assets		3,929	2,622
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	12	1,796	2,235
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	2,133	181
Bank overdraft	14	-	192
Payables	15	-	14
		3,929	2,622
Non-Current Liabilities		-	-
Current Liabilities		3,929	2,622
Total Liabilities		3,929	2,622
Assets		3,929	2,622
Liabilities		(3,929)	(2,622)

(Vote number 1)
Annual Financial Statements for the year ended 31 March 2022

Statement of Changes in Net Assets

Figures in Rand thousand	Note	2021/2022	2020/2021 Restated*
Capitalisation reserves Opening balance Transfers: Movement in Equity Movement in operational funds Other movements		- - - -	- - -
Closing balance		-	
Recoverable revenue Opening balance Transfers: Irrecoverable amounts written off Debts revised Debts recovered (incl in dept receipts) Debts raised	5.2	- - - -	-
Closing balance		-	-
Retained funds Opening balance Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY) Utilised during the year Other transfers		- - - -	- - - -
Closing balance		-	_
Revaluation reserves Opening balance Revaluation adjustment Transfers Other		- - - -	- - - -
Closing balance		-	-
Total		-	-

(Vote number 1) Annual Financial Statements for the year ended 31 March 2022

Cash Flow Statement

Figures in Rand thousand	Note(s)	2021/2022	2020/2021 Restated*
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	353,904	237,697
Departmental revenue received	2	672	2,966
Interest received	2.2	616	1,007
		355,192	241,670
Net (increase)/decrease in working capital		(926)	254
Surrendered to Revenue Fund		(3,269)	(29,666)
Current payments		(251,169)	(232,338)
Payments for financial assets		(25)	(56)
Transfers and subsidies paid		(84,656)	(788)
Total receipts		355,192	241,670
Total payments		(340,045)	(262,594)
Net cash flow available from operating activities	16	15,147	(20,924)
Cash flows from investing activities			
Payments for capital assets	7	(16,258)	(2,279)
Proceeds from sale of capital assets	2.3	1,698	189
Net cash flows from investing activities		(14,560)	(2,090)
Cash and cash equivalents at beginning of period		(192)	22,822
Net increase/(decrease) in cash and cash equivalents		587	(23,014)
Cash and cash equivalents at the end of the year	17	395	(192)

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Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

Summary of significant accounting policies

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

2. Going concern

The annual 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 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 ().

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand 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 annual financial statements. Where necessary figures included in the prior period annual 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 annual 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.

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Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

7. Revenue

7.1 Appropriated funds

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

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

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

7.2 Departmental revenue

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

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

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the annual 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.

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

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

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

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

8.3 Accruals and payables not recognised

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

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Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

8. Expenditure (continued)

8.4 Leases

8.4.1 Operating leases

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

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

8.4.2 Finance leases

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

The finance lease commitments are recorded in the notes to the annual 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 annual financial statements on the date of receipt and is measured at fair value.

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

9.2 Aid assistance paid

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

10. Cash and cash equivalents

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

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

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

11. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

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.

(Vote number 1)

Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

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 annual 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 annual 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 annual financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the annual 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.

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

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.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the annual 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 annual financial statements when the department commences the development phase of the project.

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Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

16. Capital assets (continued)

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.

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

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 annual 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 annual 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 annual 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

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the annual financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

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

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

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Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the annual financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are derecognised when settled or subsequently written-off as irrecoverable.

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

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

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

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual 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 annual financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the annual financial statements where appropriate.

24. 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.

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Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

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 annual financial statements when the transaction is not at arm's length.

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

30. Employee benefits

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

31. Transfers of functions

Transfers 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.

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.

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note	2021/2022	2020/2021

1. Annual appropriation

1.1 Annual appropriation

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

Figures in Rand thousand	2021/2022		2020	/2021	
	Final	Actual Funds	Final	Appropriation	
Programme 1 Administration	Appropriation 148,881	Received 148,881	Appropriation 125,728	received 125,728	
Programme 2 Institutional Development	70,187	70,187	66,320	66,320	
Programme 3 Policy and Governance	134,836	134,836	45,649	45,649	
Total	353,904	353,904	237,697	237,697	
2. Departmental revenue					
Sales of goods and services other than capital assets		2.1	176	184	
Interest, dividends and rent on land		2.2	616	1,007	
Sales of capital assets Transactions in financial assets and liabilities		2.3 2.4	1,698 496	189 2,782	
Total revenue collected		2.4	2,986	4,162	
Less: Own revenue included in appropriation		13	2,781	2,309	
Departmental revenue collected			205	1,853	
2.1 Sales of goods and services other than capital assets					
Sales by market establishment Other sales			88 88	102 82	
Sales of goods and services produced by the department NOTES_137_03_04			176 176	184 184	
Other sales compromises of commision insurance.					
2.2 Interest, dividends and rent on land					
Interest			616	1,007	
2.3 Sales of capital assets					
Tangible assets					
Machinery and equipment		29	1,698	189	
Tangible assets			1,698	189	
2.4 Transactions in financial assets and liabilities					
Receivables			9	10	
Other receipts including recoverable revenue			487	2,772	
Total		2	496	2,782	

Other receipts including recoverable revenue compromises of receivables of previous years expenditure and unallocated credits.

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s) 2021/2022	2020/2021
3. Compensation of employees		
3.1 Salaries and wages		
Basic salary	103,682	98,799
Performance award	967	1,109
Service based	116	231
Compensative/circumstantial	6,940	4,384
Other non-pensionable allowances	26,245	21,092
Fotal Total	137,950	125,615

Employer contributions		
Pension	13,280	12,680
Medical	6,697	6,124
Bargaining council	25	22
Insurance	45	4
Total	20,047	18,830
Total compensation of employees	157,997	144,445
Average number of employees	225	221

Average number of employees include 9 interns and 216 of permanent personnel.

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
4. Goods and services			
Administrative fees		1,080	243
Advertising		6,566	6,649
Minor assets	4.1	80	171
Catering		1,280	471
Communication		18,356	12,629
Computer services	4.2	1,288	21,675
Consultants: Business and advisory services		10,661	20,905
Legal services		6,112	329
Contractors		1,333	6
Audit cost - external	4.3	5,571	7,044
Fleet services		2,649	1,844
Consumables	4.4	4,611	2,059
Operating leases		940	467
Property payments	4.5	9,476	5,223
Rental and hiring		955	-
Transport provided as part of the departmental activities		852	-
Travel and subsistence	4.6	17,042	7,338
Venues and facilities		2,162	362
Training and development		2,045	244
Other operating expenditure	4.7	113	234
Total		93,172	87,893

Other operating activities compromises of courier services, laundry services, non-life insurance, printing and publication, professional bodies and resettlement costs.

4.1 Minor assets

Tangible assets Machinery and equipment Tangible assets		80 80	171 171
4.2 Computer services			
SITA computer services		1,288	544
External computer service providers		-	21,131
Total	4	1,288	21,675

In the previous year the Office of the Premier was qualified on the R21 131 000 due to lack of supporting evidence to cornfirm that the service was received. Subsequently the Office commisioned an independent investigation which recommend that an amount 0f R7 637 000.00 must be reimbursed by the service provider. Consequently the Office wrote a letter of demand to the service provider demanding the above mentioned as per the recommendation of the investigation report.

4.3 Audit cost - external

Regularity audits	5,571	7,044	
4.4 Consumables			
Uniform and clothing	115	-	
Household supplies	848	550	
Building material and supplies	644	164	
IT consumables	139	_	
Other consumables	326	93	
Consumable supplies	2,072	807	

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Annual Financial Statements for the year ended 31 March 2022

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
4. Goods and services (continued)		2,539	1,252
Stationery, printing and office supplies Total	4	4,611	2,059
Total		4,011	2,000
Other consumables compromises of gifts and awards, medical supplies, bag ar	nd accessories.		
4.5 Property payments			
Municipal services		8,875	4,247
Other		601	976
Total	4	9,476	5,223
Other compromises of cleaning services.			
4.6 Travel and subsistence			
Local		16,774	7,13
Foreign		268	203
Total	4	17,042	7,338
4.7 Other operating expenditure			
Professional bodies, membership and subscription fees		111	
Resettlement costs		-	16
Other		2	21′
Total	4	113	234
Other compromise of laundry service and courier and delivery			
4.8 Remuneration of a commission or committee			
	o. of nbers		
Audit Committe Risk Committe	10 1	1,938 56	
Total	4	1,994	

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Annual Financial Statements for the year ended 31 March 2022

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
5 Daymonto for financial accets			
5. Payments for financial assets Other material losses written off	5.1	25	56
5.1 Other material losses written off			
Nature of losses Debtors written off		25	56
5.2 Debts written off			
5.3 Details of theft			
6. Transfers and subsidies			
Provinces and municipalities	32	24	31
Public corporations and private enterprises Households	Annexure 1D Annexure 1G	81,953 2,679	- 757
Total		84,656	788
7. Expenditure for capital assets			
Tangible assets			
Machinery and equipment	29	16,238	2,183
Intangible assets Software	30	20	96
7.1 Analysis of funds utilised to acquire capital assets - 2021/2022			
Figures in Rand thousand		Voted funds	Total
		votod idildo	rotar
Tangible assets Machinery and equipment		16,238	16,238
Intangible assets Software		20	20
Tangible assets		16,238	16,238
Intangible assets Total		20 16,258	20 16,258
7.2 Analysis of funds utilised to acquire capital assets - 2020/2021			<u> </u>
Figures in Rand thousand		Voted funds	Total
Tangible assets Machinery and equipment		2,183	2,183
Intangible assets			
Software		96	96
Tangible assets Intangible assets		2,183 96	2,183 96
Total		2,279	2,279

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Annual Financial Statements for the year ended 31 March 2022

Figu	ures in Rand thousand	Note(s)	2021/2022	2020/2021
8.	Unauthorised expenditure			
	·			
9.	Cash and cash equivalents			
Con	nsolidated paymaster general account		(31,222)	-
Cas	sh receipts		31,617	-
Tota	al		395	-

Figures in Rand thousand

(Vote number 1)
Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

10. Prepayments and advances					
Travel and subsistence				42	177
Travel and subsistence compromises of ac	dvances given to emplo	yees and were no	ot cleared by m	onth end.	
11. Receivables					
Figures in Rand thousand		2021/20)22	2020/20)21
	Note	Current	Total	Current	Total
Recoverable expenditure	11.1	1,637	1,637	565	565
Staff debt Other receivables	11.2 11.3	1,434 421	1,434 421	1,456 424	1,456 424
Total	11.0	3,492	3,492	2,445	2,445
Other receivables compromises of supplies	r debtor				
11.1 Recoverable expenditure (disallov					
Sal:Income Tax	,			1,637	565
11.2 Staff debt					
Employees				46	49
Ex-employees				1,388	1,407
Total			11	1,434	1,456
11.3 Other receivables					
Supplier Debtors				421	424
12. Voted funds to be surrendered to	the Revenue Fund				
Opening balance				2,235	25,511
Transferred from statement of financial pe	rformance (as restated)			1,796	2,236
Paid during the year Closing balance				(2,235) 1,796	(25,512) 2,235
		and to the Decree		<u> </u>	<u> </u>
13. Departmental revenue and NRF Re	eceipts to be surrende	erea to the Revei	nue Funa		
Opening balance Transferred from statement of financial per	rformanaa (aa raatad)			181 205	173 1,853
Own revenue included in appropriation	normance (as resteu)		2	2,781	2,309
Paid during the year				(1,034)	(4,154)
Closing balance				2,133	181
14. Bank overdraft					
Consolidated paymaster general account					192

Note(s)

2021/2022

2020/2021

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
15. Payables - current			
Other payables	15.1		14
15.1 Other payables			
Magistrate court		-	14
16. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance Add back non cash/cash movements not deemed operating activities		2,001	4,089
(Increase)/decrease in receivables		(1,047)	205
(Increase)/decrease in prepayments and advances Increase/(decrease) in payables – current		135 (14)	42 7
Proceeds from sale of capital assets		(1,698)	(189)
Expenditure on capital assets		16,258	2,279
Surrenders to Revenue Fund		(3,269)	(29,666)
Own revenue included in appropriation		2,781	2,309
Net cash flow generated by operating activities		15,147	(20,924)
17. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated manuscript general account		(24.222)	(400)
Consolidated paymaster general account Cash receipts		(31,222) 31,617	(192) -
			(192) - (192)
		31,617	
Cash receipts		31,617	
Cash receipts 18. Contingent liabilities and contingent assets		31,617	
18. Contingent liabilities and contingent assets 18.1 Contingent liabilities		31,617	

Timing amounts of outflow cannot be reliably measured as these are legal matters.

Capital commitments

The Office does not have capital commitments to disclose for the current financial year.

20. Accruals and payables not recognised

20.1 Accruals

Figures in Rand thousand Listed by economic classification Goods and services	30 Days 3,441	2021/2022 30+ Days 2,786	Total 6,227	2020/2021 Total 12,388
Listed by programme level Programme 1 Administration Programme 2 Institutional Development Programme 3 Policy and Governance			4,924 827 476	7,671 2,241 2,476
Total			6,227	12,388

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
20 Accruals and payables not recognized (continued)			
20. Accruals and payables not recognised (continued)			
20.2 Payables not recognised			
Figures in Rand thousand	2021/2	2022	2020/2021
Listed by economic classification Goods and services	30+ Days 15,029	Total 15,029	Total 15,335
Listed by programme level			
Programme 1 Administration		15,029	15,286
Programme 2 Institutional Development Programme 3 Policy and Governance		-	35 14
Total		15,029	
Total		15,029	15,335
Included in the above totals are the following: Confirmed balances with other departments	Annexure 5	194	1,391
21. Employee benefits			
Leave entitlement		11,771	12,550
Service bonus (Thirteenth cheque)		3,891	3,701
Performance awards		7 007	916
Capped leave commitments Other		7,037 182	7,018 160
Total		22,881	24,345

Other compromises of long term service awards that are due to be paid in the 2022/23 financial year. At this stage the department is not able to reliably measure the long term portion of the long servie awards.

Lease commitments

22.1 Operating leases

2021/2022

Figures in Rand thousand	Machinery and equipment	Total
Not later than 1 year	139	139
Later than 1 year and not later than 5 years	730	730
Total lease commitments	869	869
2020/2021		
Figures in Rand thousand	Machinery and	Total
	equipment	
Not later than 1 year	299	299
Later than 1 year and not later than 5 years	21	21
Total lease commitments	320	320

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Annual Financial Statements for the year ended 31 March 2022

	res in Rand thousand		lote(s)	2021/2022	2020/2021
23.	Accrued departmental revenue	е			
23.1	Analysis of accrued departme	ntal revenue			
Ope	ning balance			_	3,542
	::Amounts received :: Amounts written-off/reversed as	s irrecoverable		-	(2,388 (1,154
Tota	I			-	
24.	Irregular expenditure				
24.1	Reconciliation of irregular exp	penditure			
	ning balance Irregular expenditure - related to	current year	24.2	462,969 9,161	415,958 47,011
Clos	sing balance			472,130	462,969
	Details of current and prior ye	ar irregular expenditure – added current year (u	nder de	472,130 termination an	
24.2 inve	Details of current and prior ye stigation)	ar irregular expenditure – added current year (u	nder de	,	462,969 ad 2021/2022
24.2 inve	Details of current and prior ye stigation) res in Rand thousand	ar irregular expenditure – added current year (un Disciplinary steps taken/ Criminal proceedin Under investigation		,	d
24.2 inve Figu Incid	Details of current and prior ye stigation) res in Rand thousand	Disciplinary steps taken/ Criminal proceedin Under investigation		,	2021/2022
24.2 inve Figu Incio	Details of current and prior ye stigation) res in Rand thousand dent compliance to SCM regulations	Disciplinary steps taken/ Criminal proceedin Under investigation		,	2021/2022
24.2 inve Figu Incid Non- 25. 25.1	Details of current and prior ye stigation) res in Rand thousand dent -compliance to SCM regulations Fruitless and wasteful expend	Disciplinary steps taken/ Criminal proceedin Under investigation liture wasteful expenditure		,	9,161
Figu Incid Non- 25. 25.1 Ope Fruit	Details of current and prior ye stigation) res in Rand thousand dent -compliance to SCM regulations Fruitless and wasteful expendence to Reconciliation of fruitless and the polynomial palance	Disciplinary steps taken/ Criminal proceedin Under investigation liture wasteful expenditure	gs	termination an	2021/2022 9,161 10,995 46
24.2 inve Figu Incid Non- 25. 25.1 Ope Fruit Clos	Details of current and prior yestigation) res in Rand thousand dent compliance to SCM regulations Fruitless and wasteful expending balance less and wasteful expenditure — resing balance	Disciplinary steps taken/ Criminal proceedin Under investigation liture wasteful expenditure	gs 25.2	11,041 16 11,057	2021/2022 9,161 10,995 46 11,041
24.2 inve Figu Incie Non- 25. 25.1 Ope Fruit Clos	Details of current and prior yestigation) res in Rand thousand dent -compliance to SCM regulations Fruitless and wasteful expending balance less and wasteful expenditure – resing balance Details of current and prior yes investigation) res in Rand thousand	Disciplinary steps taken/ Criminal proceeding Under investigation liture I wasteful expenditure elating to current year	gs 25.2 urrent y	11,041 16 11,057	2021/2022 9,161 10,995 46 11,041

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Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
26. Related party transactions			
Payments made			
Transfers and Subsidies		81,953	-
Year end balances arising from revenue/payments			
Receivables from related parties		40,741	-
In kind goods and services provided/received			
List in kind goods and services between the department and the related party All departments under the common control of the Mpumalanga Provincial Legislature are all related parties. During the year under review the Office of the Premier received accommodation services free of charge from the Department of Public Works, Roads and Transport which are related party. Pursuant to a determination and approval by the Provinvial Treasury, the Office of the Premier provide services for the Audit Committee and Internal Audit through the shared services in the Office of the Premier, to the following Provincial departments: Department of Human Settlement; Department of Culture, Sports & Recreation; Department of Community Safety and Liason; and Department of Co-operative Governance and Traditional Affairs. The Department was responsible for funding the shared Internal Audit Committees and Audit Committee of the shared services, however the services were provided free of charge to the above mentioned departments.)	-	-

List related party relationships and the nature thereof

The Office of the Premier has entered into a Memorandum of Understanding with Mega to disburse funds of the Mpumalanga Youth Fund to beneficiaries.

27. Key management personnel

	No. of Individuals		
Political office bearers Total	1	2,282 2,282	2,260 2,260
Officials:	<u>'</u>		
Level 15 to 16	2	3,185	2,962
Level 14 (incl. CFO if at a lower level)	11	11,584	9,213
Other lower than level 14	2	2,039	1,939
Family members of key management personnel	1	706	-
Total		19,796	16,374
28. Provisions			
CM Churchill		7,595	7,595

There was a court ruling from the Supreme Court of Appeal on this case however the matter was reffered to the high court to quantify the amount.

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Annual Financial Statements for the year ended 31 March 2022

Figures in Rand thousand	Note(s)	2021/2022	2020/2021
28. Provisions (continued)			
28.1 Reconciliation of movement in provisions - 2021/2022			
Figures in Rand thousand		Churchill vs Premier	Total provisions
		(889/2019)	·
Opening balance		7,595	7,595
ncrease in provision Settlement of provision		-	-
Jnused amount reversed		-	
Reimbursement expected from third party		_	
Change in provision due to change in estimation of inputs		-	-
Closing balance		7,595	7,595
28.2 Reconciliation of movement in provisions - 2020/2021			
Figures in Rand thousand		Churchill vs Premier (889/2019)	Total provisions
Opening balance Increase in provision		7,595	- 7,595
Settlement of provision		7,595	7,595
Jnused amount reversed		-	-
Reimbursement expected from third party		-	-
Change in provision due to change in estimation of inputs		-	-
Closing balance		7,595	7,595

(Vote number 1)

Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2021/2022	2020/2021

29. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2022

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	13,377	1,691	(5,311)	9,757
Computer equipment	16,166	6,861	-	23,027
Furniture and office equipment	6,277	5,716	_	11,993
Other machinery and equipment	5,663	133	-	5,796
Total movable tangible capital assets	41,483	14,401	(5,311)	50,573

Movable tangible capital assets under investigation

Figures in Rand thousand	Number	Value
Included in the above total of the movable tangible capital assets per the asset		
register are assets that are under investigation:		
Machinery and equipment	24	1,195

29.1 Movement for 2020/2021

Movement in movable tangible capital assets per asset register for the year ended 31 March 2021

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	14,049	-	(672)	13,377
Computer equipment	12,479	3,687	-	16,166
Furniture and office equipment	5,845	432	-	6,277
Other machinery and equipment	5,663	-	-	5,663
Total movable tangible capital assets	38,036	4,119	(672)	41,483

29.2 Minor assets

Movement in minor assets per the asset register for the year ended as at 31 March 2022

Figures in Rand thousand	•	achinery and equipment	Total
Opening balance Additions	2 -	4,359 94	4,361 94
Total minor assets	2	4,453	4,455
Figures in Rand thousand		achinery and equipment	Total
Number of minor assets at cost		3,567	3,567

Minor capital assets under investigation

Figures in Rand thousand	Number	Value
Machinery and equipment	38	87

Assets that could not be verified

Movement in minor assets per the asset register for the year ended as at 31 March 2021

(Vote number 1)
Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand		Note(s)	2021/2022	2020/2021
29. Movable Tangible Capital Assets (continued) Figures in Rand thousand Opening balance Additions		Intangible assets 2	Machinery and equipment 4,188	Total 4,190 171
Total minor assets		2	4,359	4,36
				-
Figures in Rand thousand			Machinery and equipment	Total
Number of R1 minor assets			3,539	3,539
Movable assets written off for the year ended as at 3	1 March 2022			
Movable assets written off for the year ended as at 3	1 March 2021			
30. Intangible Capital Assets				
Movement in intangible capital assets per asset regi	ster for the year ended	l 31 March 2022		
Figures in Rand thousand		Opening	Additions	Closing
Software		balance 60,458	20	balance 60,47
Intangible capital assets under investigation				
Figures in Rand thousand Included in the above total of the minor capital asset assets that are under investigation: Software	ts per the asset registe	er are	Number 7	Value 20
30.1 Movement for 31 March 2021				
Movement in intangible capital assets per asset regi	ster for the year ended	l 31 March 2021		
Figures in Rand thousand		Opening	Additions	Closing
Software		balance 60,362	96	balance 60,458
31. Prior period errors				
31.1 Correction of prior period errors				
Figures in Rand thousand			2020/2021	
	Note	Amount bef error correction	Prior period error	Restated amount
Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Accruals Payables not recognised Provisions	19.1 19.2 28	12,147 15,343	240 (8) 7 505	12,38 15,33

The prior period error for Accruals was caused by ommiting previous years invoice from travel agencies and the Payables not Recognised error was due to a duplicated claims. The error in Provision is due to litigation from CM Churchill being reclassified to provision after court ruling.

28

7,595

35,317

7,595

7,827

27,490

Provisions

Net effect

(Vote number 1) Annual Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

Figures in Rand thousand

Statement of Conditional grants and other transfers to municipalities 32.

Figures in Rand thousand		2021/2022		2020/2021	2021
	Grant allocation		Expenditure		
	DoRA and Total other transfers Available	Total Available	Actual Transfer	Division of Revenue	Actual Transfer
Mbombela	32	32	24	ACI 32	31

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

COVID 19 Response Expenditure 33.

192 237 Goods services

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Annual Financial Statements for the year ended 31 March 2022

Annexures to the Annual Financial Statements (Unaudited)

Annexure 1D

Statement of transfers/subsidies to Public Corporations and Private Enterprises

Figures in Rand thousand		Transfe	Transfer allocation			Expen	Expenditure		2020/2021
Name of Public Corporations/ Private Enterprise	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds	Capital	Current	Final Appropriation

Public corporations

100 % 81,953 82,000 82,000 Mpumalanga Economic Growth Agency Subsidies

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

Annexures to the Annual Financial Statements (Unaudited)

Annexure 1G

Statement of transfers to Households

			-	
Act	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
20	20	7	14 %	9
1,400	1,400	1,337	% 96	•
665	665	625	94 %	
750	750	710	% 56	208
2,865	2,865	2,679		762
Act 50 1,400 665 750 2,865		50 1,400 665 750 2,865		7 1,337 625 710 2,679

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Annual Financial Statements for the year ended 31 March 2022

Annexures to the Annual Financial Statements (Unaudited)

Annexure 3B

Statement of contingent liabilities as at 31 March 2022

Nature of liabilities	Opening Balance 01 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Balance 31 March 2022
Figures in Rand thousand				
Claims against the department				
Markohill	32	-	-	32
Rienna Charles	2,349	-	(2,349)) -
Mr Nyako Champ Mamaro	6,853	-	-	6,853
SP Xulu	-	3,210	-	3,210
Bakhusele Business Solution	-	8,712	-	8,712
MV Mahlalela	-	40,397	-	40,397
Subtotal	9,234	52,319	(2,349)	59,204

Litigation from CM Churchill was reclassified to provision after a court ruling.

(Vote number 1) Annual Financial Statements for the year ended 31 March 2022

Annexures to the Annual Financial Statements (Unaudited)

Annexure 4

Claims recoverable

439 439 2020/2021 Total 33 96 2021/2022 439 439 balance outstanding Unconfirmed 2020/2021 33 63 96 Confirmed balance outstanding 2021/2022 Department of Economic Development and Tourism Department of Public Works, Roads and Transport Figures in Rand thousand Government Entity Department Subtotal

(Vote number 1) Annual Financial Statements for the year ended 31 March 2022 Annexures to the Annual Financial Statements (Unaudited)

Annexure 5

Inter-Government payables

Government Entity	Confirmed balance outstanding	l balance nding	Unconfirmed balance	Total	tal
Figures in Rand thousand	2021/2022	2020/2021	2020/2021	2021/2022	2020/2021
Departments					
Current Department of Public Works, Roads and Transport	33	1,391	'	33	1,391
Department of Justice and Constitutional Development South African Police Services	161		421	161	421
Subtotal	194	1,391	421	194	1,812
Current Departments - Current	194 194	1,391 1,391	421 421	194 194	1,812 1,812

Annexures to the Annual Financial Statements (Unaudited)

Annexure 11

COVID 19 Response Expenditure Per quarter and in total

Per quarter and in total								
Figures in Rand thousand				2021/2022	2022			
Expenditure per economic classification	April	Мау	Jun	Subtotal Q1	Jul	Aug	Sep	Subtotal Q2
Goods services								
Cons Supp:Medical supplies	1	1	2	2	•	1	1	1
Cons Supp:Wash/clean detergent	'	•	89	89	•	•	'	•
Cons Supp:Uni/Prot clth&clothes	•	•	'	•	•	•	'	•
Procurement of signage	•	•	•	•	•	1	•	•
			20	20		•	•	•

(Vote number 1) Annual Financial Statements for the year ended 31 March 2022

Annexures to the Annual Financial Statements (Unaudited)

Annexure 11

COVID 19 Response Expenditure Per quarter and in total

Per quarter and in total

Figures in Rand thousand				2021/2022	:022				2021/2022 2020/2021	2020/2021
Expenditure per economic classification	Oct	Nov	Dec	Subtotal Q3	Jan	Feb	Mar	Subtotal Q4	Total	Total
Cons Supp:Medical supplies	1	22		22	89	1	•	89	148	42
Cons Supp:Wash/clean detergent	•	17	•	17	2	•	•	2	87	19
Cons Supp:Uni/Prot clth&clothes	'	•	'	•	2	1	'	2	2	129
Procurement of signage	•	•	•	•	•	•	'	•	•	2
	'	74	'	74	93		'	93	237	192







