



Western Cape
Government

Department of the Premier



ANNUAL REPORT 2013/14
Department of the Premier

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Part A



GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS AND ACRONYMS

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

ICAS	Independent Counselling Advisory Services
ICT	Information & Communication Technology
IDC	International Development Cooperation
IFMS	Integrated Financial Management System
IGC	Intergovernmental Committee
IMS	Information Management System
IRMSA	Institute of Risk Management of South Africa
IT	Information Technology
KPA	Key Performance Area
M&E	Monitoring and Evaluation
MEC	Member of Executive Council
MISS	Minimum Information Security Standards
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NGO	Non-governmental Organisation
NPO	Non-Profit Organisation
NQF	National Qualifications Framework
NTPSRMF	National Treasury Public Sector Risk Management Framework
OD	Organisation Development
OHSA	Occupational Health and Safety Act
PAA	Public Audit Act of South Africa
PAY	Premier's Advancement of Youth Project
PFMA	Public Finance Management Act
PILIR	Policy on Incapacity Leave and Ill Health Retirement
PMP	People Management Practices
POA	Programme of Action
PSO	Provincial Strategic Objective
PSP	Provincial Strategic Plan
PTE	People Training and Empowerment
PTI	Provincial Training Institute
PTMS	Provincial Transversal Management System
RBME	Results-based Monitoring and Evaluation
RLS	Regional Leaders Summit
SAP	Systems Applications Products
SAQA	South African Qualifications Authority
SASSA	South African Social Security Agency
SAPS	South African Police Services
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SHL	Seville & Holdsworth (Proprietary) Ltd
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
TR	Treasury Regulations
UNDP	United Nations Development Programme
VPUU	Violence Prevention through Urban Upgrading
WCED	Western Cape Education Department
WCG	Western Cape Government

3. FOREWORD BY THE PREMIER

The Western Cape Government (WCG) has made significant progress in strengthening good governance over the last five years. For the period under review, the WCG performed very well in the Management Performance Assessment Tool (MPAT) 1.3 cycle. The WCG achieved the highest percentage of management standards at level 4, while the top two performing departments across the country were from the Western Cape Government. According to the final moderated results of the 2013/14 MPAT cycle, the Western Cape performed exceedingly well and the Department of the Premier was scored as the best performing department with a staff complement of less than 2 000 countrywide in KPA2: Governance and Accountability. In October 2013 the Enterprise Risk Management (ERM) team of the Department of the Premier received the Industry Specific Risk Initiative Award relating to the Public Sector from the Institute of Risk Management of South Africa (IRMSA).



The implementation of the WCG's Modernisation Programme, which included the establishment of the Corporate Services Centre (CSC), led to improved efficiency and substantially reduced costs. The Provincial Treasury and the CSC implemented the Corporate Governance Review and Outlook and Governance Action Plans in all departments. The Department of the Premier received a clean audit report in 2013/14.

These achievements, among others, have cemented the WCG's reputation for good governance. Now that the institutional building blocks are in place, the next five-year term will be dedicated to making an even greater positive impact on the lives of the people in the Province, especially the poor.

The Department's work was guided by the strategic priorities contained in Provincial Strategic Objective (PSO) 12, which aims to establish the WCG as the best-run regional government in the world. A number of achievements have been recorded during the year under review.

A flagship initiative for the WCG is the Broadband Strategy and implementation plan which aims to co-ordinate and integrate government action to radically improve the provision of telecommunication infrastructure, skills and usage within the Province. The vision is that of a Western Cape where every citizen in every town and village has access to affordable high speed broadband infrastructure and services, has the necessary skills to be able to effectively utilise this infrastructure and is actively utilising this in their day to day lives. The WCG has concluded the Broadband agreement with the State Information Technology Agency (SITA) and Neotel who was the successful bidder.

The Department spent 99,1% of its budget and achieved 89% of its pre-determined objectives. It maintained and improved maturity levels in information technology, financial performance and conformance, programme and project management, results-based monitoring and evaluation, and spatial information management.

Policies and strategies on international relations, disability rights, human rights, youth development and violence prevention, among others, were developed in the year under review. The WCG has been conceptualising a Whole-of-Society approach to policy development, implementation and monitoring, which aims to draw on the energy and skills of citizens, including business and civil society role players. During the year under review the Premier's Advancement of Youth (PAY) project provided an opportunity for 728 matriculants to gain work experience as interns in the WCG. Of the 2011 intake, 27 were employed by the WCG, 36 were employed elsewhere, 63 enrolled at university and 81 enrolled in Further Education and Training (FET) and private colleges. Arrangements were made with a number of private employers, who made opportunities available to PAY interns.

A number of multi-year transversal ICT projects are now underway. Information systems include BizProjects, BizPerformance and BizBrain to enhance effectiveness and efficiency in governance; The management of performance is supported with key transversal management systems. These include the Annual Performance System (BizPerformance), Enterprise Project Management (BizProjects), and the Business Intelligence (BizBrain). The Business Process Optimisation (BPO) project, aimed at improving internal efficiency, has been initiated. The CSC is assisting the Department of Economic Development and Tourism to pilot the human resource module of the Integrated Financial Management System. The CSC is also supporting the Department of Cultural Affairs and Sport with the provincial implementation of MyContent (Enterprise Content Management System).

The Department provides the general public with enhanced access to information technology resources through eight contact channels that include amongst others the Contact Centre based at 142 Long Street, the Presidential Hotline and a total of 40 Cape Access Centres located in towns across the Western Cape. Through the Presidential Hotline the WGC managed to consistently maintain a resolution rate in excess of 98%. Seven new e-Centres were established in the year under review. These Centres also provide accredited IT training for citizens.

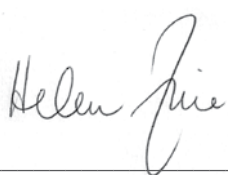
The Ce-I facilitates the development of ICT Plans for all WCG departments to ensure that all ICT initiatives and programmes are aligned to departmental goals and objectives. During the year under review the WCG achieved 100% sign-off rate of all departmental ICT Plans.

The Department also provides enterprise risk management, forensic investigative capacity and internal audit services to the WCG as a whole. A Legal Compliance Unit has been established to strengthen capacity to ensure compliance with the Promotion of Administrative Justice Act, the Promotion of Access to Information Act and other legislative requirements.

The Department coordinated the WCG participation in the Department of Performance Monitoring and Evaluation (DPME) in the Presidency's governance initiatives, including MPAT, the Forum of South African Directors-General (FOSAD) Plan, the Frontline Service Delivery Monitoring (FSDM) programme and the implementation of provincial evaluations in the WCG. The Department is central in institutionalising on a provincial level the key focus areas as implemented by The Department of Performance Monitoring and Evaluation (DPME) in the Presidency. These focus areas relate to MPAT, the Forum of South-African Directors-General (FOSAD), Frontline Service Delivery Monitoring (FSDM) and evaluations.

Overall the Department has made excellent progress in the year under review. It plays a critical governance and support role across all the departments in the WCG, which empowers departments to perform well in the annual audit and other governance measures. The many achievements of the Department of the Premier may go unnoticed among the public, but their benefits are felt in enhanced service delivery by departments across the province.

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



Helen Zille
Premier of the Western Cape
Date: 31 July 2014

4. REPORT OF THE ACCOUNTING OFFICER



4.1 Overview of the operations of the department

The main role and function of the Department of the Premier is to provide strategic and operational support to the Premier and the Provincial Cabinet to exercise their provincial executive authority in accordance with the Constitution of the Republic of South Africa, 1996, and the Constitution of the Western Cape, 1997. This entails coordinating the functions of the provincial administration and its departments through the development and implementation of legislation and policy. In support of the role and functions of the provincial Director-General, as reflected in section 7(3)(c) of the Public Service Act, the Department of the Premier therefore provided the following core functions:

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

During the year under review the Department continued to build its vision of becoming the “best-run regional government in the world” as contained in Provincial Strategic Objective 12 (PSO 12). All of the deliverables contributed in some way to the realisation of this strategic objective. In total, 89% of the Department’s deliverables were achieved, which exhibits progressive improvement from 68% achievement in 2011/12 and 80% achievement in 2012/13. In 2013/14 the Department attained a clean audit report for the first time in its history.

The results presented through the Management Performance Assessment Tool (MPAT) process provides a good measure of improved performance based on the Department’s strategic governance support since MPAT is implemented provincially through the Department. MPAT also measures a range of management practices in all departments where the Department of the Premier plays a leading support role or provides the actual service measured. In line with the development of the National Evaluation System, WCG served as a pilot for the development and implementation of evaluations across the country. The period under review saw the first year of implementation of the Provincial Evaluation Plan and also an update of this Plan with progress relating to the plan reflected in an Annual Evaluation Update.

The Department experienced relative stability during the period under review. Since it is a good practice from an efficiency perspective, and because it avails funds for core departmental activities, austerity measures instituted during the 2012/13 financial year were continued and deepened in line with the National Treasury Instruction on cost containment measures, which became effective 1 January 2014. The Department through its Programme: Provincial Strategic Management successfully coordinated the collective provincial response to the passing of former President Nelson Mandela. It enabled the province to celebrate the life of this icon of the world, his legacy and how the Western Cape Government can take it forward.

Other achievements include the development of an International Relations Strategy and a Youth Development Strategy which were both approved by Cabinet. The former Strategy focuses on

establishing and strengthening diplomatic ties with other African countries, BRICS countries, Regional Leaders' Summit (RLS) partner-countries, and lastly, not to neglect traditional markets. It also includes an approach to International Development Cooperation, from which support in pursuit of the Provincial Strategic Plan can be leveraged.

The Programme supported several priority projects, which include, among others, Cape Town as 2014 World Design Capital.

The Provincial Transversal Management System also continued to coordinate an integrated approach to the implementation of the Provincial Strategic Plan. A number of special policy projects were undertaken, including behavioural economics pilot projects aimed at changing behaviours such as increasing healthy lifestyles and reducing energy consumption. In collaboration with the Centre for e-Innovation and Provincial Treasury, the fourth phase in developing an integrated and automated provincial-wide monitoring and evaluation system was finalised. This phase saw the further development of BizProjects, BizPerformance and BizBrain information systems. The automation is aimed at a single point of access to relevant and reliable data and information, in a range of formats.

The Business Process Optimisation (BPO) project was conceptualised and instituted. The project initially focuses on the development of departmental process architectures, during which process selection criteria are developed to identify priority business processes to be optimised within each department. In addition to the initiation of the BPO project, core citizen-centric and support processes (with the focus on administrative efficiency) were identified across the WCG departments for improvement and to date 36 standard operating procedures (SOPs) have been completed (including business process tables and maps). The development of service charters (service standards included) was facilitated for all 13 departments. All related Batho Pele interventions were facilitated, including the coordination of the Africa Public Service Day and Public Service Month, facilitating bi-annual Service Delivery Reporting, and attending quarterly National Forums and hosting Provincial BPIAN meetings.

The Premier's Advancement of Youth (PAY) project is an attempt by the WCG to address the growing youth unemployment and skills challenge in South Africa. It does this by providing a number of matriculants from the previous year with experiential learning within the 13 government departments. During the one year internship the young people are exposed to skills development programmes and supported through mentorship, coaching and career guidance in order to make them more marketable and employable. The matriculants of 2011 were the first cohort to benefit from this decision. Candidates are recruited from secondary schools throughout the Western Cape. Much focus is placed on advocacy in community newspapers, community structures and government platforms, like the Access and Thusong Centres, to ensure that we reach all matriculants. A total of 728 PAY Interns were appointed in 2013/14. The project will be repeated in the 2014/15 financial year.

The introduction of the Human Capital Module (HCM) of the Integrated Financial Management System (IFMS) in the province saw the phased piloting of the system in one of our provincial departments. While the WCG has a Memorandum of Understanding (MOU) with the Department of Public Service and Administration (DPSA) as custodians of the HCM of IFMS and it has a business agreement with SITA as the implementing agent of IFMS, the further roll out of the system in its current form is dependent on national lead departments of IFMS, such as the National Treasury.

The Western Cape Government has committed to connecting the Western Cape to affordable, high speed broadband and has set clear targets for the roll-out of the broadband project. Through this broadband project the WCG will be able to improve its service delivery to citizens and reduce the per site cost of connectivity to WCG corporate sites and schools. After experiencing challenges in the procurement processes the project is back on track because of close collaboration between the WCG and SITA. It is envisaged that the first sites will be connected by May 2015 as per SITA project plan.

The Centre for e-Innovation has completed the modernisation process of its e-mail, directory services and anti-virus systems. Through this process shared e-mail and user accounts were eliminated by assigning individual user accounts and e-mail boxes to approved users. A key outcome of the migration process is the ability of Ce-I to manage the full WCG ICT user-base and that it can push policies and information to users either individually or in specified groups. Through this process the Ce-I also determined the true extent of its user-base having increased from 16 500 to 22 500.

Major strides were made in the ICT governance sphere to establish a common corporate-wide approach to ICT governance. This saw a shift from ICT governance to the true corporate governance of ICT. Though still in its infancy stage, ICT governance is being mainstreamed within all departments of the Western Cape Government. Mainstreaming the corporate governance of ICT implies the gradual shift of responsibility for ICT governance from the Centre for e-Innovation to departments.

Citizens are now able to engage government through eight contact channels that include the WCG Contact centre, the Presidential Hotline, the Internet and the WCG social media channels (Twitter, YouTube and Facebook). In order to improve access to information and services via the Web the WCG Portal was refreshed and content migrated to a Drupal platform, which is an open source web content management platform. One of the key advantages of this migration is the potential re-use of the library of web pages by other government entities without incurring significant costs.

All provincial departments scored well in the DPME assessment of the quality and existence of departmental ICT plans (MPAT moderated results). Key contributors to this success are the work put in by the Ce-I Planning and Development and ICT Governance teams, the excellent cooperation from departments as they are understanding the value of the ICT plans and, lastly, the completion of ICT plans being made compulsory in the annual budgeting and planning processes as prescribed by Provincial Treasury.

Challenges were experienced with the improvement of internal audit coverage, due to insufficient capacity. The application of the combined assurance principles in the development of the Internal Audit Plans during 2013/14 has shown some improved audit coverage and further improvement is envisaged subsequent to the full implementation of the Combined Assurance Framework due to the credible assessment of risks in all departments.

4.2 Overview of the financial results of the Department:

4.2.1 Departmental receipts

Departmental 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
	2013/2014			2012/2013		
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	643	3,170	(2,527)	603	670	(67)
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land	10	8	2	10	6	4
Sale of capital assets	-	10	(10)	-	1	(1)
Financial transactions in assets and liabilities	529	982	(453)	-	650	(650)
Total	1,182	4,170	(2,988)	613	1,327	(714)

The Department over-collected revenue by R2,988m by ensuring, on an ongoing basis, that all revenue is collected. The better than anticipated performance is mainly due to the fact that claims were received late for staff transferred to other departments (after the end of the previous financial year) and training courses. The Department ensured the optimal raising of revenue by evaluating tariffs on an annual basis and by continually evaluating measures to ensure efficiency and effectiveness.

After the conclusion of the MTEC process in January/February 2013, the introduction of tariffs to be charged by Ce-I for selected services was approved by PTM. This was done to address the growing demand for services by departments without a concomitant increase in Ce-I's budget to fund the increased requirements. The principle of 'user pay' therefore now applies to certain services. A tariff policy in this regard was developed and consulted at various platforms.

4.2.2 Programme Expenditure

Programme Name	Final Appropriation	Actual Expenditure	(Over)/ Under Collection	Final Appropriation	Actual Expenditure	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
	2013/2014			2012/2013		
Executive Support	67,468	67,259	209	68,372	68,120	252
Provincial Strategic Management (Strategic Programmes)	51,886	51,680	206	30,318	30,202	116
Human Capital (People Management)	148,867	142,556	6,311	138,262	138,070	192
Centre for E-Innovation	544,076	543,820	256	421,485	421,391	94
Corporate Assurance	90,808	89,222	1,586	89,544	89,382	162
Total	903,105	894,537	8,568	747,981	747,165	816

The Department spent 99,1% of its budget. The under-expenditure by R8,568,000 had no detrimental effect on service delivery, while measures were continuously evaluated in order to improve the economy and efficiency of spending. The main reason for the underspending was the slow implementation of the Business Process Optimisation and IFMS pilot projects. The Department continued with the austerity measures implemented in the previous financial year, which also contributed to the underspending.

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

4.2.3 Virements/roll-overs

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

During the year under review, the main division (programme) that had an over-expenditure was Programme 4: Centre for e-Innovation (R19,350m). The amounts were shifted from Programme 1: Executive Support (R2,668m), Programme 2: Provincial Strategic Management (Strategic Programmes) (R637,000), Programme 3: Human Capital (People Management) (R9,253m) and Programme 5: Corporate Assurance (R6,792m).

4.3 Fruitless and wasteful expenditure

Two cases of possible fruitless and wasteful expenditure were identified and reported on during the financial year. One case arose from an audit carried out by the South African Revenue Services (SARS) pertaining to the 2008 tax year. The amount (R9 730) was for tax not being deducted from officials and being paid over. The second case arose from an official not attending or cancelling their attendance at a course that had been paid for. In the first case the amount formed part of another amount and was finalised in the new financial year. In the second case this was transferred to receivables and based on a legal opinion, this amount (R3 000) was written off. There are still seven cases outstanding, which will be finalised in the new financial year.

4.4 Future plans of the department

In order for the Department of the Premier to deliver on its mandate, it will be necessary to create or increase capacity in the following functional areas:

- Legal Compliance Unit
- Internal Audit
- International Development Cooperation (IDC).
- People Management
- Monitoring and evaluation (specific to the Department of the Premier)
- Enterprise Risk Management
- Connected Government and Unified Communications
- Transversal Applications Development and Support
- ICT Governance Office.

4.5 Public Private Partnerships

No public private partnerships were entered into.

4.6 Discontinued activities / activities to be discontinued

No activities will be discontinued.

4.7 New or proposed activities

- Further embedding of Enterprise Risk Management practices to a subprogramme level across all departments in the Western Cape Government (R7 million required).
- Establishing a Monitoring and Evaluation capacity in the Department of the Premier, distinct from the transversal role performed by the Chief Directorate: Strategic Management Information (R3,146m required).

4.8 Supply chain management

Processes and systems are in place in Supply Chain Management to prevent irregular expenditure from occurring. However, the same cases may occur due to human error. Furthermore, if the goods or services are not procured via the provisioning system (LOGIS) and get paid through BAS, it is already too late to prevent irregular expenditure from occurring due to an invoice already being received .

The Department has concluded one unsolicited bid to the value of R4 572 407,37 with SHL South Africa for a period of three years after following due processes as per the Provincial Treasury Instructions (2012). The Department implemented checklists on compliancy, verified by the supply chain management unit, to detect potential irregular cases. Capacity constraints in the supply chain management area were attended to through the appointment of a senior manager. In addition, various interim measures were approved to reduce the capacity challenges. Approval was also obtained for a comprehensive Organisational Development assessment of the SCM structure, scheduled for the 2014/2015 financial year.

4.9 Gifts and donations received in kind from non-related parties

No gifts and donations were received by the Department.

4.10 Exemptions and deviations received from the National Treasury

There were no exemptions and deviations received.

4.11 Events after the reporting date

Negotiations with Neotel were concluded over a period of two months after the conditional awarding of the contract to provide WCG Broadband service for a period of ten years. The final award has been made with the total amount of the service over the ten year period being approximately R3,728 billion (consisting of R2,895 billion for Neotel and R833m for SITA). Service is due to start in August 2014.

In terms of the Policy on Incapacity Leave and Ill Health Retirement (PILIR), issued by the national Department of Public Service and Administration (DPSA), departments are required to appoint a Health Risk Manager (from the panel appointed by DPSA) to manage applications for incapacity leave.

The position of the Health Risk Manager (HRM) was not filled for a part of the 2013/2014 financial year under review, due to an interdict being granted by the North Gauteng High Court against the appointment of the panel, resulting in the DPSA instructing the Western Cape Government departments to hold all PILIR applications in abeyance pending finalisation of the dispute and appointment of such panel.

The applications for the incapacity leave could therefore not be approved within 30 days by the respective head of departments during the period where no HRM was appointed.

A register of all “stockpiled” PILIR applications received during the period from 31 December 2012 to 31 October 2013 of the departments administered by the Corporate Shared Services (CSC) was maintained. DPSA further instructed departments on 1 November 2013 that no stockpiled applications be referred to the HRMs pending a decision by the Minister of Public Service and Administration on how to deal with these cases. No such decision has been communicated as at the end of the current reporting period.

The employee cost expense on the statement of financial performance and the provision for leave liability disclosure note in the Departments’ annual financial statements may be overstated where the leave granted is subsequently declined and converted to unpaid and vacation leave after year-end. However, this cannot be determined at this stage.

4.12 Other

None.



Advocate Brent Gerber
Accounting Officer
Department of the Premier

Date: 31 July 2014

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2014.

Yours faithfully



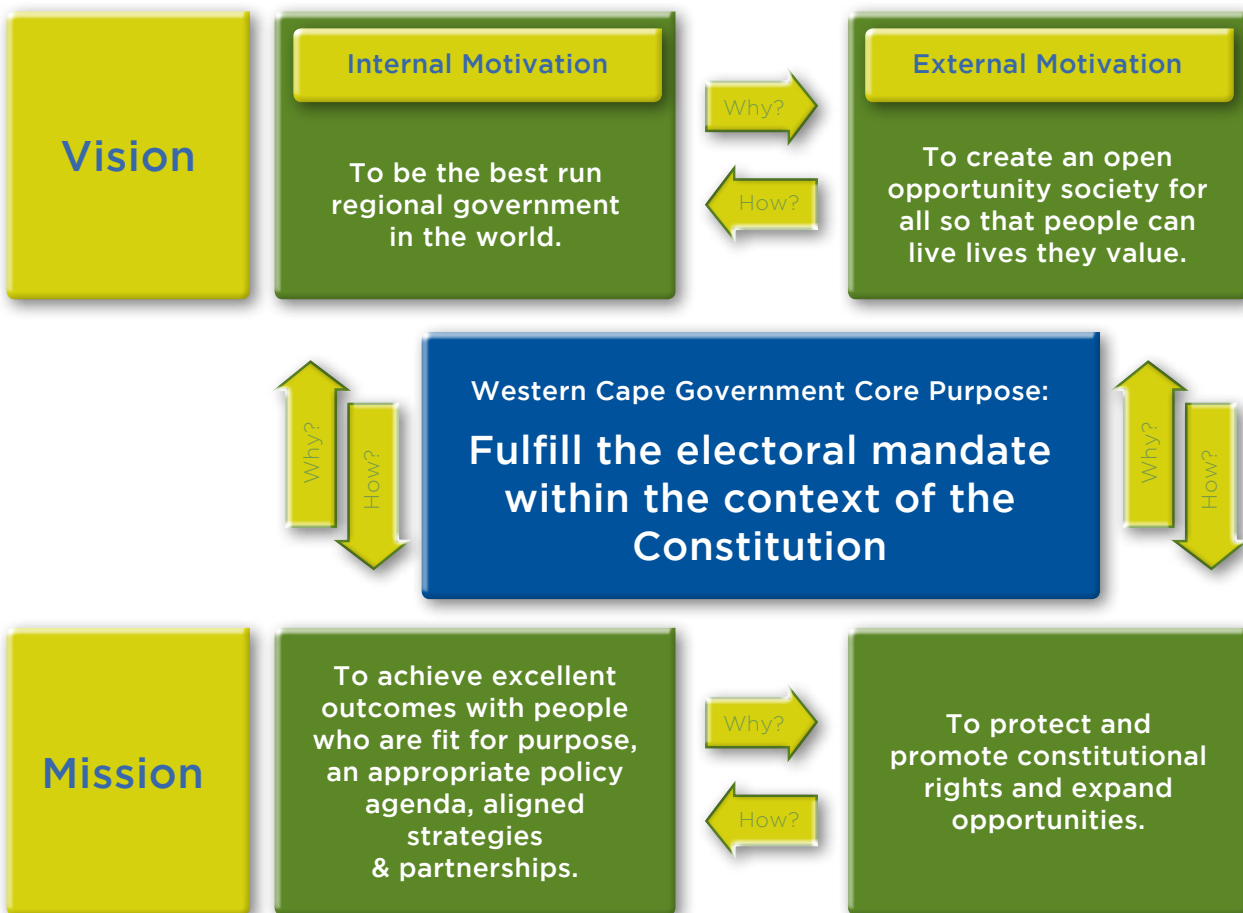
Adv. Brent Gerber
Director-General

6. STRATEGIC OVERVIEW

6.1. Vision and Mission

The Department of the Premier subscribes to the vision and mission of the Western Cape Government and seeks to contribute to the realisation of the internal provincial vision and mission as depicted in the diagram below.

WESTERN CAPE GOVERNMENT VISION AND MISSION



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

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

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

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

6.2. Values

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

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

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

Accountability (We take responsibility)

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

Integrity (To be honest and do the right thing)

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

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

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

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

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

7. LEGISLATIVE AND OTHER MANDATES

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

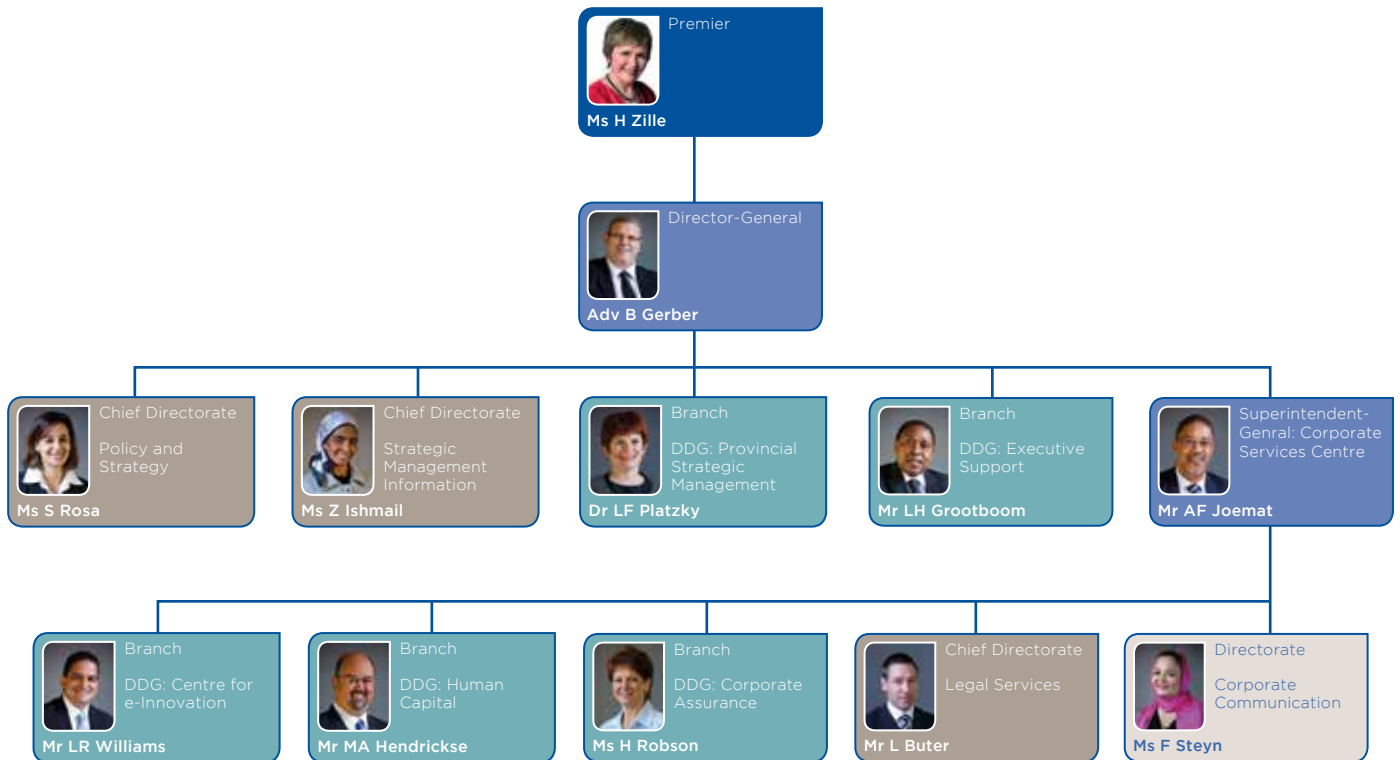
- Constitution of the Republic of South Africa, 1996
- Constitution of the Western Cape, 1997
- Promotion of Access to Information Act (Act 2 of 2000)
- Promotion of Administrative Justice Act (Act 3 of 2000)
- Intergovernmental Relations Framework Act (Act 13 of 2005)
- Public Finance Management Act (Act 1 of 1999)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)
- Broad-Based Black Economic Empowerment Act (Act 53 of 2003)
- Division of Revenue Act (annually)
- Public Service Act, 1994
- Pensions Fund Act (Act 24 of 1956)
- Income Tax Act (Act 58 of 1962)
- Occupational Health and Safety Act (Act 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993)
- Labour Relations Act (Act 66 of 1995)
- Promotion of Equality and Prevention of Unfair Discrimination Act (Act 4 of 2000)
- Government Employees Pension Law, Proclamation 21 of 1996
- Basic Conditions of Employment Act (Act 75 of 1997)
- Employment Equity Act (Act 55 of 1998)
- Skills Development Act (Act 97 of 1998)
- Skills Development Levies Act (Act 9 of 1999)
- National Archives and Record Service of South Africa Act (Act 43 of 1996)
- Prescription Act (Act 68 of 1969)
- Protected Disclosures Act (Act 26 of 2000)
- Prevention and Combating of Corrupt Activities Act (Act 12 of 2004)
- Financial Intelligence Centre Act (Act 38 of 2001)
- Electronic Communications Security (Pty) Ltd Act (Act 68 of 2002)
- Electronic Communications and Transactions Act (Act 25 of 2002)
- Public Audit Act (Act 25 of 2004)
- State Information Technology Agency Act (Act 88 of 1998)
- Provincial Archives and Records Service of the Western Cape Act (Act 3 of 2005)
- Western Cape Delegation of Powers Law (Law 7 of 1994)
- Western Cape Coat of Arms Act (Act 7 of 1998)
- Western Cape Provincial Commissions Act (Act 10 of 1998)
- Western Cape Provincial Honours Act (Act 9 of 1999)
- Consumer Protection Act (Act 68 of 2008)
- South African Qualifications Authority Act (Act 58 of 1995)
- National Qualifications Framework Act (Act 67 of 2008) (amended by Higher Education Laws Amendment Act (Act 26 of 2010))
- Government Immovable Asset Management Act (Act 19 of 2007)
- Public Service Regulations, 2001.

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

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

8. ORGANISATIONAL STRUCTURE

The following chart depicts the top management structure of the Department as at 31 March 2013. The Department's senior management structure is depicted in Annexure A of the report.



9. ENTITIES REPORTING TO THE PREMIER

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



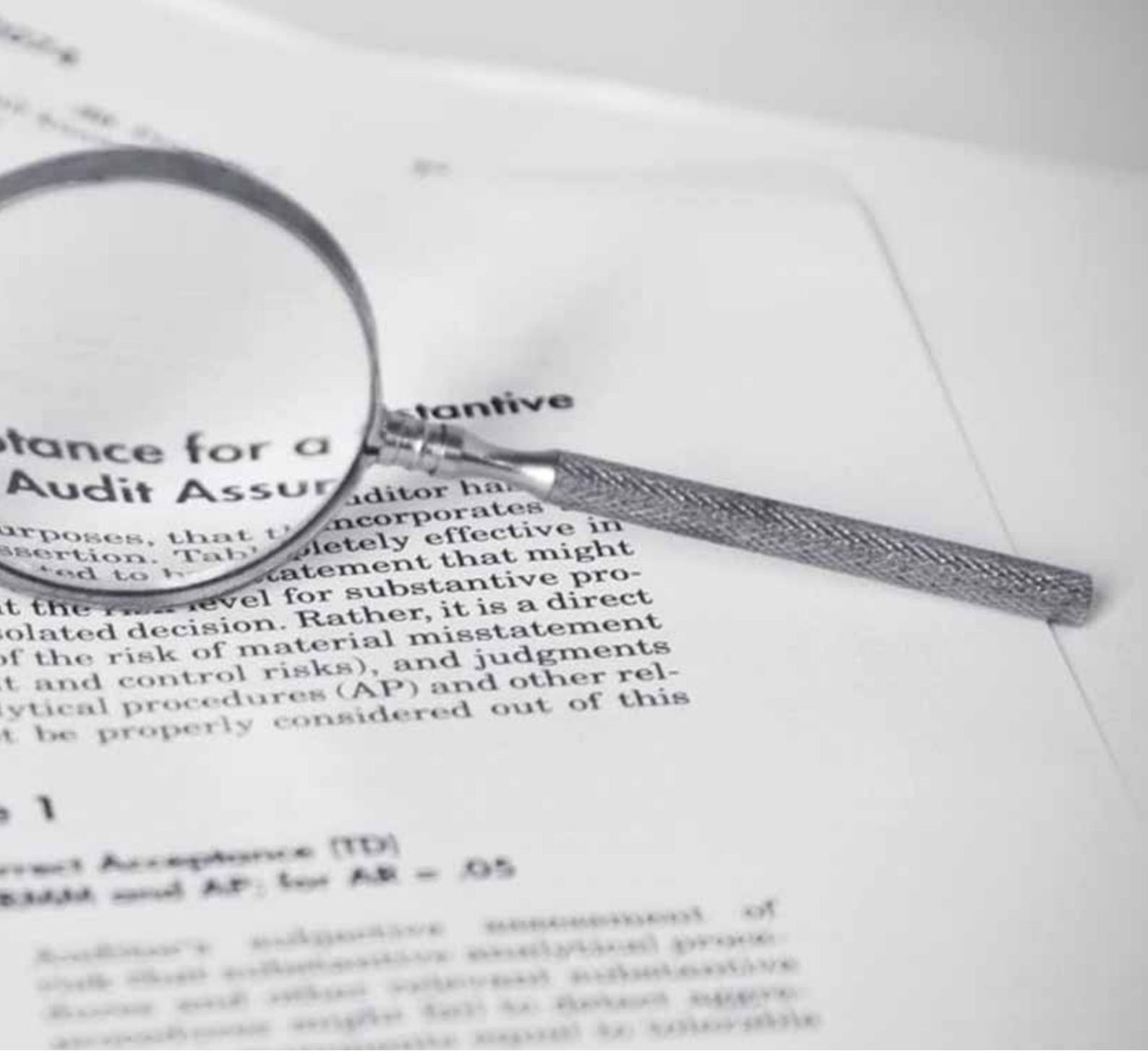
Appendix

Relating the Risk of Incorrect Test of Details to Other Sources of

In Table 1 it is assumed, for illustration, that the auditor has chosen an audit risk (AR) of 5 percent for the year-end financial statements on the premise that internal control cannot be relied upon to prevent or detect aggregate misstatements equal to or greater than the audit risk. The table also illustrates the fact that the risk of not detecting aggregate misstatements is not an independent risk. The consequence of the auditor's assessments of inherent risk (IR) and control risk (RMM) (combined assessments of inherent risk (IR) and control risk (RMM)) about the effectiveness of substantive analytical procedures (AP) and tests of details (TD), and it cannot be stated that the risk of not detecting aggregate misstatements in the context of the audit is the sum of the risks of not detecting aggregate misstatements in the context of the audit.

Table

Allowable Risk of Incorrect
for Various Assessments of



PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 172 (Report of the Auditor-General), published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

During the year under review the Department achieved 89% delivery of its performance targets as specified in the 2013/14 Annual Performance Plan, with the other 11% of the targets being partially achieved. Detailed performance on each of the indicators is given in the tables on performance indicators under point 5 in this section (section B of the Annual Report).

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

Over the past two financial years the overall growth in the baseline of the Department's budget was based on agreed service levels and did not cater for any increase in service demands from client departments. This, coupled with higher than anticipated salary increases as well as the constraining international and national financial situation, placed significant pressure on the budget available for service delivery.

The WCG IT user-base has grown from 16 500 to over 22 500 users. This has placed significant pressure on the Ce-I who has continued to grow its service offering without reducing its service standards. The number of buildings connected to the provincial computer network has also increased from 350 to over 400. The bandwidth capacity to 43 sites was upgraded to broadband speeds. Eleven of these were completed during the financial year under review.

DotP, Provincial Treasury and DEDAT have, in partnership with SITA, republished the WCG Broadband tender which was subsequently awarded to Neotel in June 2014. An interim structure for Broadband has been established within Ce-I and DEDAT to ensure readiness of the WCG to implement the WCG Broadband project.

The demand for public ICT access centres continues to grow as the Ce-I is engaging all municipalities on the establishing of e-centres. During the year under review public access to ICTs were increased through the addition of seven more Cape Access e-Centres in rural areas.

The Branch Corporate Assurance delivered its services in an environment where resources were limited

and had to be redirected to enable achievement of its indicators. To address this, the Chief Directorate: Internal Audit and Directorate: Enterprise Risk Management completed an annual planning process to balance available resources with the demand for services. This is however impacted by staff movements during the year and reducing a historical backlog, which then necessitates interim transition planning. The activities of the Forensic Investigative Unit are determined by the demand for its service and the nature and number of allegations received. Resources are assigned to investigations based on the criticality of the allegation and the resources available.

2.2 Service Delivery Improvement Plan

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



2.2.1 Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
The rendering of integrated e-government information, communication and technology services	Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas, within the Western Cape	a. Cape Access: 9 new Cape Access centres launched	a. Cape Access: 7 new Cape Access centres launched	a. Cape Access: 7 new Cape Access centres launched (Mbekweni, Paarl East, Zwelethemba, Kwa-Nonqaba, Kwa-Nokuthula, Bredasdorp, Hawston)
		b. Presidential Hotline: Current resolution rate: 80%	b. Presidential Hotline: Current resolution rate: 85%	b. Presidential Hotline: Current resolution rate: 99,11%
		c. WCG Portal Contact tickets: 4 500 000	c. WCG Portal Contact tickets: 4 750 000	c. WCG Portal Contact tickets: 13 958 885
		d. WCG Intranet Contact tickets: 1 700 000	d. WCG Intranet Contact tickets: 1 800 000	d. WCG Intranet Contact tickets: 2 692 699
		e. WCG Contact Centre Contact tickets: 90 000	e. WCG Contact Centre Contact tickets: 95 000	e. WCG Contact Centre Contact tickets: 141 670
		f. WCG Social Media Contact tickets: 0	f. WCG Social Media Contact tickets: 1 000	f. WCG Social Media Contact tickets: 4 286 (Twitter followers – 12 months)
		g. Cape Access User sessions: 80 000	g. Cape Access User sessions: 90 000	g. Cape Access User sessions: 251 992

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		h. Cape Access e-Skills training opportunities: 1 500	h. Cape Access e-Skills training opportunities: 1 800	h. Cape Access e-Skills training opportunities: 7 076
Frontline Service Delivery Improvement Monitoring	<ul style="list-style-type: none"> • National Cabinet • Provincial Cabinet • DPME • PTM • DotP • Management of selected Frontline Facilities 	a. Participated in the development of the assessment methodology	a. 33% (10) improvement monitoring assessments conducted as determined from 2012/13 baseline (33) assessments	a. 10 improvement monitoring assessments visits conducted
		b. 33 baseline monitoring	b. Development of improvement plans coordinated for the 10 identified improvement areas.	b. 10 improvement plans drafted and consulted with identified stakeholders
				Additional achievement:
				c. 16 baseline monitoring visits conducted
				d. Data trends in form of a database on frontline service findings developed

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

Current/actual arrangements	Desired arrangements	Actual achievements
The rendering of integrated e-government information, communication and technology services		
Consultation:		
a. User and Client Experience Surveys	a. User and Client Experience Surveys	a. User and Client Experience Surveys conducted
b. WCG Portal	b. WCG Portal	b. WCG Portal provided
c. WCG Contact Centre	c. WCG Contact Centre	c. WCG Contact Centre provided
d. WCG Intranet	d. WCG Intranet	d. WCG Intranet provided
e. Cape Access e-Skills training	e. Cape Access e-Skills training	e. Cape Access e-Skills training provided
f. Cape Access functional e-Centres	f. Cape Access functional e-Centres	f. Cape Access functional e-Centres provided
g. Presidential Hotline (Western Cape) resolution data	g. Presidential Hotline (Western Cape) resolution data	g. Presidential Hotline (Western Cape) provided
Access:		
e-Centres:	e-Centres:	e-Centres:
a. Beaufort West b. Bitterfontein c. Bongulethu d. Ceres e. Citrusdal f. Conville g. Doringbaai h. Dysseisdorp i. Elim j. Genadendal k. Gugulethu l. Illingeletu m. Klawer n. Ladismith o. Laingsburg p. Langebaan q. Louwville	a. Beaufort West b. Bitterfontein c. Bongulethu d. Ceres e. Citrusdal f. Conville g. Doringbaai h. Dysseisdorp i. Elim j. Genadendal k. Gugulethu l. Illingeletu m. Klawer n. Ladismith o. Laingsburg p. Langebaan q. Louwville	a. Beaufort West b. Bitterfontein c. Bongulethu d. Ceres e. Citrusdal f. Conville g. Doringbaai h. Dysseisdorp i. Elim j. Genadendal k. Gugulethu l. Illingeletu m. Klawer n. Ladismith o. Laingsburg p. Langebaan q. Louwville

Current/actual arrangements	Desired arrangements	Actual achievements
r. Mbwekeni s. Mosselbay t. Murraysburg u. Nduli v. Plettenberg Bay w. Prince Albert x. Riversdale y. Robertson z. Saturnus aa. Struisbaai bb. Swellendam cc. Thembalethu dd. Thembalethu Library ee. Van Rhynsdorp ff. Waboomskraal gg. Zolani	r. Mbwekeni s. Mosselbay t. Murraysburg u. Nduli v. Plettenberg Bay w. Prince Albert x. Riversdale y. Robertson z. Saturnus aa. Struisbaai bb. Swellendam cc. Thembalethu dd. Thembalethu Library ee. Van Rhynsdorp ff. Waboomskraal gg. Zolani	r. Mbwekeni s. Mosselbay t. Murraysburg u. Nduli v. Plettenberg Bay w. Prince Albert x. Riversdale y. Robertson z. Saturnus aa. Struisbaai bb. Swellendam cc. Thembalethu dd. Thembalethu Library ee. Van Rhynsdorp ff. Waboomskraal gg. Zolani
	hh. New Centres to be identified (7)	hh. 7 New Centres established: Mbekweni; Paarl East; Zwelethemba; Kwa-Nonqaba; Kwa-Nokuthula; Bredasdorp; Hawston
(e-Centre contact details on request.)	(e-Centre contact details on request.)	(e-Centre contact details on request.)
WCG Intranet:	WCG Intranet:	WCG Intranet:
a. http://inrawp.pgwc.gov.za/	a. http://inrawp.pgwc.gov.za/	a. http://inrawp.pgwc.gov.za/
WCG Contact Centre:	WCG Contact Centre:	WCG Contact Centre:
a. Walk-in Centre: 142 Long Street b. Call Centre: 0860 142 142 c. E-mail Centre: service@westerncape.gov.za d. Fax Centre: 021 483 7216	a. Walk-in Centre: 142 Long Street b. Call Centre: 0860 142 142 c. E-mail Centre: service@westerncape.gov.za d. Fax Centre: 021 483 7216	a. Walk-in Centre: 142 Long Street b. Call Centre: 0860 142 142 c. E-mail Centre: service@westerncape.gov.za d. Fax Centre: 021 483 7216

Current/actual arrangements	Desired arrangements	Actual achievements
The rendering of integrated e-government information, communication and technology services		
Access:		
WCG Social Media:	WCG Social Media:	WCG Social Media:
a. Twitter - @WesternCapeGov	a. Twitter - @WesternCapeGov	a. Twitter - @WesternCapeGov
		Additional WCG Social Media mechanism
		b. Facebook (2013.11) c. YouTube (2013.11)
Presidential Hotline:	Presidential Hotline:	Presidential Hotline:
a. (National): Tel. 17737	a. (National): Tel. 17737	a. (National): Tel. 17737
Courtesy:		
a. User and Client Experience Surveys	a. User and Client Experience Surveys	a. User and Client Experience Surveys
b. WCG Portal	b. WCG Portal	b. WCG Portal
c. WCG Contact Centre	c. WCG Contact Centre	c. WCG Contact Centre
d. WCG Intranet	d. WCG Intranet	d. WCG Intranet
e. Cape Access functional e-Centres	e. Cape Access functional e-Centres	e. Cape Access functional e-Centres
f. Presidential Hotline (Western Cape) resolution data	f. Presidential Hotline (Western Cape) resolution data	f. Presidential Hotline (Western Cape) resolution data
g. Contact with Supervisor or Manager	g. Contact with Supervisor or Manager	g. Contact with Supervisor or Manager
h. Communication (written, verbal)	h. Communication (written, verbal)	h. Communication (written, verbal)
Openness & Transparency:		
a. User and Client Experience Surveys	a. User and Client Experience Surveys	a. User and Client Experience Surveys conducted

Current/actual arrangements	Desired arrangements	Actual achievements
The rendering of integrated e-government information, communication and technology services		
Openness & Transparency:		
b. WCG Portal	b. WCG Portal	b. WCG Portal provided
c. WCG Social Media	c. WCG Social Media	c. WCG Social Media provided
d. WCG Contact Centre	d. WCG Contact Centre	d. WCG Contact Centre provided
e. WCG Intranet	e. WCG Intranet	e. WCG Intranet provided
f. Cape Access e-Skills training	f. Cape Access e-Skills training	f. Cape Access e-Skills training provided
g. Cape Access functional e-Centres	g. Cape Access functional e-Centres	g. Cape Access functional e-Centres provided
h. Presidential Hotline (Western Cape) resolution data	h. Presidential Hotline (Western Cape) resolution data	h. Presidential Hotline (Western Cape) provided
Value for Money:		
a. Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)	a. Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)	a. Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)
Frontline Service Delivery Improvement Monitoring		
Consultation:		
a. Batho Pele Impact Assessment Network	a. Batho Pele Impact Assessment Network	a. Batho Pele Impact Assessment Network (quarterly engagement)
b. Site visits	b. Site visits	b. Site visits to conduct improvement monitoring or baseline assessments
c. Engagements with Provincial departments	c. Engagements with Provincial departments	c,d. Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits
d. Advocacy sessions	d. Advocacy sessions	

Current/actual arrangements	Desired arrangements	Actual achievements
Frontline Service Delivery Improvement Monitoring		
Consultation:		
e. Department Performance Management and Evaluation (DPME)	e. Department Performance Management and Evaluation (DPME)	e. Department Performance Management and Evaluation (DPME)
Access:		
a. 6th floor, 4 Dorp Street, Cape Town 8001	a. 6th floor, 4 Dorp Street, Cape Town 8001	a. 6th floor, 4 Dorp Street, Cape Town 8001
b. At sites identified for Frontline Service Delivery Monitoring	b. At sites identified for Frontline Service Delivery Monitoring	b. At sites visited to conduct improvement monitoring or baseline assessments
Courtesy:		
a. eG4C Call- and Walk-in Centre	a. eG4C Call- and Walk-in Centre	a. WCG Contact Centre (incl. Walk-in and Call Centre)
b. Contact details of Management	b. Contact details of Management	b. Contact details of Management
c. Report to DPME	c. Report to DPME	c. Report to DPME
Openness & Transparency:		
a. Batho Pele Impact Assessment Network	a. Batho Pele Impact Assessment Network	a. Batho Pele Impact Assessment Network (quarterly engagement)
b. Site visits	b. Site visits	b. Site visits to conduct improvement monitoring and baseline assessments
c. Engagements with Provincial departments	c. Engagements with Provincial departments	c,d. Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits
d. Advocacy sessions	d. Advocacy sessions	
e. DPME	e. DPME	e. DPME
Value for Money:		
a. Conducted in collaboration with DPME	a. Conducted in collaboration with DPME	a. Improvement monitoring and assessments conducted in partnership with DPME

2.2.3 Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
The rendering of integrated e-government information, communication and technology services		
a. User and Client Experience Surveys	a. User and Client Experience Surveys	a. User and Client Experience Surveys conducted
b. WCG Portal	b. WCG Portal	b. WCG Portal provided
c. WCG Social Media	c. WCG Social Media	c. WCG Social Media provided
d. WCG Contact Centre	d. WCG Contact Centre	d. WCG Contact Centre provided
e. WCG Intranet	e. WCG Intranet	e. WCG Intranet provided
f. Cape Access e-Skills training	f. Cape Access e-Skills training	f. Cape Access e-Skills training provided
g. Cape Access functional e-Centres	g. Cape Access functional e-Centres	g. Cape Access functional e-Centres provided
h. Presidential Hotline (Western Cape) resolution data	h. Presidential Hotline (Western Cape) resolution	h. Presidential Hotline (Western Cape) provided
Frontline Service Delivery Improvement Monitoring		
a. Batho Pele Impact Assessment Network	a. Batho Pele Impact Assessment Network	a. Batho Pele Impact Assessment Network (quarterly engagement)
b. Site visits	b. Site visits	b. Site visits to conduct improvement monitoring and baseline assessments
c. Engagements with Provincial departments	c. Engagements with Provincial departments	c,d. Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits
d. Advocacy sessions	d. Advocacy sessions	
e. DPME	e. DPME	e. DPME

2.2.4 Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
The rendering of integrated e-government information, communication and technology services		
a. User and Client Experience Surveys	a. User and Client Experience Surveys	a. User and Client Experience Surveys conducted
b. WCG Portal	b. WCG Portal	b. WCG Portal provided
c. WCG Social Media	c. WCG Social Media	c. WCG Social Media provided
d. WCG Contact Centre	d. WCG Contact Centre	d. WCG Contact Centre provided
e. WCG Intranet	e. WCG Intranet	e. WCG Intranet provided
f. Cape Access e-Skills training	f. Cape Access e-Skills training	f. Cape Access e-Skills training provided
g. Cape Access functional e-Centres	g. Cape Access functional e-Centres	g. Cape Access functional e-Centres provided
h. Presidential Hotline (Western Cape) resolution data	h. Presidential Hotline (Western Cape) resolution data	h. Presidential Hotline (Western Cape) provided
i. Contact with Supervisor or Manager	i. Contact with Supervisor or Manager	i. Access to Supervisor or Manager
j. Communication (written, verbal)	j. Communication (written, verbal)	j. Communication (written, verbal)
Frontline Service Delivery Improvement Monitoring		
a. eG4C Call- and Walk-in Centre	a. eG4C Call- and Walk-in Centre	a. WCG Contact Centre (incl. Walk-in and Call Centre)
b. Contact details of Management	b. Contact details of Management	b. Contact details of Management
c. Report to DPME	c. Report to DPME	c. Report to DPME

2.3 Organisational environment

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

Programme 2 includes the new branch, Strategic Programmes (Provincial Strategic Management). The Chief Directorate: Policy and Strategy, Chief Directorate: International and Priority Programmes (Strategic Projects) and Directorate: Strategic Communication are led by the DDG: Strategic Programmes, while the Chief Directorate: Strategic Management Information reports directly to the Director-General.

Programme 3: The macro and micro structure of the then approved Branch Human Capital (People Management) was reviewed from a strategic as well as operational perspective. This review led to a refinement of the structures of notably the then approved Chief Directorates Human Resource Management (renamed People Management Practices) and Provincial Training Institute (renamed People Training and Empowerment) at senior management level and below. The refinement also entailed the organisational realignment of key functions such as people development and performance management. Designations of components were amended to reflect current leading practice nomenclature, such as that of people management. The Branch's designation was amended accordingly, namely to that of "People Management".

Some of the key shifts that were approved, include the people development function shift from Performance Management and Development to People Empowerment; the latter functions were redefined to ensure the rendering of comprehensive skills development facilitation, internship, learnership and bursary services to client departments; the previous Directorate Human Resource Practices and Administration was split into two Directorates, namely Service Benefits, and Recruitment and Selection; and the performance management function moved from Performance Management Development to Service Benefits.

Temporary capacity has been created in the Ce-I for the implementation of the WCG Broadband Strategy. The structure consists of:

- A Chief Directorate Broadband Infrastructure, consisting of a Directorate Connected Government Buildings and Schools and a Directorate Broadband Service Level and Contract Management with a combined total of five positions in levels 11 and below.
- A Chief Directorate Transversal Applications Development and Support, providing for a Directorate Transversal Applications Development and a Directorate Transversal ICT Programme Management with a combined total of seven positions on levels 11 and below.
- In addition to the above the Directorate Distributed Computing has been created as a temporary unit to support some of the key supporting technologies required by the Chief Directorate Transversal Applications Development and Support.

Due to austerity measures and the resultant inability to fill all funded vacancies, the Department had a vacancy rate of 13 % at the end of the financial year. When additional contract staff is taken into account, however, the vacancy rate was 0 %.

There were key vacancies in the Branch: Corporate Assurance, which impacted service delivery in this branch, and posts remained vacant after various recruitment attempts. Capacity was therefore complemented by insourcing capacity where required and allowed in relation to budget availability. A recruitment process for these posts will again commence in the new financial year.

2.4 Key policy developments and legislative changes

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

The International Relations Strategy, the Integrated Violence Prevention Policy and the Youth Development Strategy were adopted by Cabinet during the year under review.



3. STRATEGIC OUTCOME ORIENTED GOALS²

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

(1) **Executive Support:** To render relevant and timeous executive governance support services to the Executive and Director-General of the Western Cape Government (Programme 1);

(2) **Provincial Strategic Management:** To support the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic and stakeholder management (Programme 2); and

(3) **Corporate Services Centre:** To achieve effective, efficient and professional corporate services with excellent people, processes and technology to optimise service delivery by the Western Cape Government (Programmes 3, 4 and 5).

Executive Support

In rendering relevant and timeous executive governance support services to the Executive and the Director-General, the Department provided a support service to the satisfaction of the Premier and the Director-General. 130 executive engagements were supported which enabled the Executive to govern the Province.

A critical indicator of the quality of governance support rendered to the executive authority and accounting officer of the Department relates to the financial conformance and performance of the department. In this respect, the Department managed to achieve a clean audit for the 2013/14 financial year. Despite austerity measures, the Department still managed to achieve a 99,1% spend of its budget allocation for the year under review. In this respect the Department also contributed to the achievement of the PSO12 outcome theme relating to improved financial maturity.

Provincial Strategic Management

During the current term the **Chief Directorate International and Priority Programmes (Strategic Projects)** successfully hosted the Regional Leaders Summit (RLS) focusing on Food Security and Integrated Transport (September 2010). The WCG attended the 6th Summit in Sao Paulo and contributed significantly to the focus on Renewable Energy and Energy Efficiency work launched in 2012. Most recently the Chief Directorate hosted an international Renewable Energy Symposium in Cape Town in March 2014, co-hosted with Green Cape and the Cape Higher Education Consortium, as part of the follow-up commitments.

The International Relations Directorate actively monitored international agreements entered between the Western Cape and its international partners.

There is a remarkable improvement in governance support and coordination in respect of international

² *The strategic outcome oriented goals for 2013/14 might differ slightly from those stated in the 2010/11-2014/15 Strategic Plan because of amendments made in the Annual Performance Plan.*

relations, as a result of the development and Cabinet approval of the strategy on International Relations, as well as the establishment of an International Relations Forum (IR Forum). The IR Forum is an interdepartmental structure that assists in coordinating IR operations across the Western Cape Government and includes the City of Cape Town. With this development the provincial growth and development agenda is optimally supported.

In addition to the above, human rights support saw a shift away from an events-oriented approach towards firmer attempts to mainstream human rights issues into the fabric of provincial government, which are to be guided by a human rights implementation strategy currently under development.

The Chief Directorate, in addition to the above, delivered the following over the current term:

- Launch of "Capeability", a 240 page illustrated publication that reflected on the story of the World Cup in the Western Cape and also sought to position the region in terms of Tourism, Trade and Investment, sharing lessons learned with Brazil and beyond. The book is still in high demand.
- A 15-year Integrated Events Strategy with the Western Cape Government and the City of Cape Town being key partners;
- The completion of an Association Database allowing for a more strategic approach to marketing the Province as a business and convention destination.

Programmes and projects of strategic importance have been facilitated, monitored and supported through partnerships with other spheres of government, the private sector and civil society. Examples of such include 2014 World Design Capital, the redevelopment of District 6, conflict resolution and development of Hangberg in Hout Bay and arrangements for the dignified honouring and celebration of the life of former President Nelson Mandela.

Significant progress has been made in respect of support to the Premier and Cabinet through the provincial strategic management system and policy development. **The Chief Directorate Policy and Strategy** facilitated the development of the Provincial Strategic Plan and provincial transversal management system. This included the development of 11 provincial strategic objectives and the establishment of three sector committees, eleven steering committees and 40 working groups to coordinate and drive the implementation of the transversal programmes and projects. The strategic content and secretariat support rendered to the 40 working groups, 11 steering groups and three sector committees through the Provincial Transversal Management System (PTMS) enabled significant progress in implementing the Provincial Strategic Plan, which is the Executive's five-year roadmap for the Western Cape Government. The CD was also responsible for ensuring alignment of budgets and Annual Performance Plans with the 5-year Provincial Strategic Plan, One Cape 2040 (which was developed through the Chief Directorate) and the National Development Plan - a future modeling tool assisted with modeling scenarios for long-term growth and development in the province.

Policies and strategies were further developed in an integrated manner to enhance the Provincial Strategic Plan, with support from the Policy and Strategy Unit, including the Youth Development Strategy, the International Relations Strategy, the Disability Strategy, the Violence Prevention Policy and the Early Childhood Development Strategy.

The Chief Directorate also conducted a review of public entities under the control of the Western Cape Government, which resulted in the streamlining and restructuring of some of the entities. The CD initiated four pilot projects applying behavioural economics principles to public policy challenges: addressing energy efficiency, promoting safety, increasing participation in after-school activities and increasing healthy lifestyles in the Western Cape.

Over the last five years the **Directorate: Strategic Communication** developed a brand strategy, a provincial communication strategy and separate departmental communication strategies with specific message themes in order to communicate the Western Cape Government's strategic plan, policies and programmes

to citizens. In order to measure the success of these strategies, quarterly brand audits have been instituted for each department and improvements have continued to be made to the monthly media reports submitted to Cabinet in order to provide an in-depth analysis of the provincial government's performance through the media. The unit has worked closely with the Directorate: Corporate Communication to ensure well co-ordinated departmental paid-for communication plans and budgets.

Through the provision of **Strategic Management Information**, an Annual Indicator Data Release 'measuring results using key outcome indicators' is produced timeously and distributed to key stakeholders in January. The administrative data sources consist of time series data for key and relevant policy thematic areas to inform strategic planning. The first Annual Indicator Data Release, measuring results using key governance indicators, was produced during March 2014 and distributed to the Department of the Premier's Executive to inform the improvement on governance and institutional monitoring.

An annual spatial information catalogue provides spatial evidence to inform policy analysis.

The Management Performance Assessment Tool (MPAT) as per the related assessment requirements was submitted timeously for all departments. The phases of MPAT 1.3 cycle were supported with a WCG Consolidated Improvement Plan. The FOSAD commitments and its related 15 indicators were continuously improved on.

Progress was also registered with the development of three key M&E systems that will assist departments to generate additional and different types of reports to what they are currently producing, in an automated and integrated way. These deliverables contributed directly to the PSO12 outcome theme aimed at management for results. A level 3.2 results-based M&E maturity was achieved as per the 2014 target set out in outcome theme 6 'Management for Results'.

Corporate Services Centre

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

On the organisation development terrain, a transversal multi-year business process improvement project was initiated with the specific aim to improve citizen-centric service delivery on a prioritised basis; the second WCG-wide Barrett Culture Survey was completed; and organisation design interventions of varying scope and depth were conducted in all provincial departments.

Similarly, the delivery of transversal and management training by the Chief Directorate: People Training and Empowerment (Provincial Training Institute) contributed to establishing the provincial government as a professional institution with excellent people. In the People Management Practices environment certain process reengineering and system implementation was implemented with a view to improving governance, including improved MPAT and clean audit outcomes.

In addition a number of new technologies within the People Management Practices environment have been introduced aimed at contributing to transactional efficiencies, namely the piloting of the Electronic Content Management System (ECM), which will result in the conversion of all HR files to electronic format; the online recruitment and selection solution which automates the paper based response handling processes; the phased piloting of the IFMS (HCM) at the Department of Economic Development and Tourism which introduced the practice of online leave applications; the introduction of an electronic platform by the

GEPF which has considerably reduced the turnaround time for the finalisation of pension fund pay-outs and the electronic incident tracking system in the HR Contact Centre which enables it to track all enquiries received via telephone, e-mail or walk-in. It currently has a 92% first contact resolution rate.

Improving the WCG's e-Government maturity level through e-services transformation, enhanced e-governance and ensuring digitally enabled communities have contributed significantly towards achieving effective, efficient and professional corporate services to optimise service delivery. In this respect, an IT Governance Maturity rating of 3 has been maintained and service levels have been improved by Ce-I. A further 11 sites were connected to the City of Cape Town's Broadband infrastructure, adding to the reduction in connectivity costs and increased bandwidth capacity effected in the previous financial year. Negotiations with a preferred bidder is currently under way to ensure that all WCG corporate sites and schools are connected to high speed broadband within the next two years. In the area of services transformation the Ce-I played the central role in automating 4 transversal processes through its Transversal ICT Solutions project. Further progress registered in this regard related to the integration of all WCG websites, the development of social media accounts, a first mobile optimized site and the commencement of the implementation of an enterprise-wide electronic content management solution, which was implemented in four components within DotP.

The achievement of this strategic goal is further supported by deliverables in the corporate assurance environment which also contributed directly to the PSO12 outcomes of ensuring adherence to the rule of law and the maintenance of a mature internal control framework. Progress was registered in the refinement of a risk maturity framework based on the international ISO31000 standard, which enabled the assessment of risk maturity in the WCG. The Western Cape's zero tolerance stance on fraud and corruption was maintained and the Forensic Investigation Unit contributed to this by focusing on reducing the average age of the case load held from 356 days as at 31 March 2013 to 247 days as at 31 March 2014 (reduction of 109 days over the financial year). Adherence to the rule of law was promoted through the provision of 42 training opportunities in areas such as the promotion of administrative justice and access to information, conclusion and management of contracts and the provincial legislative process.

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

The progress registered above indicated how deliverables in support of the departmental strategic goals also contributed to the realisation of the PSO12. There is a synergistic relationship with the National Development Plan as it relates to "build a professional public service and a capable state" and national outcome 12: "an efficient, effective and development orientated public service".

All the 2013/14 deliverables supported the realisation of these national imperatives, specifically as it relates to the deliverables of Programme 3, Human Capital (People Management) (including organisational development, People Training and Empowerment and People Management Practices), Programme 4, Centre for e-Innovation and Programme 5, Corporate Assurance (enterprise risk management, internal audit, forensic investigations and legal services). Deliverables by these programmes contributed directly to the national outputs relating to improved access and quality of services, human resource management and development, business processes, systems, decision rights and accountability, citizen participation and reducing corruption.

One of the aims of the National Development Plan is to foster improved governance by, amongst others, professionalising the public service, upgrading skills, improving coordination within government and tackling fraud and corruption. These delivery mechanisms form the basis of the Department's core functions and the achievements registered in 2013/14 are already addressing these aims. The Department has also commenced with a formal process to seek closer alignment between the Western Cape Government's outcomes and the outcomes of the National Development Plan.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Executive Support (Administration)

4.1.1 The purpose of the programme

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

4.1.2 Subprogrammes

- Subprogramme 1.1: Programme Support
- Subprogramme 1.2: Office of the Premier
- Subprogramme 1.3: Executive Secretariat
- Subprogramme 1.4: Departmental Strategy
- Subprogramme 1.5: Office of the Director-General
- Subprogramme 1.6: Financial Management

4.1.3 Strategic Objectives

Executive Secretariat

To provide Cabinet secretariat and protocol services to the Provincial Cabinet and top management of the Western Cape Government and the departmental executive management team.

Departmental Strategy

To provide departmental strategic, safety and security management services.

Office of the Director-General

To provide governance support to the Director-General.

Financial Management

To provide departmental financial management and support services.

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

Programme 1 (Executive Support) achieved 100% of its targets. The Programme's contribution to efficient and transparent institutional governance was given effect to by providing governance support to the Executive and the Director-General through the subprogrammes Office of the Premier and Office of the Director-General.

The subprogramme Executive Council Support continued to support effective governance through the provision of accessible executive secretariat, protocol and administrative support. To this end, the subprogramme supported 130 executive and management engagements. A critical indicator of the quality of governance support rendered to the executive authority and accounting officer of the Department is the financial conformance and performance. In this respect, the Department managed to achieve a clean audit report. Despite austerity measures, the Department still managed to achieve a 99,1% spend on its allocated budget for the year under review. In this respect the Department also contributed to the achievement of the PSO12 outcome theme relating to improved financial maturity.

Refinement of the organisational structure provided for the appointment of a Director: Supply Chain Management, which was finalised in January 2014. It is indicative of the Department's attempts to improve its internal support function capacity. Driving supply chain management at a senior management level ensures that tenders are scrutinised for value for money and links in with MTSF Outcome 12 (An efficient, effective and development-oriented public service).

The contribution to people management in the Directorate: Departmental Strategy was focused on creating a performance conducive work place by implementing 25 safety and security interventions to comply with the provisions of the Occupational Health and Safety Act and the Minimum Information Security Standards. In addition this Directorate ensured the timeous submission of all legislatively required reports in terms of Provincial Treasury deadlines. These included the 2012/13 Annual Report, four quarterly reports for 2013/14 and the 2014/15 Annual Performance Plan.

4.1.4.1 Strategic objectives

Strategic objectives	Strategic Objective Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 1: Executive Support						
To provide Cabinet secretariat and protocol services to the Provincial Cabinet and top management of the Western Cape Government and the departmental executive management team.	Percentage of Cabinet related and management meetings supported Denominator: Number of Cabinet related and management meetings scheduled.	119 meetings supported. Unit of measurement was number and not percentage in previous year	100%	100%	Nil	130 out of 130 meetings supported: Q1: 35 Q2: 32 Q3: 36 Q4: 27. Due to an oversight Q1, Q2 and Q3 figures were incorrect in the validated QPR4 spreadsheet.
To provide departmental strategic, safety and security management services.	Number of safety and security interventions implemented.	9	20	25	5	Additional interventions due to supporting Department of Community Safety with their deliverables.
To provide governance support to the Director-General.	Level of Director-General's satisfaction in respect of a personal support service rendered measured in a given year.	88,9%	85%	88.75%	3.75%	Reasons for deviation: Director-General Support continued to provide excellent support to the Director-General to be in line with PSO 12.
To provide departmental financial management and support services.	Audit opinion obtained	Unqualified audit	Unqualified audit	Unqualified audit	Nil	As per Auditor-General Audit Report

4.1.4.2 Performance indicators

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.3: Executive Secretariat					
1.3.1 ³ Percentage of Cabinet related and management meetings supported. Denominator: Number of Cabinet related and management meetings scheduled.	119%	100%	100%	Nil	130 out of 130 meetings supported.
Subprogramme 1.4: Departmental Strategy					
1.4.1 ⁴ Number of Safety and security interventions implemented.	9	20	25	5	Additional interventions due to supporting Department of Community Safety with their deliverables.
1.4.2 Number of legislatively required reports submitted in terms of Provincial Treasury deadlines.	6	6	6	Nil	N/A
Subprogramme 1.5: Office of the Director-General					
1.5.1 Level of Director-General's satisfaction in respect of a personal support service rendered, measured in a given year.	88,9%%	85%	88.75%	3.75%	Reasons for deviation: Director-General Support continued to provide excellent support to the Director-General to be in line with PSO 12.

³ The numbering of the indicators in this table corresponds with the numbering in the 2013/14 Annual Performance Plan.

⁴ This indicator is also the strategic objective indicator.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 1: Executive Support					
Subprogramme 1.6: Financial Management					
1.6.1 Audit opinion obtained.	N/A	Unqualified audit	Unqualified audit	Nil	As per Auditor - General Audit Report
1.6.2 Percentage spent on the budget of the Department achieved in respect of the preceding financial year.	99,78%	99%	99,89%	0,89%	R747,165m spent on a budget of R747,981m. Overachieved: Department aimed for 99% and spent 0,89% more of its budget - did better than projected due to improved cash flow management.
1.6.3 Percentage of unopposed invoices paid within 30 days. Denominator: Total number of unopposed invoices.	25 Unopposed invoices not finalised. Previously measured in numbers.	99%	99.52%	0.52%	Although there were late payments the target was still achieved. Numerator-8 979, Denominator-9 022.

4.1.5 Strategy to overcome areas of underperformance

Although the programme achieved 100% of its deliverables, there is always scope for improvement. For this purpose the organisational structure was expanded to make provision for a supply chain management directorate and plans to accommodate registry staff are in place. Regarding Occupational Health and Safety, more emphasis is being placed on risk and hazard identification. Training will be rolled out for senior managers in order to further embed OHS awareness in the Department.

4.1.6 Changes to planned targets

There were no changes to targets.

4.1.7 Linking performance with budgets

The main cost drivers of this programme's budget were compensation of employees and payments to the former officials of the Social Transformation Programme. The filling of posts in this programme was significantly impacted by the austerity measures implemented during the previous and current financial years.

The programme did not overspend, but through prudent management incurred an underspending for 2013/14 of only 0,31 % (for 2012/13 it was 0,37% as is reflected in the table below).

4.1.8 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2013/2014			2012/2013		
Programme Support	1 499	1 486	13	1 578	1 568	10
Office of the Premier	13 561	13 512	49	13 336	13 289	47
Executive Secretariat	7 640	7 617	23	15 311	15 215	96
Departmental Strategy	3 595	3 577	18	-	-	-
Office of the Director-General	9 307	9 271	36	16 443	16 381	62
Financial Management	31 866	31 796	70	21 704	21 667	37
Total	67 468	67 259	209	68 372	68 120	252

4.2 Programme 2: Provincial Strategic Management

4.2.1 The purpose of the Programme:

The strategic goal of this programme is to support the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic and stakeholder management. This goal has been amended to provide for a focus on internal and external stakeholder management.

4.2.2 Subprogrammes:

- Subprogramme 2.1: Programme Support
- Subprogramme 2.2: Policy and Strategy
- Subprogramme 2.3: Strategic Management Information
- Subprogramme 2.4: Strategic Communications
- Subprogramme 2.5: 2010 FIFA World Cup⁵
- Subprogramme 2.6: Strategic Projects

4.2.3 Strategic objectives:

The strategic objectives in respect of this programme mostly remained unchanged, while the strategic objective related to Strategic Management Information was edited to make it more specific without detracting from its strategic intent. Two additional strategic objectives were added in support of internal and external stakeholder management.

Subprogramme: Policy and Strategy

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

Subprogramme: Strategic Management Information

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

Subprogramme: Strategic Communications

To coordinate external communication and public participation to ensure that the Western Cape Government communicates the delivery intents and outcomes of the Provincial Strategic Plan to the people of the Western Cape.

Subprogramme: Strategic Projects

To facilitate international relationships and strategic engagements which impact on the socio-economic growth and sustainable development of the Western Cape.

⁵ Since this subprogramme has been discontinued due to the end of the project, no outputs and targets were included in the 2013/14 APP, but it is included in Estimates of Provincial Revenue and Expenditure, 2013 (EPRE) to reflect the historical spending.

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

The Programme: Provincial Strategic Management focused on coordinated and integrated provincial government through effective transversal management. The Western Cape Government continued to implement a system focusing on policy/strategy driven by the organisational planning cycle, which makes use of interdepartmental, intergovernmental and external collaboration to achieve policy outcomes.

The branch focused on actively engaging with the international community and key stakeholders, with the objective of growing the economy while, at the same time, promoting social inclusion within a sustainable development paradigm.

While responding to the electoral mandate, the branch proactively focused on strategic programmes with key stakeholders and on a single, unified provincial brand through proactive and reactive communication, marketing and messaging across departments.

During the 2013/14 financial year the programme implemented the following key deliverables:

- An international relations strategy, including an approach to Official Development Assistance (now known as International Development Cooperation or IDC), to guide the WCG international engagement to ensure effectiveness and focus.
- A new approach to the management and coordination of national commemorative days is being piloted. In this regard, learners are being involved (engaged through school debating societies) to learn and contribute with their communities through raising awareness and understanding of citizens' rights and responsibilities, etc. Exposing young people through debate to issues of our society deepens their understanding and their ability to influence others' behavior and to become the 'active citizens' the NDP promotes.
- Key support was accorded to the VPUU project expansion (Violence Prevention through Urban Upgrading).
- The following priority projects were also supported in the year under review:
 - Green economy initiative;
 - 2014 World Design Capital was extended to projects through the WCG and in collaboration with the private sector and the City of Cape Town;
 - A review of the Integrated Events Strategy adopted by Cabinet in 2011 was concluded in order to ensure synergy with national and city strategies;
 - Event-related research and impact studies;
 - Plans for places of tribute, condolences books, an interactive website and extensive internal and external communication were realised throughout the Province in preparation for the passing of former President Nelson Mandela;
 - Support given to events with social-economic growth and inclusivity potential;
 - A web-based portal to support the events industry in their interaction with the public sector;
 - Area-based initiatives responding to communities in distress or conflict.

During the 2013/14 financial year the Subprogramme: Policy and Strategy provided professional, evidence-based policy advice to the Executive on several matters, including the NDP and One Cape 2040 alignment, violence prevention, disability rights, and small harbours, amongst others. Furthermore, a number of transversal policies and strategies were developed by the Chief Directorate, in collaboration with internal and external stakeholders.

These included:

- Integrated Violence Prevention Policy Framework;
- International Relations Strategy;

- Disability Rights Strategy;
- Youth Development Strategy;
- A Whole of Society Approach.

The Chief Directorate was also responsible for the ongoing functioning and periodic review of the Provincial Transversal Management System (PTMS). This included content and secretarial support to the three (3) Sector Committees, the eleven (11) Steering Groups and forty (40) Working Groups. Analysis and comments on various provincial and national draft policies, strategies and bills were provided.

A number of special projects were also undertaken in collaboration with other partners:

- Behavioral economic pilot projects to address key policy issues;
- Whole-of-Society project – including interface with Safety Lab, EDP, CHEC and the Hout Bay Partnership.
- FuturesCape long term policy planning model.

Finally, the Chief Directorate conducted a review of the Provincial Strategic Plan 2009-2014 and the achievement of the outcomes set out in the plan, as well as the functionality of the Provincial Transversal Management System.

The Chief Directorate Strategic Management Information monitored and measured provincial performance through programme and project performance, performance M&E, as well as spatial information. This is in line with the role of the Department of the Premier in Province-wide Monitoring and Evaluation and the focus areas of the Department Performance Monitoring and Evaluation in the Presidency.

In terms of the generation of Strategic Management Information, relevant methodologies in the performance M&E area have been reviewed and coordinated in the WCG. Guidelines have been developed for institutionalisation of Management Performance Assessment Tool (MPAT) 1.3 and the Provincial Evaluation Plan in the province.

A guideline ‘promoting the use and sharing of administrative data’ reflects the combined efforts of the Data Governance Reference Group established for Provincial Strategic Objective (PSO) 12, under the outcome theme: Management for Results. This work creates a vision for improved data sharing and data quality. Further work in the area includes a spatial information technical guideline to promote good spatial information governance.

The monitoring of transversal projects commenced with a reviewed programme and project management methodology to deliver project performance data to the Executive. Indicator measurements using the Results-based Monitoring and Evaluation (RBM&E) approach continued to produce time series data for key and relevant policy thematic areas. Spatial Information using various spatial techniques is produced, which informed spatial planning and spatial analysis on key policy related areas.

In line with the performance M&E requirements, the Chief Directorate: Strategic Management Information institutionalised the Management Performance Assessment Tool (MPAT), Front-line Service Delivery (FSDM) and the Forum of South African Directors General (FOSAD) commitments in the province. The data produced measured results using key governance indicators. The Provincial Evaluation Plan approved in March 2013 set the context for the evaluation to be implemented over the next three years.

In collaboration with the Centre for e-Innovation and Provincial Treasury, the fourth phase in developing an integrated and automated provincial-wide monitoring and evaluation system aimed to improve the management of performance information in the WCG. This delivered the design of the Business

Intelligence (BI) for the outcome indicator and data management relating to PSOs 2, 3, 4, 5, 7 and 12, as well as the business analysis for four departmental BI solutions. The Annual Performance Assessment System (BizPerformance) was piloted in four departments. The Enterprise Project Management System (BizProjects) delivered a transversal project management solution for WCG.

A series of workshops with the Department of Performance Monitoring and Evaluation took place through periodic engagements with external stakeholders on an international level. In this regards, the Chief Directorate continued to improve its methodologies, approaches, instruments and best practices in this Province.

Strategic Communication continued coordinating all communication efforts on delivery and outcomes of the provincial strategic plan to the people of the Western Cape in line with the brand. The comprehensive Western Cape Government brand and communication strategies were implemented, and continued to be reviewed and improved on an ongoing basis.

4.2.4.1 Strategic objectives

Strategic objectives	Strategic Objective Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)						
To support the Executive strategically in the development and implementation of high level provincial policies and strategies.	Number of progress reports submitted to Cabinet on the implementation of the Provincial Strategic Plan.	3	2	2	Nil	N/A
To support the Executive in the monitoring of provincial performance through the provision of accurate data and information.	Number of phases completed in the development of an automated and integrated monitoring and evaluation system.	3	4	4	Nil	N/A
To coordinate external communication and public participation to ensure that the Western Cape Government communicates the delivery intents and outcomes of the provincial strategic plan to the people of the Western Cape.	Number of assessment reports submitted to Cabinet on the Western Cape Government communications environment.	19	18	32	14	More Cabinet meetings were held than anticipated, which means additional documents were presented.

Strategic objectives	Strategic Objective Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)						
To facilitate international relationships and strategic engagement which impact on the socio-economic growth and sustainable development of the Western Cape.	Number of active international engagements undertaken with a view to increasing tourism, trade and investment between the Western Cape and international partners.	N/A	12	18	6	Overachievement occurred due to external demands as well as internal planning.

4.2.4.2 Performance indicators

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)					
Subprogramme 2.2: Policy and Strategy					
2.2.1 Number of assessment reports on alignment of Departments to the Provincial Strategic Plan.	1	1	1	Nil	N/A
2.2.2 Number of policy and strategy papers in response to national and provincial strategic imperatives.	29	12	22	10	It is difficult to estimate how many pieces of legislation or policies will be published for comment in any given year. The Chief Directorate is also responsive to issues of provincial importance. Increased demands on the Chief Directorate Policy and Strategy for strategy development support from other units and departments, e.g. Department of Health on Violence Prevention, Human Rights Unit on Human Rights guidelines, Department of Social Development on Youth Development, etc. led to the positive deviation.
2.2.3 Number of progress reports submitted to Cabinet on implementation of the Provincial Strategic Plan.	3	2	2	Nil	N/A

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)					
Subprogramme 2.3: Strategic Management Information					
2.3.1 Level of programme and project management maturity achieved in WCG as implemented by the Department of the Premier.	2,5	2,5	3,1	0,6	<p>The improvement in the maturity rating for 2013/14 was due mainly to a significant improvement in one key performance area namely: Planning (Scope Management) as measured by the maturity assessment tool.</p> <p>Planning achieved a significant improvement in its rating from a 2,0 in 2012/13 to a 4,0 in 2013/14 mainly due to the development and implementation of the new BizProjects solution that enables the planning, documentation and approval of projects in a systemised approach that ensures a consistent and standardised approach to project planning.</p>
2.3.2 Level of results-based monitoring and evaluation maturity achieved in WCG as implemented by the Department of the Premier.	2,7	2,5	3,2	0,7	<p>The improvement in the maturity rating for 2013/14 was due mainly to significant improvements in the ratings of 2 key performance areas, namely RBME Capacity and Information Architecture, as measured by the maturity assessment tool.</p>

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)					
Subprogramme 2.3: Strategic Management Information					
					RBME Capacity achieved a significant improvement in its rating from a 2,3 in 2012/13 to a 3,0 in 2013/14 mainly due to the amount of established forums and technical working groups fully functional in the domain of M&E in the province and hence the level of representation at these forums and working groups. Information Architecture achieved a significant improvement in its rating from a 2,0 in 2012/13 to a 3,0 in 2013/14 mainly due to the suite of project management, performance management and BI systems, which have been under development for the past 2 years. The performance area addresses the performance indicator 2.3.4.
2.3.3 Level of spatial information management maturity achieved in WCG as implemented by the Department of the Premier.	3	2,5	3,0	0,5	The improvement in the maturity rating for 2013/14 was due mainly to significant improvements in the ratings of 2 key performance areas, namely Strategic

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)					
Subprogramme 2.3: Strategic Management Information					
					Alignment and Sustainability as measured by the maturity assessment tool. Strategic Alignment achieved a significant improvement in its rating from a 3,0 in 2011/12 to a 3,8 in 2013/14 mainly due to dedicated budgeting for spatial information and GIS. Sustainability achieved a significant improvement in its rating from a 2,7 in 2011/12 to a 3,5 in 2013/14, mainly due to the appointment of registered GIS professional and clearly defining roles and responsibilities. This score was maintained during 2013/14.
2.3.4 ⁶ Number of phases completed in the development of an automated and integrated monitoring and evaluation system.	3	4	4	Nil	N/A

⁶This indicator is also the strategic objective indicator.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)					
Subprogramme 2.4: Strategic Communication					
2.4.1 ⁷ Number of assessment reports submitted to Cabinet on the Western Cape Government communications environment.	19	18	32	14	More Cabinet meetings were held than anticipated which means extra documents were presented. Quarterly and six monthly reports/ presentations of each provincial department's media performance were also presented to Cabinet.
⁸Subprogramme 2.6: Strategic Projects					
2.6.1 Number of engagements conducted with WCG departments on mainstreaming human rights.	N/A	8	8	Nil	N/A
2.6.2 ⁹ Number of active international engagements undertaken with a view to increasing tourism, trade and investment between the Western Cape and international partners.	N/A	12	18	6	Overachievement occurred due to external demands (incoming visits and delegations) as well as internal strategic planning.
2.6.3 Number of review reports on the implementation of the integrated events strategy.	1	1	1	Nil	N/A

⁷ This indicator is also the strategic objective indicator.

⁸ Since subprogramme 2.5 (2010 FIFA World Cup) has been discontinued due to the end of the project, no outputs and targets were included in the 2012/13 APP, but it is included in Budget Statement II to reflect the historical spending.

⁹ This indicator is also the strategic objective indicator.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 2: Provincial Strategic Management (Strategic Programmes)					
Subprogramme 2.6: Strategic Projects					
2.6.4 Number of phases completed in the development of an events web portal.	0	1	Nil	-1	Due to unsatisfactory quality a further review was done, resulting in this phase of the development not being completed in quarter 4.
2.6.5 Number of Official Development Assistance strategies developed.	Frame-work de-veloped.	1	1	Nil	N/A

4.2.5 Strategy to overcome areas of under performance

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

4.2.6 Changes to planned targets

There were no changes to planned targets.

4.2.7 Linking performance with budgets

The programme overall achieved more than 80% of its indicator targets. This was done with austerity measures in place since the second quarter. The programme did not overspend, but through prudent management incurred an underspending for 2013/14 of only 0,40% (for 2012/13 it was 0,38%), as is reflected in the table below.

4.2.8 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2013/2014			2012/2013		
Programme Support	2 874	2 851	23	2 214	2 197	17
Policy and Strategy	12 915	12 866	49	12 065	12 042	23
Strategic Management Information	12 403	12 341	62	8 200	8 148	52
Strategic Communication	3 538	3 525	13	2 899	2 889	10
Strategic Projects	20 156	20 097	59	4 940	4 926	14
Total	51 886	51 680	206	30 318	30 202	116

4.3 Programme 3: Human Capital (People Management)

4.3.1 The purpose of the programme

This programme supports the strategic goal aimed at achieving effective, efficient and professional corporate services with excellent people, processes and technology to optimise service delivery by the Western Cape Government.

The programme pursues the strategic objective: To provide a highly capable workforce, create an enabling workplace and develop leadership that promotes employee engagement and optimal service delivery.

The people management strategy of the Western Cape Government was developed and will be implemented to provide a clear understanding of the current people management context and the desired people state in line with the Provincial Strategic Plan (PSP). The strategy defines a *distinctive people philosophy, value proposition, ideal people profile, strategic initiatives, people score card* as well as the *implementation of governance architecture* that will facilitate an improved citizen experience through people efficiencies.

The following five strategic initiatives identified in the people management strategy will be the core focus of this programme in achieving the strategic objective of the People Management programme:

- An empowering and enabling people management framework (policies, systems and toolkit);
- A conducive workplace in which people can perform optimally (the “hardware”);
- Organisation values and culture alignment through leadership excellence (the “software”);
- Talent management excellence (i.e. people management value chain excellence);
- Strategically focused people management data and analysis.

By means of this strategy the WCG will move beyond the notion of human resources as a mere workforce and position people as the primary drivers in building the “best-run regional government in the world”. The budget structure of the programme remains unchanged.

The programme falls within the Corporate Services Centre of the Department and as such provides transversal services across WCG departments, including the Department. By its very nature, these services range from the high volume transactional to expert advice and consultancy. As such it encompasses day to day operational activities as well as an array of different initiatives, programmes, interventions and projects. Given the scope of work across departments, an attempt is made through the performance indicators of the subprogrammes to give an indication of the functions and responsibilities.

4.3.2 Subprogrammes

Subprogramme 3.1: Programme Support

Subprogramme 3.2: Organisation Development

Subprogramme 3.3: Provincial Training Institute (People Training and Empowerment)

Subprogramme 3.4: Human Resource Management (People Management Practices)

4.3.3 Strategic Objective

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

4.3.4 Strategic objective, performance indicators, planned targets and actual achievements

Organisational Development – The role of the Chief Directorate: Organisation Development is to enable improvements in organisational effectiveness. A number of organisation design interventions of varying focus and scope were finalised. These interventions were conducted at all thirteen departments. Interventions included the finalisation of the redesign of the Department of Transport and Public Works and the Department of Economic Development and Tourism. The organisations and establishments of the Department of Human Settlements and the Department of Environmental Affairs and Development Planning were also subjected to refinement interventions. On a transversal level, the capacity of departmental internal control components was reviewed and strengthened where required. The implementation of establishment related provisions of Resolution 1 of 2012 (salary levels 10 and 12) was also included in respect of line function posts.

The Business Process Optimisation (BPO) project was conceptualised and instituted. The project initially focuses on the development of departmental process architectures, during which process selection criteria are developed to identify priority business processes to be optimised within each department. In addition to the initiation of the BPO project, core citizen-centric and support processes (with the focus on administrative efficiency) were identified across the WCG departments for improvement and to date 36 standard operating procedures (SOPs) were completed (including business process tables and maps). The development of service charters (service standards included) were facilitated for all 13 departments. All related Batho Pele interventions were facilitated, including the coordination of the Africa Public Service Day and Public Service Month, facilitating bi-annual Service Delivery Reporting, and attending quarterly National Forums and hosting Provincial BPIAN meetings.

The Barrett Values Survey was conducted transversally for all 13 Departments during July and August

2013, whereafter information sharing and action planning sessions were facilitated. Competency assessments for senior and middle management across various occupations were coordinated or conducted to determine person job fit and development areas. Change navigation support was provided for large-scale ICT systems changes (e.g. IFMS-HCM, EPM and APAS) as well as for the implementation of redesign interventions. The leadership development intervention “9 Conversations in Leadership” was further rolled out. The Employee Health and Wellness (EHW) contract was managed and departmental EHW calendar interventions for 11 departments (excluding the Departments of Health and Education) were executed.

People Training and Empowerment – The Chief Directorate: People Training and Empowerment (PTE)¹⁰ ensures human resource development through the identification of training needs by designing and offering relevant learning programmes directly or through appointed service providers. The Chief Directorate also conducts training impact assessments on selected learning programmes and the development of Workplace Skills Plans. As part of the branch realignment, this Chief Directorate has since the latter part of the financial year also assumed responsibility for coordinating learnerships, administering the placement of interns and facilitating the process for awarding bursaries.

The Chief Directorate has designed and delivered courses for 43 different human capital development programmes, incorporating e-learning systems and including the management of course administration. A further 13 development opportunities were provided, mainly in regard to new systems.

Workplace readiness training was provided to the Premier’s Advancement of Youth (PAY) interns, and the chief directorate has also taken over the management of this project. The PAY project is one of the attempts by the WCG to address the growing youth unemployment and skills challenge in South Africa. It does this by providing a number of matriculants from the previous year with experiential learning within the 13 government departments. During the one year internship the young people are exposed to skills development programmes and supported through mentorship, coaching and career guidance in order to make them more marketable and employable. The matriculants of 2011 were the first cohort to benefit from this decision. Candidates are recruited from secondary schools throughout the Western Cape. Much focus is placed on advocacy in community newspapers, community structures and government platforms like the Access and Thusong Centres, to ensure that we reach all the matriculants. A total of 728 PAY Interns were appointed in 2013/14. The project will be repeated in the 2014/15 financial year.

A monitoring, evaluation and reporting model has been developed and piloted in order to measure the impact of five (5) training interventions. This process has been automated by loading the software on the computer of the responsible staff members. This enables the PTE to perform this process itself instead of outsourcing it.

People Management Practices – Service benefits, performance management, recruitment and selection, policy and planning as well as employee relations falls within the purview of the Chief Directorate: People Management Practices (previously Human Resource Management).

The compilation of various HR oversight reports were completed for departments whilst consultations were concluded on both the HR and EE plans, all of which were timeously submitted to the relevant legislated authorities. A number of HR policies were also revised in addition to monthly HR Fact Sheets and quarterly trend analysis reports issued to enable people managers to make informed decisions regarding people matters.

¹⁰ While the name of the Chief Directorate has changed, it still operates as the Provincial Training Institute located at Kromme Rhee.

Employee Relations successfully managed and coordinated various Collective Bargaining matters to deal with any labour issues. A dedicated panel of presiding officers has been appointed and it has resulted in improved timelines for dealing with disciplinary cases. Training interventions to improve the capacity of people managers to deal with labour issues are provided on a continuous basis.

Interventions have been implemented that resulted in improved turnaround times for the processing of leave and other service benefits. The introduction of an electronic platform by the GEPF has also considerably reduced the turnaround time for the finalisation of pension fund payouts to persons who exit the employ of the state.

The compliance index for the submission of performance management related documents is constantly improving. It is also important to note that more and more people managers are realising the importance of the performance evaluation function as a tool to monitor performance as well as track the achievement of targets and goals.

The WCG continues to be the only province where 100 per cent of its Senior Managers submit their financial disclosure documentation by the required due date to the Public Service Commission.

Recruitment and selection is constantly monitored and an analysis of the workflow and timeline indicates that the shortlisting process and getting a panel to agree to timelines to be the most time-consuming. This is further impacted upon by the number of regulated activities which have to be concluded before an appointment can be made.

The HR Contact Centre has introduced an electronic tracking system which enables it to track all enquiries received via telephone, e-mail or walk-in. It currently has a 92% first contact resolution rate. The introduction of the Human Capital Module (HCM) of the Integrated Financial Management System (IFMS) in the province saw the phased piloting of the system in the Department of Economic Development and Tourism. While the WCG has a Memorandum of Understanding (MOU) with the Department of Public Service and Administration (DPSA) as custodians of the Human Capital Module on IFMS and it has a business agreement with SITA as the implementing agent of IFMS, the further roll out of the system in its current form is dependent on national lead departments of IFMS, such as the National Treasury.

4.3.4.1 Strategic objective

Strategic objective	Strategic Objective Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 3: Human Capital (People Management)						
To provide a highly capable workforce, creating an enabling workplace and develop leadership that enables employee engagement and optimal service delivery.	Level of people management maturity.	N/A	Developing people management maturity model and determining baseline.	Developed and internally consulted Draft People Management Maturity model.	Baseline not set as measuring instrument needs to be finalised.	Measuring tool to be developed in 2014/15.

4.3.4.2 Performance indicators

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 3: Human Capital (People Management)					
Subprogramme 3.2: Organisation Development					
3.2.1 Percentage of scheduled organisational behavioural interventions at organisational, team and/or individual level conducted within departmental programmes. Denominator: Number of organisational behaviour interventions in departmental programmes.	N/A	90%	99%	9%	Availability of clients for EHW interventions.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 3: Human Capital (People Management)					
Subprogramme 3.2: Organisation Development					
3.2.2 Percentage of scheduled business process improvement projects completed within departmental programmes to promote continuous institutional improvement. Denominator: Number of business process projects in departmental programmes	N/A	90%	90% (120 of 133 projects)	Nil	N/A
3.2.3 Percentage of scheduled organisation design projects completed within departmental programmes in order to promote appropriate organisational designs at the strategic, tactical and operational levels. Denominator: Number of organisational design projects in Departmental programmes	N/A	90%	65%	-25%	Internal capacity not adequate as well as client availability/commitment to reach target dates
3.3.1 Number of people development opportunities provided, as per transversal training needs analysis.	51	43	56	13	Ad hoc requests were received for extra training, mainly on the new systems (MyProfile BizProjects), PSETA/DPSA requests and the PAY programme training, which was taken over in totality by PTE.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 3: Human Capital (People Management)					
Subprogramme 3.3: Provincial Training Institute (People Training and Empowerment)					
3.3.2 Number of learning programmes assessed for training impact.	5	5	5	Nil	N/A
3.3.3 Number of phases completed in the development of a new institutional model (including funding model) to ensure a sustainable training institution.	Phase 1 completed	1 (Phase 2)	1 (Phase 2)	Nil	<p>1 (Phase 1) was the completion of the 4 reports by the University of the Western Cape/Gijima Consortium, who were commissioned to investigate a feasible institutional and funding model for the Provincial Training Institute. The reports were completed and submitted on time (by 31 March 2013).</p> <p>The purpose of the Indicator (Phase2) was to record the proposals identifying which findings from the reports to implement as well as the manner of implementation. The PTI Change Strategy that is based on the Reports, which covers personnel, training, funding, physical and ICT infrastructure, as well as the manner of implementation, was completed on time (by 31 March 2014). Thus the Indicator (1 (Phase 2)) was achieved.</p>

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 3: Human Capital (People Management)					
Subprogramme 3.4: Human Resource Management (People Management Practices)					
3.4.1 Number of projects to introduce new technologies in the human resource management domain, as part of the roll-out of the integrated financial management system.	Nil	1	1	Nil	N/A
3.4.2 Percentage of posts for which an appointment has been approved within 90 days from the date of closure of the advertisement.	62%	80%	45%	-35%	<p>Serious delays occurred with the filling of posts, in particular where organisational changes were in process. Challenges in finalisation of shortlists were also experienced.</p> <p>Individual departmental performance in % of posts filled in 90 days is:</p> <ul style="list-style-type: none"> - DotP: 90% - Agric: 67% - DEDAT: 60% - HS : 51% - PT: 47% - LG: 44% - CAS: 42% - EADP: 41% - TPW: 41% - DoCS: 0% - DSD: 0%

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 3: Human Capital (People Management)					
Subprogramme 3.4: Human Resource Management (People Management Practices)					
3.4.3 Percentage of total number of disciplinary hearings concluded within 40 days from commencement of the hearing. Denominator: Total number of disciplinary hearings commenced.	-	75%	69,10%	-5,9%	Postponements requested by the employee party, are beyond the Department's control.

4.3.5 Strategy to overcome areas of underperformance

Underperformance in respect of the organisation design indicator primarily relates to the completion of projects within scheduled timeframes. Underperformance in terms of delivery against target date is mainly attributable to a dynamic operational environment, as well as internal capacity constraints. Dynamics in respect of the operational environment include requests for additional (initially unscheduled) interventions, availability of the client, complexity of project challenges not initially foreseen, and more protracted consultative processes. A key response strategy in this regard is to ensure a more stable project management environment by, among others, the implementation of a detailed electronic project management system. With regards to capacity constraints, a number of initiatives were instituted that include correct placement of employees, intensified recruitment and selection, as well as intensified focus training and development. A project is being initiated to improve efficiency through the development and implementation of an electronic job profiling solution.

The fact that disciplinary hearings were not concluded within the required timeframes was due to postponements granted by Presiding Officers, many as a result of requests on the part of employee representatives. A number of pro-active interventions are being implemented to empower people in managing discipline within the workplace, such as know your rights and responsibilities, understand the process of progressive discipline and managing absenteeism. The latter were issues that were identified as contributors to disciplinary hearings and thus these interventions endeavour to minimise the number of disciplinary hearings.

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

4.3.6 Changes to planned targets

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

4.3.7 Linking performance with budgets

The programme overall achieved more than 80% of its indicator targets. This was done with austerity measures in place since the second quarter. The programme did not overspend but incurred an underspending for 2013/14 of 4,24% (for 2012/13 it was 0,14%), as is reflected in the table below. This was mainly due to the slow implementation of the Business Process Optimisation and IFMS systems.

4.3.8 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2013/2014			2012/2013		
Programme Support	2 210	2 051	159	2 063	2 054	9
Organisation Development	43 975	39 123	4 852	35 167	35 110	57
Provincial Training Institute (People Training and Empowerment)	24 167	24 116	51	21 611	21 572	39
Human Resource Management (People Management Practices)	78 515	77 266	1 249	79 421	79 334	87
Total	148 867	142 556	6 311	138 262	138 070	192

4.4 Programme 4: Centre for e-Innovation

4.4.1 The purpose of the programme

This programme supports the strategic goal aimed at “achieving effective, efficient and professional corporate services with excellent people, processes and technology to optimise service delivery by the WCG”.

The strategic goal and strategic objectives related to this programme were adjusted to make it more focused and aligned to all the functions rendered. However, it does not denote a fundamental shift in the focus of the strategic goal.

The programme pursues the strategic objective: “To optimise service delivery through innovative information and communication technologies in the Western Cape Government.”

Key delivery areas for this programme are:

- Improving ICT Governance Maturity within the WCG, which includes the improvement of processes in line with industry standards, developing ICT policies and standards, facilitating ICT planning and designing architectures.
- Maintaining the WCG corporate network inclusive of the network infrastructure, storage and hosting services, network security, user directory and profile management, as well as the desktop environment of all WCG users.
- Providing dedicated Service Management services to all WCG departments to ensure that their requirements are addressed.
- Rolling out and maintaining the Broadband network of the WCG to all corporate sites and schools.
- Centrally managing the developing, testing, deployment and maintenance of transversal applications.
- Managing and enhancing the eight citizens interface channels of the WCG, which comprise of e-mail, telephone (WCG Contact Centre), Short Message Service (SMS), Facebook, Twitter, YouTube, walk-in-centre, Internet and the Presidential Hotline.
- Maintaining current and establishing new e-Centres that provide public access to ICTs in rural communities.
- Performing ICT research and development on new and existing technologies.

4.4.2 Subprogrammes

Subprogramme 4.1: Programme Support

Subprogramme 4.2: Strategic ICT Management Services

Subprogramme 4.3: GITO Management Services

4.4.3 Strategic Objective

Subprogramme 4.2: Strategic ICT Management Services

and

Subprogramme 4.3: GITO Management Services

To optimise service delivery through innovative information and communication technologies.

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

In pursuing the deliverables as determined in the Provincial Objective 12 the Cel have successfully achieved the following:

- Migrating the Provincial Government IT operating system to a technologically more advanced system (this included a focus on the network operating system, server platforms, e-mail and the office productivity suite). A total of 22 500 users have been migrated to the new technology platform and the project is now completed.
- Implementation of a uniform e-filing (Enterprise Content Management) system in the provincial government with a focus on the consolidation of software licenses, central support and maintenance, as well as the consolidation of the central and common hosting infrastructure, Also implemented in four components within the Department and supporting the provincial implementation being driven by the Department of Cultural Affairs and Support.
- The e-Government for Citizens channels of the WCG (Portal, Contact Centre, Intranet, Social Media and Cape Access) assisted citizens 17 072 513 times with information and services (Contact tickets) during the reporting period. This is an increase on the 9 273 266 Contact Tickets of 2012/13, demonstrating both the value of e-Government enhancements to date and increasing citizen demand.
- The Presidential Hotline for the Western Cape, as administered by the Ce-I, achieved a resolution rate of 99,11%.
- The WCG Portal was migrated from a highly customised legacy content management system to a functionally responsive and efficient Drupal platform including a full content refresh. The WCG Social Media Policy was adopted and Facebook, YouTube and Twitter channels are now available to citizens.
- The Cape Access website was refreshed, 7 new rural Cape Access e-Centres were opened and both basic and intermediate ICT skills training opportunities were provided free of charge to citizens.

Ce-I made significant strides in respect of embedding a level 3 for ICT governance maturity (focusing on areas such as policies, strategies, norms, standards, etc.). The following achievements were key to the improved governance maturity of Cel:

- The continued implementation of the IT Governance Improvement programme that guides a series of initiatives, this includes Managing IT related audits centrally. Audit findings are analysed, root causes identified and a strategy implemented to prevent audit findings occurring or recurring elsewhere.
- More closely aligning IT Risk Management to the Enterprise Risk Management. A risk strategy is implemented to provide guidance for various IT Risk Management environments.
- The review of departmental ICT plans as well as the completion of implementation plans.
- Entrenching the role of the Enterprise Architecture Review Board and the Software Review Board.
- The standardisation of software configurations on end-user equipment across the WCG (including software tools for remote management, support and software updates of end-user equipment) have also improved the level of ICT maturity in the organisation.
- The monitoring of service levels in respect of services provided to departments.
- Monthly Quality of Service Meetings held between Ce-I and the State Information Technology Agency (SITA).
- Significant improvement was shown in the Ce-I's ability to account for its assets.
- Establishing an IT Service Management Improvement project team to ensure that the performance of the service desk is improved through addressing incidents, problems, changes and requests effectively and based on the ITIL approach. Additionally, the following policy initiatives received attention:
 - The implementation of the Provincial ICT Delivery Plan with a focus on transversal ICT initiatives.
 - The implementation of the IT Service Delivery Improvement Plan (SDIP) will continue to address service delivery challenges in the general environment. The three key elements of the plan relate

to connectivity and broadband, core infrastructure optimisation and business productivity optimisation.

- Broadband capability in the province was improved with the City of Cape Town and the State Information Technology Agency (SITA) and in accordance with the Provincial Broadband Strategy.
- Ce-I supported the WCG installed base of over 21 500 corporate workstations. The Ce-I also supported a substantial installed base in more than 1 400 schools (which includes over 46 000 workstations)
- In collaboration with various departments, Ce-I developed the following suite of transversal applications in line with the Provincial ICT Delivery plan:
 - Biz Projects - WCG enterprise project and programme management system
 - Biz Brain - WCG corporate Business Intelligence System
 - Biz Performance - WCG Organisational Performance Management System
 - My Content - WCG Enterprise Content Management System
- The Ce-I will contribute to the Corporate Governance Review and Outlook (CGRO) by improving IT Governance maturity in accordance with international best practices. A concerted effort will be made to increase the Ce-I service standards compliance from 80% to 85%.

The budget structure of the programme remained unchanged.

4.4.4.1 Strategic objective

Strategic objectives	Strategic Objective Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 4: Centre for e-Innovation						
To optimise service delivery through innovative information and communication technologies.	Level of ICT governance maturity achieved, measured annually on a 5-point scale, reflecting performance in areas such as policies, norms, strategies, standards.	3	3	3	Nil	N/A

4.4.4.2 Performance indicators

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 4: Centre for e-Innovation					
Subprogramme 4.2: Strategic ICT Services					
4.2.1 Level of ICT governance maturity achieved, measured annually on a 5-point scale, reflecting performance in areas such as policies, strategies, norms, standards.	3	3	3	Nil	<p>The APP 2013/14 target was set against COBIT 4.1 standards and we are therefore reporting on our performance in terms of the older COBIT 4.1 framework.</p> <p>The newer COBIT 5 maturity assessment tool is much more stringent. An internal assessment of our ICT governance maturity level in terms of COBIT 5 scored the WCG at maturity level 2.</p>
4.2.2 Number of departmental ICT plans developed/ reviewed that feed into the Provincial ICT Plan.	10	13	13	Nil	N/A
4.2.3 Level of e-government maturity achieved measured on the United Nations Development Program (UNDP's) 4-level maturity level.	2	2	2	Nil	N/A
4.2.4 Resolution rate of Western Cape requests received at the Presidential Hotline within 36 hours of being logged.	98,93%	85%	99,11%	14,11%	Presidential Hotline resolutions integrated into WCG Contact Centre management of priority Contact tickets. Demand driven.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 4: Centre for e-Innovation					
Subprogramme 4.2: Strategic ICT Services					
Baseline: 98.42% of all calls received. Denominator: All calls referred to the WCG Hotline.					
4.2.5 Number of new Cape Access e-community centres established.	9 established, fitted and operational.	7	7	Nil	N/A
Subprogramme 4.3: GITO Management Services					
4.3.1 Average percentage systems uptime and availability maintained over the year for a 24 x 7 service. Denominator: Total no. of hours uptime required over 24 hours x 7 days over the year.	99,73%	99%	99,60%	0,6%	Systems Hosting Environment was quite stable throughout the year.
4.3.2 Average percentage network uptime and availability maintained over the year for a 24 x 7 service. Denominator: Total no. of hours uptime required over 24 hours x 7 days over the year.	99,21%	99%	98,74%	-0,26%	Negative achievement of 0,26% due to electrical power disruptions in March 2014 caused by Eskom, SITA and DTPW.
4.3.3 Average turnaround time in days for resolving helpdesk calls maintained.	2,82 days	4	3,74	0,26	N/A

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 4: Centre for e-Innovation					
Subprogramme 4.3: GITO Management Services					
4.3.4 Number of WCG Corporate sites migrated to broadband infrastructure.	22	11	11	Nil	N/A

4.4.5 Strategy to overcome areas of underperformance

The Centre for e-Innovation has underperformed on the following indicator:

4.3.2 Average percentage network uptime and availability maintained over the year for a 24 x 7 service.

This underperformance was due to electrical power disruptions in March. In order to overcome this, the programme will continue with remedial actions with SITA and TPW.

4.4.6 Changes to planned targets

No targets were changed during the year under review.

4.4.7 Linking performance with budgets

The Ce-I has experienced a dramatic increase in the WCG user base (now 22 500), the number of sites (now over 400) supported, as well as expanding systems requirements. As a result the ICT Mini-MTEC was introduced and institutionalised, which will in future allow for an adjustment to the CeI resource allocation and take into account factors such as user growth and the establishment of new sites. Furthermore, it should be noted that the IT Tariff Policy is in the process of being finalised. The programme did not overspend, but through prudent management incurred an underspending for 2013/14 of only 0,04% (For 2012/13 it was 0,03%), as is reflected in the table below.

4.4.8 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2013/2014			2012/2013		
Programme Support	6 900	6 868	32	6 707	6 688	19
Strategic ICT Services	82 191	82 102	89	67 359	67 352	7
GITO Management Services	454 985	454 850	135	347 419	347 351	68
Total	544 076	543 820	256	421 485	421 391	94

4.5 Programme 5: Corporate Assurance

4.5.1 The purpose of the programme

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

4.5.2 Subprogrammes

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

4.5.3 Strategic Objectives

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

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

Subprogramme 5.5: Legal Services

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

Subprogramme 5.6: Corporate Communication

To ensure consistent application of the provincial corporate identity, messaging and brand through rendering corporate communication services.

4.5.4 Strategic objectives, performance indicators planned targets and actual achievements

The Directorate: Enterprise Risk Management was focused on delivering on the Risk Management Implementation Plan as agreed with each respective department. These deliverables attempt to increase the level of risk management maturity in the province over a period of time and to embed risk management in strategic planning, decision making and general management. Good progress was made in this regard and by the end of this financial year 10 departments achieved a level of "Basic Compliance". To further embed risk management in departments, more resources will be required and this is one of the matters that would be addressed in the next financial year.

The Chief Directorate Internal Audit was still faced with challenges to improve internal audit coverage and full execution of its mandate. This mainly is due to the fact that the current capacity does not allow for the full execution of the mandate as captured in the legislative framework. The application of the combined assurance principles in the development of the Internal Audit Plans during 2013/14 has shown some improved audit coverage and further improvement is envisaged subsequent to the full implementation of the Combined Assurance Framework due to the credible assessment of risks in all departments. The target of 90% completion of departmental internal audit coverage plans was achieved.

The average age of the forensic case load decreased from 356 days as at 31 March 2013 to 247 days as at 31 March 2014. Matters are being prioritised in line with its criticality and importance of the allegations made, resulting in less serious matters not receiving immediate attention. 2013/14 was the second year of the forensic services outsourced contract and progress has been made with finalising the structure for the unit to move towards a full insourced model by the time of the expiry of the contract (November 2014).

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

The Chief Directorate also strengthened its training programme via the Legal Compliance Unit by dedicating capacity to the programme on a full-time basis, and provided training to a number of departments on legislation such as the Promotion of Access to Information Act and the Promotion of Administrative Justice Act. Legal Services also commenced with the roll-out of training on the Contract Management Guide that was adopted and issued in April 2013.

A decision-making guideline that enables the Provincial Executive and administrators to make lawful executive and administrative decisions in a fair and responsible manner, was developed, consulted and adopted.

The Directorate Legislation assisted provincial departments with the drafting of provincial legislation. A number of Bills were dealt with during 2013/14, including:

- The Western Cape Investment and Trade Promotion Agency Amendment Bill
- The Western Cape District Health Councils Amendment Bill
- The 17th Gambling and Racing Amendment Bill
- The 18th Gambling and Racing Amendment Bill
- The Western Cape Land Use Planning Bill
- The Western Cape Support and Monitoring of Municipalities Bill
- The Western Cape Independent Health Committee Bill

The Directorate also assisted client departments by drafting subordinate legislation and by preparing and vetting collated comments prepared in respect of draft national legislation that impact on the Province.

During the 2013/14 financial year, the Department received 105 requests for access to information in terms of the Promotion of Access to Information Act, 2000. Access to 104 of these requests was granted in full, whilst access was granted partially to one request due to the fact that the records could not be found. The Department submitted its section 32 report for the financial year to the Human Rights Commission timeously and also submitted its section 15 automatically available information to the Minister of Justice and Constitutional Development for publication in the Government Gazette. The Department's section 14 manual was also submitted to the Human Rights Commission and is available on the official website in all 3 official languages.

Corporate Communication's main focus continues to be on the implementation of the Corporate Identity and the Better Together communication philosophy. During the 2013/14 financial year Corporate Communication successfully published seven (7) issues of the Better Together Magazine. The magazine continually aims to engage our employees in the vision of the organisation and the values and the brand.

Corporate Communication continued with internal briefing sessions and training sessions, empowering communication teams on how to deliver the brand strategy while the oversight and support role was continued.

Four brand assessment reports were compiled and distributed to departmental communication teams. The tool measures the departmental communication outputs against brand to identify areas for improvement.

During August 2013 the Western Cape Government appointed two new service providers to deliver on transversal communication needs, as determined by the business case study conducted during February 2013, initiated by Corporate Communication.

The new Corporate Communication structure was approved during March 2013 and is being implemented on a progressive basis.

4.5.4.1 Strategic objectives

Strategic objectives	Strategic Objective Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 5: Corporate Assurance						
To enable a mature control framework in all departments in the Western Cape Government through embedded risk management, improved business processes and zero tolerance for fraud and corruption.	Level of departmental enterprise risk management maturity.	38% Departments on a second level risk and control maturity.	6 provincial departments on a minimum of a second-level risk maturity.	10	4	Departments are embedding enterprise risk management at an acceptable pace, resulting in this achievement.
	Percentage of areas completed as per approved departmental internal audit coverage plans. Denominator: Total number of areas in coverage plans.	90%	90%	92,2%	2,2%	Emphasis placed on finalisation of reports within the constraints in the environment.
	Number of fraud health checks administered on an annual basis to determine the level of fraud awareness in the Province.	N/A	1	1	Nil	N/A
To provide legal support services	Number of requests referred to Legal Services and assigned to legal advisers.	N/A	1 750	2 047	297	Despite best estimate (based on previous financial years), services are demand driven.
To provide corporate communication services	Number of on-brand creative execution assessment reports submitted to ensure consistent application of the Provincial communication strategy.	3	4	4	Nil	N/A

4.5.4.2 Performance indicators

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.2: Enterprise Risk Management					
5.2.1 Level of enterprise risk management maturity.	38% of departments on a second level risk and control maturity.	6 provincial departments on a minimum of a second-level risk maturity.	10	4	Departments are embedding enterprise risk management at an acceptable pace, resulting in this achievement.
5.2.2 Number of risk management implementation plans developed and approved by the respective Accounting Officers.	N/A	12	13	1	The Directorate ERM delivers ERM support services to the Western Cape Provincial Parliament on an agency basis and no service to the Department of Health. The deliverable to WCPP was not included in the target at the time of finalising the 13/14 APP.
Subprogramme 5.3: Internal Audit					
5.3.1 Percentage of areas completed as per approved departmental internal audit coverage plans. Denominator: Total number of areas in coverage plans.	90%	90%	92,2%	2,2%	Emphasis placed on finalisation of reports within the constraints in the environment.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.3: Internal Audit					
5.3.2 Percentage practical, value-adding recommendations incorporated into agreed action plans. Denominator: Total number of recommendations.	87%	80%	91%	11%	697 recommendations were made in reports issued during the financial year. 637 of the recommendations were incorporated into management action plans. Numerator 637 and denominator 697.
5.3.3 Percentage of action plans expired followed up within 60 days. Denominator: Total number of action plans expired.	N/A	75%	41,5%	-33,5%	458 action plans expired for the financial year and only 190 were followed up within the 60 days subsequent to expiry. However, it should be noted that the overall follow-up conducted reflects that for the financial year 83% of action plans expired were followed up, albeit not all within the 60 days. The ultimate objective is to follow up on the action plans and the current description of the indicator does not facilitate this. The shortfall is on how we report this and not reflective of the performance of internal audit – hence the technical indicator will be revised in the new financial year. The focus will be on correctly measuring the performance.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.4: Forensic Investigative Unit					
5.4.1 Number of fraud health checks administered on an annual basis to determine the level of fraud awareness in the province.	N/A	1	1	Nil	N/A
5.4.2 Percentage of recommendations made by the FIU followed up. Denominator: total number of recommendations made by the Forensic Investigative Unit.	N/A	80%	91%	11%	848 recommendations of a total of 931 (unfinalised recommendations at the end of the 2012/13 financial year plus new recommendations made in the 2013/14 financial year) were followed up (91%).
5.4.3 Percentage implementation of agreed fraud prevention activities allocated to the Forensic Investigative Unit. Denominator: Total number of activities approved in fraud prevention programme allocated to the Forensic Investigative Unit.	113%	90%	114,4%	24,4%	125 deliverables were agreed at the start of the financial year, but due to additional requests made by departments, 143 were completed.
Subprogramme 5.5: Legal Services					
5.5.1 Number of reports issued containing analysis of all provincial litigation matters and associated awards and judgements.	2	2	2	Nil	N/A

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.5: Legal Services					
5.5.2 Number of functional legal training opportunities provided to employees of the Western Cape.	28	30	42	12	Senior legal adviser dedicated to conduct training.
5.5.3 Number of Legal Frameworks developed for executive and administrative decision-making to ensure that these decisions are sound in law.	N/A	1	1	Nil	N/A
5.5.4 Number of requests referred to Legal Services and assigned to legal advisers.	N/A	1 750	2 047	297	Despite best estimate (based on previous financial years), services are demand driven.
Subprogramme 5.6: Corporate Communications					
5.6.1 Number of on-brand creative execution assessment reports submitted to ensure consistent application of the Provincial communication strategy.	3	4	4	Nil	N/A
5.6.2 Number of engagement interventions with employees to communicate the vision, values and brand to all Western	6	6	7	1	Annual target was exceeded as an additional Special Tribute Magazine was published during February 2014.

Performance Indicator	Actual Achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Programme 5: Corporate Assurance					
Subprogramme 5.6: Corporate Communications					
Cape Government employees.					
5.6.3 Number of reports issued on completed client-generated product and service requests.	2	2	2	Nil	N/A

4.5.5 Strategy to overcome areas of underperformance

The area of underperformance relates to the percentage of action plans expired followed up within 60 days (indicator 5.3.3). Please note that 83% of action plans expired were followed up, albeit not all within the required 60 days. The description of the indicator does not facilitate the ultimate objective (i.e. to follow-up on action plans) and will be revised in the new financial year.

4.5.6 Changes to planned targets

No targets were changed during the year under review.

4.5.7 Linking performance with budgets

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

The programme did not overspend, but through prudent management incurred an underspending for 2013/14 of only 1,74% (For 2012/13 it was 0,19%), as is reflected in the table below.

4.5.8 Subprogramme expenditure

Subprogramme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2013/2014			2012/2013		
Programme Support	2 073	2 025	48	1 722	1 709	13
Enterprise Risk Management	7 119	7 099	20	5 536	5 519	17
Internal Audit	33 189	33 124	65	32 761	32 714	47
Forensic Investigation	15 660	15 030	630	18 678	18 669	9
Legal Services	23 585	22 789	796	20,665	20,607	58
Corporate Communication	9 182	9 155	27	10,182	10,164	18
Total	90 808	89 222	1 586	89 544	89 382	162

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

No transfers were made to public entities.

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2013 to 31 March 2014:

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2013 to 31 March 2014:

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
Library Business Corners	Non-Profit Organisation	Establishing and maintaining Public ICT Access Centres	Yes	11 500	11 500	N/A
City of Cape Town	Municipal Government	Providing Broadband connectivity to buildings of the WCG using the fibre optic infrastructure of the City of Cape Town	Yes	10 000	10 000	N/A
City of Cape Town	Municipal Government	Cost-sharing with Reconciliation Day event along the 'Fan Walk' on 16 December 2013	Yes	500	500	N/A
CHEC	Section 21 Company	Project work	Yes	500	500	N/A
Cape Town Partnership	Section 21, Non-Profit Organisation	Establishment of the Hout Bay Partnership	Yes	500	500	N/A
West Coast	Municipal Government	To provide community access for state funeral proceedings	Yes	150	150	N/A
Cederberg	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Bergrivier	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A

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
Saldanha Bay	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Swartland	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Witzenberg	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Overberg	Municipal Government	To provide community access for state funeral proceedings	Yes	150	150	N/A
Theewaterskloof	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Overstrand	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Cape Agulhas	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Swellendam	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Eden	Municipal Government	To provide community access for state funeral proceedings	Yes	150	150	N/A
Kannaland	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Hessequa	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A

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
George	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Laingsburg	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Prince Albert	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Beaufort West	Municipal Government	To provide community access for state funeral proceedings	Yes	100	100	N/A
Central Karoo	Municipal Government	To provide community access for state funeral proceedings	Yes	150	150	N/A

Library Business Corners

This is an NPO that runs the Cape Access programme, which is one of the key programmes for increasing digital literacy within the Western Cape Province. By providing ICT training and access to e-mail and Internet, poorer and disadvantaged communities have access to government services and products, various online services, can communicate more effectively with government, have access to important information around new business opportunities, jobs, and can also transact online. More importantly, communities can now be connected to other communities within the province, around South Africa and the world. Cape Access contributes to empowering poorer communities to tackle the challenges of poverty much better than before. Through the Cape Access project a total of forty (40) e-Centres comprising on average of 6 to 12 computers with Internet access are up and running throughout the province of which 7 were established during 2013/14. These centres are located in public libraries, schools, multi-purpose centres and other access points. It is open for use by anyone who needs it, but focuses on poor and marginalised rural communities. Usage is free of charge, but time limited (45 minutes per person) on a daily basis. Members are able to use e-mail and are assisted by trained facilitators to set up their own e-mail addresses and mailboxes. Each computer provides typical productivity tools (Word, Excel, PowerPoint, e-mail), as well as access to the Internet. Trained facilitators and an organisational framework ensure that quality service and training are provided to users of the centres.

City of Cape Town

Eleven (11) provincial buildings were connected onto the fibre optic cable of the City of Cape Town in order to improve bandwidth capacity and reduce telecoms costs.

The Department of the Premier partnered with the City of Cape Town in hosting a day of Reconciliation on the Fan Walk on 16 December 2013, as well as the renaming of the Fan Walk to “Remembrance Walk”. During the 2010 FIFA World Cup, the Fan Walk was established as a pedestrian route between the city centre and the Cape Town Stadium. The area rapidly became a festive space that fans and the general public could enjoy while walking along the route.

The Fan Walk created a positive atmosphere and rekindled memories of reconciliation in an area where the world was welcomed in unity to this beautiful and inclusive City. The renaming of the Fan Walk sought therefore to link key moments in our history whilst fostering social inclusion.

Municipalities – State funeral support (R2,1 million)

The Department of the Premier, through its state funeral programme, sought to provide widespread community access to funeral proceedings with the passing on of a globally significant political leader, guided by the State, Official and Provincial Official Funeral Policy Manual that stemmed from a National Cabinet decision on 23 June 2004. A full programme for the ten days of mourning was planned and implemented across the province.

Funding was provided to increase opportunities for community members of local and district municipalities outside the City of Cape Town to participate in funeral-related activities.

CHEC

The Western Cape Government (WCG) has allocated funds to CHEC to enable the implementation of the MoU related to mutually approved plans. In 2013 a Programme of Action (POA) with four pillars was approved by the provincial Cabinet and the four Vice Chancellors in the Western Cape.

The four pillars are:

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

The funds allocated to CHEC are used for grants for activities, projects and research conducted by higher education institutions to further the above themes. Monthly meetings are held to discuss these projects and report on the overall implementation of the POA.

Cape Town Partnership

The Cape Town Partnership (CTP) was contracted to establish a Hout Bay Partnership (HBP). The aim of the HBP is to create a model for integrated social and economic development in a context of cultural diversity and economic inequality. The CTP have supported this process and advised on the development of the HBP. The Development Bank of South Africa (DBSA) hosted Development Charter workshops and have indicated that Hout Bay interest groups and representatives have identified a

need for a partnership approach to development. Provincial government have lent their support to the HBP and have committed to participating in a partnership.

The activities over this period have focused on the institutional set-up of the HBP Board as a legal entity and the groundwork relating to the project implementation plan.

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

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

6.2 Conditional grants and earmarked funds received

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

7. DONOR FUNDS

7.1 Donor Funds Received

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

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

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

Details regarding the amounts in respect of the movable assets of the Department can be found in note 28 of the Annual Financial Statements. The asset register is updated immediately with acquisitions, disposals and any other movements of assets. Information Technology assets includes a three year warranty in the event that an asset breaks down.

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



Part C



GOVERNANCE

1. INTRODUCTION

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

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

2. RISK MANAGEMENT

The Accounting Officer (AO) for the Department of the Premier takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (NTPSRMF) and the Directorate Enterprise Risk Management (D:ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department. In compliance with the National Treasury Public Sector Risk Management Framework (NTPSRMF) and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM Policy which sets out the WCG's overall intention with regard to ERM.

An Annual ERM Implementation Strategy has been developed in order to give effect to the WCG ERM policy and to attain the Annual Enterprise Risk Management Implementation Plan and the risk management priorities of the Department of the Premier. This enables the Department to deliver on its Departmental goals, objectives and key performance indicators, enhance risk informed decision making and optimise compliance with applicable legislation. It further outlines the roles and responsibilities of managers and staff in embedding risk management in the Department and defines the enabling legislation, standards, mechanisms, tools, and resources to be used to realise the ERM plan.

The Enterprise Risk Management Committee (ERMCO) provides governance oversight over the entire system of risk management of the Department and furnishes the Accounting Officer with the requisite reports in respect of performance of risk management. The Audit Committee provides the independent oversight of the Department's system of risk management. The Audit Committee is furnished with Quarterly ERM progress reports and departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process is in relation to the progress of implementation of the Departments Annual ERM Implementation Plan and significant/strategic risks faced by the Department and their relevant risk response/treatment strategies.

Enterprise Risk Management Committee

The Department of the Premier has established an Enterprise Risk Management Committee to assist the Accounting Officer in executing his respective responsibilities concerned with risk management. The committee operates under a terms of reference approved by the Accounting Officer. The Committee comprises of select members of the Department's senior management team. As per its terms of reference, the Committee should meet 4 times a year. The Committee meetings during the financial year under review were attended as follows:

Member	Position	Scheduled Meetings	Attended
Adv. B. Gerber	Director-General	4	3
Mr. A. Joemat	Head: CSC	4	4
Ms. H. Robson	DDG: Corporate Assurance	4	3
Mr. M. Hendrickse	DDG: Human Capital (People Management)	4	3
Mr. L. Williams	DDG: Executive Support	4	4
Dr. L. Platzky	DDG: Provincial Strategic Management	4	4
Mr. L. Grootboom	DDG: Executive Support	4	4
Mr. D. Basson	Chief Financial Officer	4	4
Ms. Z. Ishmail	CD: Strategic Management Information	4	2
Mr. A. Geldenhuys	Director: Departmental Strategy	4	3
Ms. B. Misrole	Director: Enterprise Risk Management	4	2
Ms. C. Avenant	Director: Corporate Communications	4	1

Risk management process

During the period under review, the Department of the Premier assessed its risks relative to its strategic and annual performance plan. Risk management is a standard item on the Executive Committee agenda during which risk management related topics (including the identification and discussion of emerging risks) are discussed. Risk assessments are conducted on a strategic level on a quarterly basis. At a programme level the risk assessments are conducted on a quarterly basis in order to review and update the existing risks and to identify emerging risks. Significant risks relevant to objectives were assessed in terms of its likelihood and impact; risk treatment plans are developed and managed by allocated risk owners. Programme risk registers are approved by the respective programme manager. The Enterprise Risk Management Committee ratifies, prioritises and further recommends to the Accounting Officer which significant risks are mitigated with an appropriate risk response/treatment in order to meet the departmental strategic objectives. This process is conducted on a quarterly basis

and feeds into the evaluation of the performance environment of the Department during their Quarterly Performance Review sessions.

3. FRAUD AND CORRUPTION

The Western Cape Government adopted an Anti-Corruption Strategy which confirms the province's zero tolerance stance towards fraud and corruption. The Department has an approved Fraud Prevention Plan and a Fraud Prevention Implementation plan, which gives effect to the Fraud Prevention Plan.

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the Forensic Investigation Unit is recorded in a Case Management System, which is used as a management tool to report on progress made with cases relating to the Department and generating statistics for the Province and the Department. We protect employees who blow the whistle on suspicions of fraud, corruption and theft if the disclosure is a protected disclosure (i.e. not malicious). The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

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

During this financial year, four investigations were completed by the Forensic Investigation Unit whilst one matter was referred to the Department for an internal investigation. One investigation confirmed theft and in three instances the preliminary investigation did not confirm the allegation of fraud, theft or corruption. At the end of the financial year there were no matters on hand for the Department.

4. MINIMISING CONFLICT OF INTEREST

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

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

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

5. CODE OF CONDUCT

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

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

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

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

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

In respect of Occupational Health and Safety Administration, the database of emergency team members were continuously updated and maintained as incumbents moved in and out of the Department. The emergency teams consist of fire marshals, floor marshals, first aiders and emergency controllers and were maintained for every floor in all the buildings where the Department occupies space. The drafting of a departmental Occupational Health and Safety Policy has commenced. Four meetings of the Departmental Occupational Health and Safety Committee were held.

The main risks and hazards were related to civil disorder/public protests around the WCG buildings; an electrical fire; water leakage resulting in office space being damaged; noise levels and dust, mainly as a result of building renovations, and challenges with the lifts while being installed.

Mitigation measures included drafting a guideline on appropriate behaviour during incidences of public unrest and regular evacuation exercises on a floor to floor basis. Senior managers were advised on protective measures where the building renovations resulted in excessive dust. In instances where the contract terms and conditions in terms of drilling and other activities with high noise levels were transgressed by contractors, the Department of Transport and Public Works was successful in enforcing the contractual stipulations. The issues with the lifts were successfully mitigated by Transport and Public Works.

Thirteen (13) formal and informal incidences were reported and attended to during the year under review. These ranged from safety risks; water leakages; noise levels; dust, lift challenges to smoking in the building. A trends analysis indicated that some of the incidents were due to human error. Trends analysis will inform the continuous refinement of an awareness programme as a preventative measure.

Training of occupational health and safety representatives and emergency teams on the identification and management of hazards and exposure will form part of business plan for the next financial year. It is important to note that these incidences did not lead to casualties or loss of life.

A number of interventions to raise awareness on occupational health and safety matters were conducted. These included awareness roadshows to business units within the Department where the Department's occupational health and safety policy statement, roles and functions of emergency teams and updates on progress with the implementation of occupational health and safety in the Department were discussed. Emergency teams were also introduced to the rest of the staff in the business unit. An electronic newsletter, EXCO Insights, was distributed after each EXCO highlighting pertinent issues deliberated by the departmental top management. This medium was used to raise awareness on specific matters pertaining to occupational health and safety.

International best practice indicate that one of the most successful measures to ensure that occupational health and safety is properly embedded in an organisation remains training the managers responsible for the execution of departmental goals. To this end, the Executive Management of the Department participated in a one-day Occupational Health and Safety Management Overview training session. Feedback at the end of the session indicated that the departmental Executive Management found the training intervention useful and committed to its progressive implementation in the Department.

Thirty two (32) occupational health and safety representatives including employer and employee representatives have been trained.

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

As challenges occurred in the buildings including changes in the emergency routes, staff received an update on the situation/s where applicable on their specific floors/areas. The refurbishment of the Legislature and 4 Dorp Street buildings required continuous and ongoing testing of evacuation routes as these changed as the contractors worked in different areas of the complex. Employees displayed excellent cooperation when dry runs were conducted. In this respect the Department complied with the mandatory two evacuations per year.

In respect of monitoring and evaluation, a process was embedded that provided for office managers to collate and assess issues for follow up from checklists submitted to them by the health and safety representatives. Where these checklists highlighted issues of a transversal nature such issues were escalated to the departmental Occupational Health and Safety Committee.

It must further be noted that a number of incidences were successfully dealt with by members of the emergency teams indicating a higher level of responsiveness than before. The fact that incidences were mitigated at the point where it occurred, show the increased level of confidence and capacity of emergency teams.

7. PORTFOLIO COMMITTEES

Standing Committee on Premier, Gender, Disabled and Youth

Date	Topic/s	Issues raised / addressed
5 June 2013	Briefing on the 4th Quarterly Performance Report.	Department responded to Committee members' questions in the meeting.
24 July 2013	Briefings on the WCG Social Media and Online Content Policies.	Department responded to Committee members' questions in the meeting.
21 August 2013	Committee return oversight visit to Zolani Thusong Centre and visit to Emasithandane Children's Home.	Department facilitated a response from the Department of Social Development .
28 August 2013	Briefings on the Management Performance Assessment Tool (MPAT) and Frontline Service Delivery Monitoring (FSDM.)	Department responded to Committee members' questions in the meeting. The Committee requested a further briefing on FSDM in May 2014.
23 October 2013	Briefing on the Annual Report 2012/13.	Detailed reply submitted to the Committee's requests for further information.
2 December 2013	Briefing on the Adjustments Appropriation Bill.	Detailed reply submitted to the Committee's requests for further information.
29 January 2014	Committee hearings on the Public Administration Management Bill, 2013.	Department provided written and oral inputs to the Committee.
26 February 2014	Briefing on the Integrated Financial Management System (IFMS).	Department responded to Committee members' questions in the meeting.
11 March 2014	Discussion on the Western Cape Appropriation Bill [B2-2014]: Vote 1 - Department of the Premier.	Department responded to Committee members' questions in the meeting.
25 March 2014	Final mandate: State Attorney Amendment Bill and Gender Equality and Empowerment Bill.	Adoption of final mandates.

8. SCOPA RESOLUTIONS

SCOPA engagements with the Department of the Premier during the period under review (1 April 2013 – 31 March 2014):

Date	Issue
24 July 2013	Briefing on FIU quarterly reports – <ul style="list-style-type: none">• Report of last quarter of 2012/13 financial year (January – March 2013);• Report of first quarter of 2013/14 financial year (April – June 2013).
23 October 2013	Discussion of the Department of Premier's Annual Report (2012/13 financial year).
5 February 2014	Briefing SCOPA on secondment of a senior official.
3 March 2014	Briefing SCOPA on Forensic Investigative Unit (FIU) – on the state of fraud and corruption in the Western Cape Government and financial implication thereof by the FIU.

The Department of the Premier briefed the Standing Committee on Public Accounts on its Annual report on 23 October 2013. After deliberations SCOPA published its report in the ATC dated 25 March 2014 as follows:

Vote 1: Premier

The Committee noted the Auditor-General's audit opinion regarding the Department's Annual Financial Statements, being financially unqualified with findings of compliance with laws and regulations relating to expenditure management and findings on predetermined objectives and that this remained unchanged from the 2011/12 unqualified audit opinion with findings.

The Committee noted the Department's commitment of achieving a clean audit in 2014 and beyond. To achieve this commitment and to avoid a regression in the audit outcome, the Department should urgently and sustainably address all matters raised by the Auditor-General, the Audit Committee and this Committee.

The Committee took cognisance of the fact that 30% of High Risk Areas were covered by Internal Audit, compared to 43% last year, and further noted that of the five internal audits approved for auditing during the financial year, two were actually completed.

Recommendations

Background / Concerns	Recommendations	Action Date
<p>Page: 115 of the Annual Report</p> <p>Heading: “Internal Audit”</p> <p>Description: The Committee noted the implementation of combined assurance principles aimed at increasing assurance over significant risks, and that this is designed to ensure that all high risk areas are covered at least once within a three year cycle.</p>	<p>The Committee agreed that:</p> <p>1. The Department, Provincial Treasury, Internal Audit and the Audit Committee should brief the Committee on the Combined Assurance Model and the three-year audit plans for all Departments.</p>	<p>Briefing will be presented to SCOPA – date yet to be scheduled.</p>
<p>Page: 128 of the Annual Report</p> <p>Heading: “Financial Management”</p> <p>Description: It was concerning to the Committee that management did not ensure that sufficient and appropriate monitoring controls were in place to ensure that the verification process for new appointments took place prior to the appointment of the employee and/or did not cover criminal record checks, citizenship verification, financial record checks and reference checks.</p>	<p>2. The Corporate Service Centre within the Department of the Premier should ensure that personnel suitability checks are done prior to appointing new staff within the government departments in order to verify the historic data of individuals.</p>	<p>A report on the prescribed Personnel Suitability Check is attached to the recruitment pack that is submitted to the delegated authority making the appointment.</p>
<p>Page: 150 of the Annual Report of Provincial Treasury</p> <p>Heading: “Significant Uncertainties”</p> <p>Description: The Committee noted with concern that no Western Cape Government Department could access the National Persal database to ensure that corrupt officials who have been subjected to serious disciplinary actions due to various fraud and/or corruption activities were brought to the attention of the interviewing panel.</p>	<p>3. The Department and Provincial Treasury should engage the National Department of Public Service and Administration (DPSA) to request access to the National Persal database.</p>	<p>Function 4.1.7 (reasons for termination) on PERSAL is available to view any appointment made in government. An attempt to appoint a dismissed case is blocked on PERSAL and an alert is displayed.</p>

Background / Concerns	Recommendations	Action Date
<p>Page: 184 of the Annual Report</p> <p>Heading: “SCOPA resolutions”</p> <p>Description: The Committee thanked the Department for publishing its resolutions and actions taken in this regard, in its Annual Report, but noted that this was not an accurate reflection of the oversight role exercised by the Committee, in the year under review.</p>	<p>4. The Department publishes the Committee’s opening comments specific to this Department, this table of resolutions and the list of information requested by the committee, in all future Annual Reports.</p>	<p>Ongoing, and starting with the publishing of the Department’s 2013/14 Annual Report.</p>
<p>Page: 192 of the Annual Report</p> <p>Heading: “2.18 Other”</p> <p>Description: The Committee noted that the Department coordinated investigations into the overpayment of the ministerial drivers of various Departments dating back a number of years, and that these overpayments were deemed, by the Department, to be immaterial to the Annual Financial Statements.</p>	<p>5. The Department should brief the Committee on progress achieved and/or the outcomes of these investigations.</p>	<p>The Corporate Services Centre conducted an investigation into the overpayment of drivers in a number of ministerial offices. The erroneous payments were made over a period of time and related to the implementation of an incorrect allowance. Treasury appointed the CFO of WCED to Chair a Transversal Committee to resolve the overpayments in a uniform manner and in accordance with the PFMA.</p> <p>The committee resolved that the affected departments must deal with the debt of their Ministerial drivers individually. Each case had to be evaluated on its own merit. After all facts were considered with regards to the DotP case, the allowance was corrected on PERSAL, and the debt written off due to the fact that it would cause undue hardship for the debtor.</p>

Background / Concerns	Recommendations	Action Date
<p>Page: 196 of the Annual Report</p> <p>Heading: “Achievement of planned targets”</p> <p>Description: The Committee noted that of the total number of 93 targets planned for the year, 19 were not fully achieved during the year under review. This represented 20% of total planned targets that were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process.</p>	<p>6. The matter should be referred to the relevant Standing Committee for further monitoring and evaluation with the Department.</p>	<p>Further thorough interrogation of indicators, targets and Technical Indicator Descriptions took place prior to submission of the 2013/14 annual performance plan to ensure usefulness and measurability of indicators. It should also be noted that the Department’s achievement of targets improved to 89% in the 2013/14 financial year.</p>
<p>Page: 196 of the Annual Report</p> <p>Heading: “Usefulness of information”</p> <p>Description: The Committee noted with concern that 29% of the Department’s performance targets could not be measured and that 29% of indicators were not well defined and that clear, unambiguous data definitions were not available to allow for data to be collected consistently.</p>	<p>7. The Department should brief the Committee on the value achieved (impact of outputs) through the completion of its performance targets.</p>	<p>Further thorough interrogation of indicators, targets and Technical Indicator Descriptions took place prior to submission of the 2013/14 annual performance plan to ensure usefulness and measurability of indicators. Data management plans were developed for implementation during the 2014/15 financial year. These plans will assist programme managers with the consistent collection, collation and analysis of data to ensure usefulness of information.</p>
<p>Page: 197 of the Annual Report</p> <p>Heading: “2.3.1 Leadership”</p> <p>Description: The Committee noted with concern that the Department’s Executive Projects Dashboard (EPD) that aims to monitor projects and deliver performance data to various stakeholders was not clearly linked to the PDOs reported in the APPs and Annual Reports of the Department.</p>	<p>8. The Department should brief the Committee on the content, usability and value achieved in the implementation of the Executive Projects Dashboard and how it synchronises with the PDOs reported in the APPs and the Annual Reports.</p>	<p>The Executive Project Dashboard (EPD) system was implemented to support the WCG with monitoring the progress of projects and in particular as it aligns to strategic and operational commitments. The system enabled end-users to categorise projects as APP and or PDO contributors. The projects</p>

Background / Concerns	Recommendations	Action Date
		<p>could also be linked to National Outcomes. This was done to customise reporting. This system was used by the Provincial Treasury to analyse departmental project performance against APP indicators and to inform the MTEC process.</p> <p>The project performance data via the EPD system was also used by the Premier to discuss the progress of projects contributing towards PSO outcomes. These discussions took place bi-annually.</p> <p>The Project Initiation Documents were key in linking projects to financial programmes and sub programmes as well as APP indicators.</p> <p>Enhancements to the EPD system did not continue as the Province invested in a new programme and project management solution.</p>
<p>Page: 188 of the Annual Report</p> <p>Heading: “Reference to previous audit report and SCOPA resolutions”</p> <p>Description: The Committee wishes to engage the FIU, South African Police Services and the National Prosecuting Authority in order to ascertain the status of all the cases reported and the results or execution plan on the way forward in order to finalise these cases.</p>	<p>9. The Forensic Investigation Unit (FIU) (in consultation with the South African Police Services and the National Prosecuting Authority) brief the Committee on all the cases for the 2012/13 financial year which were reported to the South African Police Services and the National Prosecuting Authority.</p>	<p>Awaiting an invitation from SCOPA to brief the committee.</p>

Background / Concerns	Recommendations	Action Date
<p>Page: 188 of the Annual Report</p> <p>Heading: “Reference to previous audit report and SCOPA resolutions”</p> <p>Description: During a SCOPA discussion with the Department during the first quarter of 2013, the Committee requested that the Department present its Skills Transfer Plan. This plan would ensure that valuable skills are transferred to employees of the Department, which would ensure that it operates optimally and thereby reducing the risk of dependence on consultants contracted to the Department.</p>	<p>10. The Corporate Service Centre should brief the Committee on the mechanisms developed to ensure that the permanent staff of the FIU will benefit from a skills transfer plan from the current forensic consultants (Deloitte).</p>	<p>Skills will be transferred through the following initiatives:</p> <ul style="list-style-type: none"> • Detailed Standard Operating Procedures for each process and sub-process which will provide detailed step-by-step instructions, guidance and reference material • Weekly technical and information sharing sessions to transfer general knowledge and skills to the internal team • Information sessions on relevant legislation (PFMA, SCM rules, NTR’s, other policies and prescripts), involving relevant parties • Shared network drive to safeguard relevant information required by the team for a sustained service delivery, accessible by internal team

List of Information required

Resolution no.	Subject	Details	Response by the department	Resolved (yes/no)
1.	Briefing SCOPA on FIU quarterly reports (24 July 2013).	Report for the Last Quarter of the 2012/13 financial year (January – March 2013). Report for the First Quarter of the 2013/14 financial year (April – June 2013).	Department responded to Committee members' questions in the meeting and also submitted a written report.	Yes
2.	Discussion of the Department of the Premier Annual Report (23 October 2013).	A detailed report on the issues highlighted under the title of "Leadership" as per heading 2.3.1 as indicated on page 197 of the Annual Report of the Department.	Report submitted to SCOPA on 20 January 2014.	Yes
3.	Discussion of the Department of the Premier Annual Report (23 October 2013).	A detailed report on the value obtained from the forensic investigation services, which was outsourced for the 2012/13 financial year as indicated on page 172.	Report submitted to SCOPA on 20 January 2014	Yes
4.	Discussion of the Department of the Premier Annual Report (23 October 2014).	The interim first annual report of the Changing behaviour specialist (as and when it becomes available) as reflected on page 166 of the Annual Report of the Department.	The evaluation report will only be ready at the end of 2014.	Yes
5.	Discussion of the Department of the Premier Annual Report (23 October 2013).	A detailed list of the service providers contracted by the Department for various projects, as indicated under heading 3.15 on page 166 of the Annual Report of the Department.	List submitted to SCOPA on 20 January 2014.	Yes
6.	Discussion of the Department of the Premier Annual Report (23 October 2013).	The SAPS case number of the case made against an employee which pertained to the Hip Hop media investigation by the Department as indicated on page 188 of the Annual Report of the Department.	CAS 2276/04/2012	Yes
7.	Discussion of the Department of the Premier Annual Report (23 October 2014).	A detailed report on the study executed which highlights the costs associated with outsourcing the Forensic Investigation Unit, compared to the costs of hosting	Report submitted to SCOPA on 20 January 2014	Yes

Resolution no.	Subject	Details	Response by the department	Resolved (yes/no)
		an in-house service in the Department as indicated on page 209 of the Annual Report of the Department.		
8.	Discussion of the Department of the Premier Annual Report (23 October 2013).	A detailed report on all condoned and non- condoned expenditures as indicated on pages 239 and 240 of the Annual Report of the Department.	Report submitted to SCOPA on 20 January 2014	Yes
9.	Discussion of the Department of the Premier Annual Report (23 October 2013).	A copy of the letter which was written to the Minister of Finance (Mr P Gordhan), including the response from the Minister of Finance's office relating to the condonation of irregular expenditure (to the Department of the Premier).	Copy of letter from the Department of the Premier to Provincial Treasury requesting condonation submitted to SCOPA on 20 January 2014.	Yes
10.	Briefing SCOPA on secondment of a senior official (5 February 2014).	To provide costs and circumstances relating to the secondment of Mr M Richardson from the Department of Social Development to the Department of the Premier.	Department responded to Committee members' questions in the meeting and also submitted a written report.	Yes
11.	Briefing SCOPA on Forensic Investigative Unit (3 March 2014).	Discussion on the state of fraud and corruption in the Western Cape Provincial Government and the financial implication thereof by the Forensic Investigation Unit.	SCOPA resolutions still awaited.	No

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

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
Material Impairments <ul style="list-style-type: none"> Assets were not found in the asset count and full investigations had not been completed into these assets 	2009/10, 2010/11, 2011/12 and 2012/13	Previous years not yet found, assets were written off and those not found in 2012/13 were under investigation.
Other Matters Predetermined Objectives <ul style="list-style-type: none"> The Auditor-General reported on the usefulness and reliability of the information in the Annual Performance report and reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability for the programmes selected for auditing. 	2012/13	Due to the Annual Performance Plan (APP) for 2013/14 having already been tabled the Annexure E to the APP was revised and included more detail. With regard to the usefulness on the performance, portfolios of evidence were kept on file and verified.
Compliance with Laws and Regulations <ul style="list-style-type: none"> The accounting officer did not take effective steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1. 	2012/13	Officials were made aware of the importance of the compliance to laws and Regulations to prevent incidents of irregular expenditure.

10. INTERNAL CONTROL UNIT

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

Where irregular and fruitless and wasteful expenditure was identified, it was either reported to the unit or identified by the unit itself which then enters it into the applicable registers and investigates the various cases before making recommendations as to how it should be treated. The majority of the older irregular expenditure cases have been finalised, except for four cases. One case is with National Treasury awaiting their response and the other three cases will be finalised in the new financial year. All cases identified and reported in the year under review have been finalised. Any cases on the Fruitless and Wasteful expenditure will be finalised in the new financial year.

The departmental loss control officer is based in this unit and has been busy following up on the older cases that were on the register. These cases range from thefts and losses to damage to GG vehicles. Before these cases can be finalised the Department has to first receive the final Police or State Attorney report and these tend to be slow in being received. Various financial inspections have also been carried out. Most have now been finalised. The current cases are kept up to date as far as possible.

The unit is also responsible for keeping the register of financial circulars issued in the Department, the originals as well as financial policies issued on file.

After the Provincial Treasury conducted an investigation into the Internal Control Framework and together with Organisation Development they recommended new Internal Control establishments in the departments. This Department's new establishment was approved and makes provision for functions that have not been done here before. The Department is awaiting the budget allocation from the Provincial Treasury and will be advertising the new posts in the new financial year.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

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

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

The following assurance engagements were approved as per the 2013/14 Internal Audit Plan:

- Budget Management;
- Predetermined Objectives (PDO);
- WCG Departmental Bursaries and Management of Bursary Agreements; and
- Transfer Payments.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which includes responsibilities relating to the:

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental accounting and reporting;
- Departmental accounting policies;
- Review of AGSA management and audit report;
- Review of departmental in-year monitoring;
- Departmental risk management;
- Internal control;

- Pre-determined objectives; and
- Ethics and forensic investigations.

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date	No. of Meetings attended
Mr Mervyn Burton	BCompt, BCompt (Hons), CA(SA)	External	N/a	1 January 2012	N/a	9
Ms Judy Gunther	BCompt; Masters in Cost Accounting; CIA; AGA; CRMA;	External	N/a	1 January 2013	N/a	9
Mr Louw van der Merwe	CA(SA); ACMA; CIA; CISA; CRMA	External	N/a	1 January 2013	N/a	9
Mr Kerry Larkin	BCompt; ND:FIS; CRMA; CCSA; CIA;	External	N/a	1 January 2013	N/a	6
Mr Zaid Manjra	BCom; Dip Acc; CA(SA); MBL	External	N/a	1 January 2013	N/a	6

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2014.

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 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

Following a risk based approach; the following Internal Audit work was approved for the financial year, with three projects being completed after year-end. The remaining project was deferred to the 2014/15 Internal Audit Plan:

- Predetermined Objectives (PDO) (completed after year-end);
- WCG Departmental Bursaries and Management of Bursary Agreements (completed after year-end);
- Transfer Payments (completed after year-end); and
- Budget Management (deferred to the 2014/15 Internal Audit Plan)

None of the reports have been tabled at the Audit Committee for the period under review. The Audit Committee is very concerned and has raised the issue with the Chief Audit Executive. Corrective actions have been agreed with the Accounting Officer and the implementation thereof is being monitored by the Audit Committee on a quarterly basis.

The Audit Committee has considered the work of the assurance providers such as management, internal control unit, treasury and external audit; and nothing has come to our attention which would indicate a material breakdown in the internal control systems in the Department.

In-Year Management and Monthly/Quarterly Report

The Department has reported monthly and quarterly to the Treasury as is required by the PFMA.

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

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the audited Annual Financial Statements as presented in the Annual Report, with the Auditor-General of South Africa and the Accounting Officer;
- reviewed the Auditor General of South Africa's Management Report and Management's responses thereto;
- considered changes to the accounting policies and practices and where applicable these are reported in the Annual Financial Statements;
- reviewed the Department's processes to ensure compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the annual report;
- reviewed where appropriate material adjustments resulting from the audit of the Department; and
- reviewed and where appropriate recommended changes to the interim financial statements as presented by the Department for the six months ending 30 September 2013.

Internal Audit

Vacancies within the Internal Audit structure are receiving ongoing attention and good progress is being made to fill funded vacancies. There were no unresolved Internal Audit findings.

Risk Management

The Department has taken full responsibility and ownership for the implementation of the Enterprise-wide Risk Management (ERM) methodology and function and this is reviewed on a quarterly basis by the Audit Committee. The challenge remains to institutionalise ERM throughout the Department. The Audit Committee noted a number of emerging risks and will be monitoring these on a regular basis.

Auditor-General of South Africa's Report

- The Audit Committee concurs and accepts the Auditor-General of South Africa's opinion regarding the Annual Financial Statements, and proposes that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General of South Africa.
- The Audit Committee has met with the Auditor-General of South Africa and the Department to ensure that there are no unresolved issues emanating from the regulatory audit.
- The Audit Committee has reviewed the Department's implementation plan for audit issues raised in the previous year on a quarterly basis and is satisfied that the matters have been adequately resolved.
- The Audit Committee recommended that the Annual Financial Statements be approved by the Accounting Officer on 8th August 2014.

Appreciation

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



Mr Mervyn Burton
Chairperson of the Governance and Administration Cluster Audit Committee
Department of the Premier
Date: 18 August 2014



Western Cape
Government



**Western Cape
Government**

Department of the Premier

Provincial Chairperson (Wom

Your email to Premier
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Due to circumstances
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Please contact the
The Western Cape
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Part D



HUMAN RESOURCE MANAGEMENT

1. LEGISLATION THAT GOVERN HUMAN RESOURCE MANAGEMENT

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

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

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

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

- **Occupational Health and Safety Act 85 of 1993**

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

- **Labour Relations Act 66 of 1995**

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

- **Basic Conditions of Employment Act 75 of 1997**

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

- **Skills Development Act 97 of 1998**

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

- **Employment Equity Act 55 of 1998**

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

- **Public Finance Management Act 1 of 1999**

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

- **Skills Development Levy Act 9 of 1999**

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

- **Promotion of Access to Information Act 2 of 2000**

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

- **Promotion of Administrative Justice Act (PAJA) of 2000**

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

2. INTRODUCTION

The Value of Human Capital in the Department

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

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

Overview of Human Resource matters at the department

Human Resources are a key element in achieving the strategic objectives of the Department. Therefore human resource planning aims to ensure that the department has the right people, with the right skills, at the right place at the right time, all the time. The Department's strategic planning has to precede this process, which links to the departmental skills development, recruitment, retention, and affirmative action strategies.

The strategic HR Plan was developed and implemented for the period 1 April 2012 to 31 March 2017 and adjusted with effect from 1 April 2013. The HR Plan is reviewed annually to determine whether the human resource strategic objectives are valid and address the HR priorities in the departments. The bi-annual progress reports monitor the implementation of the activities contained within the HR Plan.

Set Human Resource priorities for the year under review and the impact of these priorities

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

NO.	HR PRIORITY	OUTCOME
1	Recruitment and staffing	Reduced time frames to fill advertised posts. Reduced vacancy rate and more efficient recruitment & selection process. The Department recognised as an employer of choice.
2	Career management including training and development	To create a learning organisation with a focus on scarce and critical skills. Availability of a pool of competent employees ready to fill vacant positions.
3	Promotion of employment equity	A diverse workforce with equal opportunities for all.
4	Institutionalise change navigation (inclusive of values, ethics and organisational culture)	Reduced entropy to acceptable levels.

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

Without people, the Department cannot deliver an optimum service and without an adequate budget, they cannot recruit and retain people needed to deliver optimum services.

Workforce planning can be defined as an inclusive and dynamic process that involves the identification

of both current and future human resource needs as well as potential challenges in order for the Department to consistently achieve its departmental strategic objectives.

The implementation of the identified HR Planning strategic objectives will ensure that the Department has the “right people, with the right skills, at the right place at the right time, all the time”.

The following are some of the key activities as set out in the action plan:

No.	Key Activities
1	<p>Recruitment and staffing</p> <ul style="list-style-type: none"> • Annually determine the percentage of vacant posts on the establishment that can be funded. • Implementation of a project based approach for recruitment where line managers agree to scheduled dates for the filling of posts prior to advertising. • Implementation of e-recruitment system. • Reduce the number of contract workers where posts are of a permanent nature. • Review and improve R&S policy to support staffing initiatives. • Implementation of the On-Boarding Programme to integrate new employees successfully.
2	<p>Career management including training and development</p> <ul style="list-style-type: none"> • Continuous development of employees to be fully functional in their current positions and to prepare them for career progression. • Identify future skills requirements as portrayed in the skills gap analysis. • Bursary allocations aligned with critical and scarce skills, e.g. GIS, legislative drafters, procurement, M&E, business analysts (IT). • OD intervention in role clarification between PTI and PM&D to ensure that identified training needs are addressed. • Develop a policy to provide guidelines for the training of each employee in a set cycle (funding / days per cycle). • Retirement and exit planning to ensure skills and knowledge transfer in high risk groups (e.g. procurement specialist through job shadowing, exit companion, etc.).
3	<p>Promotion of employment equity</p> <ul style="list-style-type: none"> • Targeted recruitment interventions to reach numerical goals, in particular to address under-representation on all salary levels and in all directorates. • Introduce an AA measure in the EE Plan to create a pool of MMS from designated groups to be eligible for promotion to SMS posts when a vacancy arises.
4	<p>Institutionalise change navigation in the Department (including values, ethics and organisational culture)</p> <ul style="list-style-type: none"> • Develop and implement a change programme for the Department to: <ul style="list-style-type: none"> - address the impact of continuous change; - equip employees and managers to manage and cope with future change.

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

Employee Performance Management Framework

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

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

The framework also seeks to promote a positive workplace culture that encourages formal and informal discussions about performance quality, lead practice and continuous individual improvement.

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSO 12, namely being the best-run regional government in the world.

Employee Wellness

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

3. HUMAN RESOURCE OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

The key in the table below is a description of the Programme's within the Department. Programmes will be referred to by their number from here on out.

Programme	Programme Designation
Programme 1	Executive Support
Programme 2	Provincial Strategic Management
Programme 3	Human Capital (People Management) (CSC)
Programme 4	Centre for E-Innovation (CSC)
Programme 5	Corporate Assurance (CSC)

Table 3.1.1: Personnel expenditure by programme, 2013/14

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Programme 1	67 259	48 653	93	10 409	72,3	363	134
Programme 2	51 680	31 165	263	16 381	60,3	427	73
Programme 3	142 556	112 706	1 639	26 640	79,1	263	428
Programme 4	543 820	148 651	953	338 595	27,3	331	449
Programme 5	89 222	59 259	875	29 322	66,4	382	155
Total	894 537	400 434	3 823	421 347	44,8	323	1 239

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

Table 3.1.2: Personnel expenditure by salary bands, 2013/14

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Lower skilled (Levels 1-2)	5 266	1,3	36	145
Skilled (Levels 3-5)	20 608	5,1	147	140
Highly skilled production (Levels 6-8)	72 865	18,1	235	310
Highly skilled supervision (Levels 9-12)	236 815	58,8	419	565
Senior management (Levels 13-16)	67 527	16,8	855	79
Total	403 081	100,0	325	1 239

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

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

Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2013/14

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	33 193	8,2	68	0,02	761	0,2	1 510	0,4
Programme 2	20 291	5,0	0	0,0	253	0,1	649	0,2
Programme 3	80 585	20,0	1 314	0,3	2 289	0,6	4 101	1,0
Programme 4	109 045	27,1	1 243	0,3	1 808	0,4	3 918	1,0
Programme 5	43 007	10,7	8	0,0002	607	0,2	1 397	0,3
Total	286 121	71,0	2 633	0,7	5 718	1,4	11 575	2,9

Note: Salaries, overtime, housing allowance and medical assistance are calculated as a % of the total personnel expenditure which appears in Table 3.1.2 above. Furthermore, the table does not make provision for other expenditure such as pensions, bonus and other allowances, which make up the total personnel expenditure. Therefore, salaries, overtime, housing allowance and medical assistance amount to 76% of the total personnel expenditure.

The totals of table 3.1.3 and 3.1.4 do balance, however, because the data is grouped by either programme or salary band and is rounded off to thousands, they reflect differently.

Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary bands, 2013/14

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower Skilled (levels 1-2)	4 390	1,1	26	0,006	71	0,02	164	0,04
Skilled (levels 3-5)	14 335	3,6	403	0,1	590	0,1	913	0,2
Highly Skilled Production (levels 6-8)	52 539	13,0	760	0,2	1 669	0,4	3 197	0,8
Highly Skilled Supervision (levels 9-12)	172 095	42,7	1 444	0,4	2 817	0,7	6 559	1,6
Senior Management (levels 13-16)	42 761	10,6	0	0,0	571	0,1	741	0,2
Total	286 120	71,0	2 633	0,7	5 718	1,4	11 574	2,9

Note: The totals of table 3.1.3 and 3.1.4 do balance, however, because the data is grouped by either programme or salary band and is rounded off to thousands, they reflect differently.

3.2 EMPLOYMENT AND VACANCIES

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

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2014

Programme	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy Rate taking additional staff into account
Programme 1	130	109	16,2	15	4,6
Programme 2	53	45	15,1	13	0,0
Programme 3	349	309	11,5	27	3,7
Programme 4	318	286	10,1	77	0,0
Programme 5	153	124	19,0	5	15,7
Total	1 003	873	13,0	137	0,0

Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2014

Salary Band	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy Rate taking additional staff into account
Lower skilled (Levels 1-2)	23	22	4,3	0	4,3
Skilled (Levels 3-5)	129	107	17,1	20	1,6
Highly skilled production (Levels 6-8)	222	187	15,8	24	5,0
Highly skilled supervision (Levels 9-12)	570	503	11,8	78	0,0
Senior management (Levels 13-16)	59	54	8,5	15	0,0
Total	1 003	873	13,0	137	0,0

Note: The information in each case reflects the situation as at 31 March 2014. For an indication of changes in staffing patterns over the year under review, please refer to section 3.4 of this report.

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2014

Critical Occupations	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy Rate taking additional staff into account
Analyst Developer	47	39	17,0	2	12,8
Legal Advisor	30	24	20,0	0	20,0
Network Technologist	114	106	7,0	15	0,0
Procurement Specialist	2	2	0,0	0	0,0
Total	193	171	11,4	17	2,6

3.3 JOB EVALUATION

The Public Service Regulations, 2001 as amended, introduced post evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any post in his or her organisation.

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

Table 3.3.1: Job evaluation, 1 April 2013 to 31 March 2014

Salary Band	Total number of posts	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	% of number of posts	Number	% of number of posts
Lower skilled (Levels 1-2)	23	0	0,0	0	0,0	0	0,0
Skilled (Levels 3-5)	129	51	5,1	0	0,0	0	0,0
Highly skilled production (Levels 6-8)	222	54	5,4	0	0,0	0	0,0
Highly skilled supervision (Levels 9-12)	570	87	8,7	1	0,1	0	0,0
Senior Management Service Band A (Level 13)	40	6	0,6	0	0,0	0	0,0
Senior Management Service Band B (Level 14)	12	3	0,3	0	0,0	0	0,0
Senior Management Service Band C (Level 15)	5	0	0,0	0	0,0	0	0,0
Senior Management Service Band D (Level 16)	2	0	0,0	0	0,0	0	0,0
Total	1 003	201	20,0	1	0,1	0	0,0

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

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

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2013 to 31 March 2014

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	1	1
Male	0	0	0	0	0
Total	0	0	0	1	1
Employees with a disability					1

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

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2013 to 31 March 2014

Major Occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Director	1	13	0	4 notch increment	Attraction
Chief Director	1	14	0	4 notch increment	Retention
IT Governance Manager	1	11	0	Salary Level 13 10 notch increment	Retention
State Law Advisor	1	Grade 2	0	12 notch increment	Attraction
Total number of employees whose salaries exceed the level determined by job evaluation (including awarding of higher notches) in 2013/2014					4
Percentage of total employment					0,4

Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2013 to 31 March 2014

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	1	0	1
Male	0	0	1	2	3
Total	0	0	2	2	4
Employees with a disability					0

3.4. EMPLOYMENT CHANGES

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

Table 3.4.1: Annual turnover rates by salary band, 1 April 2013 to 31 March 2014

Salary Band	Number of employees as at 31 March 2013	Turnover rate 2012/13	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2013/14
Lower skilled (Levels 1-2)	17	26,3	4	0	3	0	17,6
Skilled (Levels 3-5)	138	18,2	68	4	60	6	47,8
Highly skilled production (Levels 6-8)	281	12,5	39	7	32	8	14,2
Highly skilled supervision (Levels 9-12)	516	13,1	34	4	48	11	11,4
Senior Management Service Band A (Level 13)	46	2,4	3	1	4	1	10,9
Senior Management Service Band B (Level 14)	16	0,0	1	0	0	0	0,0
Senior Management Service Band C (Level 15)	5	16,7	0	0	0	0	0,0
Senior Management Service Band D (Level 16)	3	0,0	1	0	1	0	33,3
Total	1 022	13,3	150	16	148	26	17,0
			166		174		

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

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2013 to 31 March 2014

Critical Occupation	Number of employees as at 31 March 2013	Turnover rate 2012/13	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2013/14
Analyst Developer	42	14,8	4	0	6	0	14,3
Legal Advisor	24	13,0	13	0	6	0	25,0
Network Technologist	123	9,1	5	1	10	0	8,1
Procurement Specialist	2	0,0	0	0	0	0	0,0
Total	191	4,0	22	1	22	0	11,5
			23		22		

Table 3.4.3: Staff leaving the employ of the department, 1 April 2013 to 31 March 2014

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2013
Death	2	1,1	0,2
Resignation *	75	43,1	7,3
Expiry of contract	57	32,8	5,6
Dismissal - misconduct	6	3,4	0,6
Retirement	6	3,4	0,6
Employee initiated severance package	1	0,6	0,1
Transfers to Statutory	1	0,6	0,1
Transfers to other Public Service departments	26	14,9	2,5
Total	174	100,0	17,0

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

* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2013 to 31 March 2014

Resignation Reasons	Number	% of total resignations
Better remuneration	19	25,3
Insufficient progression possibilities	2	2,7
Other occupation	1	1,3
No reason	23	30,7
Translation to permanent	30	40,0
Total	75	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2013 to 31 March 2014

Resignation Reasons	Number	% of total resignations
Ages <19	1	1,3
Ages 20 to 24	11	14,7
Ages 25 to 29	20	26,7
Ages 30 to 34	17	22,7
Ages 35 to 39	12	16,0
Ages 40 to 44	4	5,3
Ages 45 to 49	5	6,7
Ages 50 to 54	3	4,0
Ages 55 to 59	1	1,3
Ages 60 to 64	1	1,3
Ages 65 >	0	0,0
Total	75	100.0

Table 3.4.6 Employee initiated severance packages.

Salary Band	Number of applications received	Number of applications referred to MPSA	Number of applications supported by the 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)	1	1	1	1
Senior management (Levels 13-16)	0	0	0	0
Total	1	1	1	1

Table 3.4.7: Promotions by salary band, 1 April 2013 to 31 March 2014

Salary Band	Employees as at 31 March 2013	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Lower skilled (Levels 1-2)	17	0	0,0	10	58,8
Skilled (Levels 3-5)	138	0	0,0	114	82,6
Highly skilled production (Levels 6-8)	281	16	5,7	214	76,2
Highly skilled supervision (Levels 9-12)	516	13	2,5	354	68,6
Senior management (Levels 13-16)	70	3	4,3	43	61,4
Total	1 022	32	3,1	735	71,9

Table 3.4.8: Promotions by critical occupation, 1 April 2013 to 31 March 2014

Critical Occupation	Employees as at 31 March 2013	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Analyst Developer	42	0	0,0	22	52,4
Legal Advisor	24	1	4,2	12	50,0
Network Technologist	123	0	0,0	87	70,7
Procurement Specialist	2	0	0,0	1	50,0
Total	191	1	0,5	122	63.9

3.5. EMPLOYMENT EQUITY

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

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2014

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	1	3	0	1	0	0	0	3	0	0	8
Senior management (Levels 13-14)	9	16	1	17	2	10	1	8	0	0	64
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	55	156	3	82	55	112	3	50	0	0	516
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	25	72	0	16	34	104	3	28	0	0	282
Semi-skilled and discretionary decision making (Levels 3-5)	11	35	0	5	28	39	0	5	0	0	123
Unskilled and defined decision making (Levels 1-2)	5	2	0	0	1	9	0	0	0	0	17
Total	106	284	4	121	120	274	7	94	0	0	1 010
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	106	284	4	121	120	274	7	94	0	0	1 010

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

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

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

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2014

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	1	0	4	1	2	0	3	0	0	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	4	0	0	0	1	0	0	5
Semi-skilled and discretionary decision making (Levels 3-5)	0	1	0	0	1	1	0	1	0	0	4
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	1	2	0	8	2	3	0	5	0	0	21
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	2	0	8	2	3	0	5	0	0	21

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

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

Table 3.5.3: Recruitment, 1 April 2013 to 31 March 2014

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	1	0	0	0	0	0	0	1
Senior management (Levels 13-14)	0	1	0	1	0	2	0	1	0	0	5
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	7	0	9	0	13	0	6	0	0	38
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	7	11	0	0	3	16	1	8	0	0	46
Semi-skilled and discretionary decision making (Levels 3-5)	2	27	0	6	8	26	0	3	0	0	72
Unskilled and defined decision making (Levels 1-2)	1	0	0	0	0	3	0	0	0	0	4
Total	13	46	0	17	11	60	1	18	0	0	166
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	13	46	0	17	11	60	1	18	0	0	166

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

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

Table 3.5.4: Promotions, 1 April 2013 to 31 March 2014

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	1	0	1	0	1	0	0	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	3	0	0	1	4	0	1	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	2	0	1	2	8	0	1	0	0	16
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	6	5	0	2	3	13	0	3	0	0	32
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	6	5	0	2	3	13	0	3	0	0	32

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

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

Table 3.5.5: Terminations, 1 April 2013 to 31 March 2014

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	1	0	0	0	0	0	0	1
Senior management (Levels 13-14)	0	0	1	2	1	0	0	1	0	0	5
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	10	13	0	10	9	11	1	5	0	0	59
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	12	8	0	1	5	9	0	5	0	0	40
Semi-skilled and discretionary decision making (Levels 3-5)	6	18	0	6	8	24	0	4	0	0	66
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	2	0	0	0	0	3
Total	28	40	1	20	23	46	1	15	0	0	174
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	28	40	1	20	23	46	1	15	0	0	174

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

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

Table 3.5.6: Disciplinary actions, 1 April 2013 to 31 March 2014

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Final written warning	0	1	0	0	1	0	0	0	0	0	2
Suspension without pay	0	0	0	0	1	0	0	0	0	0	1
Dismissal/desertion	0	2	1	1	2	0	0	0	0	0	6
Case withdrawn	0	0	0	0	0	1	0	0	0	0	1
Total	0	3	1	1	4	1	0	0	0	0	10

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

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and types of misconduct addressed at disciplinary hearings, please refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2013 to 31 March 2014

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	1	6	0	6	2	3	0	2	20
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	21	79	1	40	29	50	1	9	230
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	14	32	0	7	14	40	1	11	119
Semi-skilled and discretionary decision making (Levels 3-5)	12	12	0	4	9	14	0	4	55
Unskilled and defined decision making (Levels 1-2)	5	25	0	2	4	36	0	1	73
Total	53	154	1	59	58	143	2	27	497
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	53	154	1	59	58	143	2	27	497

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

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

3.6. Signing of performance agreements by SMS members

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2013

SMS Level	Number of funded SMS posts per level	Number of SMS posts filled per level	Number of SMS Additional per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Director-General/ Head of Department	1	1	0	1	100,0
Salary level 16, but not HOD	1	1	1	2	100,0
Salary Level 15	5	5	0	5	100,0
Salary Level 14	12	11	3	13	92,9
Salary Level 13	41	36	9	43	95,6
Total	60	54	13	64	95,5

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

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS members on 31 May 2013

Reasons for not concluding Performance Agreements with all SMS members
SL 14 - Employee in disagreement with her PA at the time of signature
SL 13 - Employee was on Special Leave
SL 13 - Resigned on 31 May 2013

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2013

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

3.7. Filling of SMS posts

Table 3.7.1: SMS posts information, as at 30 September 2013

SMS Level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100,00	0	0,00
Salary level 16, but not HOD	1	1	100,00	0	0,00
Salary Level 15	5	5	100,00	0	0,00
Salary Level 14	12	11	91,67	1	8,33
Salary Level 13	41	36	87,80	5	12,20
Total	60	54	90,00	6	10,00

Table 3.7.2: SMS posts information, as at 31 March 2014

SMS Level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/ Head of Department	1	1	100,00	0	0,00
Salary level 16, but not HOD	1	1	100,00	0	0,00
Salary Level 15	5	5	100,00	0	0,00
Salary Level 14	12	12	100,00	0	0,00
Salary Level 13	40	35	87,50	5	12,50
Total	59	54	91,53	5	8,47

Table 3.7.3: Advertising and filling of SMS posts, as at 31 March 2014

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary level 16, but not HOD	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	6	1	2
Total	6	1	2

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

SMS Level	Reasons for non-compliance
Director-General/ Head of Department	
Salary level 16, but not HOD	
Salary Level 15	
Salary Level 14	Chief Audit Executive: The post was advertised outside the timeframe. No appointment could be made and the Department has since then re-advertised the post three times. The post however, has been filled with effect 1 February 2014
Salary Level 13	<p>Director: Priority Programmes Co-ordination: Newly created structure. The vacancy will be advertised within the required six-month period. The Department envisages the filling of the post within the next reporting period.</p> <p>Director: Supply Chain and Administration: Newly created structure. The advertising of the post was held in abeyance because of possible further changes to the structure. The post was however filled from 1 January 2014.</p> <p>Director: Programme and Project Performance: The post became vacant in the 2011/2012 reporting period and was advertised within 6 months of becoming vacant. After assessing the applications it was decided to embark on a re-advertising process as the number of suitable candidates were limited. The process for re-advertising the post was finalised and filled with effective date 01 August 2013.</p>

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

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

3.8. Employee performance

Table 3.8.1: Notch progressions by salary band, 1 April 2013 to 31 March 2014

Salary Band	Employees as at 31 March 2013	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	17	10	58,8
Skilled (Levels 3-5)	138	114	82,6
Highly skilled production (Levels 6-8)	281	214	76,2
Highly skilled supervision (Levels 9-12)	516	354	68,6
Senior management (Levels 13-16)	70	43	61,4
Total	1 022	735	71,9

Table 3.8.2: Notch progressions by critical occupation, 1 April 2013 to 31 March 2014

Salary Band	Employees as at 31 March 2013	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Analyst Developer	42	22	52,4
Legal Advisor	24	12	50,0
Network Technologist	123	87	70,7
Procurement Specialist	2	1	50,0
Total	191	122	63,9

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2011/12, but paid in the financial year 2013/14. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2013 to 31 March 2014

SMS Level	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group on 31 March 2013	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	29	247	11,7	398	13 724
Male	13	118	11,0	198	15 251
Female	16	129	12,4	200	12 484
Coloured	156	542	28,8	2 312	14 820
Male	78	280	27,9	1 264	16 201
Female	78	262	29,8	1 048	13 438
Indian	1	12	8,3	30	30 098
Male	0	5	0,0	0	0
Female	1	7	14,3	30	30 098
White	65	203	32,0	1 406	21 628
Male	35	116	30,2	814	23 248
Female	30	87	34,5	592	19 738
Employees with a disability	7	18	38,9	98	13 991
Total	258	1022	25,2	4 244	16 449

Note: The above table relates to performance rewards for the performance year 2012/13 and payment effected in the 2013/14 reporting period.

Table 3.8.4: Performance rewards by salary bands for personnel below Senior Management Service level, 1 April 2013 to 31 March 2014

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group on 31 March 2013	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	4	17	23,5	15	3 707	0,0
Skilled (Levels 3-5)	27	138	19,6	154	5 685	0,0
Highly skilled production (Levels 6-8)	62	281	22,1	586	9 458	0,2
Highly skilled supervision (Levels 9-12)	148	516	28,7	2 982	20 148	0,9
Total	241	952	25,3	3 737	15 505	1,1

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

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2013 to 31 March 2014

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group on 31 March 2013	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	9	46	19,6	224	24 848	0,3
Senior Management Service Band B (Level 14)	6	16	37,5	185	30 814	0,3
Senior Management Service Band C (Level 15)	0	5	0,0	0	0	0,0
Senior Management Service Band D (Level 16)	2	3	66,7	99	49 322	0,1
Total	17	70	24,3	508	29 833	0,8

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

Table 3.8.6: Performance rewards by critical occupations, 1 April 2013 to 31 March 2014

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group on 31 March 2013	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Analyst Developer	12	42	28,6	187	15 563	0,1
Legal Advisor	6	24	25,0	235	39 127	0,1
Network Technologist	0	123	0,0	0	0	0,0
Procurement Specialist	0	2	0,0	0	0	0,0
Total	18	191	9,4	422	23 417	0,1

3.9 Foreign workers

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

Table 3.9.1: Foreign Workers by salary band, 1 April 2013 to 31 March 2014

Salary Band	1 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

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

Table 3.9.2: Foreign Workers by major occupation, 1 April 2013 to 31 March 2014

Salary Band	1 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
None						

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

3.10. Leave utilisation for the period 1 January 2013 to 31 December 2013

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

Table 3.10.1: Sick leave, 1 January 2013 to 31 December 2013

Salary Band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	197	91,9	14	19	73,7	14	56
Skilled (Levels 3-5)	1 185	76,6	146	140	104,3	8	525
Highly skilled production (Levels 6-8)	2 168	79,6	261	310	84,2	8	1 597
Highly skilled supervision (Levels 9-12)	3 628	78,6	471	564	83,5	8	4 523
Senior management (Levels 13-16)	436	82,8	51	79	64,6	9	978
Total	7 614	79,1	943	1 112	84,8	8	7 679

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

Table 3.10.2: Incapacity leave, 1 January 2013 to 31 December 2013

Salary Band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	0	0,0	0	19	0,0	0	0
Skilled (Levels 3-5)	60	100,0	1	140	0,7	60	28
Highly skilled production (Levels 6-8)	26	100,0	2	310	0,6	13	22
Highly skilled supervision (Levels 9-12)	15	100,0	1	564	0,2	15	14
Senior management (Levels 13-16)	12	100,0	1	79	1,3	12	25
Total	113	100,0	5	1 112	0.4	23	89

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

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

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

Table 3.10.3: Annual Leave, 1 January 2013 to 31 December 2013

Salary Band	Total days taken	Total number employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	352	20	18
Skilled (Levels 3-5)	3 072	164	19
Highly skilled production (Levels 6-8)	6 064	289	21
Highly skilled supervision (Levels 9-12)	12 238	541	23
Senior management (Levels 13-16)	1 680	74	23
Total	23 406	1 088	22

Table 3.10.4: Capped leave, 1 January 2013 to 31 December 2013

Salary Band	Total capped leave available as at 31 Dec 2012	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2013	Total capped leave available as at 31 Dec 2013
Lower skilled (Levels 1-2)	108	0	0	0	1	36
Skilled (Levels 3-5)	413	0	0	0	13	473
Highly skilled production (Levels 6-8)	2 074	3	2	2	47	1 840
Highly skilled supervision (Levels 9-12)	3 154	31	6	5	93	2 982
Senior management (Levels 13-16)	1 055	0	0	0	21	1 020
Total	6 804	34	8	4	175	6 352

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

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

Table 3.10.5: Leave pay-outs, 1 April 2013 to 31 March 2014

Reason	Total Amount (R'000)	Number of Incidents	Average payment per employee
Leave pay-outs for 2013/14 due to non-utilisation of leave for the previous cycle	288	4	71 999
Capped leave pay-outs on termination of service for 2013/14	105	4	26 140
Current leave pay-outs on termination of service 2013/14	210	9	23 387
Total	603	17	35 473
Total number of employees who received payments			13

3.11. HIV AND AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2013 to 31 March 2014

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

Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes, 1 April 2013 to 31 March 2014

Question	Yes	No	Details, if yes
<p>1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.</p>	X		<p>Ms Reygana Shade is the Director: Organisational Behaviour, (Department of the Premier). She fulfilled this role due to the corporatisation of the Employee Health and Wellness function.</p>
<p>2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</p>	X		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) participating departments, including the Department of the Premier.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and wellbeing of employees in the eleven (11) departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors and four (4) Wellness Practitioners.</p> <p>Budget: R2m</p>
<p>3. Has the department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this programme.</p>	X		<p>The Department has entered into a service level agreement with ICAS [Service Provider] to render an Employee Health and Wellness Service to the eleven (11) client departments of the Corporate Services Centre [CSC].</p> <p>The department conducted interventions namely, Management Consultancy, Employee Induction, Stress Management, Abuse and Sexual Health Awareness, Work Life Balance, Employee Advocacy Awareness, Personal Finance, Managerial Referral, Substance Abuse, Financial Wellbeing, Juicy Parenting, Re-Strung and Coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme [EHWP] reports provided by the service provider, ICAS, for the period 2013/14. The reports were based on the utilisation of the EHW services and management</p>

Question	Yes	No	Details, if yes
			<p>information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a proactive approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, managers and supervisors as well as executive coaching for SMS members.</p> <p>The department also provided information sessions, as requested by various departments in the Western Cape Government [WCG] to inform employees of the EHW service, how to access the Employee Health and Wellness Programme [EHWP]. Promotional material such as pamphlets, posters and brochures were distributed.</p>
<p>4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	X		<p>A new Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>Committee members are:</p> <ul style="list-style-type: none"> • Agriculture: M Ferreira and H Jordaan (DJ); • Community Safety: A Brink; Simon Sekwadi & C Coetzee; • Cultural Affairs: S Julies & D Flandorp; • Economic Development & Tourism: C Julies & P Martin; • Environmental Affairs & Development Planning: M Kroese & P Cloete; • Health: S Newman & C Van Willing; • Human Settlements: J Roberts & LL Groenewald • Local Government: F Matthee & K Adams • Department of the Premier: R Shade & N Norushe • Provincial Treasury: D Sass & S Sixubane; • Social Development: T Mtheku; & M Robinson • Transport & Public Works: C Marx & Zinnia De Monk; and • Western Cape Education: M Cronje and C Le Roux.

Question	Yes	No	Details, if yes
<p>5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	X		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Coordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness [EHW] in the Public Service and coordinate the programmes and services in a uniform manner.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>During the period under review, the Department of the Premier has developed a Transversal Employee Health and Wellness policy. The draft document is being consulted for ratification.</p> <p>Further to this, the Department of Health has currently approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>
<p>6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>	X		<p>The Department implemented the Provincial Strategic Plan on HIV/AIDS, STIs and TB 2012 - 2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zero's in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> • Zero new HIV, STI and TB infections; • Zero deaths associated with HIV and TB; • Zero discrimination. <p>Also, the department is conducting the HCT and Wellness screening sessions to ensure that every employee in the CSC Departments of the Western Cape Government is tested for HIV and screened for TB, at least annually,</p>

Question	Yes	No	Details, if yes
			<p>The aim was to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that Employee Relations Directorate addresses complaints or grievances and provides training to employees. • Other key elements that addressed anti HIV/AIDS discrimination issues were: Wellness Screenings and TB Testing Sessions with specific requests from departments were conducted, posters and pamphlets were distributed, HIV/AIDS counselling [HCT] and TB Testing were conducted, condom programme and spot talks, including [HIV/AIDS speak out programme] were conducted as well.
<p>7. Does the department encourage its employees to undergo voluntary counselling and testing (VCT)? If so, list the results that you have achieved.</p>	X		<p>HCT SESSIONS:</p> <p>The following screening sessions were conducted:</p> <ul style="list-style-type: none"> • Blood pressure, Glucose, Cholesterol, TB, BMI (body mass index) and spot talks. • The Department of the Premier participated in 5 HCT and Wellness screening sessions. • 84 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's). There were 0 clinical referrals for TB, HIV or any other STIs.
<p>8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.</p>	X		<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external EAP service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by the External Service Provider. The most recent annual health review period was 1 April 2013 – 2014.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no. of cases.</p> <p>The review further provides amongst others service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place.</p>

3.12. Labour relations

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

Table 3.12.1: Collective agreements, 1 April 2013 to 31 March 2014

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

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

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2013 to 31 March 2014

Outcomes of disciplinary hearings	Number	% of total
Final written warning	3	27,3
Suspension without pay	1	9,1
Dismissal/desertion	6	54,5
Case withdrawn	1	9,1
Total	11	100
Percentage of total employment		0,9

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

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2013 to 31 March 2014

Type of misconduct	Number	% of total
Irregular Appointment	1	10
Unauthorised Absence	3	30
Misuse of Government Resources	1	10
Failure to Carry Out lawful/Reasonable Instruction	2	20
Gross Negligence	1	10
Abscondment	2	20
Total	10	100

Table 3.12.4: Grievances lodged, 1 April 2013 to 31 March 2014

Grievances lodged	Number	% of total
Number of grievances resolved	6	46,2
Number of grievances not resolved	7	53,8
Total number of grievances lodged	13	100,0

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

Table 3.12.5: Disputes lodged with Councils, 1 April 2013 to 31 March 2014

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	4	36,4
Number of disputes dismissed	7	63,6
Total number of disputes lodged	11	100,0

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

Table 3.12.6: Strike actions, 1 April 2013 to 31 March 2014

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

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

Table 3.12.7: Precautionary suspensions, 1 April 2013 to 31 March 2014

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

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

3.13. Skills development

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

Table 3.13.1: Training needs identified, 1 April 2013 to 31 March 2014

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	25	0	33	0	33
	Male	45	0	29	0	29
Professionals	Female	169	0	234	0	234
	Male	297	0	341	0	341
Technicians and associate professionals	Female	138	0	266	0	266
	Male	95	0	186	0	186
Clerks	Female	125	0	204	0	204
	Male	55	0	74	0	74
Service and sales workers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	3	0	2	0	2
Elementary occupations	Female	11	0	10	0	10
	Male	11	0	1	0	1
Sub Total	Female	478	0	747	0	747
	Male	515	0	633	0	633
Total		993	0	1 380	0	1 380
Employees with disabilities	Female	9	0	0	0	0
	Male	9	0	0	0	0

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

Table 3.13.2: Training provided, 1 April 2013 to 31 March 2014

Occupational Categories	Gender	Number of employees as at 31 March 2014	Training provided within the reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	23	0	7	0	7
	Male	45	0	13	0	13
Professionals	Female	207	0	89	0	89
	Male	301	0	141	0	141
Technicians and associate professionals	Female	136	0	67	0	67
	Male	97	0	53	0	53
Clerks	Female	150	0	27	0	27
	Male	72	0	28	0	28
Service and sales workers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	3	0	0	0	0
Elementary occupations	Female	15	0	41	0	41
	Male	13	0	32	0	32
Sub Total	Female	542	0	231	0	231
	Male	542	0	267	0	267
Total		1 084	0	498	0	498
Employees with disabilities	Female	10	0	0	0	0
	Male	11	0	0	0	0

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

3.14. Injury on duty

Table 4.14.1 provides basic information on injury on duty.

Table 3.14.1: Injury on duty, 1 April 2013 to 31 March 2014

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0,0
Temporary disablement	2	100,0
Permanent disablement	0	0,0
Fatal	0	0,0
Total	2	100,0
Percentage of total employment		0,2

3.15. UTILISATION OF CONSULTANTS

Table 3.15.1: Report on consultant appointments using appropriated funds, 1 April 2013 to 31 March 2014

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Strategy and Account Management for Provincial Honours campaign.	2	1.75 days	R32 558.40
Western Cape Youth Strategy and Ottery Facility Concept Paper.	1	24 days	R199 123.00
Development of a Whole of Society conceptual framework and implementation plan.	1	16.5 days	R198 528.00
Implementation of the Community Safety Bill and the recommendations of the safety diagnostic.	1	3 months	R820 720.00
Develop a Futures Planning Tool for long term evaluation of the Western Cape.	1	2 years	R1 795 086.00
Assessment of the Western Cape Contact Centre.	5	3 months	R591 140.00
Change Behaviour Specialist	1	24 months	R4 290 343.00
Development of an Institutional Model for the Provincial Training Institute (People Training and Empowerment)	1	12 months	R1 455 550.00
Business Process Optimisation services for the Western Cape Government	1	28 months	R3 638 880.00
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
9	14	2 865	R12 471 928.40

Table 3.15.1: Utilisation of consultants

Report of consultant appointments using appropriated funds 2013/14										
Programme	Consulting firm	Project title	Total number of consultants that worked on the project	Duration: work days/ hours	Contract value in Rand	Total number of projects	% Ownership by HDI group	% Management by HDI groups	Number of consultants from HDI group that work on the project	HDI value in Rand
Programme 1	Young and Rubicam	Strategy and Account Management for Provincial Honours campaign.	2	1.75 days	R32 558.40	1	30%	Unknown	Unknown	R9,767.52
Programme 2	Institute for Security Studies	Develop a Futures Planning Tool for long term evaluation of the Western Cape.	1	2 years	R1 795 086.00	1	Trust	N/A	1	R1,795 086.00
	C Douglas Projects	Implementation of the Community Safety Bill and the recommendations of the safety diagnostic.	1	3 months	R820 720.00	1	Nil	Nil	Nil	Nil
	C Douglas Projects	Development of a Whole of Society conceptual framework and implementation plan.	1	16.5 days	R198 528.00	1	Nil	Nil	Nil	Nil
	Strategies for Change Agency	Western Cape Youth Strategy and Ottery Facility Concept Paper.	1	24 days	R199 123.00	1	30%	Unknown	1	R59,736.90
	University of Cape Town	Change Behaviour Specialist	2	24 months	R4 290 343.00	N/A	N/A	N/A	N/A	N/A
Programme 3	University of the Western Cape	Development of an Institutional Model for the Provincial Training Institute (People Training and Empowerment)	1	12 months	R1 455 550.00	N/A	N/A	N/A	N/A	N/A
	Viewpoint Training and Consulting	Business Process Optimisation services for the Western Cape Government	1	28 months	R3 638 880.00	1	Nil	Nil	Nil	Nil
Programme 4	Price Waterhouse Coopers	Assessment of the Western Cape Contact Centre.	5	3 months	R591 140.00	1	27.82%	100%	5	R164,336.92
Grand total										

Table 3.15.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2013 to 31 March 2014

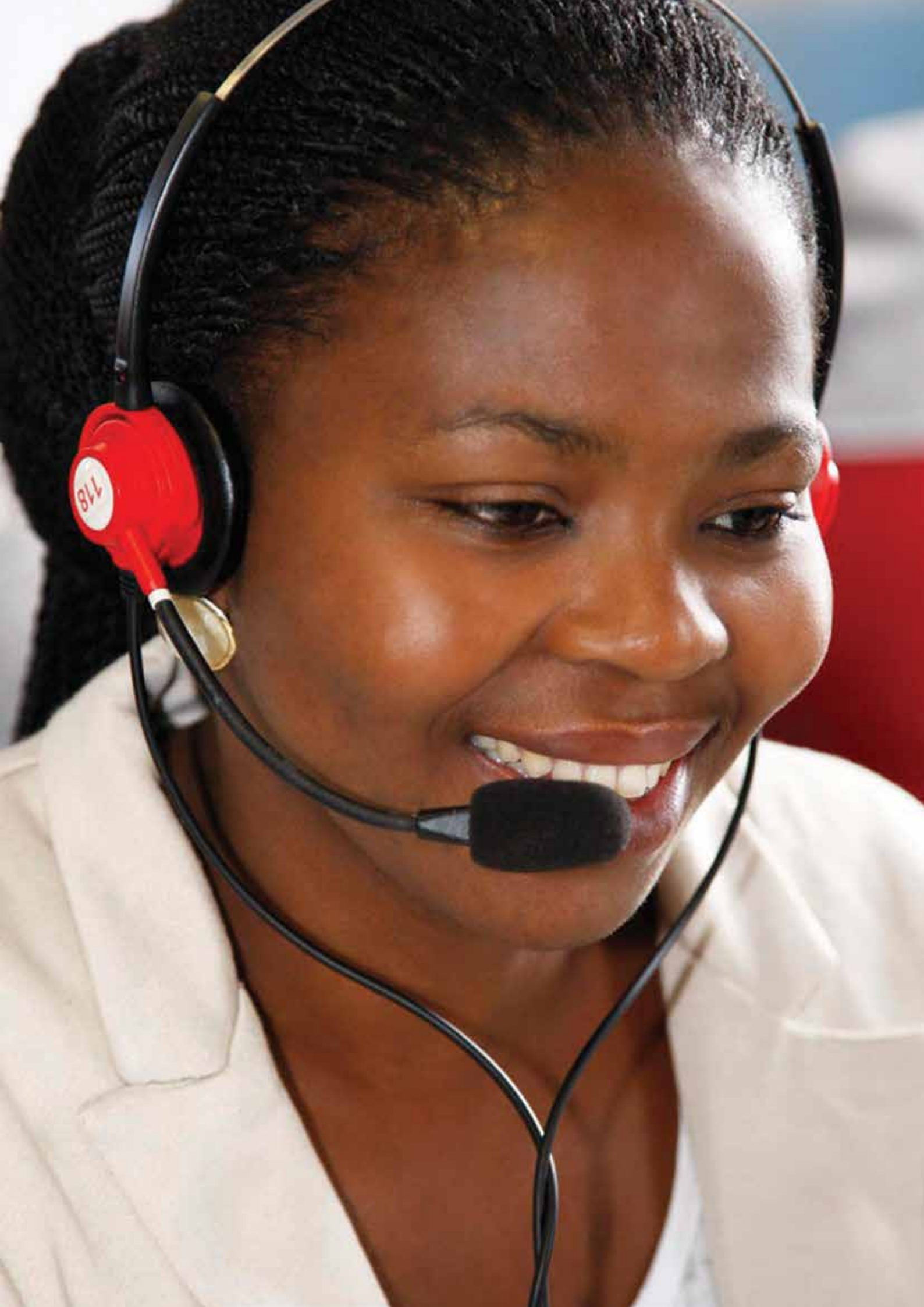
Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Strategy and Account Management for Provincial Honours campaign.	30%	Unknown	Unknown
Western Cape Youth Strategy and Ottery Facility Concept Paper.	30%	Unknown	1
Development of a Whole of Society conceptual framework and implementation plan.	Nil	Nil	Nil
Implementation of the Community Safety Bill and the recommendations of the safety diagnostic.	Nil	Nil	Nil
Develop a Futures Planning Tool for long term evaluation of the Western Cape.	Trust	N/A	1
Assessment of the Western Cape Contact Centre.	27.82%	100%	5
Change Behaviour Specialist	N/A	N/A	N/A
Development of an Institutional Model for the Provincial Training Institutem (People Training and Empowerment)	N/A	N/A	N/A
Business Process Optimisation services for the Western Cape Government	Nil	Nil	Nil

Table 3.15.3: Report on consultant appointments using Donor funds, 1 April 2013 to 31 March 2014

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
N/A	-	-	-
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
N/A	-	-	-

Table 3.15.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2013 to 31 March 2014

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





Part E



FINANCIAL INFORMATION

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

Report on the financial statements

Introduction

1. I have audited the financial statements of the Western Cape Department of the Premier set out on pages 176 to 238, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of the Premier as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matter

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

Potential material losses

8. As disclosed in note 28 to the financial statements, major assets originally purchased at R3,461 million and included in the total value of assets could not be verified during the departmental asset count. The department is investigating the whereabouts of these assets through the relevant processes.

Additional matter

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

Unaudited supplementary information

10. The supplementary information set out on pages 227 to 238 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

11. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for the selected programmes presented in the annual report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

12. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:

- Programme 3: Human capital (People Management) (Corporate Services Centre)
(on pages 67 to 71)
- Programme 4: Centre for e-innovation (Corporate Services Centre) (on pages 75 to 78)

13. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

14. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information*.

15. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

Additional matter

17. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matter:

Achievement of planned targets

18. Refer to the annual performance report on pages 46 to 88 for information on the achievement of the planned targets for the year.

Compliance with legislation

19. I performed procedures to obtain evidence that the department had complied with legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

20. I considered internal control relevant to my audit of the financial statements, performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

Other report

Performance audit

Performance audit of the readiness of government to report on its performance

21. The report of the Auditor-General of South Africa on the readiness of government to report on its performance will be tabled during 2014. The Western Cape Department of the Premier was one of the 61 institutions/departments audited during this audit. The performance audit focused on the following:

- The systems and processes that government departments have put in place to report on their performance
- The performance reporting guidance and oversight government departments received.

Auditor-General

Cape Town

30 July 2014



APPROPRIATION STATEMENT

for the year ended 31 March 2014

Appropriation per programme

Detail per programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
1. Executive Support									
Current payment	63,084	(1,165)	(2,668)	59,251	59,062	189	99.7%	66,152	65,922
Transfers and subsidies	6,702	130	-	6,832	6,824	8	99.9%	142	134
Payment for capital assets	350	861	-	1,211	1,199	12	99.0%	1,917	1,904
Payment for financial assets	-	174	-	174	174	-	100.0%	161	160
2. Provincial Strategic Management (Strategic Programmes)									
Current payment	50,999	(2,627)	(637)	47,735	47,547	188	99.6%	28,754	28,650
Transfers and subsidies	1,436	2,477	-	3,913	3,908	5	99.9%	1,379	1,376
Payment for capital assets	88	150	-	238	225	13	94.5%	183	175
Payment for financial assets	-	-	-	-	-	-	-	2	1
3. Human Capital (People Management) (CSC)									
Current payment	157,141	(2,258)	(9,253)	145,630	139,346	6,284	95.7%	134,903	134,731
Transfers and subsidies	624	117	-	741	733	8	98.9%	1,425	1,416
Payment for capital assets	355	2,138	-	2,493	2,475	18	99.3%	1,933	1,922
Payment for financial assets	-	3	-	3	2	1	66.7%	1	1
4. Centre for e-Innovation (CSC)									
Current payment	464,737	3,387	19,350	487,474	487,246	228	100.0%	384,890	384,811
Transfers and subsidies	21,631	114	-	21,745	21,734	11	99.9%	19,604	19,599
Payment for capital assets	38,358	(3,502)	-	34,856	34,840	16	100.0%	16,991	16,981
Payment for financial assets	-	1	-	1	-	1	-	-	-
5. Corporate Assurance (CSC)									
Current payment	97,216	(278)	(6,792)	90,146	88,583	1,563	98.3%	88,356	88,208
Transfers and subsidies	270	130	-	400	392	8	98.0%	53	51
Payment for capital assets	114	148	-	262	247	15	94.3%	1,126	1,114
Payment for financial assets	-	-	-	-	-	-	-	9	9
TOTAL	903,105	-	-	903,105	894,537	8,568	99.1%	747,981	747,165
Reconciliation with statement of financial performance									
ADD: Departmental receipts				2,988				714	
Actual amounts per statement of financial performance (total revenue)				906,093				748,695	
Actual amounts per statement of financial performance (total expenditure)					894,537				747,165

Appropriation per economic classification

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014						2012/2013		
Current payments									
Compensation of employees	411,646	(6,882)	(3,258)	401,506	400,434	1,072	99.7%	378,293	378,098
Goods and services	421,531	3,941	3,258	428,730	421,347	7,383	98.3%	324,733	324,223
Transfers and subsidies									
Provinces and municipalities	10,000	2,600	-	12,600	12,600	-	100.0%	9,000	9,000
Departmental agencies and accounts	34	10	-	44	24	20	54.5%	41	24
Public corporations and private enterprises	-	-	-	-	-	-	-	230	230
Non-profit institutions	12,900	7	-	12,907	12,907	-	100.0%	12,711	12,711
Households	7,729	351	-	8,080	8,063	17	99.8%	621	611
Payments for capital assets									
Machinery and equipment	39,265	(205)	-	39,060	38,986	74	99.8%	21,996	21,915
Intangible assets	-	-	-	-	-	-	-	183	182
Payments for financial assets									
Payments for financial assets	-	178	-	178	176	2	98.9%	174	171
Total	903,105	-	-	903,105	894,537	8,568	99.1%	747,981	747,165

Detail per programme 1 - Executive Support

Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
1.1 Programme Support									
Current payment	1,637	(147)	-	1,490	1,478	12	99.2%	1,552	1,543
Transfers and subsidies	1	-	-	1	-	1	-	1	-
Payment for capital assets	6	2	-	8	8	-	100.0%	25	25
1.2 Office of the Premier									
Current payment	14,066	(779)	-	13,287	13,241	46	99.7%	12,921	12,877
Transfers and subsidies	2	17	-	19	18	1	94.7%	2	1
Payment for capital assets	77	178	-	255	253	2	99.2%	413	411
1.3 Executive Council Support									
Current payment	7,179	177	(32)	7,324	7,303	21	99.7%	14,803	14,715
Transfers and subsidies	-	1	-	1	-	1	-	79	77
Payment for capital assets	50	265	-	315	314	1	99.7%	427	421
Payment for financial assets	-	-	-	-	-	-	-	2	2
1.4 Departmental Strategy									
Current payment	5,140	(190)	(1,364)	3,586	3,569	17	99.5%	-	-
Payment for capital assets	75	(66)	-	9	8	1	88.9%	-	-
1.5 Office of the Director-General									
Current payment	9,785	(181)	(582)	9,022	8,992	30	99.7%	16,091	16,035
Transfers and subsidies	54	192	-	246	244	2	99.2%	58	55
Payment for capital assets	11	28	-	39	35	4	89.7%	293	291
Payment for financial assets	-	-	-	-	-	-	-	1	-
1.6 Financial Management									
Current payment	25,277	(45)	(690)	24,542	24,479	63	99.7%	20,785	20,752
Transfers and subsidies	6,645	(80)	-	6,565	6,562	3	100.0%	2	1
Payment for capital assets	131	454	-	585	581	4	99.3%	759	756
Payment for financial assets	-	174	-	174	174	-	100.0%	158	158
Total	70,136	-	(2,668)	67,468	67,259	209	99.7%	68,372	68,120

Detail per programme 1 - Executive Support

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
Current payments									
Compensation of employees	49,746	(136)	(914)	48,696	48,653	43	99.9%	54,692	54,647
Goods and services	13,338	(1,029)	(1,754)	10,555	10,409	146	98.6%	11,460	11,275
Transfers and subsidies to:									
Departmental agencies and accounts	5	3	-	8	3	5	37.5%	9	3
Non-profit institutions	-	147	-	147	147	-	100.0%	84	84
Households	6,697	(20)	-	6,677	6,675	2	100.0%	49	47
Payment for capital assets									
Machinery and equipment	350	861	-	1,211	1,198	13	98.9%	1,917	1,904
Payments for financial assets									
Payment for financial assets	-	174	-	174	174	-	100.0%	161	160
Total	70,136	-	(2,668)	67,468	67,259	209	99.7%	68,372	68,120

Detail per programme 2 - Provincial Strategic Management (Strategic Programmes)

Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
2.1 Programme Support									
Current payment	2,559	308	-	2,867	2,845	22	99.2%	2,203	2,187
Transfers and subsidies	1	(1)	-	-	-	-		-	-
Payment for capital assets	5	2	-	7	6	1	85.7%	11	10
2.2 Policy and Strategy									
Current payment	12,949	(562)	(119)	12,268	12,224	44	99.6%	10,978	10,958
Transfers and subsidies	514	18	-	532	530	2	99.6%	1,020	1,019
Payment for capital assets	20	95	-	115	112	3	97.4%	65	64
Payment for financial assets	-	-	-	-	-	-	-	2	1
2.3 Strategic Management Information									
Current payment	12,618	(242)	-	12,376	12,319	57	99.5%	8,114	8,067
Transfers and subsidies	1	-	-	1	-	1	-	1	-
Payment for capital assets	20	6	-	26	22	4	84.6%	85	81
2.4 Strategic Communication									
Current payment	4,036	(15)	(518)	3,503	3,492	11	99.7%	2,887	2,879
Transfers and subsidies	19	-	-	19	18	1	94.7%	1	-
Payment for capital assets	1	15	-	16	15	1	93.8%	11	10
2.5 Strategic Programmes (Strategic Projects)									
Current payment	18,837	(2,116)	-	16,721	16,667	54	99.7%	4,572	4,559
Transfers and subsidies	901	2,460	-	3,361	3,360	1	100.0%	357	357
Payment for capital assets	42	32	-	74	70	4	94.6%	11	10
Total	52,523	-	(637)	51,886	51,680	206	99.6%	30,318	30,202

Detail per programme 2 – Provincial Strategic Management (Strategic Programmes)

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014						2012/2013		
Current payments									
Compensation of employees	32,210	(688)	(307)	31,215	31,165	50	99.8%	20,794	20,769
Goods and services	18,789	(1,939)	(330)	16,520	16,381	139	99.2%	7,960	7,880
Transfers and subsidies to:									
Provinces and municipalities	-	2,600	-	2,600	2,600	-	100.0%	-	-
Departmental agencies and accounts	5	(1)	-	4	1	3	25.0%	2	-
Public corporations and private enterprises	-	-	-	-	-	-	-	230	230
Non-profit institutions	1,400	(140)	-	1,260	1,260	-	100.0%	1,127	1,127
Households	31	18	-	49	47	2	95.9%	20	19
Payment for capital assets									
Machinery and equipment	88	150	-	238	226	12	95.0%	183	176
Payments for financial assets									
Payment for financial assets	-	-	-	-	-	-	-	2	1
Total	52,523	-	(637)	51,886	51,680	206	99.6%	30,318	30,202

Detail per programme 3 - Human Capital (People Management) (CSC)

Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
3.1 Programme Support									
Current payment	2,210	(3)	-	2,207	2,050	157	92.9%	2,053	2,046
Transfers and subsidies	-	1	-	1	-	1	-	1	-
Payment for capital assets	-	2	-	2	1	1	50.0%	9	8
3.2 Organisation Development									
Current payment	43,939	(113)	-	43,826	38,980	4,846	88.9%	34,370	34,317
Transfers and subsidies	1	61	-	62	61	1	98.4%	39	38
Payment for capital assets	35	52	-	87	82	5	94.3%	758	755
3.3 Provincial Training Institute (People Training and Empowerment)									
Current payment	21,882	1,957	-	23,839	23,793	46	99.8%	20,237	20,200
Transfers and subsidies	32	(2)	-	30	29	1	96.7%	1,021	1,020
Payment for capital assets	125	170	-	295	292	3	99.0%	353	352
Payment for financial assets	-	3	-	3	2	1	66.7%	-	-
3.4 Human Resource Management (People Management Practices)									
Current payment	89,110	(4,099)	(9,253)	75,758	74,523	1,235	98.4%	78,243	78,168
Transfers and subsidies	591	57	-	648	643	5	99.2%	364	358
Payment for capital assets	195	1,914	-	2,109	2,100	9	99.6%	813	807
Payment for financial assets	-	-	-	-	-	-	-	1	1
Total	158,120	-	(9,253)	148,867	142,556	6,311	95.8%	138,262	138,070

Detail per programme 3 - Human Capital (People Management) (CSC)

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014						2012/2013		
Current payments									
Compensation of employees	115,172	(1,609)	-	113,563	112,706	857	99.2%	111,107	111,058
Goods and services	41,969	(649)	(9,253)	32,067	26,640	5,427	83.1%	23,767	23,673
Transfers and subsidies to:									
Departmental agencies and accounts	15	2	-	17	14	3	82.4%	19	14
Non-profit institutions	-	-	-	-	-	-	-	1,000	1,000
Households	609	115	-	724	719	5	99.3%	406	402
Payment for capital assets									
Machinery and equipment	355	2,138	-	2,493	2,475	18	99.3%	1,933	1,893
Intangible assets	-	-	-	-	-	-	-	29	29
Payments for financial assets									
Payment for financial assets	-	3	-	3	2	1	66.7%	1	1
Total	158,120	-	(9,253)	148,867	142,556	6,311	95.8%	138,262	138,070

Detail per programme 4 - Centre for e-Innovation (CSC)

Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014						2012/2013		
4.1 Programme Support									
Current payment	7,863	(1,193)	-	6,670	6,641	29	99.6%	6,502	6,485
Transfers and subsidies	-	1	-	1	1	-	100.0%	-	-
Payment for capital assets	-	229	-	229	226	3	98.7%	205	203
4.2 Strategic ICT Services									
Current payment	76,878	(7,010)	-	69,868	69,788	80	99.9%	55,644	55,642
Transfers and subsidies	11,533	3	-	11,536	11,532	4	100.0%	10,507	10,506
Payment for capital assets	1,838	(1,052)	-	786	782	4	99.5%	1,208	1,204
Payment for financial assets	-	1	-	1	-	1	-	-	-
4.3 GITO Management Services									
Current payment	379,996	11,590	19,350	410,936	410,817	119	100.0%	322,744	322,684
Transfers and subsidies	10,098	110	-	10,208	10,201	7	99.9%	9,097	9,093
Payment for capital assets	36,520	(2,679)	-	33,841	33,832	9	100.0%	15,578	15,574
Total	524,726	-	19,350	544,076	543,820	256	100.0%	421,485	421,391

Detail per programme 4 – Centre for e-Innovation (CSC)

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014						2012/2013		
Current payments									
Compensation of employees	152,721	(4,011)	-	148,710	148,651	59	100.0%	135,739	135,706
Goods and services	312,016	7,398	19,350	338,764	338,595	169	100.0%	249,151	249,105
Transfers and subsidies to:									
Provinces and municipalities	10,000	-	-	10,000	10,000	-	100.0%	9,000	9,000
Departmental agencies and accounts	6	5	-	11	5	6	45.5%	8	5
Non-profit institutions	11,500	-	-	11,500	11,500	-	100.0%	10,500	10,500
Households	125	109	-	234	229	5	97.9%	96	94
Payment for capital assets									
Machinery and equipment	38,358	(3,502)	-	34,856	34,840	16	100.0%	16,837	16,828
Intangible assets	-	-	-	-	-	-	-	154	153
Payments for financial assets									
Payment for financial assets	-	1	-	1	-	1	-	-	-
Total	524,726	-	19,350	544,076	543,820	256	100.0%	421,485	421,391

Detail per programme 5 - Corporate Assurance (CSC)

Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
5.1 Programme Support									
Current payment	2,070	(12)	-	2,058	2,012	46	97.8%	1,645	1,634
Transfers and subsidies	1	-	-	1	-	1	-	1	-
Payment for capital assets	2	12	-	14	13	1	92.9%	76	75
5.2 Enterprise Risk Management									
Current payment	7,575	(18)	(462)	7,095	7,077	18	99.7%	5,480	5,464
Transfers and subsidies	6	-	-	6	5	1	83.3%	26	26
Payment for capital assets	-	18	-	18	17	1	94.4%	30	29
5.3 Internal Audit									
Current payment	35,838	(190)	(2,793)	32,855	32,799	56	99.8%	32,171	32,130
Transfers and subsidies	44	108	-	152	150	2	98.7%	24	24
Payment for capital assets	100	82	-	182	175	7	96.2%	566	560
5.4 Forensic Investigations									
Current payment	16,555	-	(902)	15,653	15,024	629	96.0%	18,676	18,668
Transfers and subsidies	7	-	-	7	6	1	85.7%	-	-
Payment for capital assets	-	-	-	-	-	-	-	2	1
5.5 Legal Services									
Current payment	23,543	(36)	-	23,507	22,718	789	96.6%	20,638	20,584
Transfers and subsidies	42	22	-	64	62	2	96.9%	1	-
Payment for capital assets	-	14	-	14	9	5	64.3%	26	23
5.6 Corporate Communications									
Current payment	11,635	(22)	(2,635)	8,978	8,953	25	99.7%	9,746	9,728
Transfers and subsidies	170	-	-	170	169	1	99.4%	1	1
Payment for capital assets	12	22	-	34	33	1	97.1%	426	426
Payment for financial assets	-	-	-	-	-	-	-	9	9
Total	97,600	-	(6,792)	90,808	89,222	1,586	98.3%	89,544	89,382

Detail per programme 5 - Corporate Assurance (CSC)

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	2013/2014							2012/2013	
Current payments									
Compensation of employees	61,797	(438)	(2,037)	59,322	59,259	63	99.9%	55,961	55,918
Goods and services	35,419	160	(4,755)	30,824	29,322	1,502	95.1%	32,395	32,290
Transfers and subsidies to:									
Departmental agencies and accounts	3	1	-	4	1	3	25.0%	3	2
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	267	129	-	396	393	3	99.2%	50	49
Payment for capital assets									
Machinery and equipment	114	148	-	262	247	15	94.3%	1,126	1,114
Payments for financial assets									
Payment for financial assets	-	-	-	-	-	-	-	9	9
Total	97,600	-	(6,792)	90,808	89,222	1,586	98.3%	89,544	89,382

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2014

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

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

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

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

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in note 5 (Payments for financial assets) to the Annual Financial Statements.

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
1. Executive Support	67,468	67,259	209	0.31%
2. Provincial Strategic Management (Strategic Programmes)	51,886	51,680	206	0.40%
3. Human Capital (People Management) (CSC)	148,867	142,556	6,311	4.24%
4. Centre for e-Innovation (CSC)	544,076	543,820	256	0.05%
5. Corporate Assurance (CSC)	90,808	89,222	1,586	1.75%
Total	903,105	894,537	8,568	0.95%

Underspending under Human Capital is due to the Business Process Optimisation (BPO) project that was funded during the Adjustments Estimate 2013 process and could not be rolled out completely. A request for roll-over to the 2014/15 financial year is in process. Further underspending is due to the roll-out of the Integrated Financial Management System (IFMS) that was put on hold. Underspending under Corporate Assurance is due to the slow filling of posts and the difficulty in finding suitable candidates for specialised fields.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	401,506	400,434	1,072	0.27%
Goods and services	428,730	421,347	7,383	1.72%
Transfers and subsidies				
Provinces and municipalities	12,600	12,600	-	0.00%
Departmental agencies and accounts	44	24	20	45.45%
Non-profit institutions	12,907	12,907	-	0.00%
Households	8,080	8,063	17	0.21%
Payments for capital assets				
Machinery and equipment	39,060	38,986	74	0.19%
Payments for financial assets				
Payment for financial assets	178	176	2	1.12%
Total	903,105	894,537	8,568	0.95%

Underspending under Goods and Services is due to the Business Process Optimisation (BPO) project that was funded during the Adjustments Estimate 2013 process and could not be rolled out completely. A request for roll-over to the 2014/15 financial year is in process. Further underspending is due to the roll-out of the Integrated Financial Management System (IFMS) that was put on hold. Underspending on Departmental agencies and accounts as well as Payments for financial assets is due to the rounding off of virements to the nearest R'000.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
REVENUE			
Annual appropriation	1	903,105	747,981
Departmental revenue	2	2,988	714
TOTAL REVENUE		906,093	748,695
EXPENDITURE			
Current expenditure			
Compensation of employees	3	400,434	378,098
Goods and services	4	421,347	324,223
Total current expenditure		821,781	702,321
Transfers and subsidies	6	33,594	22,576
Expenditure for capital assets			
Tangible assets	7	38,986	21,915
Intangible assets	7	-	182
Total expenditure for capital assets		38,986	22,097
Payments for financial assets	5	176	171
TOTAL EXPENDITURE		894,537	747,165
SURPLUS FOR THE YEAR		11,556	1,530
Reconciliation of Net Surplus for the year			
Voted funds	10	8,568	816
Departmental revenue	11	2,988	714
SURPLUS FOR THE YEAR		11,556	1,530

STATEMENT OF FINANCIAL POSITION

as at 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
ASSETS			
Current assets		8,801	1,928
Cash and cash equivalents	8	6,695	23
Receivables	9	2,106	1,905
TOTAL ASSETS		8,801	1,928
LIABILITIES			
Current liabilities		8,706	1,852
Voted funds to be surrendered to the Revenue Fund	10	8,568	816
Departmental revenue to be surrendered to the Revenue Fund	11	138	52
Bank overdraft	12	-	981
Payables	13	-	3
TOTAL LIABILITIES		8,706	1,852
NET ASSETS		95	76
Represented by:			
Recoverable revenue		95	76
TOTAL		95	76

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Recoverable revenue			
Opening balance		76	101
Transfers:		19	(25)
Debts recovered (included in departmental receipts)		19	(25)
Closing balance		95	76
TOTAL		95	76

CASH FLOW STATEMENT

for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		907,265	749,307
Annual appropriated funds received	1.1	903,105	747,981
Departmental revenue received	2	4,152	1,320
Interest received	2.2	8	6
Net (increase)/decrease in working capital		(204)	1,295
Surrendered to Revenue Fund		(4,900)	(3,143)
Current payments		(821,781)	(702,321)
Payments for financial assets		(176)	(171)
Transfers and subsidies paid		(33,594)	(22,576)
Net cash flow available from operating activities	14	46,610	22,391
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(38,986)	(22,097)
Proceeds from sale of capital assets	2.3	10	1
Net cash flows from investing activities		(38,976)	(22,096)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		19	(25)
Net cash flows from financing activities		19	(25)
Net increase/(decrease) in cash and cash equivalents		7,653	270
Cash and cash equivalents at beginning of period		(958)	(1,228)
Cash and cash equivalents at end of period	15	6,695	(958)

ACCOUNTING POLICIES

for the year ended 31 March 2014

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.

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

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

1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>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</p>

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 financial statements when:

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

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

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

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 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.

8.4	<p>Leases</p>
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • 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	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position.</p> <p>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.</p>
10	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
11	<p>Loans and receivables</p> <p>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.</p>
12	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
13	<p>Payables</p> <p>Loans and payables are recognised in the statement of financial position at cost.</p>

14 Capital Assets

14.1 Immovable capital assets

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

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

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

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

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

14.2 Movable capital assets

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

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

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

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

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

14.3 Intangible assets

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

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

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

	<p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/ entity in which case the completed project costs are transferred to that department.</p>
15	Provisions and Contingents
15.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
15.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department</p>
17.4	<p>Commitments</p> <p>Commitments are recorded at cost in the notes to the 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</p>
18	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful 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</p>

<p>19</p>	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the 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.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>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.</p>										
<p>20</p>	<p>Prior period errors</p> <p>Late capturing of leave transactions affected the accuracy of comparative prior period leave entitlement disclosures in the financial statements. Consequently, the prior period disclosure notes are overstated as indicated below:</p> <table border="1" data-bbox="225 815 967 999"> <thead> <tr> <th>Financial periods affected</th> <th>Value of leave taken (R'000)</th> </tr> </thead> <tbody> <tr> <td>2010-11</td> <td>14</td> </tr> <tr> <td>2011-12</td> <td>86</td> </tr> <tr> <td>2012-13</td> <td>860</td> </tr> <tr> <td>Grand total</td> <td>960</td> </tr> </tbody> </table> <p>The overstatement was corrected for the 2012/13 financial year. Details are disclosed in note 31.</p>	Financial periods affected	Value of leave taken (R'000)	2010-11	14	2011-12	86	2012-13	860	Grand total	960
Financial periods affected	Value of leave taken (R'000)										
2010-11	14										
2011-12	86										
2012-13	860										
Grand total	960										
<p>21</p>	<p>Non-adjusting events after the reporting date</p> <p>An award was made to Neotel (PTY) LTD via SITA for the provision of WCG Broadband services for a period of ten years. The total amount of the bid over the ten year period is R2, 895 billion. A formal contract was signed on 20 June 2014 after negotiations between the legal and senior management teams of SITA, Neotel (PTY) LTD and the WCG. See note 27.</p>										

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2014

1. Annual Appropriation

1.1 Annual Appropriation

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

Programmes	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received
	R'000	R'000	R'000	%
	2013/14		2012/13	
Executive Support	67,468	67,468	-	68,372
Provincial Strategic Management (Strategic Programmes)	51,886	51,886	-	30,318
Human Capital (People Management) (CSC)	148,867	148,867	-	138,262
Centre for E-Innovation (CSC)	544,076	544,076	-	421,485
Corporate Assurance (CSC)	90,808	90,808	-	89,544
Total	903,105	903,105	-	747,981

2. Departmental revenue

	Note	2013/14 R'000	2012/13 R'000
Sales of goods and services other than capital assets	2.1	3,170	670
Interest, dividends and rent on land	2.2	8	6
Sales of capital assets	2.3	10	1
Transactions in financial assets and liabilities	2.4	982	650
Total revenue collected		4,170	1,327
Less: Own revenue included in appropriation	11	1,182	613
Departmental revenue collected		2,988	714

	Note	2013/14 R'000	2012/13 R'000
2.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the department		3,164	670
Sales by market establishment *		1,669	-
Administrative fees		-	4
Other sales		1,495	666
Sales of scrap, waste and other used current goods		6	-
Total		3,170	670
* Due to increased usage of venues and facilities at the Provincial Training Institute (People Training and Empowerment).			
2.2 Interest, dividends and rent on land			
Interest		8	6
Total		8	6
2.3 Sale of capital assets			
Tangible assets		10	1
Machinery and equipment	28	10	1
Total		10	1
2.4 Transactions in financial assets and liabilities			
Other Receipts including Recoverable Revenue		982	650
Total		982	650

	Note	2013/14 R'000	2012/13 R'000
3.1 Salaries and Wages			
Basic salary		284,669	267,985
Performance award		4,209	3,741
Service Based		580	405
Compensative/circumstantial		6,115	6,342
Periodic payments		287	127
Other non-pensionable allowances		61,282	58,513
Total		357,142	337,113

	Note	2013/14 R'000	2012/13 R'000
3.2 Social contributions			
Employer contributions			
Pension		31,704	29,216
Medical		11,522	11,709
Bargaining council		66	60
Total		43,292	40,985
Total compensation of employees		400,434	378,098
Average number of employees		1,039	1,051

4. Goods and services

	Note	2013/14 R'000	2012/13 R'000
Administrative fees		36	35
Advertising		7,583	12,165
Minor assets	4.1	1,791	1,349
Bursaries (employees)		687	520
Catering		1,076	544
Communication		8,000	5,935
Computer services	4.2	333,021	221,644
Consultants, contractors and agency/outsourced services	4.3	35,691	52,051
Entertainment		65	63
Audit cost - external	4.4	4,440	3,904
Inventory	4.5	4,910	4,504
Operating leases		2,081	396
Property payments	4.6	1,571	1,830
Rental and hiring		130	7
Travel and subsistence	4.7	10,848	9,885
Venues and facilities		2,050	1,321
Training and development		3,822	5,632
Other operating expenditure	4.8	3,545	2,438
Total		421,347	324,223
<i>Total value of prepayments included in the current year's expenditure: R23 million for Microsoft licences paid in March, as per contractual arrangement with the supplier.</i>			
4.1 Minor assets			
Tangible assets		1,791	1,322
Machinery and equipment		1,791	1,318
Transport assets		-	4
Intangible assets		-	27
Total		1,791	1,349

	Note	2013/14 R'000	2012/13 R'000
4.2 Computer services			
SITA computer services		112,397	117,705
External computer service providers		220,624	103,939
Total		333,021	221,644
4.3 Consultants, contractors and agency/outsourced services			
Business and advisory services		7,171	18,477
Legal costs		1,356	889
Contractors		4,499	8,866
Agency and support/outsourced services		22,665	23,819
Total		35,691	52,051
4.4 Audit cost - External			
Regularity audits		4,440	3,904
Total		4,440	3,904
4.5 Inventory			
Learning and teaching support material		63	283
Food and food supplies		330	304
Fuel, oil and gas		15	21
Other consumables		208	195
Materials and supplies		181	32
Stationery and printing		4,111	3,668
Medical supplies		1	1
Medicine		1	-
Total		4,910	4,504
4.6 Property payments			
Municipal services		5	-
Other *		1,566	1,830
Total		1,571	1,830
* Included in this note is expenditure for security services (R0.545 million), cleaning services (R0,207 million) at various offices and management fees for the management of the cafeteria at the Provincial Training Institute (R0,689 million).			
4.7 Travel and subsistence			
Local		9,827	8,484
Foreign		1,021	1,401
Total		10,848	9,885

	Note	2013/14 R'000	2012/13 R'000
4.8 Other operating expenditure			
Professional bodies, membership and subscription fees		1,015	54
Resettlement costs		55	51
Gifts		23	19
Printing and publication costs		2,317	2,118
Other *		135	196
Total		3,545	2,438
*Included in this note for "Other" is expenditure for courier services (R0,043 million) and an amount of (R0,048 million) that was paid for achievements and awards material.			

5. Payments for financial assets

	Note	2013/14 R'000	2012/13 R'000
Other material losses written off	5.1	2	144
Debts written off	5.2	174	27
Total		176	171
5.1 Other material losses written off			
Nature of losses			
Prescribed claims written off		2	-
Irrecoverable fruitless and wasteful expenditure written off (five cases)		-	5
Damages to Government Garage vehicles		-	28
Damages to hired vehicles		-	30
Supplier liquidated		-	22
Penalties regarding non removal of posters		-	8
Loss of lap top		-	13
Replacement of rented scanner		-	19
Primary school unable to pay for usage of facilities at the Provincial Training Institute (People Training and Empowerment)		-	19
Total		2	144
5.2 Debts written off			
Nature of debts written off			
Irrecoverable debt written -off (15 cases)		33	27
Overpayment of ministerial driver's allowance		141	-
Total		174	27

6. Transfers and subsidies

	Note	2013/14 R'000	2012/13 R'000
Provinces and municipalities	Annex 1	12,600	9,000
Departmental agencies and accounts	Annex 2	24	23
Non-profit institutions	Annex 3	12,500	12,500
Households	Annex 4	8,056	612
Gifts, donations and sponsorships made	Annex 6	414	441
Total		33,594	22,576

7. Expenditure for capital assets

	Note	2013/14 R'000	2012/13 R'000
Tangible assets		38,986	21,915
Machinery and equipment	28	38,986	21,915
Intangible assets			182
Software	29	-	182
Total		38,986	22,097

	Voted funds R'000	Aid assistance R'000	Total R'000
7.1 Analysis of funds utilised to acquire capital assets - 2013/14			
Tangible assets	38,986	-	38,986
Machinery and equipment	38,986	-	38,986
Total	38,986	-	38,986
7.2 Analysis of funds utilised to acquire capital assets - 2012/13			
Tangible assets	21,915	-	21,915
Machinery and equipment	21,915	-	21,915
Intangible assets	182	-	182
Software	182	-	182
Total	22,097	-	22,097

	Note	2013/14 R'000	2012/13 R'000
7.3 Finance lease expenditure included in Expenditure for capital assets			
Tangible assets			
Machinery and equipment		6,305	
Total		<u>6,305</u>	

8. Cash and cash equivalents

	Note	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account		6,673	-
Disbursements		(1)	-
Cash on hand		23	23
Total		<u>6,695</u>	<u>23</u>

Business Process Optimisation – R2.7 million for roll-over to 2014/15; IFMS put on hold, due to developments at National level.

9. Receivables

	Note	2013/14				2012/13
		Less than one year	One to three years	Older than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	9.1 Annex 9	692	-	2	694	1,112
Recoverable expenditure	9.2	616	152	66	834	263
Staff debt	9.3	217	193	168	578	530
Total		<u>1,525</u>	<u>345</u>	<u>236</u>	<u>2,106</u>	<u>1,905</u>

	<i>Annex</i>	2013/14 R'000	2012/13 R'000
9.1 Claims recoverable			
National departments	9	58	70
Provincial departments	9	491	914
Public entities	9	138	68
Local governments	9	7	60
Total		694	1,112
	<i>Note</i>	2013/14 R'000	2012/13 R'000
9.2 Recoverable expenditure (disallowance accounts)			
Disallowance Miscellaneous account		508	65
Damages to Government Garage vehicles		306	198
Salary reversal account		20	-
Total		834	263
9.3 Staff debt			
Income Tax and Site debt		1	7
Departmental debt account		577	523
Total		578	530
9.4 Fruitless and wasteful expenditure			
Opening balance		-	-
Transfers from note 23.1 Fruitless and Wasteful expenditure		1,938	-
Less amounts written off		(1,938)	-
Total		-	-

10. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Opening balance		816	1,573
As restated		816	1,573
Transfer from statement of financial performance (as restated)		8,568	816
Paid during the year		(816)	(1,573)
Closing balance		8,568	816

11. Departmental revenue to be surrendered to the Revenue Fund

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Opening balance		52	295
As restated		52	295
Transfer from Statement of Financial Performance (as restated)		2,988	714
Own revenue included in appropriation		1,182	613
Paid during the year		(4,084)	(1,570)
Closing balance		138	52

12. Bank Overdraft

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account		-	981
Total		-	981

13. Payables - current

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Clearing accounts	13.1	-	3
Total		-	3
13.1 Clearing accounts			
Salary disallowance account	13	-	3
Total		-	3

14. Net cash flow available from operating activities

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Net surplus/(deficit) as per Statement of Financial Performance		11,556	1,530
Add back non cash/cash movements not deemed operating activities		35,054	20,861
(Increase)/decrease in receivables - current		(201)	1,171
(Increase)/decrease in prepayments and advances		-	166
Increase/(decrease) in payables - current		(3)	(42)
Proceeds from sale of capital assets		(10)	(1)
Expenditure on capital assets		38,986	22,097
Surrenders to Revenue Fund		(4,900)	(3,143)
Own revenue included in appropriation		1,182	613
Net cash flow generated by operating activities		46,610	22,391

15. Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General account		6,673	(981)
Disbursements		(1)	-
Cash on hand		23	23
Total		6,695	(958)

16. Contingent liabilities and contingent assets

	<i>Note</i>	2013/14 R'000	2012/13 R'000	
16.1 Contingent liabilities				
Liable to				
Nature				
Housing loan guarantees	Employees	<i>Annex 7</i>	-	65
Claims against the department		<i>Annex 8</i>	4,157	10,425
Intergovernmental payables (unconfirmed balances)		<i>Annex 10</i>	701	1,319
Total			4,858	11,809
16.2 Contingent assets				
Nature of contingent asset				
Possible salary overpayment			-	133
Total			-	133

The implementation of the Policy and Procedure on Incapacity Leave and Ill-health Retirement (PILIR) was suspended for part of the financial year. PILIR provides for the appointment of a Panel of Accredited Health Risk Managers, by the Department of Public Service and Administration, as service providers available to a department to investigate and assess the applications made by employees. The appointment of these service providers was delayed due to a legal challenge brought to the High Court against the appointment process. Therefore for the first half of the financial year no timeous decision could be made on the validity of the incapacity and/or ill-health retirement applications received from employees. Although the Panel was formally established on 1 November 2013 there is a possibility that amounts paid to employees on incapacity and/or ill-health retirement may be recoverable if the applications, made in the first part of the financial year, are not subsequently recommended by the service providers.

Twenty cases were submitted of which the amount cannot be reliably estimated.

17. Commitments

	2013/14 R'000	2012/13 R'000
Current expenditure		
Approved and contracted	225,540	61,094
Approved but not yet contracted	12	-
	225,552	61,094
Capital expenditure		
Approved and contracted	-	64
	-	64
Total Commitments	225,552	61,158

The following commitments are for longer than a year:

Network management services over a three year period – R 35,418 million

Outsourcing of the recruitment advertising services –R 17,701 million

ICT advisory and consulting services – R 20,224 million

Desktop support and hardware maintenance – R 18,232 million

Rendering ICT technical services to WCG – R 28,320 million

Consulting services to conduct personnel suitability checks – R 2,865 million

Communication services –R 8,508 million

18. Accruals

			2013/14 R'000	2012/13 R'000
	30 Days	30+ Days	Total	Total
Listed by economic classification				
Goods and services	14,125	27	14,152	31,495
Capital assets	1,694	-	1,694	104
Transfers and subsidies	100	-	100	-
Total	15,919	27	15,946	31,599
Listed by programme level				
Executive Support			1,662	1,764
Provincial Strategic Management (Strategic Programmes)			133	143
Human Capital (People Management) (CSC)			1,622	1,681
Centre for e-Innovation (CSC)			10,457	24,484
Corporate Assurance (CSC)			2,072	3,527
Total			15,946	31,599
<i>Includes: SITA computer services for March 2014 - R1,773 million</i>				
<i>External computer services in respect of March 2014 - R6,983 million</i>				
<i>Fleetman services in respect of March 2014 - R0,831 million</i>				
<i>Purchase of capital assets received late in March 2014 - R1,694 million</i>				
<i>Municipal broadband infrastructure in respect of March 2014 - R0,912 million</i>				
Confirmed balances with other departments		<i>Annex 10</i>	748	439
Confirmed balances with other government entities		<i>Annex 10</i>	830	903
Total			1,578	1,342

19. Employee benefits

	Note	2013/14 R'000	2012/13 R'000
Leave entitlement		12,080	10,272
Service bonus (Thirteenth cheque)		9,328	8,694
Performance awards		6,661	4,243
Capped leave commitments		8,278	8,074
Other *		659	838
Total		37,006	32,121

* Included in this note for "Other" is an amount of R0,613 million in respect of overtime work performed in March 2014 and salaries (R0,046 million) that relate to 2013/14.

Note: A debit amount of R1,009 million was included in the leave entitlement amount.

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

20. Lease commitments

20.1 Operating leases expenditure

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
2013/14					
Not later than 1 year	-	-	-	960	960
Later than 1 year and not later than 5 years	-	-	-	945	945
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	1,905	1,905
2012/13					
Not later than 1 year	-	-	-	119	119
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	119	119

20.2 Finance leases expenditure

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
2013/14					
Not later than 1 year	-	-	-	539	539
Later than 1 year and not later than 5 years	-	-	-	185	185
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	724	724
2012/13					
Not later than 1 year	-	-	-	1,946	1,946
Later than 1 year and not later than 5 years	-	-	-	653	653
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	2,599	2,599

20.3 Finance leases expenditure (Government Motor Transport)

As determined by the National Accountant General, the arrangement between Department of the Premier and Government Motor Transport (GMT) constitutes finance leases. The obligation in respect of the finance leases are presented below

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
2013/14					
Not later than 1 year	-	-	-	5,546	5,546
Later than 1 year and not later than 5 years	-	-	-	20,718	20,718
Later than five years	-	-	-	1,981	1,981
Total lease commitments	-	-	-	28,245	28,245

The Department of the Premier leased 126 vehicles from GMT as at 31 March 2014 (March 2013:121). Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of replacement of vehicles and the implicit finance costs in this type of arrangement

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

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
2012/13					
Not later than 1 year	-	-	-	5,016	5,016
Later than 1 year and not later than 5 years	-	-	-	17,935	17,935
Later than five years	-	-	-	3,882	3,882
Total lease commitments	-	-	-	26,833	26,833

21. Accrued departmental revenue

21.1 Analysis of accrued departmental revenue

	Note	2013/14 R'000	2012/13 R'000
Opening balance		-	7
Less: amounts received		-	7
Closing balance		-	-

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	Note	2013/14 R'000	2012/13 R'000
Opening balance		26,211	25,647
Add: Irregular expenditure - relating to current year		7,397	2,782
Less: Prior year amounts condoned		(2,748)	(1,541)
Less: Current year amounts condoned		(7,397)	(677)
Irregular expenditure awaiting condonation		23,463	26,211
Analysis of awaiting condonation per age classification			
Current year		-	2,430
Prior years		23,463	23,781
Total		23,463	26,211

22.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2013/14 R'000
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	5
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	30
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	2
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	38
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	10
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	1
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	29
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	1
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	20
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	27
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	9
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	3
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	7
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	2
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	35
*Service provider not registered on the WCSD	No disciplinary actions taken, amount condoned.	10
**Approved amount exceeded	No disciplinary actions taken, amount condoned.	217
***Authorised by the incorrect level of delegation.	No disciplinary actions taken, amount condoned.	6,951
Total		<u>7,397</u>

* A large number of the irregular expenditure cases listed above are in relation to non-compliance with the Western Cape Supplier Database (WCSD) registration requirement. As of 1 April 2013, WCG Departments may no longer conduct business with suppliers that are not duly registered on the WCSD. After investigation of all these cases, the Accounting Officer found that the procured services were necessary and value for money was obtained. Some of these cases involve suppliers that are utilised on an infrequent basis, but the power to exempt such suppliers from registration on the WCSD was only given to the Accounting Officer during September 2013, resulting in non-compliance prior to this date.

** The irregular expenditure of R0,217 million for Creda Communications, was due to unanticipated demand in respect of the printing of Government Gazettes. The investigation found that such demand could not have been foreseen and that value for money was obtained.

*** The irregular expenditure of R6, 951 million for Third Quarter Technologies occurred when a SCM delegation was exercised at the incorrect level. The investigation found that the procurement process was regular and that the only error was the level of sign-off. The expenditure was therefore condoned by the Accounting Officer.

22.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2013/14 R'000
No AO approval for PTI special delegation *	Accounting Officer	1,629
DTPW contract was narrowed down to exclude IT requirements (two cases)	Accounting Officer	584
Specifications attached to payment not approved	Accounting Officer	38
Valid tax clearance certificate not obtained (two cases)	Accounting Officer	60
Post Facto approval	Accounting Officer	43
Three quotes not requested (three cases)	Accounting Officer	78
No declaration of interest	Accounting Officer	1
Service provider not registered on the WCSD (16 cases)	Accounting Officer	229
Subscription concluded before approval	Accounting Officer	1
Approval amount exceeded	Accounting Officer	217
Authorised by incorrect level of delegation	Accounting Officer	6,951
No tax clearance certificate	National Treasury	314
Total		10,145

* The irregular expenditure of R1, 629 million in respect of PTI training requirements, emanated from a Bid Adjudication Committee approval for the establishment of a list of suppliers. The PTI regarded this approval as a special procurement delegation. Due to the fact that only the Accounting Officer may grant a special delegation, the expenditure was subsequently deemed irregular. Since value for money was obtained, the Accounting Officer condoned the irregular expenditure.

22.4 Details of irregular expenditures under investigation

Incident	2013/14 R'000
Interest not declared with Hip Hop contract *	21,033
Delegation not adhered to regarding the Hip Hop contract .	1,834
Exceeding the amount per official during a year end function	35
Balance of irregular cases relating to the dissolved Western Cape Youth Commission	27
Balance of irregular cases relating to prior financial years	534
Total	23,463

* The irregular expenditure of R21, 033 million in respect of the Hip Hop contract is with National Treasury for condonement. Our investigation into the matter found that the non-declaration of interest by a bid committee member resulted in the expenditure being declared irregular. The bid was, however, duly awarded to the highest points scoring bidder in line with Supply Chain Management policy and practice.

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2013/14 R'000	2012/13 R'000
Opening balance		2,033	2,319
Fruitless and wasteful expenditure - relating to prior year		10	-
Fruitless and wasteful expenditure - relating to current year		3	36
Less: Amounts resolved		(49)	(322)
Less: Amounts transferred to receivables for recovery	9.4	(1,938)	-
Fruitless and wasteful expenditure awaiting resolution		59	2,033

23.2 Analysis of awaiting resolution per economic classification

	Note	2013/14 R'000	2012/13 R'000
Current		59	2,033
Total		59	2,033

23.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2013/14 R'000
Non-attendance of a paid course.	None. Amount was written off.	3
Total		3

24. Related Party transaction

1. The Department of the Premier occupies buildings managed by the Department of Transport and Public Works free of charge. Parking space is also provided for government officials at an approved fee that is not market related.
2. A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Departments. This relationship is based on an arm's length transaction in terms of tariffs approved by the Provincial Treasury.
3. The Department of the Premier rendered corporate services to all provincial departments in the Western Cape via the Corporate Services Centre with effect from 1 April 2010 in respect of the following service areas:
 - a. Information Technology related infrastructure services
 - b. Human Resource Management services
 - c. Organisational Development services
 - d. Transversal Provincial Training
 - e. Enterprise Risk Management support
 - f. Internal Audit services
 - g. Audit Committees performing oversight functions
 - h. Forensic Investigative services
 - i. Legal services
 - j. Corporate Communication services

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

4. The Department of the Premier received Security Advisory Services and Security Operations from the Department of Community Safety in the Western Cape Province excluding the Provincial Training Institute at Kromme Rhee where the services were outsourced and the Legislature Building where the South African Police Services renders the service.

25. Key management personnel

	No. of Individuals	2013/14 R'000	2012/13 R'000
Political office bearers	1	1,888	1,888
Officials:			
Level 15 to 16	8	11,673	11,307
Level 14	15	13,602	12,526
Total		27,163	25,721

Note: Responsible Executive Authority – Premier Helen Zille

26. Impairment

	2013/14 R'000	2012/13 R'000
Ex - employee debts	416	60
Supplier debts	41	8
Total	457	68

27. Non-adjusting events after reporting date

Nature of event	R'000
An award was made to Neotel (PTY) LTD via SITA for the provision of WCG Broadband services for a period of ten years. The total amount of the bid over the ten year period is R2, 895 billion. A formal contract was signed on 20 June 2014 after negotiations between the legal and senior management teams of SITA, Neotel (PTY) LTD and the WCG.	2,894,932
Total	2,894,932

28. Movable Tangible Capital Assets

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
HERITAGE ASSETS	53	18	-	20	51
Heritage assets	53	18	-	20	51
MACHINERY AND EQUIPMENT	186,641	3,210	34,927	12,959	211,819
Transport assets	15,571	-	2,178	1,463	16,286
Computer equipment	164,069	2,804	31,431	10,899	187,405
Furniture and office equipment	6,869	184	449	254	7,248
Other machinery and equipment	127	222	869	343	875
Library Material	5	-	-	-	5
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	186,694	3,228	34,927	12,979	211,870

Note: Although the Modified Cash Standard does not provide for depreciation of assets, the following asset information represents Management estimates which are given for information purposes only:

227 Major assets, originally purchased at R3, 461 million (1.6 per cent of total asset value), could not be verified during the 2013/14 asset stocktake, which covered 362 locations throughout the Western Cape Province. Accountability for its whereabouts will be determined through the necessary investigative processes. An age analysis of these assets reveals that -

- 122 assets are up to 5 years old (original purchase value equals R1,754 million; straight-line depreciated value equals R0,759 million)
- 91 assets are more than 5 years but less than 10 years old (original purchase value equals R1, 455 million; straight-line depreciated value equals R0, 011 million)
- 14 assets are older than 10 years (original purchase value equals R0,252 million; zero depreciated value).

Depreciation periods: five (5) years for computer equipment and seven (7) years for furniture equipment.

28.1 Additions

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	38,316	2,178	(5,567)	-	34,927
Computer equipment	31,431	-	-	-	31,431
Furniture and office equipment	449	-	-	-	449
Other machinery and equipment	869	-	-	-	869
Transport assets	5,567	2,178	(5,567)	-	2,178
Library material	-	-	-	-	-
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	38,316	2,178	(5,567)	-	34,927

The difference of R4,059m between note 7: Expenditure for Capital Assets (R38,986m) and the total additions of movable assets (R34,927m) above is due to the fact that there are assets that are included in the current year asset register but only paid in the next financial year (R1,694m), assets paid this financial year and included in the previous financial year's asset register (-R0,088m), finance lease costs (-R6,305m), vehicles purchased (-R1,433m), assets transferred into the department and out of the department to other departments (-R0,105m) and additional vehicles included in the GG fleet (R2,178m).

28.2 Disposals

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014				
HERITAGE ASSETS	-	20	20	-
Heritage assets	-	20	20	-
MACHINERY AND EQUIPMENT	293	12,666	12,959	10
Computer equipment	293	10,606	10,899	10
Furniture and office equipment	-	254	254	-
Other machinery and equipment	-	343	343	-
Transport assets	-	1,463	1,463	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	293	12,686	12,979	10

28.3 Movement for 2012/13

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	53	10	-	10	53
Heritage assets	53	10	-	10	53
MACHINERY AND EQUIPMENT	177,995	5,882	12,118	9,354	186,641
Transport assets	12,304	-	4,870	1,603	15,571
Computer equipment	158,716	5,638	6,909	7,194	164,069
Furniture and office equipment	6,773	129	228	261	6,869
Other machinery and equipment	202	115	111	296	132
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	178,048	5,892	12,118	9,364	186,694

28.4 Minor assets

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total	
	R'000	R'000	R'000	R'000	R'000	
MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2014						
Opening balance	-	17	17,724	-	17,741	
Curr Year adjustments to Prior Year balances	-	-	458	-	458	
Additions	-	1	1,498	-	1,499	
Disposals	-	-	(1,493)	-	(1,493)	
TOTAL MINOR ASSETS	-	18	18,187	-	18,205	
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of minor assets at cost	-	-	6	10,306	-	10,312
TOTAL NUMBER OF MINOR ASSETS	-	-	6	10,306	-	10,312
MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2013						
Opening balance	-	-	17	18,624	-	18,641
Curr Year Adjustments to Prior Year balances	-	-	-	238	-	238
Additions	-	-	-	561	-	561
Disposals	-	-	-	(1,699)	-	(1,699)
TOTAL MINOR ASSETS	-	-	17	17,724	-	17,741
Number of minor assets at cost	-	-	16	9,270	-	9,286
TOTAL NUMBER OF MINOR ASSETS	-	-	16	9,270	-	9,286

29. Intangible Capital Assets

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
COMPUTER SOFTWARE	1,481	-	-	-	1,481
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1,481	-	-	-	1,481

29.1 Movement for 2012/13

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013					
COMPUTER SOFTWARE	1,299	-	182	-	1,481
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1,299	-	182	-	1,481

30. Immovable Tangible Capital Assets

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014					
BUILDINGS AND OTHER FIXED STRUCTURES	28	-	-	-	28
Other fixed structures	28	-	-	-	28
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	28	-	-	-	28

30.1 Movement for 2012/13

	Opening balance	Curr Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013					
BUILDINGS AND OTHER FIXED STRUCTURES	28	-	-	-	28
Other fixed structures	28	-	-	-	28
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	28	-	-	-	28

31. Prior period errors

Correction of prior period error for secondary information

The comparative amount in Note 19, Employee Benefits was restated as follows:

	2012/13 R'000
Leave entitlement	(860)
Net effect on the note	(860)

The comparative figure has been adjusted to correct an overstatement that resulted from the late capturing of leave.

32. Transfer of functions

The Telecommunication function, for the rendering of a transversal telecommunications (or telephonic) service to the departments of the Western Cape Government and the general public, was transferred to the Department of the Premier, with effect from 1 July 2013.

This function was previously executed by the Division telecommunication, Branch Public Works, being an establishment of 10 posts.

Department of the Premier acknowledged receipt of tangible assets to the value of R0.129m in a letter format. Section 42 certificate is still outstanding.

The transfer of function was approved by Cabinet Resolution 36/2013, dated 20 February 2013.

The agreement between the Department of the Premier and the Department of Transport and Public Works stated there was no direct financial implications as current resources will be transferred with the function (including budget and other resources). The agreement was signed by both parties during June 2013.

The Department of the Premier as the receiving institution has assumed responsibility for the actual implementation action. The concomitant implementation plan provided for the completion of the various main preparatory administrative processes by the end of June 2013 and allowed for actual implementation with effect from 1 July 2013

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2014

ANNEXURE 1

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2012/13
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
City of Cape Town	10,500	-	-	10,500	10,500	100%	10,500	10,500	100%	9,000
West Coast	-	-	150	150	150	100%	150	150	100%	-
Cederberg	-	-	100	100	100	100%	100	100	100%	-
Bergriver	-	-	100	100	100	100%	100	100	100%	-
Saldanha Bay	-	-	100	100	100	100%	100	100	100%	-
Swartland	-	-	100	100	100	100%	100	100	100%	-
Witzenberg	-	-	100	100	100	100%	100	100	100%	-
Overberg	-	-	150	150	150	100%	150	150	100%	-
Theewaterskloof	-	-	100	100	100	100%	100	100	100%	-
Overstrand	-	-	100	100	100	100%	100	100	100%	-
Cape Agulhas	-	-	100	100	100	100%	100	100	100%	-
Swellendam	-	-	100	100	100	100%	100	100	100%	-
Eden	-	-	150	150	150	100%	150	150	100%	-
Kannaland	-	-	100	100	100	100%	100	100	100%	-
Hessequa	-	-	100	100	100	100%	100	100	100%	-
George	-	-	100	100	100	100%	100	100	100%	-
Central Karoo	-	-	150	150	150	100%	150	150	100%	-
Laingsburg	-	-	100	100	100	100%	100	100	100%	-
Prince Albert	-	-	100	100	100	100%	100	100	100%	-
Beaufort West	-	-	100	100	100	100%	100	100	100%	-
	10,500	-	2,100	12,600	12,600		12,600	12,600		9,000

ANNEXURE 2

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

AGENCY	GRANT ALLOCATION				TRANSFER		2012/13
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Broadcasting Corporation	34	-	-	34	24	71%	41
	34	-	-	34	24	71%	41

ANNEXURE 3

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2012/13
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Library Business Corners	11,500	-	-	11,500	11,500	100%	10,200
Cape Higher Education Consortium	500	-	-	500	500	100%	500
Learning Cape Institute	-	-	-	-	-	-	1,000
Home of Compassion	-	-	-	-	-	-	300
Cape Town Partnership	500	-	-	500	500	100%	500
Total	12,500	-	-	12,500	12,500		12,500

ANNEXURE 4

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2012/13
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employees - leave gratuities	436	-	337	773	762	99%	576
Injury on duty	20	-	23	43	41	95%	45
Severance package	588	-	(166)	422	421	100%	-
Claims against the State	6,632	-	202	6,834	6,832	100%	-
Total	7,676	-	396	8,072	8,056		621

ANNEXURE 5

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14	2012/13
		R'000	R'000
Received in cash			
Insights at Pacific Community Ventures	Sponsorship in support of travel expenses.	30	-
Total		30	-

ANNEXURE 6

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

NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14	2012/13
	R'000	R'000
Paid in cash		
Nelesco t/a Table of Peace and Unity – Donation towards a luncheon held by the Table of Peace and Unity to raise funds for various projects.	10	-
Drostdy Technical School – Donation towards the participation of learners from the school in the Inter Provincial Hockey Festival during the June Festival.	10	-
Western Cape Christian Ministries – Donation towards catering costs for the Premier's meeting with religious leaders in Khayelitsha.	7	-
Cape Craft and Design Institute – Sponsorship of the 3rd African Creative Economy Conference 2013.	50	-
Sishuba Holdings t/a Platmedia Group – Sponsorship towards the Gugulethu Jazz Festival 2013.	20	-
Distict Six Museum – Donation towards the District Six Museum website review and upgrade.	10	-
Township Debate League – Sponsorship towards the Township Debating League Women's Day Workshop 2013.	9	-
My Child has Cancer Foundation – Donation towards the Cancer Trust (aim is to create a community of togetherness amongst families whose children are treated at various hospitals).	10	-
Iris House Children's Hospice – Donation towards the realisation of the aims of Iris House Children's Hospice on humanitarian grounds (aim is to increase the size of the care team and to obtain a suitable property for the hospice).	10	-
Marianna Cronje Trust – Donation towards medical costs of a heart patient (the first patient in the world on whom a non-surgical closure of a leaking heart valve was performed).	10	-
The Children's Hospice Trust – Donation towards the trust to provide vital paediatric healthcare needs (e.g. purchasing medical equipment, specialist training programmes for doctors and nurses from all over Africa).	10	-
Cape Town Youth Choir – Donation to assist the choir to reach out to disadvantaged youth.	20	-
Blind SA – Donation towards the cost of schooling for blind children.	10	-
Cycle of Life – Sponsorship towards the 2013 Mitchell's Plain Festival.	50	-
The Blind Side – Sponsorship towards the 2013 Pink Ostrich Parade.	10	-

NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14	2012/13
	R'000	R'000
Paid in cash		
The Mawlid South African Trust – Donation in support of the 2014 Mass Mawlid, which is the celebration of the birth, life and message of the Prophet Mohammad.	50	-
The Mitchell's Plain Network Opposing Abuse – Donation to enhance current programmes dealing with abuse and violence in the Province.	10	-
The Cape Town Opera Company – Sponsorship towards the Mandela Trilogy Touring Performances.	100	-
Western Province Rugby Football Union – Sponsorship towards IRB JWC 2012.	-	100
Speak to me – Donation to Ruan Belcher towards buying an iControl.	-	10
My Child has Cancer Trust – Donation towards the cancer treatment of Connor Gerber.	-	16
Disability Workshop Development Enterprise – Donation towards the Youth Month programme.	-	50
Cape Town Literary Festival – Sponsorship towards the Cape Town Literary Festival.	-	30
St Joseph's Home for Chronically ill Children – Donation towards a fundraising dinner.	-	8
Firecracker – Sponsorship towards the 2012 Plettenberg rage student festival.	-	50
Camissa Trading Solutions CC – Sponsorship towards the jazz on the rock music festival.	-	50
Plexicon Trading 51 CC – Sponsorship towards Ultimate X Extreme Games.	-	50
The Loerie Awards Company – Sponsorship towards the creative future scholarship programme.	-	77
Subtotal	406	441
Remissions, refunds, and payments made as an act of grace		
Payment made towards transport costs for officials to attend a funeral of a deceased colleague.	8	-
Subtotal	8	-
TOTAL	414	441

ANNEXURE 7

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014 - LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2013	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2014	Guaranteed interest for year ended 31 March 2014	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Standard Bank	Housing	-	65	-	65	-	-	-	-
	TOTAL	-	65	-	65	-	-	-	-

ANNEXURE 8

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014

Nature of Liability	Opening Balance 1 April 2013	Liabilities incurred during the year	Liabilities paid/ can- celled/ reduced during the year	Liabilities recov- erable (Provide details hereun- der)	Closing Balance 31 March 2014
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Ntinga Technologies CC - Claim for services rendered.	557	-	-	-	557
Ambius - Claim for services rendered.	14	-	-	-	14
Government Employees Pension Fund - Legal opinion regarding the charging of interest.	42	-	42	-	-
Social Transformation Programme - Unfair labour practice.	6,226	-	6,226	-	-
Legal Services - Alleged unfair labour practices and interpretation of collective agreement (OSD). #	3,158	-	-	-	3,158
Ex-employee of the Provincial Development Council - Labour dispute.	428	-	-	-	428
TOTAL	10,425	-	6,268	-	4,157

Opening balance as at 1 April 2013 amended as the amount had been incorrectly rounded off

ANNEXURE 9

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
WC Local Government	14	18	-	12	14	30
WC Provincial Treasury	4	209	-	-	4	209
WC Social Development	-	116	7	21	7	137
WC Transport and Public Works	68	224	-	-	68	224
WC Environmental Affairs and Development Planning	-	5	-	-	-	5
WC Economic Development and Tourism	54	121	323	-	377	121
WC Community Safety	-	6	-	-	-	6
WC Cultural Affairs and Sport	-	43	-	-	-	43
WC Human Settlements	1	123	-	-	1	123
WC Provincial Parliament	21	-	-	-	21	-
NC Agriculture, Land Reform and Rural Development	-	-	-	1	-	1
Department: Home Affairs	-	-	2	2	2	2
Department: Environmental Affairs	-	13	-	-	-	13
The Presidency	-	38	8	-	8	38
Department: Water Affairs	-	14	-	-	-	14
Department: Public Service and Administration	-	-	-	2	-	2
Department: Sports, Arts, Culture and Recreation	-	-	18	-	18	-
Department: Government Communications and Information	-	-	7	-	7	-
Department: Cooperative Governance	-	-	23	-	23	-
	162	930	388	38	550	968
Other Government Entities						
Public Service Bargaining Council	-	-	-	1	-	1
PALAMA	-	-	-	55	-	55
Eden District Municipality	-	-	7	17	7	17
Cape Nature Board	-	-	13	6	13	6
City of Cape Town Municipality	-	-	-	43	-	43
Government Motor Transport	-	-	-	(1)	-	(1)
Independent Electoral Commission	-	-	-	2	-	2
Western Cape Gambling Board	-	6	-	-	-	6
Imboniselo Primary School	-	15	-	-	-	15
SASSA	-	-	124	-	124	-
	-	21	144	123	144	144
TOTAL	162	951	532	161	694	1,112

ANNEXURE 10

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Justice and Constitutional Development	-	79	598	488	598	567
WC Health	26	21	-	-	26	21
WC Transport and Public Works	550	293	-	-	550	293
WC Education	-	46	-	-	-	46
WC Provincial Treasury	172	-	-	-	172	-
WC Human Settlements	-	-	103	-	103	-
Subtotal	748	439	701	488	1,449	927
OTHER GOVERNMENT ENTITY						
Current						
Government Motor Transport	830	903	-	786	830	1,689
Subtotal	830	903	-	786	830	1,689
Non-current						
PALAMA	-	-	-	45	-	45
Subtotal	-	-	-	45	-	45
Total	1,578	1,342	701	1,319	2,279	2,661

ANNEXURE 11

INVENTORY

Inventory	Note	Quantity	2013/14	Quantity	2012/13
			R'000		R'000
Opening balance		19,913	198	18,639	161
Add/(Less): Adjustments to prior year balance		-	-	-	-
Add: Additions/Purchases - Cash		90,604	31,653	254,081	8,774
Add: Additions - Non-cash		-	-	3,000	-
(Less): Issues		(99,694)	(31,718)	(255,807)	(8,769)
Add/(Less): Adjustments		-	-	-	32
Closing balance		10,823	133	19,913	198

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