



Western Cape  
Government

Department of the Premier



**Annual Report** 2014/15

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**ANNEXURE A**  
**NOTES**

# PART A:

## GENERAL INFORMATION

# 1

## DEPARTMENT GENERAL INFORMATION

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# 2

## LIST OF ABBREVIATIONS/ ACRONYMS

<b>AO</b>	Accounting Officer
<b>AGSA</b>	Auditor-General of South Africa
<b>APP</b>	Annual Performance Plan
<b>BI</b>	Business Intelligence
<b>BAC</b>	Bid Adjudication Committee
<b>BEC</b>	Bid Evaluation Committee
<b>BPO</b>	Business Process Optimisation
<b>BRICS</b>	Brazil, Russia, India, China and South Africa
<b>CCPWCP</b>	Coordinating Chamber of the PSCBC of the Western Cape Province
<b>CD</b>	Chief Director
<b>Ce-I</b>	Centre for e-Innovation
<b>CHEC</b>	Cape Higher Education Consortium
<b>COBIT</b>	Control Objectives for Information and Related Technology
<b>COMAF</b>	Communication of audit finding
<b>CSC</b>	Corporate Services Centre
<b>DDG</b>	Deputy Director-General
<b>D:ERM</b>	Directorate Enterprise Risk Management
<b>DotP</b>	Department of the Premier
<b>DPME</b>	Department of Planning Monitoring and Evaluation
<b>DPSA</b>	Department of Public Service and Administration
<b>EDP</b>	Economic Development Partnership
<b>EE</b>	Employment Equity
<b>ERM</b>	Enterprise Risk Management
<b>ERMCO</b>	Enterprise Risk Management Committee
<b>FIFA</b>	Fédération Internationale de Football Association
<b>FIU</b>	Forensic Investigation Unit
<b>FOSAD</b>	Forum of South-African Directors-General
<b>GIAMA</b>	Government Immovable Asset Management Act
<b>GITO</b>	Government Information Technology Officer
<b>GWME</b>	Government-wide Monitoring and Evaluation
<b>HBP</b>	Hout Bay Partnership
<b>HOD</b>	Head of Department
<b>HR</b>	Human Resources
<b>IBM</b>	International Business Machines
<b>ICT</b>	Information & Communication Technology
<b>ICT CN</b>	Information & Communication Technology Change Navigation

<b>IFMS</b>	Integrated Financial Management System
<b>IMLC</b>	Institutional Management and Labour Committee
<b>IOD</b>	Injury on Duty
<b>IR</b>	International Relations
<b>IT</b>	Information Technology
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MMS</b>	Middle Management Service
<b>MOU</b>	Memorandum of Understanding
<b>MPAT</b>	Management Performance Assessment Tool
<b>MTEC</b>	Medium Term Expenditure Committee
<b>NDP</b>	National Development Plan
<b>NGO</b>	Non-governmental Organisation
<b>PWME</b>	Provincial-wide Monitoring and Evaluation
<b>OD</b>	Organisation Development
<b>PERSAL</b>	Personnel Salary System
<b>PAY</b>	Premier's Advancement of Youth
<b>PDO</b>	Predetermined Objectives
<b>PFMA</b>	Public Finance Management Act
<b>PILIR</b>	Policy on Incapacity Leave and Ill-health Retirement
<b>PMP</b>	People Management Practices
<b>POA</b>	Programme of Action
<b>PSG</b>	Provincial Strategic Goal
<b>PSCBC</b>	Public Service Co-ordinating Bargaining Council
<b>PSO</b>	Provincial Strategic Objective
<b>PSP</b>	Provincial Strategic Plan
<b>PSRMF</b>	Public Sector Risk Management Framework
<b>PTE</b>	People Training and Empowerment
<b>PTI</b>	Provincial Training Institute
<b>PTMS</b>	Provincial Transversal Management System
<b>RBME</b>	Results-based Monitoring and Evaluation
<b>RFI</b>	Request for Information
<b>SA</b>	South African
<b>SARS</b>	South African Revenue Service
<b>SCM</b>	Supply Chain Management
<b>SCOPA</b>	Standing Committee on Public Accounts
<b>SDIP</b>	Service Delivery Improvement Plan
<b>SG</b>	Superintendent-General
<b>SITA</b>	State Information Technology Agency
<b>SL</b>	Salary Level
<b>SMS</b>	Senior Management Service
<b>SPSS</b>	Statistical Package for Social Science
<b>TR</b>	Treasury Regulations
<b>UPS</b>	Uninterrupted Power Supply
<b>WCED</b>	Western Cape Education Department
<b>WCG</b>	Western Cape Government

# 3

## FOREWORD BY THE PREMIER



Ms Helen Zille  
Premier of the  
Western Cape

When this Government took up the reins in 2009 we committed ourselves to a vision of an “Open Opportunity Society for All” where opportunities are created for citizens to live lives that they can value. We developed a range of strategies in support of this vision, one of which was “To build the best-run regional government in the world.” Despite it being an ambitious strategic objective, the Department of the Premier pursued this objective with a large measure of success. Upon reflection on the last year of the previous 5-year term of government, I am encouraged by the strides that were made in building a regional government that is efficient and effective in the way that it delivers its services. The establishment of a Corporate Services Centre brought stability, predictability and uniformity in legal and policy application across the Western Cape Government. Growth and development strategies were refined and implementation mechanisms reviewed to improve the way in which departments work together, across traditional organisational boundaries and in pursuit of common goals. We improved the systems and processes of government, ensured the institutionalisation of good governance practices and dealt decisively with fraud and corruption. These gains were evidenced through improved audit outcomes and Management of Performance Assessment Tool (MPAT) scores which indicated that the Western Cape Government consistently achieved the highest scores in the country.

Government is by its very nature a complex institution, highly regulated and without sufficient resources to address all the needs. The achievements and performance highlighted in this report were registered in an environment where rules and regulations rather than rationality and value-add quite often dictate what gets done. Often the rules and regulations are in conflict with each other. It is also an environment where core mandates and responsibilities enshrined in legal frameworks are in contrast with the requirements of agility and flexibility usually associated with successful organisations. While the sphere of influence may have been substantial, the area of direct control was limiting. Levers available to effect change were often not sufficient to have impact at scale.

The financial outlook during the year under review was constrained and the Department had to make hard financial decisions. The filling of 111 posts had to be frozen and in some instances even project funding had to be cut back on in order to ensure credible and sustainable budgets over the Medium Term Ex-

penditure Framework (MTEF) period.

Having been given a mandate to govern the Province for another five years, the new 5-year Provincial Strategic Plan 2014-2019 aims to create an enabling environment for higher economic growth, increased jobs, improved health and education outcomes and building better living environments for our citizens. These outcomes are to be achieved through five Provincial Strategic Goals. The Department of the Premier, in collaboration with the Provincial Treasury and the Departments of Local Government and Environmental Affairs and Development Planning will take the lead in the implementation of Provincial Strategic Goal 5, “Embed good governance and integrated service delivery through partnerships and spatial alignment”.

Each of the PSGs is further supported by one or more “game changers”. Game changers focus on particular challenges and opportunities that require dedicated focus and attention to come up with new innovative solutions. Game changers are supposed to be catalysts of the PSGs. A Delivery Support Unit is being established in the Office of the Premier to support the design and implementation of the game changers.

In this regard, the Department of the Premier will be rolling out a large-scale broadband project aimed at ensuring high-speed broadband access which will cover Western Cape Government Services and schools. The Department of Economic Development and Tourism has embarked on ancillary initiatives which will ultimately ensure that all residents of the Western Cape, and particularly those in disadvantaged areas, as well as small businesses will benefit from this project.

The Department crafted a new vision and mission to better align its strategic direction with that of PSG5. The vision “to be a leading department enabling the Western Cape Government to improve the quality of life of all its people” emphasises the enabling role of the Department in relation to the other Western Cape Government departments. In support of the vision, three new strategic goals were developed and will guide the annual performance planning of the Department:

1. To improve good governance in the Western Cape Government;
2. To enable strategic decision-making and stakeholder management in the Western Cape Government; and
3. To enable service excellence to the people of the Western Cape with people, technology and processes.

A number of strategic objectives and supporting programmes and projects underpin the three strategic goals and will be implemented over the next five years.

Performance achievement is dependent on the ability of leadership to translate vision and strategy into implementable programmes and projects and the ability to manage these towards successful implementation. The Director-General and his team have shown that they are capable of achieving excellent results and I look forward to this team driving the departmental strategies over the next five years.



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**Helen Zille**  
**Premier of the Western Cape**  
**29 July 2015**

# 4

## REPORT OF THE ACCOUNTING OFFICER



Adv. B. Gerber  
Director-General

### 4.1 Overview of the operations of the department

The Department of the Premier's 2014/15 Annual Performance Plan constituted the last plan for the 5-year term of government. The deliverables were largely informed by Provincial Strategic Objective 12 which related to being the best run regional government in the world. In pursuit of this objective the Department registered a number of achievements.

A significant milestone for the Department was obtaining a clean audit in respect of the 2014/15 financial year. This was mainly due to a structured approach followed to address challenges in the Department's financial and supply chain management systems.

The Department further registered a 93,6% achievement of indicators for the 2014/15 financial year. The performance against predetermined objectives has shown a steady improvement over the medium-term, with 89% of indicators being achieved in the 2013/14 financial year and 80% in 2012/13. This was mainly due to a concerted effort of the team to improve the quality of indicators and measuring and reporting implementation progress at regular intervals.

The Department spearheaded the development of a new 5-year Provincial Strategic Plan which led to the provincial Cabinet approving a set of 5 provincial strategic goals that will guide the Western Cape Government's delivery over the next five years. This Department, in collaboration with the Provincial Treasury and the Department of Local Government and Environmental Affairs and Development Planning, was responsible for the development of the strategic goal aimed at *embedding good governance and integrated service delivery through partnerships and spatial alignment*. (Provincial Strategic Goal 5 or PSG5).

The Department also revisited its vision and mission for the new 5-year period in order to be better aligned to the Provincial Strategic Plan. The new vision and mission emphasise the enabling role that this department plays by ensuring that all the other Western Cape Government departments are adequately positioned to deliver on their mandates with a resultant direct impact on the people of the province. It also encapsulates the innovative nature of the Department's activities and the importance of our people as reflected in our departmental values.

Vision: To be a leading department enabling the Western Cape Government to improve the quality of life of all its people.

Mission: To embed good governance and to enable integrated service delivery in the Western Cape through partnerships, innovation and people excellence. The development of the Provincial Strategic Plan was supported by the publication of data on provincial outcome and governance indicators and the dissemination of five year and 20-year data trend reports which informed strategic decisions on charting the provincial strategic path over the next five years.

In performing its transversal people management role the Department succeeded in bringing uniformity and stability to the people management sphere of work. The Branch People Management created a foundation where compliance is institutionalised and it is able to add value to strategic human resource management decision-making. This was achieved by shifting focus towards aligning people management planning with the annual strategic planning cycle of government and by producing people management intelligence to assist people managers in strategic decision-making.

A significant achievement was the signing of a R3,7 billion deal with Neotel and the State Information Technology Agency (SITA) to provide affordable high-speed broadband infrastructure to the province. A number of delays were experienced, mostly as a result of dependency on third parties, but through robust engagement at management level, agreements to this effect were signed during June and July 2014. Subsequently, significant progress has been made with the implementation of the four streams (Connecting WCG sites, Economic Value Added Services, Application Development Stream; Sector Specific Initiatives) that will ensure the delivery of this project over a period of 10 years.

The Branch Corporate Assurance continued with the implementation of various interventions aimed at improving the WCG's control framework, provided legal support and rendered corporate communication services. Through structured management interventions the coverage of audit areas has improved over the past financial year despite prevailing capacity challenges.

The Department's mandate is transversal in nature and, given the nature of its core functions, there is a great dependency on third party cooperation, both provincially and nationally, to achieve goals and objectives. Services are also demand-driven. There is also a tendency, especially in the Corporate Services Centre space, for WCG departments to place ad hoc demands on the Centre which place strain on already finite resources. In response, management engages in pro-active joint planning and scheduling of interventions with other departments at the beginning of a financial year.

The constrained global and national fiscal outlook resulted in the Department having to make tough financial decisions to ensure prudent financial spending. To this end, the Department deferred the filling of 111 posts in the 2014/15 financial year to create some sustainability in the budget forecasts over the medium term. This curtails the Department's ability to pursue agility and responsiveness in service delivery towards its client base and requires tempering of service expectations.

The re-election of Premier Zille as the Executive Authority has had a huge impact on the performance of the Department, as it brought with it:

- Stability and consistency in the leadership, strategy and policy spheres of the department; and
- Structural continuity and the ability to build on governance foundations laid in previous periods.

The 2014/15 financial year, together with work conducted during the term of government, provided a firm foundation to take this Department's services to a next level where it actively enables client departments to fulfil their mandates optimally in order for the WCG to create public value for the citizens of the province.

## 4.2 Overview of the financial results of the department:

### 4.2.1 Departmental receipts

Departmental receipts	2014/15			2013/14		
	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
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	643	2 950	(2 307)	643	3 170	(2 527)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	10	35	(25)	10	8	2
Sale of capital assets	-	5	(5)	-	10	(10)
Financial transactions in assets and liabilities	-	594	(594)	529	982	(453)
<b>Total</b>	<b>653</b>	<b>3 584</b>	<b>(2 931)</b>	<b>1 182</b>	<b>4 170</b>	<b>(2 988)</b>

The Department over-collected revenue by R2 931 000 by ensuring, on an ongoing basis, that all revenue is collected. The better than anticipated performance is mainly due to the fact that claims were received after the closing of the previous financial year for staff transferred to other departments, sale of provincial gazettes and the utilisation of the venues at Kromme Rhee. 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.

#### 4.2.2 Programme Expenditure

Programme Name	2014/15			2013/14		
	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
Executive Support (Administration)	72 949	68 717	4 232	67 468	67 259	209
Provincial Strategic Management	66 806	63 148	3 658	51 886	51 680	206
Human Capital (CSC)	175 871	156 779	19 092	148 867	142 556	6 311
Centre for e-Innovation (CSC)	923 651	654 609	269 042	544 076	543 820	256
Corporate Assurance (CSC)	109 118	99 621	9 497	90 808	89 222	1 586
<b>Total</b>	<b>1 348 395</b>	<b>1 042 874</b>	<b>305 521</b>	<b>903 105</b>	<b>894 537</b>	<b>8 568</b>

The Department spent 77,34% of its budget. The under-expenditure of R305 521 000 had no detrimental effect on service delivery, while measures were continuously evaluated in order to improve spending effectiveness and efficiency. The main reason for the underspending was due to an amount of R300 798 000 being allocated to the Department in the Adjustments Budget process for the implementation of the Broadband project whilst only R39 315 000 could be spent by year-end (underspending of R261 483 000).

Furthermore the National Treasury cancelled the implementation of the Integrated Financial Management System (IFMS) pilot project and issued a new tender for this, resulting in an underspending of R10 521 000. The Department also had to underspend by an amount of R15 700 000 as a result of a compulsory saving for the BIZ projects and BPO project due to the funds having already been allocated in the 2015/16 financial year. If the above amounts were excluded, the Department would have spent 99% of its budget.

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 statement 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 on certain items was Programme 4: Centre for e-Innovation (R14,871m). The amounts were shifted from Programme 2: Provincial Strategic Management (R4,853m), Programme 3: Human Capital (R6,828m) and Programme 5: Corporate Assurance (R3,190m) to protect the Broadband funding which will be an earmarked allocation as of 2015/16.

### 4.3. Fruitless and wasteful expenditure

Five cases of possible fruitless and wasteful expenditure were identified and reported on during the financial year. The reasons for this were due to the cancellation fees charged for an airplane ticket that was cancelled, cancellation by other departments of secondary visits emanating from the Employee Wellness Programme and to be recovered from them, interest charged by George Municipality on a late payment of an account, interest charged by the South African Revenue Services (SARS) and one case that was finalised as it was found to be a valid expenditure. All cases that were outstanding at 31 March 2014 and all new cases for the 2014/15 financial year were finalised except for the interest charged by SARS. This is being investigated with a possibility of appealing this matter.

### 4.4 Future plans of the department

A number of game changers have been identified from the Provincial Strategic Plan's strategic priorities, focusing on very particular problems and opportunities that need new and innovative solutions. A Delivery Support Unit has been established in the Office of the Premier to support the design and the implementation of the game changers. The **Branch Strategic Programmes** will support the Delivery Unit with the design and development of game changers, including Water and Sanitation, Alcohol Harms Reduction, Skills and After-school programmes. The revised Provincial Transversal Management System for the Provincial Strategic Plan (PSP) 2014-2019 and the five Provincial Strategic Goals (PSGs) will also be implemented. The monitoring of the implementation of the International Relations Strategy will be intensified, with regular reporting to PTM and Cabinet. On the events side, the Department will conduct an events impact assessment, in order to determine the value-add of those events in the Western Cape economy and also work towards developing a methodological approach that shares common indicators.

The responsibility for Government's planning regime has been shifted from National Treasury to the national Department of Planning, Monitoring and Evaluation. On a provincial level this resulted in a shift of government's planning regime from the Provincial Treasury to the Department of the Premier, specifically the Chief Directorate Strategic Management Information. This resulted in the Department of the Premier now having the responsibility for the provincial management and coordination of strategic plans, annual performance plans and performance monitoring and evaluation.

The Department of Planning, Monitoring and Evaluation plans to conduct two pilots in the Western Cape as it further institutionalises this responsibility: (1) the citizens-based monitoring programme which forms part of broader service delivery monitoring and (2) planning of implementation programmes which forms part of broader strategic management.

The Province-wide Monitoring and Evaluation Framework will have to be updated to take account of the expansion of the institutional mandate of the Chief Directorate Strategic Management Information as well as policy developments in this area both nationally and provincially.

Another important aspect requiring focus relates to the need for strengthened data coordination, the cornerstone of an effective Results-Based Monitoring and Evaluation System on sub-national level, as an important building block towards improved data governance.

The **Branch: People Management** will implement a People Management Strategy once adopted, as well as the Work Organisation Policy.

The **Centre for e-Innovation (Ce-I)** will be driving the Service Interface initiative that stems from the Provincial Strategic Plan. This project aims to improve the citizens' experience when engaging government for information and services through any of its frontline delivery services points or its digital and electronic channels. The workgroup established for this purpose will focus on understanding the citizens' needs, improving service levels at the frontline service delivery facilities, providing seamless services on the digital platforms and coordinating the increase in service access points in rural areas.

The WCG Broadband Strategy and Implementation Plan will remain a key focus of the Ce-I which will ensure that departments are able to leverage off the investment in broadband to achieve the Provincial Strategic Goals. Ce-I's contribution will be to ensure broadband connectivity to all WCG sites (including schools, libraries and museums), supporting departments to achieve the PSG's through the use of broadband and by developing Transversal Applications which will ensure utilisation of the broadband capability.

**The Branch: Corporate Assurance** wants to roll-out the Combined Assurance Framework as a strategic management tool to manage the coordination of assurance efforts in an optimal and integrated manner. Assurance that key risks are adequately and effectively managed is obtained from different categories of assurance providers who are each governed by different mandates, standards and/or statutes. The general perception is that the assurance gap is significant; however, certain assurance activities are being conducted in the control environment but are not formally recognised and taken into account when the assurance gap is determined. The Combined Assurance Framework will provide a clear process and criteria for recognising those activities and provide reliable information on the assurance gap and the extent of risk coverage in each department.

#### **4.5 Public Private Partnerships**

No formal public private partnerships were entered into. The Department of the Premier collaborates with various stakeholders in relation to projects and programmes e.g. to host the annual Africa Day and Youth Day Celebrations. Partners include WESGRO, ARTSCAPE, the Economic Development Partnership (EDP), CHEC, NGOs, SITA, national departments, other provinces, City of Cape Town and other municipalities.

#### **4.6 Discontinued activities / activities to be discontinued**

No activities will be discontinued.

#### **4.7 New or proposed activities**

Other new activities in the **Branch Strategic Programmes** will include the following:

- The commissioning of a study to develop a standardised methodology for conducting event impact assessments in order to better understand the impact of events on the regional economy. An amount of R500 000 is scheduled to be spent across the 2014/15 and 2015/16 financial years.
- The initiation of a programme to expand existing debating structures in our institutions of learning. This is geared to broaden the critical thinking skills of our youth and empower them to improve their decision-making in the process of becoming active citizens. R50 000 has been budgeted for 2015/16.
- The International Relations Unit will grow its Africa and BRICS programme and intensify its monitoring and implementation of the IR Strategy.

- The development of a Province-wide Data Governance Framework building on existing work done in the area of results-based M&E and further research conducted on country, multi-lateral and departmental case studies. It provides the strategic direction on promoting data governance within WCG for standards application by data producers, data users and data custodians.

In order 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 **Branch People Management** will implement a People Management Strategy once it has been adopted by Cabinet.

The **Centre for e-Innovation** will be transitioning to the Control Objectives for Information Technology 5 framework which is the leading framework for the governance and management of enterprise IT and which reflects the central role of information and technology in creating value for enterprises.

Ce-I, in collaboration with the Department of Transport and Public Works, will also be embarking on an initiative to improve the continuity of critical IT services to WCG stakeholders during prolonged periods of power supply interruption.

There will also be a concerted effort to improve Information Technology and Cyber security awareness in the WCG in order to protect our information and technology assets.

#### **4.8 Supply chain management**

No unsolicited bids were concluded in the past financial year. Departmental procurement is done via a consultative process with the SCM unit for various types of procurement to ensure minimal occurrences of irregular expenditure. Guideline documents and circulars are also updated on a regular basis.

Structural challenges were attended to through the approval of an interim SCM structure. Four contract positions were made available for the period to assist with the immediate needs of the directorate, while funding requests for the filling of posts were attended to.

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

No gifts and donations were received by the Department. More detail of the donations made by the Department can be found in Part E of this report.

#### **4.10 Exemptions and deviations received from the National Treasury**

There were no exemptions and deviations received.

#### **4.11 Events after the reporting date**

There were no events after the reporting date.

#### **4.12 Other**

None.



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**Advocate Brent Gerber**  
**Accounting Officer, Department of the Premier**  
**29 July 2015**

# 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 2015.

Yours faithfully



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**Adv Brent Gerber**  
**Director-General**  
**29 July 2015**

# 6

## STRATEGIC OVERVIEW

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

### 6.1 Vision

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.

### 6.2 Mission

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.

### 6.3 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 jobs in support of service delivery.
- We empower employees to render an excellent service to the people in the Western Cape and we focus on this.
- We demonstrate knowledge and an understanding of executing our task in terms of the constitutional, legislative and electoral mandates and we work together to achieve this.

### **Accountability (We take responsibility)**

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

### **Integrity (To be honest and do the right thing)**

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

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

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

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

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

# 7

## LEGISLATIVE AND OTHER MANDATES

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

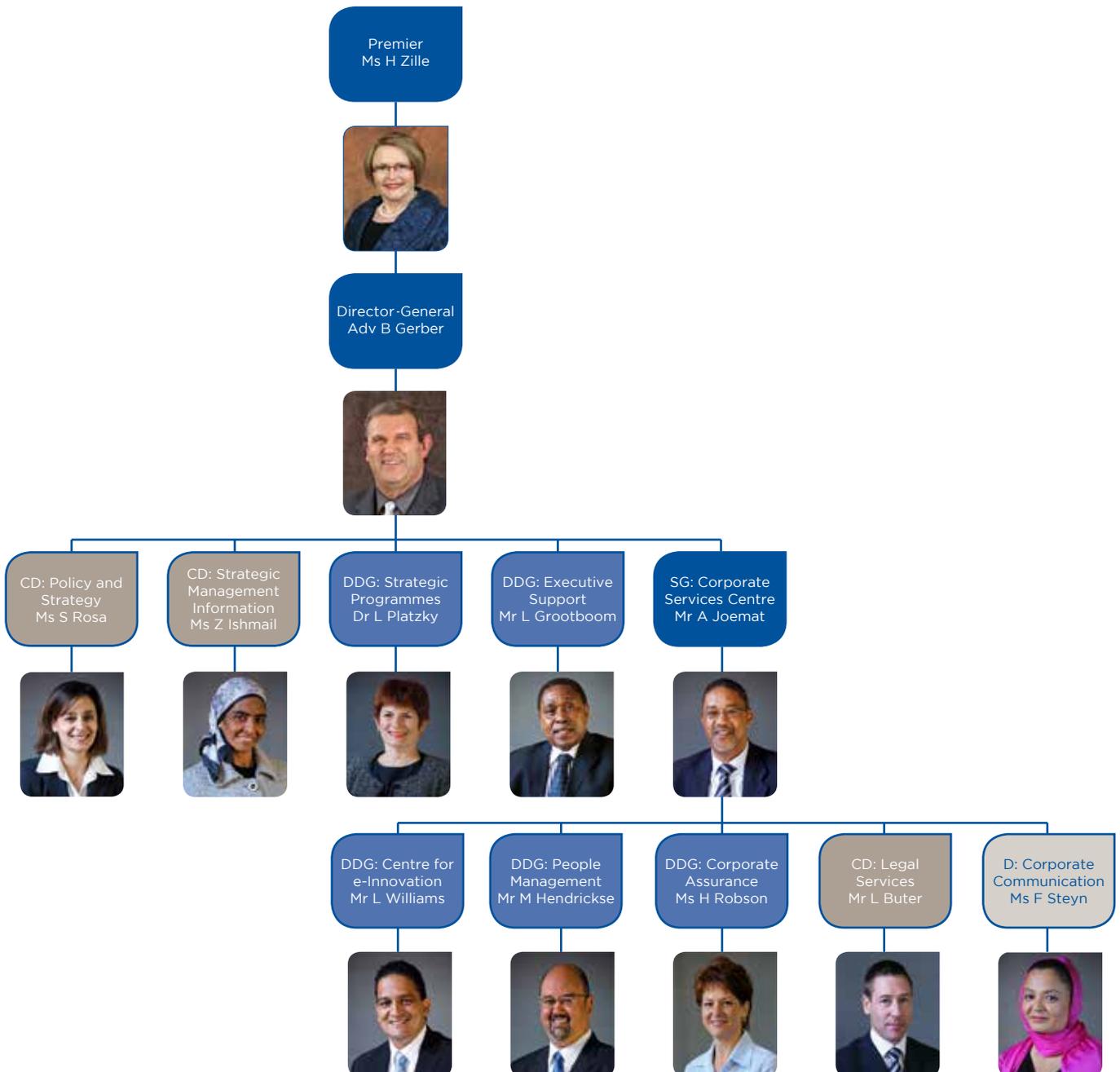
- Basic Conditions of Employment Act (Act 75 of 1997)
- Broad-Based Black Economic Empowerment Act (Act 53 of 2003)
- Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993)
- Constitution of the Republic of South Africa, 1996
- Constitution of the Western Cape, 1997
- Consumer Protection Act (Act 68 of 2008)
- Division of Revenue Act (annually)
- Electronic Communications and Transactions Act (Act 25 of 2002)
- Electronic Communications Security (Pty) Ltd Act (Act 68 of 2002)
- Employment Equity Act (Act 55 of 1998)
- Financial Intelligence Centre Act (Act 38 of 2001)
- Government Employees Pension Law, Proclamation 21 of 1996
- Government Immovable Asset Management Act (Act 19 of 2007).
- Income Tax Act (Act 58 of 1962)
- Intergovernmental Relations Framework Act (Act 13 of 2005)
- Labour Relations Act (Act 66 of 1995)
- National Archives and Record Service of South Africa Act (Act 43 of 1996)
- National Qualifications Framework Act (Act 67 of 2008) (amended by Higher Education Laws Amendment Act (Act 26 of 2010))
- Occupational Health and Safety Act (Act 85 of 1993)
- Pensions Fund Act (Act 24 of 1956)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)
- Prescription Act (Act 68 of 1969)
- Prevention and Combating of Corrupt Activities Act (Act 12 of 2004)
- Promotion of Access to Information Act (Act 2 of 2000)
- Promotion of Administrative Justice Act (Act 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act (Act 4 of 2000)
- Protected Disclosures Act (Act 26 of 2000)
- Provincial Archives and Records Service of the Western Cape Act (Act 3 of 2005)
- Provincial Restaurant Ordinance 23 of 1964

- Public Audit Act (Act 25 of 2004)
- Public Finance Management Act (Act 1 of 1999)
- Public Service Act, 1994
- Skills Development Act (Act 97 of 1998)
- Skills Development Levies Act (1999)
- South African Qualifications Authority Act (Act 58 of 1995)
- State Information Technology Agency Act (Act 88 of 1998)
- Western Cape Coat of Arms Act (Act 7 of 1998)
- Western Cape Delegation of Powers Law (Law 7 of 1994)
- Western Cape Provincial Commissions Act (Act 10 of 1998)
- Western Cape Provincial Honours Act (Act 9 of 1999)
- 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 Development Plan 2012
  - National Measurable Outcomes
  - National Monitoring and Evaluation Framework – White Paper, October 2009
  - National Plan of Action 2010-2014
  - National Planning Commission – White Paper, October 2009
  - National Policy Evaluation Framework July 2012
  - National Skills Development Strategy (I, II and III)
  - National Strategic Framework of the Department for Women, Children and People with Disabilities.
  - 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
  - Specific National Policy Frameworks on Gender and Women’s Empowerment, Disability and Children
  - 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 Public Service Training and Education (1997)
  - The White Paper on the Transformation of the Public Service (1995)
  - The White Paper on Transforming Public Service Delivery [Batho Pele] (1997)

# 8

## ORGANISATIONAL STRUCTURE

The following chart depicts the top management structure of the Department for the 2014/15 financial year. 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.



# PART B:

## 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.

Refer to page 150 (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 93.6% delivery of its performance targets as specified in the 2014/15 Annual Performance Plan. 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 budget outlook over the medium term is constrained and uncertain. Due to MTEF budget cuts totalling R67 million for the period 2015/16 to 2017/18, all programmes have very little manoeuvrability going forward. The budget was balanced with some difficulty, as austerity measures have saturated to such an extent that it cannot release further gains to release budget pressure. In an attempt to remain within its forecasted baseline the Department reviewed all vacant posts according to strict criteria, which resulted in 111 posts being frozen indefinitely. Only a few absolutely critical posts were funded through cutbacks on project funding. In addition programmes also had to reprioritise to come within

the reduced budget allocations and this necessitated cutbacks on projects that were not absolutely essential to the achievement of strategic objectives. A key remaining funding risk going forward is the impact of national wage agreements.

It should also be kept in mind that the Department of the Premier is dependent on third parties in order to deliver most of its services. Furthermore the Department delivers demand driven services, which brings with it a measure of unpredictability in service requests. Electricity disruptions also impact significantly on the Department's ability to ensure an uninterrupted ICT system and network service.

The shrinking budget allocation over the MTEF compounded by an increase in demand for services is placing the ability of the Department to perform its functions optimally, under serious strain. This is compounded by inadequate joint planning with departments, as well as an increased number of ad hoc requests for services. It also increases the risk of compliance with regulatory prescripts and the achievement of national, provincial and departmental outcomes and outputs.

The service delivery environment of the Branch People Management is characterised by the co-dependent relationship between the people manager and the people professionals<sup>1</sup>. On the one hand the people manager must be enabled and supported by the people professionals to execute their role as people managers but on the other hand the people managers must take up their responsibility as people managers. In this regard the CSC service schedule provides guidance to streamline the relationship between people manager and people professional.

The WCG IT user-base has continued to grow and is now over 22 500 workstations and 29 600 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 and now consists of approximately 400 sites. The demand for public ICT access centres continues to grow as the Ce-I is engaging with municipalities on the establishment of e-centres. During the year under review public access to ICTs was increased through the addition of eight more Cape Access e-Centres in mostly rural areas.

The demand for services in the Directorate: Enterprise Risk Management and the Chief Directorate: Internal Audit were managed by services/activities agreed upon in relevant plans at the start of the financial year. Services in the Chief Directorate: Forensic Investigation Unit (FIU), the Chief Directorate: Legal Services and the Directorate: Corporate Communications are mainly demand driven and cannot be predicted with certainty. This had an impact on service delivery in these units, although it was managed through re-prioritisation, absorption within available capacity and efficiency gains.

<sup>1</sup>People Manager refers to the line managers who have a responsibility for the management of the people reporting to the, while People Professionals refer to the officials responsible for various disciplines within people management such as Employee Relations, Recruitment, Training and Organisation Development.

## **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
<b>The rendering of integrated e-government information, communication and technology services</b>	Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas, within the Western Cape	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: 99.05% c) WCG Portal Contact tickets: 13,958,885 d) WCG Intranet Contact tickets: 2,692,699 e) WCG Contact Centre Contact tickets: 141,670 f) WCG Social Media Contact tickets: 4,286 (Twitter followers – 12 months) g) Cape Access User sessions: 251,992 h) Cape Access e-Skills training opportunities: 7,076	a) Cape Access: 6 new Cape Access centres launched b) Presidential Hotline: Current resolution rate: 90% c) WCG Portal Contact tickets: 5,100,000 d) WCG Intranet Contact tickets: 1,900,000 e) WCG Contact Centre Contact tickets: 100,000 f) WCG Social Media Contact tickets: 2,000 g) Cape Access User sessions: 100,000 h) Cape Access e-Skills training opportunities: 2,000	a) Cape Access 8 new e-Centres: Bridgton, Wale Street (Cape Town CBD), Grabouw, Vredendal, Clanwilliam, Kranshoek, Bella Vista, Wellington. b) Presidential Hotline: Current resolution rate: 99.51%. c) WCG Portal Contact tickets: 18,848,139 d) WCG Intranet Contact tickets: 3,141,367 e) WCG Contact Centre Contact tickets: 117,271 f) WCG Social Media Contact tickets: 9,060 (Twitter followers – 12 months) g) Cape Access User sessions: 365,312 h) Cape Access e-Skills training opportunities: 2,779 (accredited)
<b>Frontline Service Delivery Improvement Monitoring</b>	<ul style="list-style-type: none"> <li>National Cabinet</li> <li>Provincial Cabinet</li> <li>DPME</li> <li>PTM</li> <li>DotP</li> <li>Management of selected Frontline Facilities</li> </ul>	a) 10 improvement monitoring assessments visits conducted b) 10 improvement plans drafted and consulted with identified stakeholders <b>Additional achievement:</b> <ul style="list-style-type: none"> <li>16 baseline monitoring visits conducted</li> <li>Data trends in form of a data base on frontline service findings developed</li> </ul>	a) 33% improvement assessments monitoring conducted as determined from 2013/14 baseline assessments b) Development of improvement plans coordinated for the 10 identified improvement areas.	a) 11 (37%) improvement monitoring assessments conducted b) 11 improvement plans drafted and consulted with identified stakeholders in collaboration with the Department of Planning, Monitoring and Evaluation (DPME) <b>Additional achievement:</b> <ul style="list-style-type: none"> <li>Data trends on frontline service findings developed</li> </ul>

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

Current/actual arrangements	Desired arrangements	Actual achievements
<p><b>The rendering of integrated e-government information, communication and technology services</b></p> <p><b>Consultation:</b></p> <p>a) User and Client Experience Surveys conducted</p> <p>b) WCG Portal provided</p> <p>c) WCG Contact Centre provided</p> <p>d) WCG Intranet provided</p> <p>e) Cape Access e-Skills training provided</p> <p>f) Cape Access functional e-Centres provided</p>	<p><b>Consultation:</b></p> <p>a) User and Client Experience Surveys</p> <p>b) WCG Portal</p> <p>c) WCG Contact Centre</p> <p>d) WCG Intranet</p> <p>e) Cape Access e-Skills training</p> <p>f) Cape Access functional e-Centres</p>	<p><b>Consultation:</b></p> <p>a) Surveys conducted at Cape Access e-Centres and by User Experience Sub-directorate</p> <p>b) <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></p> <p>c) WCG Contact Centre</p> <ul style="list-style-type: none"> <li>• Call Centre: 0860 142142</li> <li>• SMS: 31022 – Help</li> <li>• Please Call me: 079 769 1207</li> <li>• Walk-in-Centre: 9 Wale Street, Cape Town</li> <li>• Snail Mail: 9 Wale Street, Cape Town, 8001</li> <li>• E-mail centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a></li> <li>• Fax: 021 483 7216</li> </ul> <p>d) <a href="http://inrawp.pgwc.gov.za/">http://inrawp.pgwc.gov.za/</a></p> <p>e) Cape Access e-Skills training provided</p> <p>f) Cape Access functional e-Centres</p> <ul style="list-style-type: none"> <li>• Klawer</li> <li>• Van Rhynsdorp</li> <li>• Saturnus (Oudtshoorn)</li> <li>• Beaufort West</li> <li>• Conville Library (George)</li> <li>• Struisbaai</li> <li>• Doringbaai</li> <li>• Themba lethu Thusong Centre</li> <li>• Bitterfontein</li> <li>• Elim Centre (Elim)</li> <li>• Paternoster (Undergoing refresh)</li> <li>• Louwville Library</li> <li>• Bongo lethu (Oudtshoorn)</li> <li>• Genadendal</li> <li>• College of Cape Town (Gugulethu)</li> <li>• Ceres</li> <li>• Siphathisi we-Educare Centre (Mossel Bay)</li> <li>• Murraysburg</li> <li>• Ladismith</li> <li>• Themba lethu Library</li> <li>• Dysselsdorp (PPK Church)</li> <li>• Swellendam (Thusong Centre)</li> <li>• Riversdale (Thusong Centre)</li> <li>• Waboonskraal</li> <li>• Prince Albert</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<p>g) Presidential Hotline (Western Cape) provided</p>	<p>g) Presidential Hotline (Western Cape) resolution data</p>	<ul style="list-style-type: none"> <li>• Langebaan (Thusong Centre)</li> <li>• Laingsburg (Thusong Centre)</li> <li>• Robertson (Thusong Centre)</li> <li>• Zolani (Library)</li> <li>• Citrusdal (Thusong Centre)</li> <li>• Greyton Library</li> <li>• Illingelethu (Thusong Centre)</li> <li>• Nduli (Library)</li> <li>• Plettenberg Bay (New Horizon Library)</li> <li>• Mbekweni (Thusong Centre)</li> <li>• Paarl East (Thusong Centre)</li> <li>• Mosselbay (Thusong Centre)</li> <li>• Worcester (Thusong Centre)</li> <li>• Plettenberg Bay</li> <li>• Hawston</li> <li>• Bredasdorp</li> <li>• Cape Town CBD (WCG)</li> <li>• Bridgton (College)</li> <li>• Grabouw (Thusong centre)</li> <li>• Vredendal (Thusong centre)</li> <li>• Clanwilliam (Thusong centre)</li> <li>• Kranshoek (Municipal Building)</li> <li>• Bella Vista (Thusong centre)</li> <li>• Wellington e-centre</li> </ul> <p>g) Presidential Hotline (Western Cape) (National): Tel. 17737</p>
<p><b>Access:</b></p> <ul style="list-style-type: none"> <li>• <b>e-Centres:</b></li> </ul> <p>a) Beaufort West  b) Bitterfontein  c) Bongulethu  d) Ceres  e) Citrusdal  f) Conville  g) Doringbaai  h) Dysselsdorp  i) Elim  j) Genadendal  k) Gugulethu  l) Illingelethu  m) Klawer  n) Ladismith  o) Laingsburg  p) Langebaan  q) Mbekweni  r) Louwville  s) Mosselbay  t) Murraysburg  u) Nduli  v) Plettenberg Bay  w) Prince Albert  x) Riversdale  y) Robertson  z) Saturnus  aa) Struisbaai  bb) Swellendam</p>	<p><b>Access:</b></p> <ul style="list-style-type: none"> <li>• <b>e-Centres:</b></li> </ul> <p>a) Beaufort West  b) Bitterfontein  c) Bongulethu  d) Ceres  e) Citrusdal  f) Conville  g) Doringbaai  h) Dysselsdorp  i) Elim  j) Genadendal  k) Gugulethu  l) Illingelethu  m) Klawer  n) Ladismith  o) Laingsburg  p) Langebaan  q) Mbekweni  r) Louwville  s) Mosselbay  t) Murraysburg  u) Nduli  v) Plettenberg Bay  w) Prince Albert  x) Riversdale  y) Robertson  z) Saturnus  aa) Struisbaai  bb) Swellendam</p>	<p><b>Access:</b></p> <ul style="list-style-type: none"> <li>• <b>e-Centres:</b></li> </ul> <p>a) Beaufort West  b) Bitterfontein  c) Bongolethu  d) Ceres  e) Citrusdal  f) Conville  g) Doringbaai  h) Dysselsdorp  i) Elim  j) Genadendal  k) Gugulethu  l) Illingelethu  m) Klawer  n) Ladismith  o) Laingsburg  p) Langebaan  q) Mbekweni  r) Louwville  s) Mossel Bay  t) Murraysburg  u) Nduli  v) New Horizon (Plettenberg Bay)  w) Prince Albert  x) Riversdale  y) Robertson  z) Saturnus (Oudtshoorn)  aa) Struisbaai  bb) Swellendam</p>

Current/actual arrangements	Desired arrangements	Actual achievements
<p>cc) Thembalethu dd) Thembalethu Library ee) Van Rhynsdorp ff) Waboomskraal gg) Zolani hh) 7 New Centres established:</p> <p>Mbekweni, Paarl East; Zwelethemba; Kwa-Nonqaba; Kwa-Nokuthula; Bredasdorp; Hawston</p>	<p>cc) Thembalethu dd) Thembalethu Library ee) Van Rhynsdorp ff) Waboomskraal gg) Zolani hh) Centres established:</p> <p>ii) New Centres to be identified (6)</p>	<p>cc) Thembalethu dd) Thembalethu Library ee) Van Rhynsdorp ff) Waboomskraal gg) Zolani hh) Paarl East ii) Greyton jj) Paternoster (Undergoing Refresh) kk) Zwelethemba ll) Kwa-Nokuthula (Plettenberg Bay) mm) Kwa-Nonqaba (Mosselbay) nn) Bredasdorp oo) Hawston</p> <p>pp) 8 New Cape Access Centres:</p> <ul style="list-style-type: none"> <li>• Cape Town CBD (WCG)</li> <li>• Bridgton (College)</li> <li>• Grabouw (Thusong Centre)</li> <li>• Vredendal (Thusong Centre)</li> <li>• Clanwilliam (Thusong Centre)</li> <li>• Kranshoek (Plettenberg Bay)</li> <li>• Bella Vista (Thusong Centre)</li> <li>• Wellington e-Centre</li> </ul>
<p>(e-Centre contact details on request.)</p> <ul style="list-style-type: none"> <li>• <b>WCG Portal:</b> a) <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></li> <li>• <b>WCG Intranet:</b> a) <a href="http://intrapgwc.gov.za/">http://intrapgwc.gov.za/</a></li> <li>• <b>WCG Contact Centre:</b> a) Walk-in Centre: 142 Long Street b) Call Centre: 0860 142 142 c) E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> d) Fax Centre: 021 483 7216</li> <li>• <b>WCG Social Media:</b> a) Twitter - @WesternCapeGov</li> </ul> <p><b>Additional WCG Social Media mechanism</b></p> <p>b) Facebook (2013.11)</p> <p>c) YouTube (2013.11)</p> <ul style="list-style-type: none"> <li>• <b>Presidential Hotline:</b> a) (National): Tel. 17737</li> </ul>	<p>(e-Centre contact details on request.)</p> <ul style="list-style-type: none"> <li>• <b>WCG Portal:</b> a) <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></li> <li>• <b>WCG Intranet:</b> a) <a href="http://intrapgwc.gov.za/">http://intrapgwc.gov.za/</a></li> <li>• <b>WCG Contact Centre:</b> a) Walk-in Centre: 142 Long Street b) Call Centre: 0860 142 142 c) E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> d) Fax Centre: 021 483 7216</li> <li>• <b>WCG Social Media:</b> a) Twitter - @WesternCapeGov</li> </ul> <ul style="list-style-type: none"> <li>• <b>Presidential Hotline:</b> a) (National): Tel. 17737</li> </ul>	<p>(e-Centre contact details on request.)</p> <ul style="list-style-type: none"> <li>• <b>WCG Portal:</b> a) <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></li> <li>• <b>WCG Intranet:</b> a) <a href="http://intrapgwc.gov.za/">http://intrapgwc.gov.za/</a></li> <li>• <b>WCG Contact Centre:</b> a) Walk-in-Centre: 9 Wale Street, Cape Town b) Call Centre: 0860 142142 c) E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> d) Fax: 021 483 7216</li> </ul> <p><b>Additional WCG Contact Centre mechanisms:</b></p> <p>e) SMS: 31022 - Help f) Please Call me: 079 769 1207 g) Snail Mail: 9 Wale Street, Cape Town</p> <ul style="list-style-type: none"> <li>• <b>WCG Social Media:</b> a) Twitter - @WesternCapeGov</li> </ul> <p><b>Additional WCG Social Media mechanism</b></p> <p>b) Facebook: <a href="http://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a></p> <p>c) YouTube: <a href="https://www.youtube.com/user/westerncapegov">https://www.youtube.com/user/westerncapegov</a></p> <ul style="list-style-type: none"> <li>• <b>Presidential Hotline:</b> a) (National): Tel. 17737</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<p><b>Courtesy:</b></p> <ul style="list-style-type: none"> <li>a) User and Client Experience Surveys</li> <li>b) WCG Portal</li> <li>c) WCG Contact Centre</li> <li>d) WCG Intranet</li> <li>e) Cape Access functional e-Centres</li> <li>f) Presidential Hotline (Western Cape) resolution data</li> <li>g) Contact with Supervisor or Manager</li> <li>h) Communication (written, verbal)</li> </ul> <p><b>Openness &amp; Transparency:</b></p> <ul style="list-style-type: none"> <li>a) User and Client Experience Surveys conducted</li> <li>b) WCG Portal provided</li> <li>c) WCG Social Media provided</li> <li>d) WCG Contact Centre provided</li> <li>e) WCG Intranet provided</li> <li>f) Cape Access e-Skills training provided</li> <li>g) Cape Access functional e-Centres provided</li> <li>h) Presidential Hotline (Western Cape) provided</li> </ul> <p><b>Value for Money:</b></p> <ul style="list-style-type: none"> <li>a) ICTs used to facilitate more efficient and effective communication and service delivery (within allocated budget)</li> </ul>	<p><b>Courtesy:</b></p> <ul style="list-style-type: none"> <li>a) User and Client Experience Surveys</li> <li>b) WCG Portal</li> <li>c) WCG Contact Centre</li> <li>d) WCG Intranet</li> <li>e) Cape Access functional e-Centres</li> <li>f) Presidential Hotline (Western Cape) resolution data</li> <li>g) Contact with Supervisor or Manager</li> <li>h) Communication (written, verbal)</li> </ul> <p><b>Openness &amp; Transparency:</b></p> <ul style="list-style-type: none"> <li>a) User and Client Experience Surveys</li> <li>b) WCG Portal</li> <li>c) WCG Social Media</li> <li>d) WCG Contact Centre</li> <li>e) WCG Intranet</li> <li>f) Cape Access e-Skills training</li> <li>g) Cape Access functional e-Centres</li> <li>h) Presidential Hotline (Western Cape) resolution data</li> </ul> <p><b>Value for Money:</b></p> <ul style="list-style-type: none"> <li>a) Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)</li> </ul>	<p><b>Courtesy:</b></p> <ul style="list-style-type: none"> <li>a) User and Client Experience Surveys conducted</li> <li>b) WCG Portal provided</li> <li>c) WCG Contact Centre provided</li> <li>d) WCG Intranet provided</li> <li>e) Cape Access functional e-Centres</li> <li>f) Presidential Hotline (Western Cape) resolutions provided</li> <li>g) Contact with Supervisor or Manager provided</li> <li>h) Communication (written, verbal) provided</li> </ul> <p><b>Openness &amp; Transparency:</b></p> <ul style="list-style-type: none"> <li>a) User and Client Experience Surveys conducted</li> <li>b) WCG Portal provided</li> <li>c) WCG Social Media provided</li> <li>d) WCG Contact Centre provided</li> <li>e) WCG Intranet provided</li> <li>f) Cape Access e-Skills training provided</li> <li>g) Cape Access functional e-Centres</li> <li>h) Presidential Hotline (Western Cape) resolution data</li> </ul> <p><b>Value for Money:</b></p> <ul style="list-style-type: none"> <li>a) Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)</li> </ul>
<b>Frontline Service Delivery Improvement Monitoring</b>		
<p><b>Consultation:</b></p> <ul style="list-style-type: none"> <li>a) Batho Pele Impact Assessment Network (quarterly engagement)</li> <li>b) Site visits to conduct improvement monitoring or baseline assessments</li> </ul>	<p><b>Consultation:</b></p> <ul style="list-style-type: none"> <li>a) Batho Pele Impact Assessment Network</li> <li>b) Site visits</li> </ul>	<p><b>Consultation:</b></p> <ul style="list-style-type: none"> <li>a) Batho Pele Impact Assessment Network (quarterly engagement)</li> <li>b) Site visits to conduct improvement monitoring</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<p>c,d) Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits</p> <p>e) Department performance Management and Evaluation (DPME)</p> <p><b>Access:</b></p> <p>a) 6th floor, 4 Dorp Street, Cape Town, 8001</p> <p>b) At sites visited to conduct improvement monitoring or baseline assessments</p> <p><b>Courtesy:</b></p> <p>a) WCG Contact Centre (incl. Walk-in and Call Centre)</p> <p>b) Contact details of Management</p> <p>c) Report to DPME</p> <p><b>Openness &amp; Transparency:</b></p> <p>a) Batho Pele Impact Assessment Network (quarterly engagement)</p> <p>b) Site visits to conduct improvement monitoring and baseline assessments</p> <p>c,d) Engagements with provincial departments at Batho Pele Impact Assessment Network and during site visits</p> <p>e) DPME</p> <p><b>Value for Money:</b></p> <p>a) Improvement monitoring and assessments conducted in partnership with DPME</p>	<p>c) Engagements with Provincial departments</p> <p>d) Advocacy sessions</p> <p>e) Department performance Management and Evaluation (DPME)</p> <p><b>Access:</b></p> <p>a) 6th floor, 4 Dorp Street, Cape Town, 8001</p> <p>b) At sites identified for Frontline Service Delivery Monitoring</p> <p><b>Courtesy:</b></p> <p>a) E-G4C Call and Walk-in Centre</p> <p>b) Contact details of Management</p> <p>c) Report to DPME</p> <p><b>Openness &amp; Transparency:</b></p> <p>a) Batho Pele Impact Assessment Network</p> <p>b) Site visits</p> <p>c) Engagements with provincial departments</p> <p>d) Advocacy sessions</p> <p>e) DPME</p> <p><b>Value for Money:</b></p> <p>a) Conducted in collaboration with DPME</p>	<p>c,d) Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits</p> <p>e) Department of Planning, Monitoring and Evaluation (DPME)</p> <p><b>Access:</b></p> <p>a) 6th floor, 4 Dorp Street, Cape Town, 8001</p> <p>b) At sites visited to conduct improvement monitoring</p> <p><b>Courtesy:</b></p> <p>a) E-G4C Call and Walk-in Centre provided</p> <p>b) Contact details of Management</p> <p>c) Report to DPME</p> <p><b>Openness &amp; Transparency:</b></p> <p>a) Batho Pele Impact Assessment Network (quarterly engagement)</p> <p>b) Site visits to conduct improvement monitoring</p> <p>c,d) Engagements with provincial departments at Batho Pele Impact Assessment Network and during site visits</p> <p>e) DPME</p> <p><b>Value for Money:</b></p> <p>a) Improvement monitoring conducted in partnership with DPME</p>

### 2.2.3 Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
<p>The rendering of integrated e-government information, communication and technology services</p> <p>a) User and Client Experience Surveys conducted</p> <p>b) WCG Portal provided</p>	<p>a) User and Client Experience Surveys</p> <p>b) WCG Portal</p>	<p>a) User and Client Experience Surveys conducted</p> <p>b) WCG Portal provided</p>
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<p><b>Frontline Service Delivery Improvement Monitoring</b></p> <p>a) Batho Pele Impact Assessment Network (quarterly engagement)</p> <p>b) Site visits to conduct improvement monitoring and baseline assessments</p> <p>c,d) Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits</p> <p>e) DPME</p>	<p>a) Batho Pele Impact Assessment Network</p> <p>b) Site visits</p> <p>c) Engagements with Provincial departments</p> <p>d) Advocacy Sessions</p> <p>e) DPME</p>	<p>a) Batho Pele Impact Assessment Network (quarterly engagement)</p> <p>b) Site visits to conduct improvement monitoring</p> <p>c,d) Engagements with Provincial departments at Batho Pele Impact Assessment Network and during site visits</p> <p>e) DPME</p>

■ 2.2.4 Complaints mechanism

Current/actual information tools	Desired information tools	Actual achievements
<b>The rendering of integrated e- government information, communication and technology services</b>		
<ul style="list-style-type: none"> <li>a) User and Client Experience Surveys conducted</li> <li>b) WCG Portal provided</li> <li>c) WCG Social Media provided</li> <li>d) WCG Contact Centre provided</li> <li>e) WCG Intranet provided</li> <li>f) Cape Access e-Skills training provided</li> <li>g) Cape Access functional e-Centres provided</li> <li>h) Presidential Hotline (Western Cape) provided</li> <li>i) Access to Supervisor or Manager</li> <li>j) Communication (written, verbal)</li> </ul>	<ul style="list-style-type: none"> <li>a) User and Client Experience Surveys</li> <li>b) WCG Portal</li> <li>c) WCG Social Media</li> <li>d) WCG Contact Centre</li> <li>e) WCG Intranet</li> <li>f) Cape Access e-Skills training</li> <li>g) Cape Access functional e-Centres</li> <li>h) Presidential Hotline (Western Cape) resolution data</li> <li>i) Contact with Supervisor or Manager</li> <li>j) Communication (written, verbal)</li> </ul>	<ul style="list-style-type: none"> <li>a) User and Client Experience Surveys provided</li> <li>b) WCG Portal provided</li> <li>c) WCG Social Media provided</li> <li>d) WCG Contact Centre provided</li> <li>e) WCG Intranet provided</li> <li>f) Cape Access e-Skills training provided</li> <li>g) Cape Access functional e-Centres provided</li> <li>h) Presidential Hotline (Western Cape) resolution provided</li> <li>i) Access to Supervisor or Manager</li> <li>j) Communication (written, verbal) provided</li> </ul>
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## 2.3 Organisational environment

Organisational design studies commenced in the **Branch Executive Support's** Directorates Departmental Strategy and Secretariat Services to ensure that the business units are optimally structured to give effect to departmental mandates. These studies were still underway at the end of the financial year.

In the **Branch Strategic Programmes** two directorates – International Relations, as well as Priority Programmes Coordination – functioned without directors which put a strain on human resources. The CD: SMI is also under huge resource constraints as no temporary or permanent capacity was created for the business area of BizSystems.

Within the **Branch People Management** the organisational environment was relatively stable and the focus is more on improving business processes – greater efficiencies and ensuring integration between the business units, as well as responding to new challenges and initiatives. In response to change navigation needs flowing from the approved Transversal Information Communication Technology (ICT) projects, the Organisation Development functional area was extended with a temporary structure for ICT Change Navigation and provides for a Director, 2 Deputy Directors and an Assistant Director.

Temporary Capacity (additional to the approved structure) 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 six positions at 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 at levels 11 and below ; and
- additionally, 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.

The Ce-I is currently in the process of formalising these structures as the first phase of its organisational structure review.

Ce-I has also engaged with Organisation Development to consider the creation of temporary capacity for support which the Centre will have to provide to the Western Cape Education Department (WCED) for the roll-out of the Schools

Local Area Network initiative.

In the **Branch Corporate Assurance** the organisational environment was impacted by the re-establishment of the forensic investigative capacity in the department after a period of outsourcing of the function. The transition period was managed reasonably well and no significant failures were recorded.

## **2.4 Key policy developments and legislative changes**

During the period under review the following key policy developments / legislative changes impacted on the work of the Department:

- A Supply Chain Management model was introduced which proposed a consultative approach to supply chain management and increased support to the line functions.
- The Sub-Programme: Policy and Strategy, in the Branch Strategic Programmes, coordinated the development and the finalisation of the Provincial Strategic Plan (PSP) 2014 - 2019 which constitutes the Western Cape Government policy agenda. The PSP outlines the five Provincial Strategic Goals.
- The institutional mandate of Province-wide Monitoring and Evaluation in the context of Government-wide Monitoring and Evaluation (GWME) has broadened. This includes the functional shift of the planning and monitoring processes to the Department of the Premier from Provincial Treasury as per a national policy decision.
- A “Six Steps to Success” strategy was approved to facilitate compliance with the Protection of Personal Information Act, No 4 of 2013 (“POPI”). The six steps include (i) the creation of awareness; (ii) undertaking information audits; (iii) performing privacy impact assessments; (iv) finalising a transversal policy on the protection of personal information; (v) implementing the policy; and (vi) monitoring compliance with the policy. Awareness was created by twenty-three POPI presentations, attended by 415 officials, which included the thirteen provincial Top Management Committees and the provincial Records Management Forum. A POPI Information Audit software tool was developed to assist departments when information audits are undertaken.

# 3

## STRATEGIC OUTCOME ORIENTED GOALS<sup>2</sup>

The Department developed three strategic goals to guide the institution as it gives effect to the mandate of Government. The goals were aligned to the National Development Plan and PSO 12. The strategic goals contributed directly to the PSO12 outcomes of good governance and value-add for citizens. These three goals are captured in the Department's annual performance plan as:

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

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

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

In rendering relevant and timeous executive governance support services to the Executive and the Director-General, the Department supported 80 executive and management engagements thereby enabling governance of the province.

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 contributed to the achievement of the PSO12 outcome theme relating to improved financial maturity by obtaining a clean audit. Whilst the Department maintained excellent

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

spend of its budget over the past four years of the 2010-2015 term, the appropriation of an additional R300 798 000 in respect of Broadband roll-out during the 2014/15 Adjustment Budget process resulted in underspending of R261 483 000 on this project. The total underspending for the Department was R305 521 000. However, if the appropriation and other compulsory savings are excluded, the Department would have spent 99% of its budget.

Significant progress was made towards supporting the Premier and Cabinet professionally in order effectively to exercise their executive authority in respect of provincial strategic management. Firstly, the most significant deliverables here related to the submission of an End of Term Report to the executive and commencing with a process to support the executive in embarking on a new strategic path for the next five-year term ending in 2019. The annual Premier's brunch, which focused on "the next 5 years", with reference to the Provincial Strategic Plan, Vision 2040 with 'Game Changers', gave impetus to this new strategic path. It was emphasized that strategic engagements with foreign partners would help the Western Cape Government achieve its goals over the next 5 years. Secondly, the programme prepared the provincial response to, and enabled the participation of the WCG in, the 7th Regional Leaders Summit in Atlanta, Georgia. The themes for the experts' meetings were Events for Economic Development and Sustainability as well as Growing the Economy through Logistics. In preparation for the WCG's participation in the Regional Leaders Summit, the Executive Summary of the Integrated Events Strategy was produced and distributed among the Regional Leaders Summit members.

It is also worth noting that through the provision of strategic management information the Department enabled the increased use of quality data and information as evidence for better planning, policy development, governance and decision-making. The Management Performance Assessment Tool (MPAT) and its related self-assessment score were timeously submitted for all departments. The WCG remained the top performing province for the 2014/15 financial year with an aggregate score of 3.44. In respect of the Department of the Premier the final score was 3.56 – as opposed to 3.38 for the 2013/14 financial year. The FOSAD commitments and its related 15 indicators were continuously improved on. Progress was also registered with the development of the BizSystems Performance Management Systems that will assist the WCG to improve its performance measuring abilities in this regard. The Western Cape Government takes pleasure in reporting that the Province-wide Monitoring and Evaluation System, and its evolution from a manual business process to automation, is finding significance through the BizSystems currently within development and initial stages of implementation. Simultaneously, the WCG is continuously enhancing the methods and practices for effective RBM&E. The National Evaluation Update 18 June - July 2014 reported that the Western Cape has rolled over their Provincial Evaluation Plan for a second year and has taken the provincial evaluation process a step further by developing Departmental Evaluation Plans. This has been

recognised as a good model and practice for the country. These deliverables contributed directly to the PSO12 outcome theme (and now PSG 5) aimed at management for results.

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

The Branch: People Management ensures that people management contributes to the achievement of the strategic goals aligned to the National Development Plan, specifically the achievement of a capable state and the Provincial Strategic Objective of building the best run regional government, specifically the outcome themes for People Management and for Citizen Centric service delivery. There is thus an acknowledgement of the centrality that people management plays in achieving these strategic goals.

Going forward, the scope of the Branch also falls within the ambit of Provincial Strategic Goal (PSG) 5, Outcome 1 (Enhanced Governance). As such, improved people management maturity is a sub-output of Output 1 of this Outcome which is "efficient, effective and responsive provincial governance". To this end, a people management maturity model is in the process of being developed that will ensure objective measurable levels of people management maturity in the provincial government. As part of this development, it is envisaged that a pilot will be run to test the model before the institutionalisation thereof.

A People Management Strategy for the WCG is being developed 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 will define 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.

Further proof of progress towards the strategic goal of achieving effective, efficient and professional corporate services to optimize service delivery can be found in the progress registered with the kick-off of the broadband strategy and its implementation. The IT Governance Maturity rating of 3 has been maintained, while the resolution rate of Western Cape requests received at the Presidential Hotline increased by 0.5% from the previous financial year to 99.51%.

The achievement of this strategic goal is also 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. To this end an Enterprise Risk Management maturity assessment tool was developed which will in future be improved to a single Governance Maturity framework and assessment tool. There was a marginal increase of 3% in the internal audit areas completed as per approved internal audit coverage plans as well as an annual increase in the number of legal support services provided to the WCG. The agreed fraud prevention activities allocated to the Forensic Investigation Unit were largely implemented.

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, four on-brand creative execution assessment reports were issued. Six Better Together Magazines were published to communicate the provincial vision, values and brand to Western Cape Government employees.

The progress registered above indicated how deliverables in support of the departmental strategic goals also contributed to the realisation of 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 2014/15 deliverables supported the realisation of these national imperatives, either directly or indirectly. Deliverables implemented contributed directly to the national outputs relating to improved access and quality of services, human resource management and development, business processes, systems, decision-making 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. The deliverables attained in the Programmes People Management and Corporate Assurance contributed significantly to these national outputs. A review of the Provincial Transversal Management System was undertaken during the period under review and is in the process of being refined to better support the integrated implementation of the Provincial Strategic 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.

The programme strategically supports the Department of the Premier, Cabinet and the Accounting Officer and the provincial top management by providing good governance support and seamless executive secretariat support services for effective decision-making. In addition, the programme enables the Accounting Officer to comply with his corporate responsibilities, e.g. finance, supply chain management, strategic management, Minimum Information Security Standards (MISS) and Occupational Health and Safety (OHS).

#### 4.1.2 Subprogrammes

- Subprogramme 1.1: Programme Support
- Subprogramme 1.2: Office of the Premier
- Subprogramme 1.3: Executive Council Support
- 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 in support of all meetings requested by the Provincial Cabinet, top management of the Western Cape Government and the departmental executive committee.

##### **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 support services.

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

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.

The subprogramme: Executive Council Support continued to support effective governance through the provision of accessible executive secretariat, protocol and administrative support services. To this end, the subprogramme supported 80 executive and management engagements, thereby enabling governance of the province. A critical indicator of the quality of governance support rendered to the executive authority and accounting officer of the Department is the financial conformance and performance. In this respect, the Department again managed to achieve a clean audit. The Department managed to achieve a 77.34% spend on its allocated budget for the year under review for the reasons stated previously in this report.

All legislatively required reports were submitted on time. In addition to the Annual Report for 2013/14 and the Annual Performance Plan for 2014/15, a Departmental Strategic Plan was also developed for the 2015/16 to 2019/20 five-year term.

The contribution to people management was focused on creating a performance conducive work place by taking steps to comply with the provisions of the Occupational Health and Safety Act and the Minimum Information Security Standards. Interventions included two OHS management overview training opportunities provided.

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

■ 4.1.4.1 Strategic objectives

Programme 1: Executive Support						
Strategic objectives	Strategic objective indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
To provide Cabinet secretariat and protocol services in support of all meetings requested by the Provincial Cabinet, top management of the Western Cape Government and the departmental executive committee.	Percentage of meetings held supported.	100% (130 meetings)	100%	100%	Nil	80 meetings were held and supported strategically.
To provide departmental strategic management services by facilitating the development of strategic plans (including annual performance plans) and compliance monitoring of programme performance.	Number of statutory reports submitted to Provincial Treasury.	6	7	7	Nil	N/A
To ensure strategic leadership and good corporate governance in the Department as reflected by the audit opinion obtained in respect of the previous financial year.	Audit opinion obtained.	Unqualified audit	Unqualified Audit	Clean audit	Achievement better than target	As per Auditor-General report.
To improve departmental financial management and administrative support services through the annual implementation of a corporate governance review and outlook action plan.	Percentage spend achieved on the budget of the Department in respect of the preceding financial year.	99.89%	98%	99.05%	1,05%	Better management of expenditure and cash flow Numerator: R894,537. Denominator: R903,105.

#### ■ 4.1.4.2 Performance indicators

Programme 1: Executive Support					
Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
<b>Subprogramme 1.3: Executive Council Support</b>					
1.3.1 <sup>3</sup> Percentage of meetings held supported.	100%	100%	100%	Nil	80 out of 80 meetings held were supported.
<b>Subprogramme 1.4: Departmental Strategy</b>					
1.4.1 Number of OHS Management Overview training opportunities provided.	-	2	2	Nil	N/A
1.4.2 Number of statutory reports submitted to Provincial Treasury.	6	7	7	Nil	N/A
<b>Subprogramme 1.5: Office of the Director-General</b>					
1.5.1 Audit opinion obtained.	Unqualified audit	Unqualified audit	Clean audit	Achievement better than target	N/A
<b>Subprogramme 1.6: Financial Management</b>					
1.6.1 Percentage spend achieved on the budget of the Department in respect of the preceding financial year.	99.89%	98%	99.05%	1.05%	Better management of expenditure and cash flow. Numerator: R894,537m. Denominator: R903,105m.
1.6.2 Percentage of unopposed invoices paid within 30 days.	99.52%	99%	99.54%	0.54%	Although there were late payments the target was still achieved. Numerator-9697, Denominator-9741.

<sup>3</sup> The numbering of the indicators in this table corresponds with the numbering in the 2014/15 Annual Performance Plan.

#### 4.1.5 Strategy to overcome areas of underperformance

The Branch achieved 100% of its targets. Records management, departmental strategy and support services moved to the M-Floor. Vacancies were filled in this section which will improve the overall administrative support to the rest of the Department. Capacity building on Supply Chain Management for all officials in the Department was prioritized in order to enhance the overall maturity of the Department on governance matters and to reduce potential instances and cases of irregular expenditure. No areas of underperformance within the Programme were identified.

#### 4.1.6 Changes to planned targets

There were no changes to targets.

#### 4.1.7 Linking performance with budgets

The main cost driver of this programme's budget is compensation of employees. The filling of posts in this programme was therefore significantly impacted by the austerity measures that were implemented during the financial year.

The programme did not overspend, but through prudent management incurred an under spending for 2014/15 of 5.80 % (for 2013/14 it was 0.31%) as is reflected in Table 4.1.8. This was due to the austerity measures that resulted in management being very prudent in spending.

#### 4.1.8 Subprogramme expenditure

Subprogramme Name	2014/15			2013/14		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1 718	1 560	158	1 499	1 486	13
Office of the Premier	15 069	13 660	1 409	13 561	13 512	49
Executive Council Support	8 768	8 740	28	7 640	7 617	23
Departmental Strategy	5 436	4 046	1 390	3 595	3 577	18
Office of the Director-General	11 375	11 009	366	9 307	9 271	36
Financial Management	30 583	29 702	881	31 866	31 796	70
<b>Total</b>	<b>72 949</b>	<b>68 717</b>	<b>4 232</b>	<b>67 468</b>	<b>67 259</b>	<b>209</b>

## **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 effectively to exercise their executive authority in respect of provincial strategic and 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 Cup<sup>4</sup>
- Subprogramme 2.6: Strategic Programmes

### **4.2.3 Strategic objectives**

#### **Subprogramme 2.2: Policy and Strategy**

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

#### **Subprogramme 2.3: Strategic Management Information**

To lead the development of results-based monitoring and evaluation for the provisioning of relevant and accurate data and information within the Province-wide monitoring and evaluation system.

#### **Subprogramme 2.4: Strategic Communications**

To manage, and report on the coordination of external communication and public participation in order 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 2.6: Strategic Programmes**

To report on the facilitation of strategic linkages and engagements which impact on the socio-economic growth and sustainable development of the Western Cape.

<sup>4</sup>Since this subprogramme has been discontinued due to the end of the project, no outputs and targets were included in the 2014/15 APP, but it was included in The Estimates of Provincial Revenue and Expenditure 2013/14 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 and strategy driven by the organisational planning cycle and building on 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.

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 2014/15 financial year the programme implemented the following key deliverables:

- **Sub-programme: Strategic Programmes** prepared the provincial response to and participated in the 7th Regional Leaders Summit in Atlanta, Georgia. The themes for the experts' meetings were *Events for Economic Development and Sustainability* as well as *Growing the Economy through Logistics*. In preparation for the Western Cape Government's participation in the Regional Leaders Summit, the Executive Summary of the Integrated Events Strategy was produced and distributed. Within the context of 20 years of Democracy and Freedom, in collaboration with various stakeholders, the Sub-programme coordinated a number of commemorative days, including Africa Day and Youth Day (June 16th). The interface between the private and public sectors with respect to events continued to be streamlined and new leverage opportunities explored in order to continue growing jobs and to promote social inclusion. In celebration of 20 Years of Democracy and Cape Town as the 2014 World Design Capital, a public art competition was launched for the revamped Dorp Street precinct. This generated significant interest in the art sector. The annual Premier's brunch focused on "the next 5 years", with reference to the Provincial Strategic Plan, Vision 2040 with 'Game Changers'. It was emphasized that strategic engagements with foreign partners would help the Western Cape Government achieve its goals over the next 5 years. Among the various engagements facilitated with foreign stakeholders during the period under review, the participation by the Western Cape youth football team at the Weifang International Youth Tournament, is worth noting,

given the active involvement of youth in further strengthening bilateral relations between the Western Cape Province and one of its bilateral partners (i.e. Shandong Province in China).

- During the 2014/15 financial year the **Sub-programme: Policy and Strategy** provided professional, evidence-based policy advice to the Executive on the five Provincial Strategic Goals for the 2014-2019 Provincial Strategic Plan (PSP). It coordinated the development and the finalisation of the PSP across all departments. The PTMS was revised in order to ensure implementation of the Provincial Strategic Plan. Transversal policies and strategies were developed in collaboration with stakeholders and analyses and comments were provided on various provincial and national draft policies, strategies and bills. This included: implementing behavioural economics pilot projects, developing the Futures Cape long term policy briefs, contributing to the development of the Human Settlements Strategy and the Food Security Strategy. Other Premier Priority Projects supported were: Cape Higher Education Consortium, the establishment of the Hout Bay Partnership and the design and piloting of the Year Beyond volunteer educational support programme. The Policy unit also provided support to the Delivery Unit for the design of the game changers identified by Cabinet for the term of office, viz Alcohol Harms Reduction, After-school, E-learning, Better Living Model, Energy Security, Water and Sanitation, Skills, Project Khulisa and Broadband.
- The **Subprogramme: Strategic Management Information** continued to institutionalise Province-wide Monitoring and Evaluation (PWME) within the context of the Government-wide Monitoring and Evaluation System (GWME). This domain has broadened with the increased focus to generate data and information for evidence-based development. The increased scope of province-wide M&E includes Programme and Project Performance, Provincial Performance Information, Institutional M&E, Outcomes M&E, Results-based M&E and Spatial Information. These are to be supported by information technology systems and client demand.

The results-based M&E maturity against a target of 1 demonstrates an understanding of RBM&E in the WCG. Limited skills and resource is an impact on the performance measurement as the focus is still on measuring output rather than outcome.

In addition to the annual publications produced on measuring outcome and governance indicators, five (5) year and 20 year data trend reports were disseminated timeously to Cabinet to inform the provincial strategic agenda. As a product of PSG 5, a spatial data observatory has been developed as a point of access to spatial data and information on a range of thematic areas collected from national and sub-national data sources for further analysis.

The development of standard classifications as minimum norms and standards on indicators and data sources is a step towards effective results-based M&E inclusive of programme and project management.

In line with GWME initiatives, the unit continued to deliver on the annual cycle of MPAT, Frontline Service Delivery Monitoring, FOSAD indicators and Evaluations. To date, three (3) provincial evaluation plans have been developed with evaluations at different stages for use in evidence-based planning. The WCG also participated in three pilots on national evaluations.

The development of the BizSystems inclusive of BizProjects, BizPerformance and BizBrain are now at various stages of development and implementation. The BizProjects system is key in the generation of project performance data relating to the monitoring of all strategic programme interventions. Data trends on key policy thematic areas are now accessible from BizBrain. Organisational performance information of WCG is also captured onto BizPerformance.

The Department continued to participate with external stakeholders at an international level. In this regard the Subprogramme continued to share good stories on its sound methodological approaches as good practices in this Province.

- The **Sub-programme: Strategic Communication** continued to work closely with the media liaison officers in the Ministries and the heads of communications in the provincial departments to ensure that all communication generated by the Western Cape Government is in line with the strategic goals and promotes the “Better Together” philosophy. To ensure greater alignment in all provincial government communication, a greater focus was placed on the cooperation between the Strategic Communication, Corporate Communication and e-Government for Citizens directorates. Work on communicating the PSP and PSGs was initiated.

#### ■ 4.2.4.1 Strategic objectives

Programme 2: Provincial Strategic Management						
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
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.	2	1	1	Nil	N/A
To lead the development of results-based monitoring and evaluation for the provisioning of relevant and accurate data and information within the Province-wide monitoring and evaluation system.	Level of results-based monitoring and evaluation maturity achieved within the WCG in a given year.	New indicator	1	2.8	1.8	The year under review served as a pilot year for RBME maturity testing with all departments. The results reflect a high self-assessment from departments. The tool is to be refined and the methodology is to include a moderated assessment.
To report on the coordination of external communication and public participation in order 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.	32	12	13	1	More Cabinet meetings were held than anticipated which means extra documents were presented.
	Number of public participation policies approved by cabinet.	New indicator	1	0	-1	Legal Services advised that the formulation of a policy should be deferred as it had developed a Guide for Decision-making, which covered public participation in relation to administrative decision-making, and which, together with a paper that Legal Services is preparing on the constitutional and other legal principles that apply to public participation, will inform the way forward with regard to the policy.
To report on the facilitation of strategic linkages and engagements which impact on the socio-economic growth and sustainable development of the Western Cape.	Number of reports submitted on strategic linkages and engagements.	New indicator	8	8	Nil	N/A

■ 4.2.4.2 Performance indicators

Programme 2: Provincial Strategic Management					
Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
<b>Subprogramme 2.2: Policy and Strategy</b>					
2.2.1 Number of assessment reports submitted to Heads of Department on the alignment of Departments' APP's to the Provincial Strategic Plan.	1	1	1	Nil	N/A
2.2.2 Number of policy and strategy papers compiled in response to national and provincial strategic imperatives.	22	12	12	Nil	N/A
2.2.3 Number of progress reports submitted to Cabinet on implementation of the Provincial Strategic Plan.	2	1	1	Nil	N/A
<b>Subprogramme 2.3: Strategic Management Information</b>					
2.3.1 Number of annual publications produced on measuring a set of outcome indicators within key policy thematic areas.	New indicator	1	1	Nil	N/A
2.3.2 Number of annual publications produced on measuring a set of key governance indicators.	New indicator	1	1	Nil	N/A
<b>Subprogramme 2.4: Strategic Communication</b>					
2.4.1 Number of assessment reports submitted to Cabinet on the Western Cape Government communications environment.	32	12	13	1	More Cabinet meetings were held than anticipated which means extra documents were presented.

Subprogramme 2.4: Strategic Communication					
2.4.2 Number of public participation policies approved by cabinet.	New Indicator	1	0	-1	Legal Services advised that the formulation of a policy should be deferred as it had developed a Guide for Decision-making, which covered public participation in relation to administrative decision-making, and which, together with a paper that Legal Services is preparing on the constitutional and other legal principles that apply to public participation, will inform the way forward with regard to the policy.
6Subprogramme 2.6: Strategic Programmes					
2.6.1 Number of consolidated reports submitted on strategic international engagements.	New indicator	4	4	Nil	N/A
2.6.2 Number of consolidated reports submitted on strategic priority projects.	New indicator	4	4	Nil	N/A

<sup>5</sup>This indicator is also the strategic objective indicator

<sup>6</sup>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.

#### **4.2.5 Strategy to overcome areas of under performance**

A decision was taken that public participation principles will be drafted by Legal Services instead, which is still in progress.

#### **4.2.6 Changes to planned targets**

There were no changes to planned targets.

#### **4.2.7 Linking performance with budgets**

The programme achieved 89% of its indicator targets overall. This was done with austerity measures in place. The programme did not overspend, but through prudent management incurred an underspending for 2014/15 of 5.49% (for 2013/14 it was 0.40%), as is reflected in the table below. The Directorate: International Relations' underspending stems from the realignment of priorities and objectives. There are processes that are sometimes outside the sphere of the directorate's control, for example, the number of incoming visits is entirely dependent on requests received from foreign stakeholders. However, these engagements are considered and budgeted for when doing projections for a particular financial year. In similar vein, this year saw scheduling challenges resulting in planned visits during the 2014/15 financial year being postponed to 2015/16.

#### ■ 4.2.8 Subprogramme expenditure

Sub- Programme Name	2014/15			2013/14		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 784	2 336	448	2 874	2 851	23
Policy and Strategy	13 304	13 245	59	12 915	12 866	49
Strategic Management and Information	27 571	26 862	709	12 403	12 341	62
Strategic Communication	4 317	4 306	11	3 538	3 525	13
Strategic Programmes	18 830	16 399	2 431	20 156	20 097	59
<b>Total</b>	<b>66 806</b>	<b>63 148</b>	<b>3 658</b>	<b>51 886</b>	<b>51 680</b>	<b>206</b>

### 4.3 Programme 3: People Management

#### 4.3.1 The purpose of the programme

The purpose of the programme is to render effective, efficient and professional corporate services to the provincial government with excellent people, processes and technology to optimise service delivery by the Western Cape Government.

#### 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

The Branch: People Management pursues the strategic objective that seeks to provide a highly capable workforce, create an enabling workplace and develop leadership that promotes employee engagement and optimal service delivery.

The Branch is placed within the Corporate Services Centre of the Department and provides transversal services across Western Cape Government (WCG) departments, which 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.

The Branch is not limited to the operational space, but ensures that people management contributes to the achievement of the strategic goals of the Department and the WCG as a whole. It ensures that people management contributes to the achievement of the strategic goals aligned to the National Development Plan, specifically the achievement of a Capable State and the Provincial Strategic Objective of building the best run regional government. It contributes specifically to the outcome themes for People Management and for Citizen Centric service delivery.

Going forward, the scope of the Branch also falls within the ambit of Provincial Strategic Goal (PSG) 5, Outcome 1 (Enhanced Governance). As such, improved people management maturity is a sub-output of Output 1 of this Outcome which is “efficient, effective and responsive provincial governance”. To this end, a people management maturity model is being developed that will ensure objective measurable levels of people management maturity in the provincial government. As part of this development, it is envisaged that a pilot will be run to test the model before the institutionalisation thereof.

A People Management Strategy of the WCG is being developed and once approved, 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 will define a distinctive people philosophy, value proposition, ideal people profile, strategic initiatives; people score card, as well as governance architecture that will facilitate an improved citizen experience.

#### **4.3.4 Strategic objectives, performance indicators, planned targets and actual achievements**

**Sub-programme 3.2: Organisational Development (OD)** - The Sub-programme consists mainly of the following functional areas namely, organisation design; process design and improvement; and organisational behaviour. During the reporting period the Organisation Development functional areas was contractually extended to include Information Communication Technology Change Navigation (ICT CN) to respond to the institution's change navigation needs, based on approved Transversal ICT projects. Organisation Development services are rendered to all thirteen Provincial Departments and also fulfil the Provincial coordination role by representing the Province at National level dealing with functional related initiatives, amongst other generic organisation design and job evaluation initiatives. Furthermore, the unit also leads transversal initiatives such as the generic Organisation Design projects, Business Process Optimisation Programme, Employee Health and Wellness, and ICT Change Navigation support.

Forty four (44) organisation design projects (which include inter alia organisation structure-, staff establishment-, and job evaluation interventions) were scheduled and (73) projects were completed which amounts to an actual over achievement of seventy six percent (76%) based on a planned target of (90%) per annum. Organisation Design contributes to ensuring that organisational structure requirements are properly formulated and embedded to enhance Provincial objectives.

Forty (40) business process improvement projects (which include inter alia business process optimisation and departmental priority processes) were scheduled and fifty (50) projects were completed which resulted in an actual over achievement of thirty five percent (35%) based on a planned target of ninety percent (90%) per annum. Process Design and Improvement contributes to process optimisation and improvement transversally across provincial departments.

The Business Process Optimisation (BPO) project is a flagship project aimed at addressing the need to improve provincial departments' efficient and effective service delivery to citizens.

During the period under review the business process architectures, selection criteria and core priority processes of, nine provincial departments namely, Agriculture, Community Safety, Cultural Affairs and Sport, Economic Development and Tourism, Environmental Affairs and Development Planning, Human Settlements, Transport and Public Works, Local Government and Education were finalised, whilst draft reports were completed for 3 provincial departments namely, Premier, Health and Provincial Treasury. Supply Chain Management and Social Development were completed during the previous performance cycle thereby enabling the optimisation of the Manage Acquisition and Non-Governmental Contract Management priority processes.

Twenty three (23) projects (which include inter alia SMS and MMS competency assessments for recruitment and development purposes; employee health and wellness services; and behavioural initiatives such as team development, organisational culture conversations and change navigation) was planned and twenty nine (29) projects containing 1021 interventions were conducted. The projects consist of various interventions; therefore an intervention executed is linked to the specific project. This resulted in a thirty six percent (36%) actual over achievement based on a planned target of ninety percent (90%) per annum. Organisational Behaviour contributes to better person-fit, embedded change navigation, competence, increased employee engagement, and positive working relationships to cultivate a conducive organisation culture focussed on service delivery.

Organisation Development services are demand driven and the delivery of services are responsive to the organisation's needs. Notwithstanding the resultant overstretching of its resources, the sub-programme could still exceed its targets.

**Subprogramme 3.3: Provincial Training Institute (PTI)** - (CD: People Training and Empowerment) The Provincial Training Institute (PTI) has designed and delivered learning programmes for 67 different people development programmes, incorporating e-learning systems and including the management of course administration. The offering of e-Learning programmes by the Provincial Training Institute was significantly expanded.

This Chief Directorate has also assumed responsibility for coordinating learnerships; administering the placement of interns; and facilitating the process for awarding bursaries to employees. 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, more specifically in the Western Cape. It does this by providing a number of matriculants from the previous year with experiential learning within the 13 provincial 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. 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 Cape Access and Thusong Centres, to ensure that the WCG reach as many matriculants as possible. A total of 768 PAY Interns were appointed in this financial year.

A monitoring, evaluation and reporting model has been developed and piloted in order to measure the impact of seven (7) training interventions. This process

has been automated by procuring seven (7) IBM Statistical Package for Social Science (SPSS) Licences through SITA which assists with the analysis of the data. The IT network bandwidth at Kromme Rhee has been upgraded to 100 megabyte with the installation of fibre optic cabling and a dedicated radiolink. New ICT infrastructure equipment is in the process of being installed, to support the broadband connectivity which will be modernised and enabling faster connectivity and facilitating better e-learning capacity.

**Subprogramme 3.4: Human Resource Management** (CD: People Management Practices) - During the 2014/15 financial year 100% of Requests for Information (RFI's) and Communications of Audit Findings (COMAF's) by the AGSA were responded to within the timeframes provided within the agreed audit protocol and a clean audit in respect of people practices were achieved. The WCG continues to be the only province where 100% of its Senior Managers submit their financial disclosure documentation by the required due date to the Public Service Commission.

The Directorate Policy and Planning, through their strategic engagements, managed to conclude various oversight reports and submitted the HR and EE reports timeously as per the statutory requirements. In addition the monthly Fact Files and quarterly trend reports provided valuable insights and provide for sound decision-making in the HR domain. In an endeavour to establish the WCG as "Employer of Choice" the Directorate consulted and developed an On-boarding Framework which will culminate in an enabling environment for unlocking value from new recruits. The implementation of the Integrated Financial Management System (IFMS) was piloted in a Western Cape Department. Although the pilot project was disembarked in 2014/15, elements of its implementation were taken forward by the DPSA and SITA as future benchmarks.

The Directorate Employee Relations successfully managed the collective bargaining process within the Coordinating Chamber of the PSCBC of the Western Cape Province (CCPWCP) and 90% of Institutional Management and Labour Committees (IMLC's) are active. Various individual employee relations matters were concluded - 254 misconduct cases were received and 215 were finalised (85%) within 99 days on average; 558 grievances were received and, 536 grievances were finalised (96%) within 55 days on average; 24 appeals were received and they were all finalised (100%) within 24 days on average. Various training opportunities were provided to capacitate people managers (line managers) in enabling optimal working relationships.

The Directorate Recruitment and Selection established a dedicated verification unit and during the financial year personnel suitability checks (vetting) are done aimed at ensuring that no recruitment decisions are made before verification results are available. The total number of posts advertised in 2014 was 1132. Of these 780 recruitment processes have been concluded in an average duration

of 94 days per post. A total of 352 recruitment processes have not been concluded, mainly as a result of austerity measures, pending restructuring processes and changed priorities. However the outstanding recruitment processes are closely monitored and client departments assisted in an effort to finalise where possible.

The Directorate Service Benefits facilitated the improvement in the compliance index for the submission of performance management related documents: 100% submittal rate of HoD and SMS performance agreements and 98% for salary levels (SL) 1-12 employees. All performance review processes were concluded, including the HOD performance reviews. Various service benefit obligations were captured including 106 306 leave forms; 480 short Policy and Procedures on Incapacity Leave and Ill-health Retirement (PILIR) applications within 40 working days on average; 63 long PILIR applications within 38 working days on average and 15 Ill Health PILIR applications within 64 working days on average. Two hundred and twenty five (225) new Injury on Duty (IOD) cases were successfully reported to the Compensation Commissioner for finalisation. In the year under review, the Department also hosted a long-service award ceremony.

#### 4.3.4.1 Strategic objectives

Programme 3: Human Capital						
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
To provide a highly capable workforce, creating an enabling workplace and develop leadership that enables employee engagement and optimal service delivery.	A People Management Maturity model Developed.	Developed and internally consulted Draft People Management Maturity Model.	Develop People Management Maturity model and determine baseline.	People Management Maturity Model developed.	Baseline was not determined.	In the process of developing the assessment instrument that will be aligned with the HR standards of the SA Board of People Practices.

#### ■ 4.3.4.2 Performance indicators

Programme 3 : Human Capital					
Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
<b>Subprogramme 3.2 : Organisation Development</b>					
3.2.1 Percentage of scheduled organisational behaviour interventions conducted.	99%	90%	126%	36%	Organisation Development services are demand driven and the delivery is responsive to the organisation's service delivery improvement needs. The deviations are mainly as a result of unscheduled projects requested during the course of the year by Departments.
3.2.2 Percentage of business process improvement projects completed.	90%	90%	125%	35%	
3.2.3 Percentage of scheduled organisation design projects completed.	65%	90%	166%	76%	
<b>Subprogramme 3.3: Provincial Training Institute (People Training and Empowerment)</b>					
3.3.1 Number of learning programmes offered.	56	43	67	24	Reason for overachievement is due to the Training Institute's response to ad hoc training requests from client departments that could not be anticipated during planning processes.
3.3.2 Number of learning programmes assessed for training impact.	5	7	7	Nil	N/A
<b>Subprogramme 3.4: Human Resource Management (People Management Practices)</b>					
3.4.1 Number of projects to introduce the integrated financial management system.	1	1	1	Nil	N/A
3.4.2 Number of HR management related reports submitted to departments.	New indicator	44	44	Nil	N/A
3.4.3 Number of strategic people management projects implemented in order to establish the WCG as an employer of choice.	New indicator	1	1	Nil	N/A

#### **4.3.5 Strategy to overcome areas of under performance**

With the corporatisation of the HR functions the primary focus in the first years was consistency and compliance. This has largely been achieved and the focus will now be on efficiency and value-add. In this regard a BPO project was launched within the Chief Directorate People Management Practices and technology improvements will further enhance the efficiency drive. The Branch will continue to explore additional ways of improving liaison and interaction with departments that it serves. Budget constraints and limited capacity will impact on the ability of the Branch to respond to demand driven and ad-hoc requests from departments, and efforts to engage with departments for joint planning and scheduling of interventions will continue.

The further roll out of IFMS is not yet clear in terms of the new tender issued and managed by National Treasury. While the benefits of IFMS in the medium and long term is not disputed, any further roll out must be buttressed with inter alia adequate funding, dedicated capacity and a clear governance structure.

#### **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 100% of its indicator targets. This was done with austerity measures in place. The Programme did not overspend but through prudent management incurred an under spending for 2014/15 of 10.85% (for 2013/14 it was 4.2%), as is reflected in the table below.

The underspend was in large due to the delay in roll out of the BPO project, as well as the disembarking of the IFMS pilot which was linked to the issue of a new tender by National Treasury.

### 4.3.8 Sub-programme expenditure

Sub- Programme Name	2014/15			2013/14		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 299	2 281	18	2 210	2 051	159
Organisation Development	52 759	47 522	5 237	43 975	39 123	4 852
Provincial Training Institute	29 478	28 080	1 398	24 167	24 116	51
Human Resource Management	91 335	78 896	12 439	78 515	77 266	1 249
<b>Total</b>	<b>175 871</b>	<b>156 779</b>	<b>19 092</b>	<b>148 867</b>	<b>142 556</b>	<b>6 311</b>

## 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.

### 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 Objectives

#### Subprogramme 4.2: Strategic ICT Management Services and

#### Subprogramme 4.3: GITO Management Services

To optimise service delivery in the Western Cape Government through the co-ordinated implementation of innovative information and communication technologies.

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

This Programme contributes to the attainment of the national and provincial strategic imperatives as follows:

- National Development Plan
  - Through the WCG Broadband Strategy and Implementation plan the programme contributes to the development of a dynamic and connected information society and a vibrant knowledge economy that is more inclusive. This initiative will also contribute to making high-speed broadband internet available to various stake-holders (such as communities, learners in schools etc.).
  - Through the Cape Access programme services and training is being made available to communities in rural areas. The programme also provides the International Computer Drivers Licence certification and assists communities with the writing of cv's and utilising the Internet to find employment opportunities.
- Strategic Integrated Project (SIP) 15
  - Through the WCG Broadband Strategy and Implementation plan the programme is contributing to the expansion of access to Information and Communication technologies “to ensure universal service and access to reliable, affordable and secure broadband services by all South Africans” by “prioritising rural and under-serviced areas”, and “stimulating economic growth”.
- South Africa Connect
  - Through the WCG Broadband Strategy and Implementation plan the programme is contributing to the provision of affordable, ubiquitous broadband to meet the diverse needs of public and private users.
  - The approach taken by the WCG is premised on the key tenets of South Africa connect; these being the need for government to aggregate its demand, serve as the anchor tenant and operate the infrastructure on an open access basis.
- Provincial Strategic Objective 12
  - Through the governance improvement initiative which focused on improving the ICT governance maturity level of the WCG (a key contributor to the WCG being the best run regional government).

## **Subprogramme 4.2: Strategic ICT Management Services**

The Centre for e-Innovation embarked on various initiatives to improve its e-government services to citizens and businesses. To this effect they have completed the process of migration from a legacy platform to the Drupal platform that now enables more efficient managing of web content.

During the period under review a change in the service provider responsible for the WCG contact centre was effected through an open procurement process. This initially led to a drop in service standards, but the new service provider has subsequently addressed this. The Ce-I has also commenced the process of enhancing the Intranet to ensure that it becomes more useful as a collaboration, productivity and communications tool. The ICT infrastructure of the e-Community centres in rural areas were also enhanced, with the footprint of the Cape Access programme being expanded by a further 8 Centres of which seven in rural areas.

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 Ce-I:

- The review of departmental ICT plans as well as the completion of implementation plans.
- Establishing the role of the Enterprise Architecture Review Board as well as 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 shown in the Ce-I's ability to account for its assets.

## **Sub-Programme 4.3: GITO Management Services**

Ce-I continued supporting the WCG installed base of over 280 computer systems, 650 computer servers, 3 000 network devices, over 400 connected sites, 22 500 workstations and 286 000 users being monitored and managed. The Ce-I also supported a substantial installed base in more than 1 400 schools (which includes over 40 000 workstations).

A broadband agreement was signed with the State IT Agency (SITA) and Neotel

to provide high-speed network access to government offices, health facilities, libraries and schools across the Western Cape. The broadband infrastructure will reduce the cost of communication in the Western Cape, increase broadband penetration in the Province and reduce the digital divide in both urban and rural contexts.

Additionally, the unit has made significant progress was respect of the implementation of the following key initiatives:

- Migrating the Provincial Government IT operating system to a technologically more advanced system was concluded where a total of over 22 500 users were migrated to the new technology platform over a period of three years;
- provided training to 8 689 employees in IT literacy and IT advanced courses;
- managed the technology refresh of 12 569 IT end-user devices across all departments;
- 109 departmental new systems or enhancements to systems were successfully concluded and implemented;
- Improved GIS technology services were successfully expanded upon and delivered across the WCG;
- The network and applications management capacity was successfully expanded in order to improve on-line visibility and better pro-active responsiveness;
- In collaboration with the City of Cape Town an additional 5 sites were provided with Broadband – bringing the total number of sites connected with City of Cape Town broadband to 48 sites in total;
- The IT Helpdesk received over 220 000 calls and maintained a resolution rate of 3,95 days per call;
- The IT Business Continuity Plan and the IT Disaster Recovery Plan were implemented;
- An average network and system uptime and availability of over 98 per cent was maintained;
- In support of the Department of Cultural Affairs and Sport further implementation of the provincial e-filing system has taken place resulting in the consolidation of software licenses, central support and maintenance, as well as the consolidation of the central and common hosting infrastructure; and
- the unit placed particular emphasis on the implementation of the IT Service Delivery Improvement Plan (SDIP) which set out to address service delivery challenges in the general environment. The three key elements of the plan related to connectivity and broadband, core infrastructure optimisation and business productivity optimisation.

#### **Interim structure (proposed sub-programmes 4.3 and 4.4)**

An interim structure was established to give effect to the WCG Broadband

strategy, with two focus areas: Connected Government and Unified Communications, as well as Transversal Applications.

- The Connected Government and Unified Communications Chief Directorate focuses on the roll-out of Broadband to WCG sites and has successfully concluded agreements with both Neotel and the State IT Agency (SITA) for the delivery of broadband services to the WCG. In addition, tri-partite governance committees (consisting of the WCG, SITA and Neotel) have been formed to oversee the broadband project and to ensure that project delivery targets are met. These committees have been meeting regularly since 1 September 2014. The first milestone target is to have 500 WCG sites connected to the Broadband service by the end of June 2015.
- The Transversal Applications Chief Directorate focuses on co-ordination, programme management, development and implementation of provincial transversal applications, including the Biz Systems for RBM&E and Enterprise Content Management (ECM) for document and records management. The Biz Systems are in various stages of development and implementation commenced during the latter part of 2014/15. Ce-I supported the Department Cultural Affairs and Sport with the rollout of the provincial ECM in three departments.

#### 4.4.4.1 Strategic objectives

Programme 4: Centre for e-Innovation						
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
To optimise service delivery in the Western Cape Government through the coordinated implementation of innovative information and communication technologies.	Level of ICT governance maturity achieved.	3	3	3	Nil	N/A

#### ■ 4.4.4.2 Performance indicators

Programme 4: Centre for e-Innovation					
Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
<b>Subprogramme 4.2: Strategic ICT Services</b>					
4.2.1 Level of ICT governance maturity achieved.	3	3	3	Nil	N/A
4.2.2 Number of departmental ICT plans reviewed.	13	13	13	Nil	N/A
4.2.3 Level of e-Government maturity achieved.	2	2	2	Nil	N/A
4.2.4 Resolution rate of Western Cape requests received at the Presidential Hotline.	99.11%	90%	99.51%	9.51%	This over performance was due to exceptional performance by the staff responsible for the Presidential Hotline.
4.2.5 Number of new Cape Access e-community centres established.	7	8	8	Nil	N/A
<b>Subprogramme 4.3: GITO Management Services</b>					
4.3.1 Average percentage systems uptime and availability maintained.	99.60%	98%	99.73%	1.73%	Despite load shedding by Eskom, the installation of better UPS and Generator Back-up facilities as well as the effective and efficient management of the system hosting environments resulted in the attainment of the target.
4.3.2 Average percentage network uptime and availability maintained.	98.74%	98%	98.46%	0.46%	Despite load shedding by Eskom, the installation of better UPS and Generator Back-up facilities as well as the effective and efficient management of the network environments surpassed resulted in the attainment of the target.

Subprogramme 4.3: GITO Management Services					
4.3.3 Average turnaround time in days for resolving helpdesk calls maintained.	3.74 days	3	3.95	0,95%	This target was not met as a result of: - On-going load shedding. - The increase in the number of IT users. - The high number and complexity of calls to the helpdesk as a result of the above.
4.3.4 Number of WCG corporate sites migrated to broadband using the City of Cape Town's Fibre Optic infrastructure.	11	11	5	-6	This target was not met as a result of the City of Cape Town not being able to get permissions from Landlords for offices leased by the WCG in order to pull the fibre optic cable into the buildings.
4.3.5 Percentage of contractually agreed upon government sites and schools provided with Broadband connectivity.	-	90%	100%	10%	One site needed to be connected to the Neotel broadband service by the end of Q4, and this was completed by October 2014.

#### 4.4.5 Strategy to overcome areas of under performance

The Centre for e-Innovation has underperformed on two indicators relating to the turnaround time for resolving helpdesk calls as well as the number of sites being migrated to the City of Cape Town fibre optic infrastructure.

To address the above-mentioned under-performance Ce-I has now concluded the award of the Service Desk to a new service provider which will ensure more adequate resourcing to fulfil the requirements of the WCG client base and is engaging with the City of Cape Town to ensure a more streamlined approach to the rollout of broadband utilising their infrastructure.

#### 4.4.6 Changes to planned targets

No targets were changed during the year under review.

#### 4.4.7 Linking performance with budgets

The Centre for e-Innovation (Ce-I) operated under severe budget constraints in the 2014/15 financial year as a result of the dramatic increase in the WCG user base, the number of sites supported as well as expanding systems requirements. As a result of this the ICT Mini-MTEC was introduced and institutionalised which will in future allow for an adjustment to the Ce-I resource allocation and take into account factors such as user growth and the establishment of new sites. The Programme did not overspend, but incurred an under spending for 2014/15 of 29.12% (For 2013/14 it was 0.05%), as is reflected in the table below.

The main reason for the underspending was due to an amount of R300 798 000 being allocated to the Department in the Adjustments Budget process for the implementation of the Broadband project whilst only R39 315 000 could be spent by year-end (underspending of R261 483 000). The reasons for this delay were primarily due to the delay in the awarding of the Broadband tender and the length of time taken for contract negotiations.

#### 4.4.8 Subprogramme expenditure

Sub- Programme Name	2014/15			2013/14		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	14 579	12 303	2 276	6 900	6 868	32
Strategic ICT Services	143 175	143 064	111	82 191	82 102	89
GITO Management Services	765 897	499 2542	266 655	454 985	454 850	135
<b>Total</b>	<b>923 651</b>	<b>654 609</b>	<b>269 042</b>	<b>544 076</b>	<b>543 820</b>	<b>256</b>

### 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 optimize service delivery by the Western Cape Government. This is done in conjunction with Programme 3, Human Capital and Programme 4, Centre for e-Innovation.

## 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, and legal compliance and advisory services, ensuring Western Cape Government decision-making that is sound in law.

### **Subprogramme 5.6: Corporate Communications**

To ensure consistent application of the Western Cape Government communication strategy and corporate identity branding through the rendering of corporate communication services.

## 4.5.4 Strategic objectives, performance indicators planned targets and actual achievements

The **Subprogramme: Risk Management** was focused on delivering on the Risk Management Implementation Plan as agreed with each respective department. These deliverables attempt to, over a period of time increase the level of risk management maturity in the province and to embed risk management in strategic planning, decision making and general management. To this end the subprogramme delivered quarterly risk registers that provides the basis for decision making in departments.

The **Subprogramme: Internal Audit** was still faced with challenges to improve internal audit coverage, and full execution of its mandate. This was mainly due

to the fact that the current capacity did not allow for the full execution of the mandate as captured in the legislative framework. Refining the application of the combined assurance principles in the development of the Internal Audit Plans for the 2014/15 financial year has shown some improved audit coverage. This will improve further as the Combined Assurance Framework is fully implemented.

2014/15 was the third year of the **forensic services** outsourced contract, and the main contract expired on 30 November 2014. Due to slow progress made in the filling of posts on the approved establishment, we had no option but to extend the contract on a limited, reduced basis until 31 May 2015. Key positions were however filled and the Forensic Investigation Unit (FIU) became reasonably self-sustained towards the end of the financial year, with its case load under control.

The **Subprogramme: 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 Legal Compliance Unit was operationalised in July 2014 and rendered pro-active legal services by developing training material and presenting functional training on the Promotion of Access to Information Act, Promotion of Administrative Justice Act, and contract and supply chain management. The unit developed and started implementing a roll-out plan in respect of the Protection of Personal Information Act, and assisted departments to ensure legally compliant processes and delegations. The Directorate Legislation assisted a number of provincial departments with the drafting of principal and subordinate legislation and prepared and collated comments on draft national legislation that impact on the Province. During the 2014/15 financial year, the department received one hundred and seven (107) requests for access to information in terms of the Promotion of Access to Information Act, 2000. Access to all one hundred and seven (107) requests was granted in full. The Department timeously submitted its section 32 report for the financial year to the Human Rights Commission and also submitted its section 15 automatically available information to the Minister of Justice and Correctional Services 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.

**The Subprogramme: Corporate Communication's** main focus was on the im-

plementation of the corporate identity and the Better Together communication philosophy. During the 2014/15 financial year Corporate Communication successfully published six (6) issues of the Better Together Magazine. The magazine continually aims to engage our employees in the vision of the organisation, 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. 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 2014/15 Corporate Communication published 48 Ordinary Government Gazettes, 87 Extra Ordinary Gazettes, 5 Bills and 3 Acts. The subprogramme continued to deliver a professional graphic design, translation and photography service to all Western Cape Government departments.

■ 4.5.4.1 Strategic objectives

Programme 5: Corporate Assurance						
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
To enable a mature control framework in all departments in the Western Cape.	Number of ERM maturity assessments performed.	New indicator	13	13	Nil	N/A
	Percentage of internal audit.	92.2%	90%	95%	5%	N/A
Government through embedded risk management, improved business processes and zero tolerance for fraud and corruption.	areas completed as per approved internal audit coverage plans.					
	Number of fraud health checks conducted.	1	1	1	Nil	N/A
To provide legal support encompassing legislative drafting, litigation support, and legal compliance and advisory services, ensuring Western Cape Government decision-making that is sound in law.	Number of requests referred to Legal Services assigned to legal advisers.	2 047	1 850	2 284	434	Despite best estimate (based on previous financial years), services are demand driven.
To ensure consistent application of the Western Cape Government communication strategy messaging and corporate identity branding through the rendering of corporate communication services.	Number of on-brand creative execution assessment reports issued.	4	4	4	Nil	N/A

#### 4.5.4.2 Performance indicators

Programme 5: Corporate Assurance					
Performance Indicator	Actual Achievement 2013/14	Planned Target 2014/15	Actual Achievement 2014/15	Deviation from planned target to Actual Achievement for 2014/15	Comment on deviations
<b>Subprogramme 5.2: Enterprise Risk Management</b>					
5.2.1 Number of ERM maturity assessments performed.	New indicator	13	13	Nil	N/A
5.2.2 Number of enterprise risk management implementation plans approved by Accounting Officers.	13	13	13	Nil	N/A
<b>Subprogramme 5.3: Internal Audit</b>					
5.3.1 Percentage of internal audit areas completed as per approved internal audit coverage plans.	92.2%	90%	95%	5%	There are 83 agreed deliverables as per the approved internal audit coverage plans. 79 have been completed. Numerator = 79; Denominator = 83. Three of the four reports were completed by 30 April 2015. The outstanding report will be completed by 15 May 2015.
5.3.2 Percentage internal audit recommendations incorporated into agreed action plans.	91%	85%	99%	14%	79 reports were issued which contained 751 recommendations. 742 actions were incorporated into agreed action plans. Nominator = 742, denominator = 751.
5.3.3 Percentage of action plans expired by the end of the third quarter followed up.	41.5%	80%	93%	13%	81 follow-up areas contained 971 agreed actions that needed to be followed up for the reporting period. 906 agreed actions plans were followed-up by Internal Audit. Nominator = 906, denominator = 971.
<b>Subprogramme 5.4: Forensic Investigative Unit</b>					
5.4.1 Number of fraud health checks conducted.	1	1	1	Nil	N/A
5.4.2 Percentage of FIU recommendations followed up.	91%	80%	97%	17%	The sum of the total number of outstanding recommendations as at 1 April 2014 and the total number of recommendations made in 2014/15 reports were 728. Of these 707 (97%) were followed up.
5.4.3 Percentage of fraud prevention activities allocated to the FIU implemented.	114.4%	90%	99%	9%	127 deliverables were agreed at the start of the financial year and 126 were completed. Target will be adjusted in subsequent financial years.

Subprogramme 5.5: Legal Services					
5.5.1 Number of reports containing analysis of all provincial litigation matters and associated awards and judgments submitted.	2	2	2	Nil	N/A
5.5.2 Number of legal training opportunities provided to employees of the Western Cape Government.	42	40	58	18	Additional capacity became available when professional posts were filled in the Legal Compliance Unit.
5.5.3 Number of requests referred to Legal Services assigned to legal advisers.	2047	1850	2284	434	Despite best estimate (based on previous financial years), services are demand driven.
Subprogramme 5.6: Corporate Communications					
Number of on-brand creative execution assessment reports issued.	4	4	4	Nil	N/A
5.6.2 Number of Better Together Magazines published to communicate the vision, values and brand to Western Cape Government employees.	7	6	6	Nil	N/A
5.6.3 Number of reports issued on completed client-generated product and services.	2	2	2	Nil	N/A

#### 4.5.5 Strategy to overcome areas of under performance

The branch achieved 100% of its targets for 2014/15.

#### 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 was goods and services due to the outsourced contract. Outputs in this programme are mainly achieved through the work performed by its employees, which is a direct link to the main cost driver. The Programme did not overspend, but incurred an under spending for 2014/15 of 8.70% mainly due to slow filling of posts. (For 2013/14 it was 1.75%), as is reflected in the table below.

#### 4.5.8 Subprogramme expenditure

Sub-programme Name	2014/15			2013/14		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 356	2 338	18	2 073	2 025	48
Enterprise Risk Management	7 411	6 653	758	7 119	7 099	20
Internal Audit	40 279	35 857	4 422	33 189	33 124	65
Forensic Investigation	16 565	15 304	1 261	15 660	15 030	630
Legal Services	30 459	28 891	1 568	23 585	22 789	796
Corporate Communication	12 048	10 578	1 470	9 182	9 155	27
<b>Total</b>	<b>109 118</b>	<b>99 621</b>	<b>9 497</b>	<b>90 808</b>	<b>89 222</b>	<b>1 586</b>

# 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 2014 to 31 March 2015.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the department comply with s 38 (1) (j) of the PFMA	Amount trans-ferred (R'000)	Amount spent by the entity	Reasons for the funds un-spent by the entity
Library Business Corners	Non-Profit Organisation	Establishing and maintaining Public ICT Access Centres	Yes	12 200	12 200	N/A
City of Cape Town	Municipality	To provide broadband connectivity to WCG sites	Yes	10 700	10 700	N/A
CHEC	Section 21 Company	Project work	Yes	500	500	N/A
Hout Bay Partnership	Non-profit company	Project work	Yes	500	500	N/A
Drakenstein Municipality	Municipal Government	To provide community access to state funeral proceedings	Yes	100	100	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 forty-nine (49) e-Centres comprising on average of 12 to 40 computers with Internet access are up and running throughout the Province of which 8 were established during 2014/15. 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**

The Department of the Premier through the City of Cape Town (CoCT) connected and operationalised 5 of the 11 planned sites onto the broadband fibre optic infrastructure of the CoCT. The remaining 6 could not be operationalised as there were extensive delays by the landlords of leased buildings in granting permission to distribute the fibre cable into their buildings. These are being operationalised as the permissions become available.

## **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, as well as 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.

### **Hout Bay Partnership**

The Hout Bay Partnership (HBP) was formally established as a non-profit company and the Board of Directors was appointed in June 2014. The aim of the HBP is to create a model of integrated social and economic development in a context of cultural diversity and economic inequality. The HBP has undertaken the following work streams during the initiation phase from July 2014 – June 2016:

1. Facilitate and support: ongoing engagement with stakeholders.
2. Develop and manage:
  - Identification and initiation of short-term projects
  - Identification and preparatory work on medium term catalytic and transformative projects.
3. Promote and communicate: Develop and implement a communications strategy that promotes the activities of the HBP.

### **Municipalities – State Funeral Support (R100 000)**

The Department of the Premier, through its state funeral programme, provided widespread community access to funeral proceedings after the passing of a globally revered statesman, Former President Nelson Mandela. The programme held across the province over the ten day mourning period was guided by the State, Official and Provincial Official Funeral Policy Manual; which was initiated by a National Cabinet decision on 23 June 2004. Funding was provided to the Drakenstein Municipality to increase opportunities for community members of a local municipality to participate in funeral-related activities. Payments to other municipalities who also participated in the programme were made during the 2013/14 financial year.

# 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 24 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 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 (PSRMF) and the Directorate: Enterprise Risk Management (D:ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) 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. The Department adopted an ERM Strategy, approved by the Accounting Officer on 19 May 2014 and an ERM Implementation Plan, approved by the Accounting Officer on 19 May 2014. The ERM Implementation Plan gave effect to the WCG ERM policy and departmental ERM Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the Department.

The Department assessed significant risks that could have an impact on the achievement of its objectives, both strategic and programme risks, on a quarterly basis. Risks were prioritised based on their likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Department established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Officer in executing his responsibilities relating to risk management. The Committee operates under a Terms of Reference approved by the Accounting Officer on 19 May 2014. ERMCO ratified the strategic risk register and recommended further action where relevant.

The Audit Committee provided independent oversight of the Department's system of risk management. The Audit Committee was 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 Department's Annual ERM Implementation Plan and strategic risks faced by the Department and their relevant risk response/treatment strategies.

# 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. The Fraud Prevention Implementation Plan 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 (FIU) 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 Department. We protect employees who blow the whistle on suspicions of fraud, corruption and theft if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). 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 employees who were implicated in these acts are 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 Service.

During this financial year, two matters were referred to the Department for an internal investigation. At the end of the financial year, no (zero) matters remained on the case list of 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 then it is expected of the member to excuse him/herself from the meeting when the bid is being evaluated. The officials from the Procurement unit of Supply Chain Management who render the secretariat service to the BAC also sign the Declaration of Interest Register.

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

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

# 5

## CODE OF CONDUCT

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

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

# 6

## HEALTH SAFETY AND ENVIRONMENTAL ISSUES

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

Most of the interventions implemented during the course of the year were aimed at increasing minimum levels of compliance to the provisions of the Occupational Health and Safety Act, 1993 (Act no 85 of 1993).

The Department’s employees were accommodated in 10 buildings comprising state-owned buildings and rented space in privately owned buildings. A number of employees of the Branch Centre for e-Innovation were accommodated in buildings belonging to other departments throughout the Province.

The Departmental Occupational Health and Safety Committee met quarterly to consider health, safety and environmental issues. Incidents were discussed, progress with the implementation of Committee resolutions was tracked and best practices were shared in the Committee.

The implementation of resolutions and the management of related incidents are largely dependent on assistance by the Departments of Community Safety and Transport and Public Works. Representatives from these departments were co-opted on the Committee in an attempt to obtain commitment from these departments. Linkages were fostered with the employee health and wellness programme of the Province to synergise efforts.

In respect of contingency planning, the Department conducted dry runs in all the buildings where employees were accommodated. Employees displayed excellent cooperation when dry runs were conducted. In this respect the Department complied with the mandatory two evacuations per year. Emergency team databases were maintained as prescribed by the Act. A concerted effort was made to ensure that all statutory appointments were maintained.

A significant milestone was conducting a comprehensive hazard identification and risk assessment at Kromme Rhee. The assessment resulted in a list of recommendations which, once implemented, will significantly reduce occupational health and safety risks at the Provincial Training Institute.

Two management overview training opportunities were provided in which 52 senior managers participated. Training was also provided to OHS representatives, floor marshals, fire marshals and first aiders.

Awareness sessions focusing on the legislative requirements for occupational health and safety and roles and responsibilities of the various role players continued during the year under review.

The Department managed 11 reported incidents which related, amongst others, to staff falling from height, pungent smells due to refurbishments, geyser bursts, and water leaks. No fatalities were reported during the period under review.

Regarding employee wellbeing, the employee health and wellness programme showed a utilisation rate of 35,25% over the financial year. There has been an increase in the utilisation since the previous annual period with the most frequently accessed services being telephone counselling and face-to-face counselling. Employees typically sought psycho-social support for personal relationship issues, stress, organisational issues, child and family care and personal development.

# 7

## PORTFOLIO COMMITTEES

### ■ Standing Committee on Premier

Date	Topic/s	Issues raised/addressed
25 June 2014	Introductory briefing – providing a brief overview of the Department	Organisational structure and programmes Mission and vision, key dates and deadlines and pressing issues. Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.
5 August 2014	Briefing on: 1. The Department's Annual Performance Plan 2014/15 2. The 4th quarter financial and performance report for 2013/14 3. Audit matters raised by the Auditor-General from page 194 to 198 on the Annual Report 2012/13 and the mechanisms implemented by the Department to address the issues raised 4. The mechanisms implemented to improve the risks on the findings of the Supply Chain Management (SCM) Unit as indicated on page 33 of the Annual Report 2012/13	Department responded to Committee members' questions in the meeting.
12 August 2014	Briefing on: Western Cape Youth Development Strategy International Relations Strategy Green Economy Strategy Framework	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.
26 August 2014	Briefing by the Department of the Premier on the progress of the roll-out of broadband in the Province	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.
2 September 2014	The achievement of the planned targets for 2013/14 The Forensic Investigation Unit cases under review for all departments and the progress achieved and/or the outcome of these investigations	Department responded to Committee member's questions in the meeting and detailed reply submitted to the Committee's requests for further information.
21 October 2014	Briefing on the Annual Report 2013/14	Department responded to Committee member's questions in the meeting and detailed reply submitted to the Committee's requests for further information.
25 November 2014	Briefing on the budgetary adjustments to Vote 1: Premier, in the Schedule to the <i>Western Cape Adjustments Appropriation Bill, 2014</i>	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.

Date	Topic/s	Issues raised/addressed
26 November 2014	Briefing on the Western Cape <i>Constitution First Draft Amendment Bill</i> , 2014.	Department responded to Committee members' questions in the meeting.
03 February 2015	Briefing on Employment Equity Plan Skills Transfer Plan	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.
10 February 2015	Briefing by the Department of the Premier on the 2014/15 Third Quarter Departmental Performance	Department responded to Committee members' questions in the meeting.
17 February 2015	Briefing on the responses to the recommendations provided on the Annual Report 2013/14 and the Western Cape Adjustments Appropriation Bill, 2013/14 discussions.	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.
10 March 2015	Briefing on <i>Western Cape Appropriation Bill</i> , 2015	Department responded to Committee members' questions in the meeting and detailed reply to Committees' requests is being compiled.
12 March 2015	Briefing on the <i>Constitution of the Western Cape First Amendment Bill</i> , [B4-2014]	Department responded to Committee members' questions in the meeting.

# 8

## SCOPA RESOLUTIONS

### SCOPA engagements with the Department of the Premier during the period under review (1 April 2014 to 31 March 2015):

DATE	ISSUE
27 August 2014	Briefing by Forensic Investigation Unit: <ul style="list-style-type: none"> <li>- on its organisational structure (Chief Directorates) and programmes;</li> <li>- on its mission, vision and core functions;</li> <li>- on pressing issues (financial importance);</li> <li>- on the monitoring and outcome of emerging risks; and</li> <li>- on its report of the 1<sup>st</sup> Quarter of the 2014/15 financial year.</li> </ul>
21 October 2014	Discussion on the Department of the Premier's Annual Report (2013/14 financial year)
11 February 2015	Briefing by the Department of the Premier on: <ul style="list-style-type: none"> <li>the Combined Assurance Model, and the three-year audit plans for all departments;</li> <li>the value achieved (impact of outputs) through the completion of its performance targets; and</li> <li>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.</li> </ul>

The Department of the Premier briefed the Standing Committee on Public Accounts on its Annual Report on 21 October 2014. After deliberations SCOPA published its report in the ATC dated 26 November 2014 as follows:

## Vote 1: Premier

The Committee noted the Auditor-General's audit opinion regarding the Department's Annual Financial Statements, having obtained a clean audit opinion. The audit opinion from the Auditor-General for the 2013/14 financial year was thus an improvement from the audit opinions relating to the 2011/12 and 2012/13 financial years.

**The Western Cape Department of the Premier (DotP)** spent R894,5 million of a budget of R903,1 million, resulting in an overall underexpenditure of R8,6 million (0,9%) as reflected on page 188 of the Annual Report.

In addition, the Committee notes that the Department could incur potential material losses of its assets purchased to the value of R3 million. The Department could not account for or locate these assets at specific locations, yet undertook to locate and verify these on an ongoing basis.

The Department is encouraged to concentrate on improving its drivers of internal control, which relates to leadership espoused through its action plans and adherence to policies and procedures. Alongside this, the Department must concentrate on the following areas which impact on its financial and performance management control, such as processing and reconciliation controls, reporting and compliancy mechanisms and IT control systems. The Committee further noted that attention should be directed towards the Internal Audit function which impacts on the governance internal control of the Department. Furthermore, the Committee raised serious concerns that the following Internal Audit reports have not been tabled with the Audit Committee during the 2013/14 financial year. These include -

- Predetermined Objectives (PDO) (completed after year-end);
- Western Cape Government (WCG) Departmental Bursaries and Management of Bursary Agreements (completed after financial year-end, 2013/14);
- Transfer Payments (completed after financial year-end, 2013/14); and
- Budget Management (deferred to the 2014/15 Internal Audit Plan).

A recurring matter, from the 2011/12 and 2012/13 financial years, has been noted by the Committee. The matter relates to the formal control over IT systems by the Department in the form of security management, user access control and IT service continuity.

## Recommendations

BACKGROUND/ CONCERNS	RECOMMENDATIONS	ACTION DATE
<p><b>Pages:</b> 102-109 of the Annual Report</p> <p><b>Heading:</b> “SCOPA resolutions”</p> <p><b>Description:</b> The Committee thanked the Department for publishing its resolutions and actions taken in its Annual Report.</p>	<p>The Committee agreed that:</p> <ol style="list-style-type: none"> <li>1. The Department publishes the Committee’s opening comments of this report specific to this Department, the table of resolutions and the list of information requested by the Committee, in all future Annual Reports.</li> </ol>	<p>Ongoing with the publishing of the Department’s 2014/15 Annual Report</p>
<p><b>Pages:</b> 112-113 of the Annual Report</p> <p><b>Heading:</b> “The Effectiveness of Internal Control”</p> <p><b>Description:</b> The Committee noted that Internal Audit work was approved for the 2013/14 financial year, with three projects being completed after year-end. The remaining projects were deferred to the 2014/15 Internal Audit Plan, which included:</p> <ul style="list-style-type: none"> <li>• Predetermined Objectives (completed after the 2013/14 financial year-end);</li> <li>• WCG Departmental Bursaries and Management of Bursary Agreements (completed after the 2013/14 financial year-end);</li> <li>• Transfer Payments (completed after the 2013/14 financial year-end); and</li> <li>• Budget Management (deferred to the 2014/15 Internal Audit Plan)</li> </ul> <p>The Committee further notes that none of the reports have been tabled with the Audit Committee for the 2013/14 financial year under review. In addition, the Audit Committee raised its concern, on the abovementioned matter, and has indicated that it has raised the matter with the Chief Audit Executive, located within the Department of the Premier.</p>	<ol style="list-style-type: none"> <li>2. The Department brief the Committee on the Budget Management Draft Audit, which was completed on 8 August 2013, including all matters relating to the findings of this report.</li> <li>3. The Auditor- General, Audit Committee and Provincial Treasury meet with the Public Accounts Committee to discuss the procurement processes that this Department and all other departments adhere to in meeting the expectations of the Auditor-General and Audit Committee’s Audit Framework Guideline that relates to sourcing of external consultants.</li> </ol>	<p>DotP briefed SCOPA on 20 May 2015</p> <p>Briefing took place on 20 May 2015</p>

## ■ List of Information Required

Resolution No.	Subject	Details	Response by the department	Resolved (yes/no)
1.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A detailed report which indicates the cost-benefit analysis and social return on investment methodology on investigations relating to the R15 024 million that was spent for the Forensic Investigation Unit's (FIU's) investigations for the financial year under review 2013/14, as indicated on page 186 of the Annual Report of the Department	Report submitted to SCOPA on 20 January 2015	Yes
2.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A detailed report providing a financial breakdown on the current payments on goods and services of R428, 730 million as indicated on page 189 of the Annual Report of the Department	Report submitted to SCOPA on 20 January 2015	Yes
3.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A copy of the SITA and Neotel contracts, which gives a year-by-year financial breakdown of the financial commitments of the Department, for the roll-out of the WCG broadband project, as indicated in Note 21 on page 199 of the Annual report of the Department	File submitted to SCOPA on 20 January 2015	Yes
4.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A reconciliation report which explains the regularity audits on the external audit costs of R 4, 440 million as indicated to Note 4.4 on page 203 of the Annual Report of the Department	Report submitted to SCOPA on 20 January 2015	Yes
5.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A detailed report which provides a financial breakdown on Note 4.7 on travel and subsistence, as indicated on page 203 of the Annual Report of the Department	Report submitted to SCOPA on 20 January 2015	Yes
6.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A detailed report containing a list of the successful applicants who benefitted from "Gifts, Donations and Sponsorships made and Remissions, Refunds and Payments made as an act of Grace", as well as unsuccessful applicants, as indicated in Annexure 6 on page 232 and 233 of the Annual Report of the Department, including the procedure followed in determining the criteria used in awarding this	Report submitted to SCOPA on 20 January 2015	Yes
7.	Discussion of the Department of the Premier Annual Report (21 October 2014)	A detailed report highlighting the reasons for terminating the Social Transformation Project, determined by an executive decision, including the legal report with recommendations on the matter and the labour court judgement, as indicated on page 235 of the Annual Report of the Department	Report submitted to SCOPA on 20 January 2015	Yes
8.	Discussion on the Combined Assurance Model, and the three-year audit plans for all departments and the value achieved through-completion of its performance targets and the content, in the implementation of the Executive Projects Dashboard. (11 February 2015)	Briefing on the Combined Assurance Model, and the three-year audit plans for all departments The value achieved (impact of outputs) through the completion of its performance targets and 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	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
Potential Material Losses <ul style="list-style-type: none"> <li>Assets were not found in the asset count and full investigations had not been completed into these assets</li> </ul>	2009/10, 2010/11, 2011/12, 2012/13 and 2013/14	Previous years not yet found assets were written off and those not found in 2012/13 and 2013/14 were under investigation.

# 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 proactively 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 is either reported to the unit or identified by themselves, after which they enter 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 finalized except for three cases. The three cases will be finalized in the new financial year. All cases identified and reported in the year under review have been finalized except for two cases which should be finalised in the new financial year. The one outstanding case with regard to fruitless and wasteful expenditure will be finalized in the new financial year depending on the investigation and recommendations flowing therefrom.

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

finalized, the Department has to first receive the final Police or State Attorney report, which is not a fast process. Various financial inspections have also been carried out. Most have now been finalised. The current cases are kept up to date as far as possible.

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

The Provincial Treasury, together with Organisation Development recommended new Internal Control establishments in the various departments. This Department's new establishment was approved and makes provision for functions that have not been done here before. The vacant funded posts have been advertised and should be filled in the first quarter of 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 assists the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

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

The following assurance engagements were approved in the 2014/15 Internal Audit Plan:

### **Assurance Engagements:**

- Bursaries Administration and Management
- Annual Leave Administration (Transversal Audit)
- Recruitment and Selection (Transversal Audit)
- Budget Management
- Risk Management
- Transfer Payments

### **Consulting Engagements:**

- Supply Chain Management
- Service Excellence Awards
- Provincial Training
- Provincial-wide Monitoring and Evaluation

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

- 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;
- Predetermined 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 Resigned	No. of Meetings attended
Mr Mervyn Burton	CA(SA); CFP	External	N/a	01 January 2012	N/a	9 including the chairs forum
Ms Judy Gunther	CIA; AGA; Masters in Cost Accounting; BCompt	External	N/a	01 January 2013	N/a	8
Mr Louw van der Merwe	CA(SA); ACMA; CIA; CISA; CRMA	External	N/a	01 January 2013	N/a	7
Mr Kerry Larkin	BCompt; ND:FIS; CRMA; CCSA; CIA	External	N/a	01 January 2013	N/a	6
Ms Zaid Manjra	BCom; Dip Acc; CA(SA); MBL	External	N/a	01 January 2013	N/a	5

# 12

## AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2015.

### **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 has adopted appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

### **The Effectiveness of Internal Control**

We reviewed the findings of Internal Audit's work which were based on the risk assessments conducted in the department.

The following assurance and consulting engagements were approved in the 2014/15 Internal Audit Plan:

- Supply chain Management (Consultation);
- Service Excellence Awards (Consultation);
- Recruitment and Selection Process;
- Annual Leave Process;
- Budget Management;
- Provincial-wide Monitoring and Evaluation (Consultation - In Progress);
- Transfer Payments;
- Provincial Training; and
- Risk Management.

Except for the Provincial-wide Monitoring and Evaluation consultation engagement, the Internal Audit Plan was completed during the year. This assignment has subsequently been completed.

The areas for improvements, as noted by Internal Audit during the performance of their work, were agreed to by management.

The Audit Committee continues to monitor the implementation of the agreed actions on an ongoing basis.

### **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, that 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 material adjustments resulting from the audit of the Department (where appropriate); and

- reviewed the interim financial statements as presented by the Department for the six months ending 30 September 2014.

### **Internal Audit**

Internal Audit has effectively utilised their resources. The Audit Committee remains concerned about the adequacy of Internal Audit Resources to ensure complete coverage of high risk areas.

The combined assurance approach will continue to be applied, to effectively focus limited Internal Audit resources.

### **Risk Management**

The Department has taken full responsibility and ownership for the implementation of the Enterprise-wide Risk Management (ERM) methodology and function and the process is reviewed on a quarterly basis by the Audit Committee.

### **Auditor-General's Report**

We have reviewed the Department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been addressed as reported by the Auditor-General.

The Audit Committee has met with the Auditor-General and the Department to ensure that there are no unresolved issues emanating from the regulatory audit.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements.

### **Appreciation**

The Audit Committee wishes to express its appreciation to the management of the Department, the Auditor-General and the Corporate Assurance Branch for the co-operation and information they have provided to enable us to fulfil our mandate and to compile this report.



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**Mervyn Burton**  
**Chairperson of the Audit Committee**  
**Western Cape Department of the Premier**  
**29 July 2015**

# PART D:

## HUMAN RESOURCE MANAGEMENT

# 1

## LEGISLATION THAT GOVERNS HR MANAGEMENT

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

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

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

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

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

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

- **Labour Relations Act (66 of 1995)**

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

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

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

- **Skills Development Act (97 of 1998)**

To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National

Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.

- **Employment Equity Act (55 of 1998)**

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

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

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

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

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

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

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

- **Promotion of Administrative Justice Act (PAJA) (3 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.

- **Public Administration and Management Act 11 Of 2014**

To give effect to the public administration values and principles as contemplated in section 195(1) of the constitution, provide for secondments in the public service, promote high standards of ethics and professionalism, promote the use of information and communication technologies, promote efficient service delivery, promote the eradication and prevention of unethical practices and provide for setting minimum norms and standards in public administration.

# 2

## INTRODUCTION

### **The Value of People 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 HR MATTERS AT THE DEPARTMENT**

Human Resources (people) are a key element in achieving the strategic objectives of the Department. Therefore human resource planning **aims to ensure that the department has the right people, with the right skills, at the right place at the right time, all the time.** 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 2014.** 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 Annual progress reports monitor the implementation of the activities contained within the HR Plan.

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

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

NO	HR PRIORITY	OUTCOME
1	<b>Recruitment and Selection</b>	<ul style="list-style-type: none"> <li>• Reduced time frames to fill advertised posts.</li> <li>• Reduced vacancy rate and more efficient recruitment &amp; selection process.</li> <li>• The Department recognised as an employer of choice.</li> </ul>
2	<b>Training and Development</b>	<ul style="list-style-type: none"> <li>• To create a learning organisation with a focus on scarce and critical skills.</li> <li>• Availability of a pool of competent employees ready to fill vacant positions.</li> </ul>
3	<b>EE / Diversity</b>	A diverse workforce with equal opportunities for all.
4	<b>Employee Health and Wellness</b>	More holistically well and productive employees.
5	<b>Succession Planning and Career Development</b>	Efficient skills transfer and preservation of institutional memory.

### **WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE**

Without human resources (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 style="text-align: center;"><b>Recruitment and Selection</b></p> <ul style="list-style-type: none"> <li>• Reduce vacancy rate to the 10% DPSA target</li> <li>• Reduce time to fill a post within six months, of which four months after the post is advertised as per the DPSA target</li> <li>• Implement and improve an e-recruitment system to source talent</li> <li>• Reduce the number of contract employees to less than 5%</li> <li>• Review and improve R&amp;S policy to support staffing initiatives</li> </ul>
2	<p style="text-align: center;"><b>Training &amp; Development</b></p> <ul style="list-style-type: none"> <li>• Continuous development of employees to be fully functional in their current positions and to prepare them for career progression</li> <li>• Identify future skills requirements as portrayed in the skills gap analysis</li> <li>• Bursary allocations aligned with critical and scarce skills, e.g. GIS, legislative drafters, procurement, M&amp;E, business analysts (IT)</li> <li>• Develop a policy to provide guidelines for the training of each employee in a set cycle (funding/days per cycle)</li> <li>• Conduct transversal On-Boarding Induction Programme for all new employees (Compulsory Induction Programme and the Generic Transversal WCG Induction (Admin/HR/Fin/ programme))</li> </ul>
3	<p style="text-align: center;"><b>EE / Diversity</b></p> <ul style="list-style-type: none"> <li>• Meeting and maintaining the national 50% women in senior management (SMS) target</li> <li>• Meeting and maintaining the national 2% PWD target and implement measures to reasonably accommodate their needs</li> <li>• Meeting the numerical goals for designated groups that are underrepresented at various levels in the Department</li> </ul>
4	<p style="text-align: center;"><b>Employee Health and Wellness</b></p> <p>Provide a transversal EHW programme to ensure employees are given support to be more productive and resilient.</p>
5	<p style="text-align: center;"><b>Succession Planning and Career Development</b></p> <p>Retirement and exit planning to ensure skills and knowledge transfer to potential successors with a special focus on critical and key posts</p>

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

### **Employee Performance Management Framework**

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

Employees who are nominated for performance bonuses are assessed by mod-

eration panels, who then examine the evidence of superior performance. Underperforming 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, ongoing reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas, namely HIV/AIDS, Health and Productivity, Wellness Management and SHERQ (Safety, Health, Environment, Risk and Quality Management).

# 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 programmes 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	People Management (CSC)
Programme 4	Centre for E-Innovation (CSC)
Programme 5	Corporate Assurance (CSC)

■ **Table 3.1.1: Personnel expenditure by programme, 2014/15**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Programme 1	68 717	54 152	311	11 364	78.80	343	158
Programme 2	63 148	33 390	142	28 087	52.87	464	72
Programme 3	156 779	125 048	1 587	29 211	79.76	284	441
Programme 4	654 609	165 974	2 809	412 571	25.35	365	454
Programme 5	99 621	69 977	585	28 785	70.24	405	173
<b>Total</b>	<b>1 042 874</b>	<b>448 541</b>	<b>5 434</b>	<b>510 018</b>	<b>43.01</b>	<b>346</b>	<b>1 298</b>

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

■ **Table 3.1.2: Personnel expenditure by salary bands, 2014/15**

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)	6 429	1.4	37	173
Skilled (Levels 3-5)	23 671	5.3	153	155
Highly skilled production (Levels 6-8)	79 665	17.7	257	310
Highly skilled supervision (Levels 9-12)	268 344	59.5	464	578
Senior management (Levels 13-16)	72 663	16.1	886	82
<b>Total</b>	<b>450 772</b>	<b>100.0</b>	<b>347</b>	<b>1 298</b>

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

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, 2014/15**

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	35 482	7.9	105	0.02	726	0.2	1 419	0.3
Programme 2	22 935	5.1	18	0.004	304	0.1	713	0.2
Programme 3	90 845	20.2	1 686	0.4	2 700	0.6	4 508	1.0
Programme 4	121 346	26.9	1 566	0.3	1 959	0.4	4 104	0.9
Programme 5	51 055	11.3	5	0.002	758	0.2	1 488	0.3
<b>Total</b>	<b>321 663</b>	<b>71.4</b>	<b>3 380</b>	<b>0.7</b>	<b>6 447</b>	<b>1.4</b>	<b>12 232</b>	<b>2.7</b>

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, Bonuses and other allowances which make up the total personnel expenditure. Therefore, Salaries, Overtime, Housing Allowance and Medical Assistance amount to 76,3% of the total personnel expenditure.

The totals in tables 3.1.3 and 3.1.4 balance. The data may, however, reflect differently as a result of the grouping per programme or salary band and the rounding off to thousands.

**Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary bands, 2014/15**

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)	5 656	1.3	14	0.003	67	0.01	132	0.02
Skilled (Levels 3-5)	16 691	3.7	743	0.2	923	0.2	1 136	0.3
Highly skilled production (Levels 6-8)	57 970	12.9	935	0.2	1 871	0.4	3 455	0.8
Highly skilled supervision (Levels 9-12)	195 706	43.4	1 688	0.4	2 965	0.7	6 763	1.5
Senior management (Levels 13-16)	45 640	10.1	0	0.0	623	0.1	746	0.2
<b>Total</b>	<b>321 663</b>	<b>71.4</b>	<b>3 380</b>	<b>0.7</b>	<b>6 449</b>	<b>1.4</b>	<b>12 232</b>	<b>2.7</b>

Note: The totals in tables 3.1.3 & 3.1.4 balance. The data may, however, reflect differently as a result of the grouping per programme or salary band and the rounding off to thousands.

### 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. 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 2015**

Programme	Number of funded posts	Number of posts filled	Vacancy rate %
Programme 1	141	130	7.8%
Programme 2	67	65	3.0%
Programme 3	368	345	6.3%
Programme 4	376	364	3.2%
Programme 5	167	154	7.8%
<b>Total</b>	<b>1 119</b>	<b>1 058</b>	<b>5.5%</b>

**Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2015**

Salary Band	Number of funded posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	23	21	8.7%
Skilled (Levels 3-5)	156	145	7.1%
Highly skilled production (Levels 6-8)	232	223	3.9%
Highly skilled supervision (Levels 9-12)	633	599	5.4%
Senior management (Levels 13-16)	75	70	6.7%
<b>Total</b>	<b>1119</b>	<b>1058</b>	<b>5.5%</b>

*Note: The information in each case reflects the situation as at 31 March 2015. 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 2015**

Critical Occupations	Number of funded posts	Number of posts filled	Vacancy rate %
Analyst Developer	43	43	0.0%
Legal Advisor	34	29	14.7%
Network Technologist	123	120	2.4%
Procurement Specialist	2	2	0.0%
<b>Total</b>	<b>202</b>	<b>194</b>	<b>4.0%</b>

### 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 2014 to 31 March 2015**

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
Skilled (Levels 3-5)	156	2	0.2	1	0.1	0	0
Highly skilled production (Levels 6-8)	232	1	0.1	0	0.0	0	0
Highly skilled supervision (Levels 9-12)	633	31	2.8	23	2.1	0	0
Senior Management Service Band A (Level 13)	50	1	0.1	0	0.0	0	0
Senior Management Service Band B (Level 14)	17	0	0.0	0	0.0	0	0
Senior Management Service Band C (Level 15)	5	0	0.0	0	0.0	0	0
Senior Management Service Band D (Level 1D)	3	0	0.0	0	0.0	0	0
<b>Total</b>	<b>1119</b>	<b>35</b>	<b>3.1</b>	<b>24</b>	<b>2.1</b>	<b>0</b>	<b>0</b>

*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.*

**Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2014 to 31 March 2015**

Beneficiaries	African	Indian	Coloured	White	Total
Female	5	0	7	1	13
Male	1	0	9	1	11
<b>Total</b>	<b>6</b>	<b>0</b>	<b>16</b>	<b>2</b>	<b>24</b>
Employees with a disability					<b>0</b>

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 Major Occupation, 1 April 2014 to 31 March 2015**

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
Accounts Clerk	1	5	0	4 notch increment	Retention
Usability Team Leader	1	11	12		Retention
Law Advisor	2	12	0	5 notch and 12 notch increment respectively	Attraction
Managing Editor	1	11	0	11 notch increment	Attraction
Deputy Director	1	11	0	10 notch increment	Attraction
Director	1	13	0	11 notch increment	Attraction
<b>Total</b>				<b>7</b>	
<b>Percentage of total employment</b>				<b>0.7</b>	

**Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2014 to 31 March 2015**

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	1	3	4
Male	1	0	1	1	3
<b>Total</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>7</b>
Employees with a disability					<b>0</b>

### 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 2014 to 31 March 2015**

Salary Band	Number of employees as at 31 March 2014	Turn-over rate 2013/14	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turn-over rate 2014/15
Lower skilled (Levels 1-2)	22	17.6	7	0	5	0	22.7
Skilled (Levels 3-5)	127	47.8	53	8	26	3	22.8
Highly skilled production (Levels 6-8)	211	14.2	43	4	20	9	13.7
Highly skilled supervision (Levels 9-12)	581	11.4	63	0	38	6	7.6
Senior Management Service Band A (Level 13)	44	10.9	5	1	4	2	13.6
Senior Management Service Band B (Level 14)	17	0.0	0	0	0	2	11.8
Senior Management Service Band C (Level 15)	5	0.0	0	0	0	0	0.0
Senior Management Service Band D (Level 16)	3	33.3	0	0	0	0	0.0
<b>Total</b>	<b>1010</b>	<b>17.0</b>	<b>171</b>	<b>13</b>	<b>93</b>	<b>22</b>	<b>11.4</b>
			<b>184</b>		<b>115</b>		

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 2014 to 31 March 2015**

Critical Occupation	Number of employees as at 31 March 2014	Turnover rate 2013/14	Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	Turnover rate 2014/15
Analyst Developer	41	14.3	9	0	4	1	12.2
Legal Advisor	24	25.0	10	0	4	0	16.7
Network Technologist	121	8.1	3	1	6	0	5.0
Procurement Specialist	2	0.0	0	0	0	0	0.0
<b>Total</b>	<b>188</b>	<b>11.5</b>	<b>22</b>	<b>1</b>	<b>14</b>	<b>1</b>	<b>8.0</b>
			<b>23</b>		<b>15</b>		

**Table 3.4.3: Staff leaving the employ of the department, 1 April 2014 to 31 March 2015**

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2015
Death	2	1.7	0.2
Resignation*	50	43.5	5.0
Expiry of contract	33	28.7	3.3
Dismissal - operational changes	0	0.0	0.0
Dismissal - misconduct	4	3.5	0.4
Dismissal - inefficiency	0	0.0	0.0
Discharged due to ill-health	0	0.0	0.0
Retirement	4	3.5	0.4
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	0	0.0	0.0
Transfers to other Public Service departments	22	19.1	2.2
<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>11.4</b>

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 2014 to 31 March 2015**

Resignation Reasons	Number	% of total resignations
Further studies	1	2.0
Insufficient progression possibilities	1	2.0
Other occupation	1	2.0
Personal grievances	1	2.0
Resigning of position (No reason provided)	46	92.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

**Table 3.4.5: Different age groups of staff who resigned, 1 April 2014 to 31 March 2015**

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	4	8.0
Ages 25 to 29	11	22.0
Ages 30 to 34	10	20.0
Ages 35 to 39	10	20.0
Ages 40 to 44	8	16.0
Ages 45 to 49	3	6.0
Ages 50 to 54	3	6.0
Ages 55 to 59	1	2.0
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

**Table 3.4.6 Employee initiated severance packages.**

Total number of employee initiated severance packages in 2013/ 2014	None
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**Table 3.4.7: Promotions by salary band, 1 April 2014 to 31 March 2015**

Salary Band	Employees as at 31 March 2014	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)	22	0	0.0	8	36.4
Skilled (Levels 3-5)	127	1	0.8	59	46.5
Highly skilled production (Levels 6-8)	211	9	4.3	188	89.1
Highly skilled supervision (Levels 9-12)	581	16	2.8	373	64.2
Senior management (Levels 13-16)	69	4	5.8	48	69.6
<b>Total</b>	<b>1010</b>	<b>30</b>	<b>3.0</b>	<b>676</b>	<b>66.9</b>

■ **Table 3.4.8: Promotions by critical occupation, 1 April 2014 to 31 March 2015**

Critical Occupation	Employees as at 31 March 2014	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	41	0	0.0	20	48.8
Legal Advisor	24	0	0.0	0	0.0
Network Technologist	121	0	0.0	95	78.5
Procurement Specialist	2	0	0.0	1	50.0
<b>Total</b>	<b>188</b>	<b>0</b>	<b>0.0</b>	<b>116</b>	<b>61.7</b>

### 3.5. EMPLOYMENT EQUITY

■ **Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2015**

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)	8	16	2	17	1	10	1	8	0	0	63
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	49	158	5	83	63	119	5	57	1	0	540
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	28	71	0	18	38	107	3	25	0	0	290
Semi-skilled and discretionary decision making (Levels 3-5)	14	39	0	6	30	44	0	7	0	0	140
Unskilled and defined decision making (Levels 1-2)	4	2	0	0	1	10	0	0	0	0	17
<b>Total</b>	<b>104</b>	<b>289</b>	<b>7</b>	<b>125</b>	<b>133</b>	<b>290</b>	<b>9</b>	<b>100</b>	<b>1</b>	<b>0</b>	<b>1058</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>104</b>	<b>289</b>	<b>7</b>	<b>125</b>	<b>133</b>	<b>290</b>	<b>9</b>	<b>100</b>	<b>1</b>	<b>0</b>	<b>1058</b>

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 2015**

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)	0	2	0	5	1	3	0	3	0	0	14
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)	1	1	0	0	1	1	0	1	0	0	5
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>24</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>24</b>

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

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

■ **Table 3.5.3: Recruitment, 1 April 2014 to 31 March 2015**

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	1	1	3	0	1	0	0	0	0	6
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	15	2	9	5	15	2	12	1	0	63
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	11	0	3	12	12	1	4	0	0	47
Semi-skilled and discretionary decision making (Levels 3-5)	8	11	0	3	6	28	1	4	0	0	61
Unskilled and defined decision making (Levels 1-2)	2	1	0	0	0	4	0	0	0	0	7
<b>Total</b>	<b>16</b>	<b>39</b>	<b>3</b>	<b>18</b>	<b>23</b>	<b>60</b>	<b>4</b>	<b>20</b>	<b>1</b>	<b>0</b>	<b>184</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>16</b>	<b>39</b>	<b>3</b>	<b>18</b>	<b>23</b>	<b>60</b>	<b>4</b>	<b>20</b>	<b>1</b>	<b>0</b>	<b>184</b>

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 2014 to 31 March 2015**

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	1	0	2	0	1	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	5	0	2	1	4	0	3	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	3	0	1	0	3	0	0	0	0	9
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	1	0	0	0	0	1
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>9</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>30</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>9</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>30</b>

■ **Table 3.5.5: Terminations, 1 April 2014 to 31 March 2015**

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)	1	2	0	3	1	1	0	0	0	0	8
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	11	12	0	6	3	8	0	4	0	0	44
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	7	0	1	5	7	1	5	0	0	29
Semi-skilled and discretionary decision making (Levels 3-5)	3	4	0	1	4	16	0	1	0	0	29
Unskilled and defined decision making (Levels 1-2)	2	1	0	0	0	2	0	0	0	0	5
<b>Total</b>	<b>20</b>	<b>26</b>	<b>0</b>	<b>11</b>	<b>13</b>	<b>34</b>	<b>1</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>115</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>20</b>	<b>26</b>	<b>0</b>	<b>11</b>	<b>13</b>	<b>34</b>	<b>1</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>115</b>

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 2014 to 31 March 2015**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Dismissal/Desertion	2	3	0	0	0	0	0	0	0	0	5
Suspension without pay coupled with a FWW	0	1	0	0	0	0	0	0	0	0	1
Resignation	0	0	0	0	1	0	0	0	0	0	1
<b>Total</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>

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 2014 to 31 March 2015**

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	1	0	0	0	0	0	1	2
Senior management (Levels 13-14)	6	15	2	9	1	12	0	9	54
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	33	106	2	76	51	126	4	58	456
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	14	79	0	20	13	29	0	10	165
Semi-skilled and discretionary decision making (Levels 3-5)	14	35	0	2	17	21	0	5	94
Unskilled and defined decision making (Levels 1-2)	3	1	0	0	0	0	0	0	4
<b>Total</b>	<b>70</b>	<b>237</b>	<b>4</b>	<b>107</b>	<b>82</b>	<b>188</b>	<b>4</b>	<b>83</b>	<b>775</b>
Temporary employees	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>70</b>	<b>237</b>	<b>4</b>	<b>107</b>	<b>82</b>	<b>188</b>	<b>4</b>	<b>83</b>	<b>775</b>

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

Note: The above table refers to the total number of personnel (including all categories of interns) 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 Aug 2014**

SMS Level	Number of funded SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Director-General/ Head of Department	1	1	1	100.0
Salary level 16, but not HOD	2	2	2	100.0
Salary Level 15	5	4	4	100.0
Salary Level 14	17	16	16	100.0
Salary Level 13	49	42	42	100.0
<b>Total</b>	<b>74</b>	<b>65</b>	<b>65</b>	<b>100.0</b>

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

**Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS on 31 Aug 2014**

Reasons for not concluding Performance Agreements with all SMS
N/A

**Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 Aug 2014**

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

### 3.7. FILLING OF SMS POSTS

**Table 3.7.1: SMS posts information, as at 30 September 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	2	2	100.00	0	0.00
Salary Level 15	5	5	100.00	0	0.00
Salary Level 14	17	16	94.12	1	5.88
Salary Level 13	48	43	89.58	5	10.42
<b>Total</b>	<b>73</b>	<b>67</b>	<b>91.78</b>	<b>6</b>	<b>8.22</b>

**Table 3.7.2: SMS posts information, as at 31 March 2015**

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	2	2	100.00	0	0.00
Salary Level 15	5	5	100.00	0	0.00
Salary Level 14	17	16	94.12	1	5.88
Salary Level 13	50	46	92.00	4	8.00
<b>Total</b>	<b>75</b>	<b>70</b>	<b>93.33</b>	<b>5</b>	<b>6.67</b>

■ **Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2015**

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	Filling of Posts 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	1	3	0
Salary Level 13	3	7	2
<b>Total</b>	<b>4</b>	<b>10</b>	<b>2</b>

■ **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	N/A
Salary level 16, but not HOD	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	<b>PRIORITY PROGRAMMES COORDINATION</b> Funds reprioritised to accommodate for critical appointments

■ **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 Required

### 3.8. EMPLOYEE PERFORMANCE

**Table 3.8.1: Notch progressions by salary band, 1 April 2014 to 31 March 2015**

Salary Band	Employees as at 31 March 2014	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	22	8	36.4
Skilled (Levels 3-5)	127	59	46.5
Highly skilled production (Levels 6-8)	211	188	89.1
Highly skilled supervision (Levels 9-12)	581	373	64.2
Senior management (Levels 13-16)	69	48	69.6
<b>Total</b>	<b>1010</b>	<b>676</b>	<b>66.9</b>

**Table 3.8.2: Notch progressions by critical occupation, 1 April 2014 to 31 March 2015**

Critical Occupations	Employees as at 31 March 2014	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Analyst Developer	41	20	48.8
Legal Advisor	24	0	0.0
Network Technologist	121	95	78.5
Procurement Specialist	2	1	50.0
<b>Total</b>	<b>188</b>	<b>116</b>	<b>61.7</b>

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2013/14, but paid in the financial year 2014/15. 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 2014 to 31 March 2015**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2014	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
<b>African</b>	<b>32</b>	<b>223</b>	<b>14.3</b>	<b>696</b>	<b>21 751</b>
Male	17	105	16.2	358	21 052
Female	15	118	12.7	338	22 543
<b>Coloured</b>	<b>136</b>	<b>553</b>	<b>24.6</b>	<b>3 307</b>	<b>24 318</b>
Male	64	282	22.7	1 784	27 875
Female	72	271	26.6	1 523	21 156
<b>Indian</b>	<b>3</b>	<b>11</b>	<b>27.3</b>	<b>104</b>	<b>34 594</b>
Male	1	4	25.0	43	42 802
Female	2	7	28.6	61	30 491
<b>White</b>	<b>56</b>	<b>202</b>	<b>27.7</b>	<b>1 946</b>	<b>34 757</b>
Male	30	113	26.5	1 085	36 180
Female	26	89	29.2	861	33 116
<b>Employees with a disability</b>	<b>5</b>	<b>21</b>	<b>23.8</b>	<b>125</b>	<b>24 983</b>
<b>Total</b>	<b>232</b>	<b>1010</b>	<b>23.0</b>	<b>6 178</b>	<b>26 631</b>

Note: The above table relates to performance rewards for the performance year 2013/14 and payment effected in the 2014/15 reporting period.

**Table 3.8.4: Performance rewards by salary bands for personnel below Senior Management Service level, 1 April 2014 to 31 March 2015**

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2014	% 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)	3	22	13.6	17	5 698	0.0
Skilled (Levels 3-5)	11	127	8.7	102	9 274	0.0
Highly skilled production (Levels 6-8)	60	211	28.4	911	15 183	0.2
Highly skilled supervision (Levels 9-12)	129	581	22.2	3 615	28 026	1.0
<b>Total</b>	<b>203</b>	<b>941</b>	<b>21.6</b>	<b>4 645</b>	<b>22 884</b>	<b>1.2</b>

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

**Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2014 to 31 March 2015**

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2014	% 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)	14	44	31.8	549	39 208	0.8
Senior Management Service Band B (Level 14)	9	17	52.9	508	56 479	0.7
Senior Management Service Band C (Level 15)	3	5	60.0	188	62 802	0.3
Senior Management Service Band D (Level 16)	3	3	100.0	287	95 754	0.4
<b>Total</b>	<b>29</b>	<b>69</b>	<b>42.0</b>	<b>1 532</b>	<b>52 858</b>	<b>2.1</b>

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

**Table 3.8.6: Performance rewards by critical occupations, 1 April 2014 to 31 March 2015**

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2014	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Analyst Developer	6	41	14.6	163	27 127	0.0
Legal Advisor	7	24	29.2	290	41 457	0.1
Network Technologist	30	121	24.8	662	22 069	0.2
Procurement Specialist	0	2	0.0	0	0	0.0
<b>Total</b>	<b>43</b>	<b>188</b>	<b>22.9</b>	<b>1115</b>	<b>25 930</b>	<b>0.3</b>

### 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 2014 to 31 March 2015**

Salary Band	1 April 2014		31 March 2015		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	0	0.0	1	100.0	1	100.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>

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 2014 to 31 March 2015**

Major Occupation	1 April 2014		31 March 2015		Change	
	Number	% of total	Number	% of total	Number	% change
Administration	0	0.0	1	100.0	1	100.0
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>

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 2014 TO 31 DECEMBER 2014

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 2014 to 31 December 2014**

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)	123	87.8	14	21	66.7	9	38
Skilled (Levels 3-5)	1121	78.2	129	155	83.2	9	531
Highly skilled production (Levels 6-8)	2197	78.4	277	309	89.6	8	1727
Highly skilled supervision (Levels 9-12)	3520	78.9	475	575	82.6	7	4705
Senior management (Levels 13-16)	275	74.5	47	81	58.0	6	657
<b>Total</b>	<b>7236</b>	<b>78.6</b>	<b>942</b>	<b>1141</b>	<b>82.6</b>	<b>8</b>	<b>7 658</b>

Note: The three-year sick leave cycle started in January 2013. 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 2014 to 31 December 2014**

Salary Band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	Number of Employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	21	0.0	0	0
Skilled (Levels 3-5)	65	100.0	3	155	1.9	22	33
Highly skilled production (Levels 6-8)	127	100.0	11	309	3.6	12	102
Highly skilled supervision (Levels 9-12)	182	100.0	8	575	1.4	23	231
Senior management (Levels 13-16)	91	100.0	3	81	3.7	30	254
<b>Total</b>	<b>465</b>	<b>100.0</b>	<b>25</b>	<b>1141</b>	<b>2.2</b>	<b>19</b>	<b>620</b>

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 2014 to 31 December 2014**

Salary Band	Total days taken	Total number employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	305	16	19
Skilled (Levels 3-5)	2899	153	19
Highly skilled production (Levels 6-8)	6562	310	21
Highly skilled supervision (Levels 9-12)	12926	565	23
Senior management (Levels 13-16)	1840	81	23
<b>Total</b>	<b>24532</b>	<b>1125</b>	<b>22</b>

**Table 3.10.4: Capped leave, 1 January 2014 to 31 December 2014**

Salary Band	Total capped leave available as at 31 Dec 2013	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 2014	Total capped leave available as at 31 Dec 2014
Lower skilled (Levels 1-2)	36	0	0	0	1	35.71
Skilled (Levels 3-5)	473	1	1	1	10	355.54
Highly skilled production (Levels 6-8)	1 840	24	2	12	47	1729.27
Highly skilled supervision (Levels 9-12)	2 982	51	10	5	92	3044.62
Senior management (Levels 13-16)	1 020	5	2	3	23	883.68
<b>Total</b>	<b>6 352</b>	<b>81</b>	<b>15</b>	<b>5</b>	<b>173</b>	<b>6 049</b>

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 2014 to 31 March 2015**

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee (R)
Leave pay-outs for 2014/15 due to non-utilisation of leave for the previous cycle	4	2	1844
Capped leave pay-outs on termination of service for 2014/15	0	0	0.00
Current leave pay-outs on termination of service 2014/15	0	0	0.00
<b>Total</b>	<b>4</b>	<b>2</b>	<b>1844</b>

### 3.11. HIV AND AIDS & HEALTH PROMOTION PROGRAMMES

**Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2014 to 31 March 2015**

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 screening sessions were conducted in general. The out-sourced Health and Wellness contract (Employee Health and Wellness Programme [EHWP]) provides employees and their immediate family members [it means the spouse or partner of an employee or children living with an employee] with a range of services. These services include the following:</p> <ul style="list-style-type: none"> <li>• 24/7/365 telephone counselling;</li> <li>• Face-to-face counselling (6 + 2 session model)</li> <li>• Trauma and critical incident counselling</li> <li>• Advocacy on HIV&amp;AIDS awareness, including online E-Care services</li> <li>• Training, coaching and targeted interventions where these were required.</li> </ul>

**Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes, 1 April 2014 to 31 March 2015**

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier)
2. Does the Department have a dedicated unit or have you designated specific staff members to promote health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) participating departments.</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 well-being of employees in the eleven (11) departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and four (4) team members.</p> <p>Budget: R2 m</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	√		<p>The Department has entered into a service level agreement with <b>ICAS</b> [Service Provider] to render an Employee Health and Wellness Service to the eleven departments participating within the Corporate Services Centre [CSC].</p> <p>The Department conducted interventions, namely Employee Advocacy &amp; Awareness, Disability Sensitisation, Managerial Referral, Relationship Enrichment 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, <b>ICAS</b>, for the period 2013/14. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a proactive approach to limit the impact of these problems in the workplace.</p> <p>The abovementioned 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>

Question	Yes	No	Details, if yes
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	√		<p>A new Health and Wellness Steering Committee has been established with members nominated by each department. The Department of the Premier is represented by the following committee members: R Shade, C Sheraton &amp; N Norushe</p>
<p>5. Has the Department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	√		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005. DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness [EHW] in the Public Service and that coordinate the programmes and services in a uniform manner. 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 four transversal EHW policies in line with the National EHW policies and framework. 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>	√		<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. The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV &amp; 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"> <li>• Zero new HIV, STI and TB infections</li> <li>• Zero deaths associated with HIV and TB</li> <li>• Zero discrimination</li> </ul> <p>Also, the Department is conducting the HCT and Wellness screening sessions to ensure that every employee in the Department is tested for HIV and screened for TB, at least annually, The aim was to:</p> <ul style="list-style-type: none"> <li>• Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees.</li> <li>• Reduce unfair discrimination in access to services. This included ensuring that Employee Relations Directorate addresses complaints or grievances and provides training to employees.</li> </ul>

Question	Yes	No	Details, if yes
			Other key elements that addressed anti HIV/AIDS discrimination issues: Wellness Screenings and TB Testing Sessions with specific requests from departments were conducted, posters and pamphlets were distributed, HIV/AIDS counselling [HCT] and TB Testing were conducted, condom programme and spot talks, including [HIV/AIDS speak out programme] were conducted as well.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	√		<p><b>HCT SESSIONS:</b></p> <p>The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks. The <b>Department of the Premier</b> participated in <b>five</b>, HCT and Wellness screening sessions. <b>247</b> employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STIs). There were 0 clinical referrals for TB, HIV or any other STIs.</p>
8. Has the Department developed measures/ indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	√		<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external EAP service provider). 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 2014 to 2015.</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 workplace.</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 2014 to 31 March 2015**

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 2014 to 31 March 2015**

Outcomes of disciplinary hearings	Number	% of total
Dismissal/Desertion	5	71.4
Suspension without pay coupled with a Final Written Warning	1	14.3
Resignation	1	14.3
<b>Total</b>	<b>7</b>	<b>100.0</b>
<b>Percentage of total employment</b>		<b>0.5</b>

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

**Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2014 to 31 March 2015**

Type of misconduct	Number	% of total
Fraud	3	42.9
Misuse of GG Vehicle	1	14.3
Abscondment	1	14.3
Unbecoming Conduct	1	14.3
Prejudicing the Administration of the Department	1	14.3
<b>Total</b>	<b>7</b>	<b>100.0</b>

■ **Table 3.12.4: Grievances lodged, 1 April 2014 to 31 March 2015**

Grievances lodged	Number	% of total
Number of grievances resolved	0	0.0
Number of grievances not resolved	13	100.0
<b>Total number of grievances lodged</b>	<b>13</b>	<b>100.0</b>

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 2014 to 31 March 2015**

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	5	62.5
Number of disputes dismissed	3	37.5
<b>Total number of disputes lodged</b>	<b>8</b>	<b>100.0</b>

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 2014 to 31 March 2015**

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

■ **Table 3.12.7: Precautionary suspensions, 1 April 2014 to 31 March 2015**

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 2014 to 31 March 2015**

Occupational Categories	Gender	Number of employees as at 1 April 2014	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	24	0	182	0	182
	Male	45	0	93	0	93
Professionals	Female	207	0	98	0	98
	Male	301	0	81	0	81
Technicians and associate professionals	Female	136	0	37	0	37
	Male	97	0	20	0	20
Clerks	Female	151	0	148	0	148
	Male	72	0	59	0	59
Service and sales workers	Female	1	0	4	0	4
	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	0	0	0
	Male	13	0	0	0	0
<b>Sub Total</b>	<b>Female</b>	<b>544</b>	<b>0</b>	<b>469</b>	<b>0</b>	<b>469</b>
	<b>Male</b>	<b>542</b>	<b>0</b>	<b>253</b>	<b>0</b>	<b>253</b>
		<b>1086</b>	<b>0</b>	<b>722</b>	<b>0</b>	<b>722</b>
<b>Employees with disabilities</b>	<b>Female</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>
	<b>Male</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>

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

■ **Table 3.13.2: Training provided, 1 April 2014 to 31 March 2015**

Occupational Categories	Gender	Number of employees as at 1 April 2014	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	23	0	39	0	39
	Male	47	0	52	0	52
Professionals	Female	222	0	155	0	155
	Male	299	0	131	0	131
Technicians and associate professionals	Female	143	0	134	0	134
	Male	100	0	102	0	102
Clerks	Female	165	0	88	0	88
	Male	102	0	66	0	66
Service and sales workers	Female	1	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	3	0	0	0	0
Elementary occupations	Female	13	0	2	0	2
	Male	14	0	6	0	6
<b>Sub Total</b>	<b>Female</b>	<b>578</b>	<b>0</b>	<b>418</b>	<b>0</b>	<b>418</b>
	<b>Male</b>	<b>578</b>	<b>0</b>	<b>357</b>	<b>0</b>	<b>357</b>
		<b>1156</b>	<b>0</b>	<b>775</b>	<b>0</b>	<b>775</b>
<b>Employees with disabilities</b>	<b>Female</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>
	<b>Male</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>

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

### 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 2014 to 31 March 2015**

Nature of injury on duty	Number	% of total
Required basic medical attention only	2	33.3
Temporary disablement	4	66.7
Permanent disablement	0	0
Fatal	0	0
<b>Total</b>	<b>6</b>	<b>100</b>
<b>Percentage of total employment</b>		<b>0.5</b>

### 3.15. UTILISATION OF CONSULTANTS

**Table 3.15.1: Report on consultant appointments using appropriated funds, 1 April 2014 to 31 March 2015**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Development of standard classifications to serve as minimum norm and standards in the area of indicators and data sources for effective Results-based M&E on sub-national level.	1	12 months	R980 000.00
The development of standard classification to serve as minimum norms and standards in areas of concept and definitions for programme and project management methodology.	1	12 months	R593 800.00
Development of a framework for coordination on data quality for administrative data across WCG.	1	12 months	R490 000.00
Develop a Futures Planning Tool for long term evaluation of the Western Cape.	6	33 months	R2 280 720.53
Change Behaviour Specialist	10	36 months	R6 011 843.00
Business Process Optimisation services for the Western Cape Government (Phase 1).	1	28 months	R3 638 880.00
Business Process Optimisation services for the Western Cape Government (Phase 2).	1	11 months	R4 551 792.00
Due diligence on the financial statements for Neotel for the WCG Broadband tender.	1	10 days	R205 200.00
<b>Total number of projects</b>	<b>Total individual consultants</b>	<b>Total duration: work days</b>	<b>Total contract value in Rand</b>
<b>8</b>	<b>22</b>	<b>144 months</b>	<b>R18 752 235.53</b>

■ **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	% OWNERSHIPS BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
Programme 2	Institute for Security Studies	Develop a Futures Planning Tool for long term evaluation of the Western Cape.	6	33 months	R2 280 750.53	1	Unknown	Unknown	Unknown	Unknown
	University of Cape Town	Change Behaviour Specialist	10	36 months	R6 011 843.00	N/A	N/A	N/A	N/A	N/A
	Tri Dev Worx	Development of standard classifications to serve as minimum norm and standards in the area of indicators and data sources for effective Results-based M&E on sub-national level	1	12 months	R980 000.00	1	100%	Unknown	Unknown	Unknown
	Ernst & Young	The development of standards classification to serve as minimum norms and standards in areas of concept and definitions for programme and project management methodology.	1	12 months	R593 800.00	1	32.80%	Unknown	Unknown	Unknown
	Tri Dev Worx	Development of a framework for coordination on data quality for administrative data across WCG.	1	12 months	R490 000	1	100%	Unknown	Unknown	Unknown
Programme 3	Viewpoint Training and Consulting	Business Process Optimisation services for the Western Cape Government (Phase 1).	1	28 months	R3 638 880.00	1	Nil	Nil	Nil	Nil
	Viewpoint Training and Consulting	Business Process Optimisation services for the Western Cape Government (Phase 2).	1	11 months	R4 551 792.00	1	Nil	Nil	Nil	Nil
Programme 4	KPMG	Due diligence on the financial statements for Neotel for the WCG Broadband tender.	1	10 days	R205 200.00	1	Unknown	Unknown	Unknown	Unknown

**Table 3.15.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2014 to 31 March 2015**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
The development of standards classification to serve as minimum norms and standards in areas of concept and definitions for programme and project management methodology.	32.80%	Unknown	Unknown
Development of standard classifications to serve as minimum norm and standards in the area of indicators and data sources for effective Results-based M&E on sub-national level	100%	Unknown	Unknown
Development of a framework for coordination on data quality for administrative data across WCG.	100%	Unknown	Unknown
Develop a Futures Planning Tool for long term evaluation of the Western Cape.	Trust	N/A	1
Change Behaviour Specialist	N/A	N/A	N/A
Business Process Optimisation services for the Western Cape Government (Phase 1).	Nil	Nil	Nil
Business Process Optimisation services for the Western Cape Government (Phase 2).	Nil	Nil	Nil
Due diligence on the financial statements for Neotel for the WCG Broadband tender.	Unknown	Unknown	Unknown

**Table 3.15.3: Report on consultant appointments using Donor funds, 1 April 2014 to 31 March 2015**

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
N/A			
<b>Total number of projects</b>	<b>Total individual consultants</b>	<b>Total duration: Work days</b>	<b>Total contract value in Rand</b>
N/A			

**Table 3.15.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2014 to 31 March 2015**

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

# 1

## REPORT OF THE AUDITOR-GENERAL SOUTH AFRICA

### 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 156 to 209, which comprise the appropriation statement, the statement of financial position as at 31 March 2015, 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, 2014 (Act No. 10 of 2014) (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 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 2015 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 matters**

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

### **Potential material losses**

8. As disclosed in notes 24 and 24.4 to the financial statements, moveable major tangible and minor capital assets originally purchased at R2,881 million and R0,748 million, respectively included in the total value of these assets could not be verified during the departmental asset count for 2014-15. The department is investigating the whereabouts of these assets through the relevant investigative processes. The progress made with respect to the major assets of R3,442 million not verified by the department during the previous year is set out in notes 24.3 and 24.4 to the financial statements.

## **Material underspending of the vote**

9. As disclosed in note 4.1 of the appropriation statement, the department has materially underspent its overall budget by R305,521 million (22,7%). The budget of programme 3: Human capital and programme 4: Centre for e-innovation were underspent by R19,092 million (10,9%) and R269,042 million (29,1%), respectively. The underspending for programme 3 was mainly due to decommissioning of the pilot project on the integrated financial management system (IFMS) by National Treasury. The underspending for programme 4 was due to a delay in awarding the broadband tender and the time taken to negotiate the contract.

## **Additional matter**

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

## **Unaudited supplementary information**

11. The supplementary information set out in the annexures on pages 210 to 214 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**

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for the selected programmes presented in the annual performance report, compliance with legislation and 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**

13. 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 2015:

- Programme 2: Provincial strategic management on pages 57 to 58.
- Programme 3: Human capital on page 66.
- Programme 4: Centre for e-innovation on pages 73 to 74.

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

15. 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*.

16. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

17. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2: Provincial strategic management
- Programme 3: Human capital
- Programme 4: Centre for e-innovation.

### **Additional matter**

18. 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**

19. Refer to the annual performance report on pages 49 to 81 for information on the achievement of the planned targets for the year.

### **Compliance with legislation**

20. I performed procedures to obtain evidence that the department had complied with applicable 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**

21. 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.

*Auditor-General*

Cape Town  
29 July 2015



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

# AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE DEPARTMENT OF THE PREMIER - VOTE 1

**For the year ended 31 March 2015**

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## Appropriation Statement for the year ended 31 March 2015

Appropriation per programme									
2014/15								2013/14	
	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
Programme									
1. Executive Support (Administration)	72 949	-	-	72 949	68 717	4 232	94.2%	67 468	67 259
2. Provincial Strategic Management	71 659	-	(4 853)	66 806	63 148	3 658	94.5%	51 886	51 680
3. Human Capital (CSC)	182 699	-	(6 828)	175 871	156 779	19 092	89.1%	148 867	142 556
4. Centre for e-Innovation (CSC)	908 780	-	14 871	923 651	654 609	269 042	70.9%	544 076	543 820
5. Corporate Assurance (CSC)	112 308	-	(3 190)	109 118	99 621	9 497	91.3%	90 808	89 222
<b>TOTAL</b>	<b>1 348 395</b>	<b>-</b>	<b>-</b>	<b>1 348 395</b>	<b>1 042 874</b>	<b>305 521</b>	<b>77.3%</b>	<b>903 105</b>	<b>894 537</b>

	2014/15			2013/14	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	2 931	-		2 988	-
Actual amounts per statement of financial performance (total revenue)	1 351 326			906 093	
ADD					
Actual amounts per statement of financial performance (total expenditure)		1 042 874			894 537

## Appropriation Statement for the year ended 31 March 2015

Appropriation per economic classification									
	2014/15							2013/14	
	Adjust- ed Appro- priation	Shifting of Funds	Virement	Final Appro- priation	Actual Expen- diture	Variance	Expen- diture as % of final appro- priation	Final Appro- priation	Actual expen- diture
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>1 270 875</b>	<b>(6 937)</b>	-	<b>1 263 938</b>	<b>958 559</b>	<b>305 379</b>	<b>75.8%</b>	<b>830 236</b>	<b>821 781</b>
<b>Compensation of employees</b>	476 088	(2 400)	-	473 688	448 541	25 147	94.7%	401 506	400 434
Salaries and wages	426 166	(3 972)	-	422 194	399 690	22 504	94.7%		
Social contributions	49 922	1 572	-	51 494	48 851	2 643	94.9%		
<b>Goods and services</b>	<b>794 787</b>	<b>(4 537)</b>	-	<b>790 250</b>	<b>510 018</b>	<b>280 232</b>	<b>64.5%</b>	<b>428 730</b>	<b>421 347</b>
Administrative fees	40	10	-	50	50	-	100 %		
Advertising	8 213	2 795	-	11 008	10 965	43	99.6%		
Minor assets	2 235	2 748	-	4 983	4 914	69	97.1%		
Audit costs: External	4 027	445	-	4 472	4 471	1	100 %		
Bursaries: Employees	750	84	-	834	832	2	99.8%		
Catering: Departmental activities	1 613	(23)	-	1 590	1 322	268	83.1%		
Communication	4 851	2 355	-	7 206	7 127	79	98.9%		
Computer services	688 746	(10 281)	2 988	681 453	408 414	273 039	59.9%		
Consultants: Business and advisory services	15 912	1 168	200	17 280	13 718	3 562	79.4%		
Legal services	1 184	246	-	1 430	1 409	21	98.5%		
Contractors	4 174	(1 863)	(200)	2 111	1 702	409	80.6%		
Agency and support / outsourced services	29 420	(976)	(2 988)	25 456	25 442	14	99.9%		
Entertainment	177	(126)	-	51	26	25	51 %		
Fleet services	3 501	133	-	3 634	3 602	32	99.1%		
Consumable supplies	2 122	(415)	-	1 707	1 533	174	89.8%		
Consumable: Stationery, printing and office supplies	3 063	(122)	-	2 941	2 834	107	96.4%		
Operating leases	1 001	1 057	-	2 058	2 003	55	97.3%		
Property payments	896	416	-	1 312	1 300	12	99.1%		
Transport provided: Departmental activity	-	-	-	-	-	-	-		
Travel and subsistence	8 507	(942)	-	7 565	6 338	1 227	83.8%		
Training and development	3 951	1 575	-	5 526	5 434	92	98.3%		
Operating payments	7 617	(2 801)	-	4 816	4 349	467	90.3%		
Venues and facilities	2 552	159	-	2 711	2 178	533	80.3%		
Rental and hiring	235	(179)	-	56	55	1	98.2%		

NT issued an approval in a macro to only disclose AFS 2013/14 information at economic classification level 3.

## Appropriation Statement for the year ended 31 March 2015

Appropriation per economic classification									
	2014/15							2013/14	
	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
<b>Transfers and subsidies</b>	<b>23 836</b>	<b>1 360</b>	<b>-</b>	<b>25 196</b>	<b>25 152</b>	<b>44</b>	<b>99.8%</b>	<b>33 631</b>	<b>33 594</b>
Provinces and municipalities	10 702	100	-	10 802	10 800	2	100 %	12 600	12 600
Municipalities	10 702	100	-	10 802	10 800	2	100 %		
Municipal bank accounts	10 702	100	-	10 802	10 800	2	100 %		
Departmental agencies and accounts	34	16	-	50	29	21	58 %	44	24
Departmental agencies and accounts	34	15	-	50	29	21	58 %		
Non-profit institutions	13 100	635	-	13 735	13 723	12	99.9%	12 907	12 907
Households	-	609	-	609	600	9	98.5%	8 080	8 063
Social benefits	-	472	-	472	463	9	98.1%		
Other transfers to households	-	137	-	137	137	-	100 %		
<b>Payments for capital assets</b>	<b>53 684</b>	<b>4 644</b>	<b>-</b>	<b>58 328</b>	<b>58 242</b>	<b>86</b>	<b>99.9%</b>	<b>39 060</b>	<b>38 986</b>
Machinery and equipment	53 684	4 323	-	58 007	57 922	85	99.9%	39 060	38 986
Transport equipment	1 301	4 787	-	6 088	6 059	29	99.5%		
Other machinery and equipment	52 383	(464)	-	51 919	51 863	56	99.9%		
Software and other intangible assets	-	321	-	321	320	1	99.7%	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>933</b>	<b>-</b>	<b>933</b>	<b>921</b>	<b>12</b>	<b>98.7%</b>	<b>178</b>	<b>176</b>
<b>TOTAL</b>	<b>1 348 395</b>	<b>-</b>	<b>-</b>	<b>1 348 395</b>	<b>1 042 874</b>	<b>305 521</b>	<b>77.3%</b>	<b>903 105</b>	<b>894 537</b>

NT issued an approval in a macro to only disclose AFS 2013/14 information at economic classification level 3.

## Appropriation Statement for the year ended 31 March 2015

Programme 1: EXECUTIVE SUPPORT (ADMINISTRATION)									
	2014/15							2013/14	
	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
<b>Sub programme</b>									
1. Programme Support	1 718	-	-	1 718	1 560	158	90.8%	1 499	1 486
2. Office of the Premier	15 223	(154)	-	15 069	13 660	1 409	90.6%	13 561	13 512
3. Executive Council Support	8 614	154	-	8 768	8 740	28	99.7%	7 640	7 617
4. Departmental Strategy	5 436	-	-	5 436	4 046	1 390	74.4%	3 595	3 577
5. Office of the Director-General	11 375	-	-	11 375	11 009	366	96.8%	9 307	9 271
6. Financial Management	30 583	-	-	30 583	29 702	881	97.1%	31 866	31 796
<b>Total for sub programmes</b>	<b>72 949</b>	<b>-</b>	<b>-</b>	<b>72 949</b>	<b>68 717</b>	<b>4 232</b>	<b>94.2%</b>	<b>67 468</b>	<b>67 259</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>72 003</b>	<b>(2 294)</b>	<b>-</b>	<b>69 709</b>	<b>65 516</b>	<b>4 193</b>	<b>94 %</b>	<b>59 251</b>	<b>59 062</b>
<b>Compensation of employees</b>	58 713	(1 972)	-	56 741	54 152	2 589	95.4%	48 696	48 653
Salaries and wages	53 025	(1 570)	-	51 455	48 983	2 472	95.2%		
Social contributions	5 688	(402)	-	5 286	5 169	117	97.8%		
<b>Goods and services</b>	13 290	(322)	-	12 968	11 364	1 604	87.6%	10 555	10 409
Administrative fees	40	10	-	50	50	-	100 %	-	-
Advertising	161	472	-	633	631	2	99.7%	-	-
Minor assets	502	(412)	-	90	71	19	78.9%	-	-
Audit costs: External	4 027	445	-	4 472	4 471	1	100 %	-	-
Catering: Departmental activities	774	(483)	-	291	202	89	69.4%		
Communication	592	(34)	-	558	525	33	94.1%		
Computer services	51	622	-	673	671	2	99.7%		
Consultants: Business and advisory services	65	73	-	138	136	2	98.6%		
Legal services	-	1	-	1	-	1	-		
Contractors	1 030	(101)	-	929	603	326	64.9%		
Agency and support / outsourced services	210	(87)	-	123	121	2	98.4%		
Entertainment	69	(38)	-	31	9	22	29 %		
Fleet services	388	128	-	516	508	8	98.4%		
Consumable supplies	832	(565)	-	267	196	71	73.4%		
Consumable: Stationery, printing and office supplies	685	288	-	973	922	51	94.8%		
Operating leases	328	30	-	358	353	5	98.6%		

## Appropriation Statement for the year ended 31 March 2015

Programme 1: EXECUTIVE SUPPORT (ADMINISTRATION)									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Property payments	10	(4)	-	6	1	5	16.7%	-	-
Travel and subsistence	1 540	(699)	-	841	493	348	58.6%	-	-
Training and development	352	33	-	385	311	74	80.8%	-	-
Operating payments	615	47	-	662	260	402	39.3%	-	-
Venues and facilities	954	17	-	971	830	141	85.5%	-	-
Rental and hiring	65	(65)	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>5</b>	<b>337</b>	<b>-</b>	<b>342</b>	<b>332</b>	<b>10</b>	<b>97.1%</b>	<b>6 832</b>	<b>6 825</b>
Departmental agencies and accounts	5	5	-	10	4	6	40 %	8	3
Departmental agencies	5	5	-	10	4	6	40 %	-	-
Non-profit institutions	-	166	-	166	165	1	99.4%	147	147
Households	-	166	-	166	163	3	98.2%	6 677	6 675
Social benefits	-	166	-	166	163	3	98.2%	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>941</b>	<b>1 242</b>	<b>-</b>	<b>2 183</b>	<b>2 159</b>	<b>24</b>	<b>98.9%</b>	<b>1 211</b>	<b>1 198</b>
Machinery and equipment	941	1 242	-	2183	2 159	24	98.9%	1 211	1 198
Transport equipment	532	550	-	1 082	1 069	13	98.8%	-	-
Other machinery and equipment	409	692	-	1 101	1 090	11	99 %	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>715</b>	<b>-</b>	<b>715</b>	<b>710</b>	<b>5</b>	<b>99.3%</b>	<b>174</b>	<b>174</b>
<b>Total</b>	<b>72 949</b>	<b>-</b>	<b>-</b>	<b>72 949</b>	<b>68 717</b>	<b>4 232</b>	<b>94.2%</b>	<b>67 468</b>	<b>67 259</b>

## Appropriation Statement for the year ended 31 March 2015

1.1 PROGRAMME SUPPORT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>1 711</b>	<b>(14)</b>	<b>-</b>	<b>1 697</b>	<b>1 542</b>	<b>155</b>	<b>90.9%</b>	<b>1 490</b>	<b>1 478</b>
Compensation of employees	1 518	-	-	1 518	1 459	59	96.1%	1 416	1 414
Goods and services	193	(14)	-	179	83	96	46.4%	74	64
<b>Transfers and subsidies</b>	<b>1</b>	<b>9</b>	<b>-</b>	<b>10</b>	<b>8</b>	<b>2</b>	<b>80 %</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Households	-	9	-	9	8	1	88.9%	-	-
<b>Payments for capital assets</b>	<b>6</b>	<b>5</b>	<b>-</b>	<b>11</b>	<b>10</b>	<b>1</b>	<b>90.9%</b>	<b>8</b>	<b>8</b>
Machinery and equipment	6	5	-	11	10	1	90.9%	8	8
<b>Total</b>	<b>1 718</b>	<b>-</b>	<b>-</b>	<b>1 718</b>	<b>1 560</b>	<b>158</b>	<b>90.8%</b>	<b>1 499</b>	<b>1 486</b>

1.2 OFFICE OF THE PREMIER									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>15 086</b>	<b>(503)</b>	<b>-</b>	<b>14 583</b>	<b>13 179</b>	<b>1 404</b>	<b>90.4%</b>	<b>13 287</b>	<b>13 241</b>
Compensation of employees	13 322	(131)	-	13 191	12 241	950	92.8%	12 022	12 013
Goods and services	1 764	(372)	-	1 392	938	454	67.4%	1 265	1 228
<b>Transfers and subsidies</b>	<b>2</b>	<b>6</b>	<b>-</b>	<b>8</b>	<b>6</b>	<b>2</b>	<b>75%</b>	<b>19</b>	<b>18</b>
Departmental agencies and accounts	2	1	-	3	1	2	33.3%	2	1
Households	-	5	-	5	5	-	100 %	17	17
<b>Payments for capital assets</b>	<b>135</b>	<b>165</b>	<b>-</b>	<b>300</b>	<b>298</b>	<b>2</b>	<b>99.3%</b>	<b>255</b>	<b>253</b>
Machinery and equipment	135	165	-	300	298	2	99.3%	255	253
<b>Payments for financial assets</b>	<b>-</b>	<b>178</b>	<b>-</b>	<b>178</b>	<b>177</b>	<b>1</b>	<b>99.4%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>15 223</b>	<b>(154)</b>	<b>-</b>	<b>15 069</b>	<b>13 660</b>	<b>1 409</b>	<b>90.6%</b>	<b>13 561</b>	<b>13 512</b>

## Appropriation Statement for the year ended 31 March 2015

1.3 EXECUTIVE COUNCIL SUPPORT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>8 463</b>	<b>(54)</b>	<b>-</b>	<b>8 409</b>	<b>8 383</b>	<b>26</b>	<b>99.7%</b>	<b>7 324</b>	<b>7 303</b>
Compensation of employees	5 496	131	-	5 627	5 623	4	99.9%	4 982	4 978
Goods and services	2 967	(185)	-	2 782	2 760	22	99.2%	2 342	2 325
<b>Transfers and subsidies</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>100 %</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	-	1	-	1	1	-	100 %	1	-
<b>Payments for capital assets</b>	<b>151</b>	<b>202</b>	<b>-</b>	<b>353</b>	<b>352</b>	<b>1</b>	<b>99.7%</b>	<b>315</b>	<b>314</b>
Machinery and equipment	151	202	-	353	352	1	99.7%	315	314
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>80 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>8 614</b>	<b>154</b>	<b>-</b>	<b>8 768</b>	<b>8 740</b>	<b>28</b>	<b>99.7%</b>	<b>7 640</b>	<b>7 617</b>

1.4 DEPARTMENTAL STRATEGY									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	5 335	(24)	-	5 311	3 923	1 388	73.9%	3 586	3 569
Goods and services	3 771	-	-	3 771	3 298	473	87.5%	3 234	3 230
	<b>1 564</b>	<b>(24)</b>	<b>-</b>	<b>1 540</b>	<b>625</b>	<b>915</b>	<b>40.6%</b>	<b>352</b>	<b>339</b>
<b>Transfers and subsidies</b>									
Households	-	9	-	9	9	-	100 %	-	-
	-	<b>9</b>	<b>-</b>	<b>9</b>	<b>9</b>	<b>-</b>	<b>100 %</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>									
Machinery and equipment	101	15	-	116	114	2	98.3%	9	8
	<b>101</b>	<b>15</b>	<b>-</b>	<b>116</b>	<b>114</b>	<b>2</b>	<b>98.3%</b>	<b>9</b>	<b>8</b>
<b>Total</b>	<b>5 436</b>	<b>-</b>	<b>-</b>	<b>5 436</b>	<b>4 046</b>	<b>1 390</b>	<b>74.4%</b>	<b>3 595</b>	<b>3 577</b>

## Appropriation Statement for the year ended 31 March 2015

1.5 OFFICE OF THE DIRECTOR-GENERAL									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>11 338</b>	<b>(226)</b>	<b>-</b>	<b>11 112</b>	<b>10 765</b>	<b>347</b>	<b>96.9%</b>	<b>9 022</b>	<b>8 992</b>
Compensation of employees	10 597	(18)	-	10 579	10 305	274	97.4%	8 521	8 513
Goods and services	741	(208)	-	533	460	73	86.3%	501	479
<b>Transfers and subsidies</b>	<b>1</b>	<b>224</b>	<b>-</b>	<b>225</b>	<b>222</b>	<b>3</b>	<b>98.7%</b>	<b>246</b>	<b>245</b>
Departmental agencies and accounts	1	1	-	2	1	1	50 %	2	1
Non-profit institutions	-	166	-	166	165	1	99.4%	147	147
Households	-	57	-	57	56	1	98.2%	97	97
<b>Payments for capital assets</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>21</b>	<b>15</b>	<b>58.3%</b>	<b>39</b>	<b>34</b>
Machinery and equipment	36	-	-	36	21	15	58.3%	39	34
<b>Payments for financial assets</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>50 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11 375</b>	<b>-</b>	<b>-</b>	<b>11 375</b>	<b>11 009</b>	<b>366</b>	<b>96.8%</b>	<b>9 307</b>	<b>9 271</b>

1.6 FINANCIAL MANAGEMENT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>30 070</b>	<b>(1 473)</b>	<b>-</b>	<b>28 597</b>	<b>27 724</b>	<b>873</b>	<b>96.9%</b>	<b>24 542</b>	<b>24 479</b>
Compensation of employees	24 009	(1 954)	-	22 055	21 226	829	96.2%	18 521	18 505
Goods and services	6 061	481	-	6 542	6 498	44	99.3%	6 021	5 974
<b>Transfers and subsidies</b>	<b>1</b>	<b>88</b>	<b>-</b>	<b>89</b>	<b>86</b>	<b>3</b>	<b>96.6%</b>	<b>6 565</b>	<b>6 562</b>
Departmental agencies and accounts	1	2	-	3	1	2	33.3%	2	1
Households	-	86	-	86	85	1	98.8%	6 563	6 561
<b>Payments for capital assets</b>	<b>512</b>	<b>855</b>	<b>-</b>	<b>1 367</b>	<b>1 364</b>	<b>3</b>	<b>99.8%</b>	<b>585</b>	<b>581</b>
Machinery and equipment	512	855	-	1 367	1 364	3	99.8%	585	581
<b>Payments for financial assets</b>	<b>-</b>	<b>530</b>	<b>-</b>	<b>530</b>	<b>528</b>	<b>2</b>	<b>99.6%</b>	<b>174</b>	<b>174</b>
<b>Total</b>	<b>30 583</b>	<b>-</b>	<b>-</b>	<b>30 583</b>	<b>29 702</b>	<b>881</b>	<b>97.1%</b>	<b>31 866</b>	<b>31 796</b>

## Appropriation Statement for the year ended 31 March 2015

Programme 2: PROVINCIAL STRATEGIC MANAGEMENT									
	2014/15							2013/14	
	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
<b>Sub programme</b>									
1. Programme Support	2 784	-	-	2 784	2 336	448	83.9%	2 874	2 851
2. Policy and Strategy	12 198	1 106	-	13 304	13 245	59	99.6%	12 915	12 866
3. Strategic Management Information	32 413	(189)	(4 653)	27 571	26 862	709	97.4%	12 403	12 341
4. Strategic Communication	3 901	416	-	4 317	4 306	11	99.7%	3 538	3 525
5. 2010 Fifa World Cup	-	-	-	-	-	-	-	-	-
6. Strategic Programmes	20 363	(1 333)	(200)	18 830	16 399	2 431	87.1%	20 156	20 097
<b>Total for sub programmes</b>	<b>71 659</b>	<b>-</b>	<b>(4 853)</b>	<b>66 806</b>	<b>63 148</b>	<b>3 658</b>	<b>94.5%</b>	<b>51 886</b>	<b>51 680</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>70 662</b>	<b>(701)</b>	<b>(4 853)</b>	<b>65 108</b>	<b>61 477</b>	<b>3 631</b>	<b>94.4%</b>	<b>47 735</b>	<b>47 546</b>
<b>Compensation of employees</b>	<b>35 239</b>	<b>-</b>	<b>-</b>	<b>35 239</b>	<b>33 390</b>	<b>1 849</b>	<b>94.8%</b>	<b>31 215</b>	<b>31 165</b>
Salaries and wages	32 132	(478)	-	31 645	30 046	1 599	94.9%		
Social contributions	3 116	478	-	3 594	3 344	250	93 %		
<b>Goods and services</b>	<b>35 423</b>	<b>(701)</b>	<b>(4 853)</b>	<b>29 869</b>	<b>28 087</b>	<b>1 782</b>	<b>94 %</b>	<b>16 520</b>	<b>16 381</b>
Administrative fees	-	-	-	-	-	-	-		
Advertising	2 988	1 569	-	4 557	4 522	35	99.2%		
Minor assets	50	99	-	149	136	13	91.3%		
Catering: Departmental activities	270	43	-	313	149	164	47.6%		
Communication	773	151	-	924	914	10	98.9%		
Computer services	19 150	(1 287)	(4 653)	13 210	13 207	3	100 %		
Consultants: Business and advisory services	5 633	132	-	5 765	5 563	202	96.5%		
Contractors	1 925	(1 193)	(200)	532	456	76	85.7%		
Agency and support / outsourced services	1 091	(272)	-	819	817	2	99.8%		
Entertainment	17	(10)	-	7	6	1	85.7%		
Fleet services	230	(173)	-	57	50	7	87.7%		
Consumable supplies	142	(56)	-	86	60	26	69.8%		
Consumable: Stationery, printing and office supplies	293	(29)	-	264	245	19	92.8%		
Operating leases	75	40	-	115	73	42	63.5%		
Property payments	10	(10)	-	-	-	-	-		
Transport provided: Departmental activity	-	-	-	-	-	-	-		

## Appropriation Statement for the year ended 31 March 2015

Programme 2: PROVINCIAL STRATEGIC MANAGEMENT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	1 509	460	-	1 969	1 221	748	62 %		
Training and development	125	21	-	146	142	4	97.3%		
Operating payments	271	3	-	274	231	43	84.3%		
Venues and facilities	761	(80)	-	681	294	387	43.2%		
Rental and hiring	110	(109)	-	1	1	-	100 %		
<b>Transfers and subsidies</b>	<b>905</b>	<b>568</b>	<b>-</b>	<b>1 473</b>	<b>1 459</b>	<b>14</b>	<b>99 %</b>	<b>3 913</b>	<b>3 908</b>
Provinces and municipalities	-	100	-	100	100	-	100 %	2 600	2 600
Municipalities	-	100	-	100	100	-	100 %		
Municipal bank accounts	-	100	-	100	100	-	100 %		
Departmental agencies and accounts	5	(1)	-	4	1	3	25 %	4	1
Departmental agencies	5	(1)	-	4	1	3	25 %		
Non-profit institutions	900	469	-	1 369	1 358	11	99.2%	1 260	1 260
Households	-	-	-	-	-	-	-	49	47
Social benefits	-	-	-	-	-	-	-		
<b>Payments for capital assets</b>	<b>92</b>	<b>132</b>	<b>-</b>	<b>224</b>	<b>211</b>	<b>13</b>	<b>94.2%</b>	<b>238</b>	<b>226</b>
Machinery and equipment	92	132	-	224	211	13	94.2%	238	226
Transport equipment	51	(11)	-	40	36	4	90 %		
Other machinery and equipment	41	143	-	184	175	9	95.1%		
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>100 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>71 659</b>	<b>-</b>	<b>(4 853)</b>	<b>66 806</b>	<b>63 148</b>	<b>3 658</b>	<b>94.5%</b>	<b>51 886</b>	<b>51 680</b>

## Appropriation Statement for the year ended 31 March 2015

2.1 PROGRAMME SUPPORT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 780</b>	<b>(3)</b>	<b>-</b>	<b>2 777</b>	<b>2 330</b>	<b>447</b>	<b>83.9%</b>	<b>2 867</b>	<b>2 845</b>
Compensation of employees	2 540	-	-	2 540	2 180	360	85.8%	2 527	2 521
Goods and services	240	(3)	-	237	150	87	63.3%	340	324
<b>Transfers and subsidies</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	-	-
<b>Payments for capital assets</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>100 %</b>	<b>7</b>	<b>6</b>
Machinery and equipment	3	3	-	6	6	-	100 %	7	6
<b>Total</b>	<b>2 784</b>	<b>-</b>	<b>-</b>	<b>2 784</b>	<b>2 336</b>	<b>448</b>	<b>83.9%</b>	<b>2 874</b>	<b>2 851</b>

2.2 POLICY AND STRATEGY									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>11 676</b>	<b>581</b>	<b>-</b>	<b>12 257</b>	<b>12 203</b>	<b>54</b>	<b>99.6%</b>	<b>12 268</b>	<b>12 224</b>
Compensation of employees	8 772	(799)	-	7 973	7 958	15	99.8%	7 784	7 772
Goods and services	2 904	1 380	-	4 284	4 245	39	99.1%	4 484	4 452
<b>Transfers and subsidies</b>	<b>501</b>	<b>500</b>	<b>-</b>	<b>1 001</b>	<b>1 000</b>	<b>1</b>	<b>99.9%</b>	<b>532</b>	<b>530</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Non-profit institutions	500	500	-	1 000	1 000	-	100 %	500	500
<b>Payments for capital assets</b>	<b>21</b>	<b>24</b>	<b>-</b>	<b>45</b>	<b>41</b>	<b>4</b>	<b>91.1%</b>	<b>115</b>	<b>112</b>
Machinery and equipment	21	24	-	45	41	4	91.1%	115	112
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>100 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>12 198</b>	<b>1 106</b>	<b>-</b>	<b>13 304</b>	<b>13 245</b>	<b>59</b>	<b>99.6%</b>	<b>12 915</b>	<b>12 866</b>

## Appropriation Statement for the year ended 31 March 2015

2.3 STRATEGIC MANAGEMENT INFORMATION									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>32 390</b>	<b>(207)</b>	<b>(4 653)</b>	<b>27 530</b>	<b>26 826</b>	<b>704</b>	<b>97.4%</b>	<b>12 376</b>	<b>12 319</b>
Compensation of employees	11 143	(189)	-	10 954	10 501	453	95.9%	8 896	8 880
Goods and services	21 247	(18)	(4 653)	16 576	16 325	251	98.5%	3 480	3 439
<b>Transfers and subsidies</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
<b>Payments for capital assets</b>	<b>22</b>	<b>18</b>	<b>-</b>	<b>40</b>	<b>36</b>	<b>4</b>	<b>90 %</b>	<b>26</b>	<b>22</b>
Machinery and equipment	22	18	-	40	36	4	90 %	26	22
<b>Total</b>	<b>32 413</b>	<b>(189)</b>	<b>(4 653)</b>	<b>27 571</b>	<b>26 862</b>	<b>709</b>	<b>97.4%</b>	<b>12 403</b>	<b>12 341</b>

2.4 STRATEGIC COMMUNICATION									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>3 882</b>	<b>404</b>	<b>-</b>	<b>4 286</b>	<b>4 276</b>	<b>10</b>	<b>99.8%</b>	<b>3 503</b>	<b>3 492</b>
Compensation of employees	1 870	988	-	2 858	2 854	4	99.9%	1 868	1 865
Goods and services	2 012	(584)	-	1 428	1 422	6	99.6%	1 635	1 627
<b>Transfers and subsidies</b>	<b>1</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>17</b>
Departmental agencies and accounts	1	(1)	-	-	-	-	-	1	-
Households	-	-	-	-	-	-	-	18	17
<b>Payments for capital assets</b>	<b>18</b>	<b>13</b>	<b>-</b>	<b>31</b>	<b>30</b>	<b>1</b>	<b>96.8%</b>	<b>16</b>	<b>16</b>
Machinery and equipment	18	13	-	31	30	1	96.8%	16	16
<b>Total</b>	<b>3 901</b>	<b>416</b>	<b>-</b>	<b>4 317</b>	<b>4 306</b>	<b>11</b>	<b>99.7%</b>	<b>3 538</b>	<b>3 525</b>

## Appropriation Statement for the year ended 31 March 2015

2.6 STRATEGIC PROGRAMMES									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>19 934</b>	<b>(1 476)</b>	<b>(200)</b>	<b>18 258</b>	<b>15 842</b>	<b>2 416</b>	<b>86.8%</b>	<b>16 721</b>	<b>16 666</b>
Compensation of employees	10 914	-	-	10 914	9 897	1 017	90.7%	10 140	10 127
Goods and services	9 020	(1 476)	(200)	7 344	5 945	1 399	81 %	6 581	6 539
<b>Transfers and subsidies</b>	<b>401</b>	<b>69</b>	<b>-</b>	<b>470</b>	<b>459</b>	<b>11</b>	<b>97.7%</b>	<b>3 361</b>	<b>3 361</b>
Provinces and municipalities	-	100	-	100	100	-	100 %	2 600	2 600
Departmental agencies and accounts	1	-	-	1	1	-	100 %	1	1
Non-profit institutions	400	(31)	-	369	358	11	97 %	760	760
<b>Payments for capital assets</b>	<b>28</b>	<b>74</b>	<b>-</b>	<b>102</b>	<b>98</b>	<b>4</b>	<b>96.1%</b>	<b>74</b>	<b>70</b>
Machinery and equipment	28	74	-	102	98	4	96.1%	74	70
<b>Total</b>	<b>20 363</b>	<b>(1 333)</b>	<b>(200)</b>	<b>18 830</b>	<b>16 399</b>	<b>2 431</b>	<b>87.1%</b>	<b>20 156</b>	<b>20 097</b>

## Appropriation Statement for the year ended 31 March 2015

Programme 3: HUMAN CAPITAL (CORPORATE SERVICES CENTRE)									
	2014/15							2013/14	
	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
Sub programme									
1. Programme Support	2 344	(45)	-	2 299	2 281	18	99.2%	2 210	2 051
2. Organisation Development	61 094	(1 507)	(6 828)	52 759	47 522	5 237	90.1%	43 975	39 123
3. Provincial Training Institute	27 820	1 658	-	29 478	28 080	1 398	95.3%	24 167	24 116
4. Human Resource Management	91 441	(106)	-	91 335	78 896	12 439	86.4%	78 515	77 266
<b>Total for sub programmes</b>	<b>182 699</b>	<b>-</b>	<b>(6 828)</b>	<b>175 871</b>	<b>156 779</b>	<b>19 092</b>	<b>89.1%</b>	<b>148 867</b>	<b>142 556</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>181 330</b>	<b>(1 177)</b>	<b>(6 828)</b>	<b>173 325</b>	<b>154 259</b>	<b>19 066</b>	<b>89 %</b>	<b>145 630</b>	<b>139 346</b>
<b>Compensation of employees</b>	<b>131 035</b>	<b>(163)</b>	<b>-</b>	<b>130 872</b>	<b>125 048</b>	<b>5 824</b>	<b>95.5%</b>	<b>113 563</b>	<b>112 706</b>
Salaries and wages	116 067	(1 282)	-	114 785	109 434	5 351	95.3%		
Social contributions	14 968	1 119	-	16 087	15 614	473	97.1%		
<b>Goods and services</b>	<b>50 295</b>	<b>(1 014)</b>	<b>(6 828)</b>	<b>42 453</b>	<b>29 211</b>	<b>13 242</b>	<b>68.8%</b>	<b>32 067</b>	<b>26 640</b>
Advertising	4 410	806	-	5 216	5 213	3	99.9%	-	-
Minor assets	889	(607)	-	282	274	8	97.2%	-	-
Bursaries: Employees	500	(122)	-	378	377	1	99.7%	-	-
Catering: Departmental activities	168	462	-	630	624	6	99 %	-	-
Communication	724	303	-	1 027	1 013	14	98.6%		
Computer services	23 040	(2 598)	(6 828)	13 614	3 017	10 597	22.2%		
Consultants: Business and advisory services	5 990	566	-	6 556	4 063	2 493	62 %		
Legal Services	265	27	-	292	292	-	100 %		
Contractors	830	(543)	-	287	284	3	99 %		
Agency and support / outsourced services	7 832	(2 109)	-	5 723	5 719	4	99.9%		
Entertainment	20	(20)	-	-	-	-	-		
Fleet services	971	(227)	-	744	735	9	98.8%		
Consumable supplies	180	138	-	318	298	20	93.7%		
Consumable: Stationery, printing and office supplies	700	(17)	-	683	672	11	98.4%		
Operating leases	200	424	-	624	624	-	100 %		
Property payments	726	450	-	1 176	1 170	6	99.5%		

## Appropriation Statement for the year ended 31 March 2015

Programme 3: HUMAN CAPITAL (CORPORATE SERVICES CENTRE)									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	1 205	433	-	1 638	1 585	53	96.8%		
Training and development	1 049	544	-	1 593	1 587	6	99.6%		
Operating payments	469	189	-	658	653	5	99.2%		
Venues and facilities	117	842	-	959	957	2	99.8%		
Rental and hiring	10	45	-	55	54	1	98.2%		
<b>Transfers and subsidies</b>	<b>15</b>	<b>169</b>	<b>-</b>	<b>184</b>	<b>178</b>	<b>6</b>	<b>96.7%</b>	<b>741</b>	<b>733</b>
Departmental agencies and accounts	15	6	-	21	18	3	85.7%	17	14
Departmental agencies	15	6	-	21	18	3	85.7%		
Households	-	163	-	163	160	3	98.2%	724	719
Social benefits	-	163	-	163	160	3	98.2%		
Other transfers to households	-	-	-	-	-	-	-		
<b>Payments for capital assets</b>	<b>1 354</b>	<b>986</b>	<b>-</b>	<b>2 340</b>	<b>2 323</b>	<b>17</b>	<b>99.3%</b>	<b>2 493</b>	<b>2 475</b>
Machinery and equipment	1 354	655	-	2 019	2 003	16	99.2%	2 493	2 475
Transport equipment	557	481	-	1 038	1 030	8	99.2%		
Other machinery and equipment	797	184	-	981	973	8	99.2%		
Intangible assets	-	321	-	321	320	1	99.7%	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>19</b>	<b>3</b>	<b>86.4%</b>	<b>3</b>	<b>2</b>
<b>Total</b>	<b>182 699</b>	<b>-</b>	<b>(6 828)</b>	<b>175 871</b>	<b>156 779</b>	<b>19 092</b>	<b>89.1%</b>	<b>148 867</b>	<b>142 556</b>

## Appropriation Statement for the year ended 31 March 2015

3.1 PROGRAMME SUPPORT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 340</b>	<b>(47)</b>	<b>-</b>	<b>2 293</b>	<b>2 278</b>	<b>15</b>	<b>99.3%</b>	<b>2 207</b>	<b>2 050</b>
Compensation of employees	2 115	10	-	2 125	2 121	4	99.8%	1 981	1 938
Goods and services	225	(57)	-	168	157	11	93.5%	226	112
<b>Transfers and subsidies</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	-	1	-	1	-	1	-	1	-
<b>Payments for capital assets</b>	<b>4</b>	<b>1</b>	<b>-</b>	<b>5</b>	<b>3</b>	<b>2</b>	<b>60 %</b>	<b>2</b>	<b>1</b>
Machinery and equipment	4	2	-	5	3	2	60 %	2	1
<b>Total</b>	<b>2 344</b>	<b>(45)</b>	<b>-</b>	<b>2 299</b>	<b>2 281</b>	<b>18</b>	<b>99.2%</b>	<b>2 210</b>	<b>2 051</b>

3.2 ORGANISATION DEVELOPMENT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>61 027</b>	<b>(1 899)</b>	<b>(6 828)</b>	<b>52 300</b>	<b>47 070</b>	<b>5 230</b>	<b>90 %</b>	<b>43 826</b>	<b>38 979</b>
Compensation of employees	38 637	(42)	-	38 595	35 904	2 691	93 %	32 257	31 482
Goods and services	22 390	(1 857)	(6 828)	13 705	11 166	2 539	81.5%	11 569	7 497
<b>Transfers and subsidies</b>	<b>1</b>	<b>32</b>	<b>-</b>	<b>33</b>	<b>31</b>	<b>2</b>	<b>93.9%</b>	<b>62</b>	<b>62</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	1
Households	-	32	-	32	31	1	96.9%	61	61
<b>Payments for capital assets</b>	<b>66</b>	<b>354</b>	<b>-</b>	<b>420</b>	<b>416</b>	<b>4</b>	<b>99 %</b>	<b>87</b>	<b>82</b>
Machinery and equipment	66	33	-	99	96	3	97 %	87	82
Intangible assets	-	321	-	321	320	1	99.7%	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>83.3%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>61 094</b>	<b>(1 507)</b>	<b>(6 828)</b>	<b>52 759</b>	<b>47 522</b>	<b>5 237</b>	<b>90.1%</b>	<b>43 975</b>	<b>39 123</b>

## Appropriation Statement for the year ended 31 March 2015

3.3 PROVINCIAL TRAINING INSTITUTE									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	26 923	1 402	-	28 325	26 933	1 392	95.1%	23 839	23 794
Compensation of employees	23 035	(3)	-	23 032	21 676	1 356	94.1%	18 853	18 841
Goods and services	3 888	1 405	-	5 293	5 257	36	99.3%	4 986	4 953
<b>Transfers and subsidies</b>	<b>12</b>	<b>6</b>	<b>-</b>	<b>18</b>	<b>17</b>	<b>1</b>	<b>94.4%</b>	<b>30</b>	<b>29</b>
Departmental agencies and accounts	12	3	-	15	15	-	100 %	11	11
Households	-	3	-	3	2	1	66.7%	19	18
<b>Payments for capital assets</b>	<b>885</b>	<b>246</b>	<b>-</b>	<b>1 131</b>	<b>1 127</b>	<b>4</b>	<b>99.6%</b>	<b>295</b>	<b>291</b>
Machinery and equipment	885	246	-	1 131	1 127	4	99.6%	295	291
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>75 %</b>	<b>3</b>	<b>2</b>
<b>Total</b>	<b>27 820</b>	<b>1 658</b>	<b>-</b>	<b>29 478</b>	<b>28 080</b>	<b>1 398</b>	<b>95.3%</b>	<b>24 167</b>	<b>24 116</b>

3.4 HUMAN RESOURCE MANAGEMENT									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	91 040	(633)	-	90 407	77 978	12 429	86.3%	75 758	74 523
Compensation of employees	67 248	(128)	-	67 120	65 347	1 773	97.4%	60 472	60 445
Goods and services	23 792	(505)	-	23 287	12 631	10 656	54.2%	15 286	14 078
<b>Transfers and subsidies</b>	<b>2</b>	<b>130</b>	<b>-</b>	<b>132</b>	<b>130</b>	<b>2</b>	<b>98.5%</b>	<b>648</b>	<b>642</b>
Departmental agencies and accounts	2	2	-	4	3	1	75 %	4	2
Households	-	128	-	128	127	1	99.2%	644	640
<b>Payments for capital assets</b>	<b>399</b>	<b>385</b>	<b>-</b>	<b>784</b>	<b>777</b>	<b>7</b>	<b>99.1%</b>	<b>2 109</b>	<b>2 101</b>
Machinery and equipment	399	385	-	784	777	7	99.1%	2 109	2 101
<b>Payments for financial assets</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>12</b>	<b>11</b>	<b>1</b>	<b>91.7%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>91 441</b>	<b>(106)</b>	<b>-</b>	<b>91 335</b>	<b>78 896</b>	<b>12 439</b>	<b>86.4%</b>	<b>78 515</b>	<b>77 266</b>

## Appropriation Statement for the year ended 31 March 2015

Programme 4: CENTRE FOR E-INNOVATION (CSC)									
	2014/15							2013/14	
	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
<b>Sub programme</b>									
1. Programme Support	11 119	3 460	-	14 579	12 303	2 276	84.4%	6 900	6 868
2. Strategic ICT Services	104 843	23 461	14 871	143 175	143 064	111	99.9%	82 191	82 102
3. GITO Management Services	792 818	(26 921)	-	765 897	499 242	266 655	65.2%	454 985	454 850
<b>Total for sub programmes</b>	<b>908 780</b>	<b>-</b>	<b>14 871</b>	<b>923 651</b>	<b>654 609</b>	<b>269 042</b>	<b>70.9%</b>	<b>544 076</b>	<b>543 820</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>834 892</b>	<b>(2 211)</b>	<b>14 871</b>	<b>847 552</b>	<b>578 545</b>	<b>269 007</b>	<b>68.3%</b>	<b>487 474</b>	<b>487 246</b>
<b>Compensation of employees</b>	<b>172 936</b>	<b>(81)</b>	<b>-</b>	<b>172 855</b>	<b>165 974</b>	<b>6 881</b>	<b>96 %</b>	<b>148 710</b>	<b>148 651</b>
Salaries and wages	155 832	(1 518)	-	154 314	148 727	5 587	96.4%		
Social contributions	17 104	1 437	-	18 541	17 247	1 294	93 %		
<b>Goods and services</b>	<b>661 956</b>	<b>(2 130)</b>	<b>14 871</b>	<b>674 697</b>	<b>412 571</b>	<b>262 126</b>	<b>61.1%</b>	<b>338 764</b>	<b>338 595</b>
Advertising	100	(78)	-	22	21	1	95.5%		
Minor assets	744	3 164	-	3 908	3 891	17	98.7%		
Bursaries: Employees	250	206	-	456	455	1	99.8%		
Catering: Departmental activities	160	99	-	259	253	6	97.7%		
Communication	2 244	2 073	-	4 317	4 302	15	99.7%		
Computer services	644 755	(8 005)	14 671	651 421	389 462	261 959	59.8%		
Consultants: Business and advisory services	-	6	200	206	205	1	99.5%		
Contractors	255	(28)	-	227	225	2	99.1%		
Agency and support / outsourced services	220	3 257	-	3 478	3 477	1	100 %		
Entertainment	26	(16)	-	10	9	1	90 %		
Fleet services	1 740	506	-	2 246	2 242	4	99.8%		
Consumable supplies	766	157	-	923	885	38	95.9%		
Consumable: Stationery, printing and office supplies	640	(76)	-	564	551	13	97.7%		
Operating leases	-	636	-	636	630	6	99.1%		
Property payments	150	(20)	-	130	129	1	99.2%		
Travel and subsistence	3 625	(1 129)	-	2 496	2 452	44	98.2%		
Training and development	1 520	1 292	-	2 812	2 809	3	99.9%		
Operating payments	4 456	(3 881)	-	575	563	12	97.9%		
Venues and facilities	255	(244)	-	11	10	1	90.9%		

## Appropriation Statement for the year ended 31 March 2015

Programme 4: CENTRE FOR E-INNOVATION (CSC)									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Rental and hiring	50	(50)	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>22 908</b>	<b>101</b>	<b>-</b>	<b>23 009</b>	<b>22 997</b>	<b>12</b>	<b>99.9%</b>	<b>21 745</b>	<b>21 734</b>
Provinces and municipalities	10 702	-	-	10 702	10 700	2	100 %	10 000	10 000
Municipalities	10 702	-	-	10 702	10 700	2	100 %		
Municipal bank accounts	10 702	-	-	10 702	10 700	2	100 %		
Departmental agencies and accounts	6	5	-	11	4	7	36.4%	11	5
Departmental agencies	6	5	-	11	4	7	36.4%		
Non-profit institutions	12 200	-	-	12 200	12 200	-	100 %	11 500	11 500
Households	-	96	-	96	93	3	96.9%	234	229
Social benefits	-	96	-	96	93	3	96.9%		
Other transfers to households	-	-	-	-	-	-	-		
<b>Payments for capital assets</b>	<b>50 980</b>	<b>2 002</b>	<b>-</b>	<b>52 982</b>	<b>52 963</b>	<b>19</b>	<b>100 %</b>	<b>34 856</b>	<b>34 840</b>
Machinery and equipment	50 980	2 002	-	52 982	52 963	19	100 %	34 856	34 840
Transport equipment	50	3 643	-	3 693	3 692	1	100 %		
Other machinery and equipment	50 930	(1 641)	-	49 289	49 271	18	100 %		
<b>Payments for financial assets</b>	<b>-</b>	<b>108</b>	<b>-</b>	<b>108</b>	<b>104</b>	<b>4</b>	<b>96.3%</b>	<b>1</b>	<b>-</b>
<b>Total</b>	<b>908 780</b>	<b>-</b>	<b>14 871</b>	<b>923 651</b>	<b>654 609</b>	<b>269 042</b>	<b>70.9%</b>	<b>544 076</b>	<b>543 820</b>

## Appropriation Statement for the year ended 31 March 2015

4.1 PROGRAMME SUPPORT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>11 119</b>	<b>3 445</b>	<b>-</b>	<b>14 564</b>	<b>12 291</b>	<b>2 273</b>	<b>84.4%</b>	<b>6 670</b>	<b>6 641</b>
Compensation of employees	10 890	50	-	10 940	8 682	2 258	79.4%	6 349	6 339
Goods and services	229	3 395	-	3 624	3 609	15	99.6%	321	302
<b>Transfers and subsidies</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>1</b>
Departmental agencies and accounts	-	1	-	1	-	2	-	1	1
Households	-	1	-	1	-	1	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>9</b>	<b>9</b>	<b>-</b>	<b>100 %</b>	<b>229</b>	<b>226</b>
Machinery and equipment	-	9	-	9	9	-	100 %	229	226
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>75 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11 119</b>	<b>3 460</b>	<b>-</b>	<b>14 579</b>	<b>12 303</b>	<b>2 276</b>	<b>84.4%</b>	<b>6 900</b>	<b>6 868</b>

4.2 STRATEGIC ICT SERVICES									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>92 172</b>	<b>21 714</b>	<b>14 871</b>	<b>128 757</b>	<b>128 660</b>	<b>97</b>	<b>99.9%</b>	<b>69 868</b>	<b>69 788</b>
Compensation of employees	26 601	548	-	21 149	27 127	22	99.9%	24 469	24 451
Goods and services	65 571	21 166	14 871	101 608	101 533	75	99.9%	45 399	45 337
<b>Transfers and subsidies</b>	<b>12 202</b>	<b>16</b>	<b>-</b>	<b>12 218</b>	<b>12 214</b>	<b>4</b>	<b>100 %</b>	<b>11 536</b>	<b>11 532</b>
Departmental agencies and accounts	2	2	-	4	1	3	25 %	4	2
Non-profit institutions	12 200	-	-	12 200	12 200	-	100 %	11 500	11 500
Households	-	14	-	14	13	1	92.9%	32	30
<b>Payments for capital assets</b>	<b>469</b>	<b>1 726</b>	<b>-</b>	<b>2 195</b>	<b>2 186</b>	<b>9</b>	<b>99.6%</b>	<b>786</b>	<b>782</b>
Machinery and equipment	469	1 726	-	2 195	2 186	9	99.6%	786	782
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>80%</b>	<b>1</b>	<b>-</b>
<b>Total</b>	<b>104 843</b>	<b>23 461</b>	<b>14 871</b>	<b>143 175</b>	<b>143 063</b>	<b>111</b>	<b>99.9%</b>	<b>82 191</b>	<b>82 102</b>

## Appropriation Statement for the year ended 31 March 2015

4.3 GITO MANAGEMENT SERVICES									
	2014/15							2013/14	
	Adjust- ed Appro- priation	Shifting of Funds	Vire- ment	Final Appro- priation	Actual Expen- diture	Variance	Expen- diture as % of final appropri- ation	Final Appro- priation	Actual expen- diture
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>731 601</b>	<b>(27 370)</b>	<b>-</b>	<b>704 231</b>	<b>437 594</b>	<b>266 637</b>	<b>62.1%</b>	<b>410 936</b>	<b>410 817</b>
Compensation of employees	135 445	(679)	-	134 766	130 165	4 601	96.6%	117 892	117 861
Goods and services	596 156	(26 691)	-	569 465	307 429	262 036	54 %	293 044	292 956
<b>Transfers and subsidies</b>	<b>10 706</b>	<b>83</b>	<b>-</b>	<b>10 789</b>	<b>10 783</b>	<b>6</b>	<b>99.9%</b>	<b>10 208</b>	<b>10 201</b>
Provinces and municipalities	10 702	-	-	10 702	10 700	2	100 %	10 000	10 000
Departmental agencies and accounts	4	2	-	6	3	3	50 %	6	2
Households	-	81	-	81	80	1	98.8%	202	199
<b>Payments for capital assets</b>	<b>50 511</b>	<b>267</b>	<b>-</b>	<b>50 778</b>	<b>50 768</b>	<b>10</b>	<b>100 %</b>	<b>33 841</b>	<b>33 832</b>
Machinery and equipment	50 511	267	-	50 778	50 768	10	100 %	33 841	33 832
Heritage assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>99</b>	<b>-</b>	<b>99</b>	<b>97</b>	<b>2</b>	<b>98 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>792 818</b>	<b>(26 921)</b>	<b>-</b>	<b>765 897</b>	<b>499 242</b>	<b>266 655</b>	<b>65.2%</b>	<b>454 985</b>	<b>454 850</b>

## Appropriation Statement for the year ended 31 March 2015

Programme 5: CORPORATE ASSURANCE (CORPORATE SERVICES CENTRE)									
2014/15							2013/14		
	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
<b>Sub programme</b>									
1. Programme Support	2 126	230	-	2 356	2 338	18	99.2%	2 073	2 025
2. Enterprise Risk Management	7 843	(230)	(202)	7 411	6 653	758	89.8%	7 119	7 099
3. Internal Audit	40 279	-	-	40 279	35 857	4 422	89 %	33 189	33 124
4. Forensic Investigations	18 456	-	(1 891)	16 565	15 304	1 261	92.4%	15 660	15 030
5. Legal Services	30 386	73	-	30 459	28 891	1 568	94.9%	23 585	22 789
6. Corporate Communication	13 218	(73)	(1 097)	12 048	10 578	1 470	87.8%	9 182	9 155
<b>Total for sub programmes</b>	<b>112 308</b>	<b>-</b>	<b>(3 190)</b>	<b>109 118</b>	<b>99 621</b>	<b>9 497</b>	<b>91.3%</b>	<b>90 808</b>	<b>89 222</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>111 988</b>	<b>(554)</b>	<b>(3 190)</b>	<b>108 244</b>	<b>98 762</b>	<b>9 482</b>	<b>91.2%</b>	<b>90 146</b>	<b>88 581</b>
<b>Compensation of employees</b>	<b>78 165</b>	<b>(184)</b>	<b>-</b>	<b>77 981</b>	<b>69 977</b>	<b>8 004</b>	<b>89.7%</b>	<b>59 322</b>	<b>59 259</b>
Salaries and wages	69 119	876	-	69 995	62 500	7 495	89.3%		
Social contributions	9 046	(1 060)	-	7 986	7 477	509	93.6%		
<b>Goods and services</b>	<b>33 823</b>	<b>(370)</b>	<b>(3 190)</b>	<b>30 263</b>	<b>28 785</b>	<b>1 478</b>	<b>95.1%</b>	<b>30 824</b>	<b>29 322</b>
Advertising	554	26	-	580	578	2	99.7%		
Minor assets	50	504	-	554	542	12	97.8%		
Catering: Departmental activities	241	(144)	-	97	94	3	96.9%		
Communication	518	(138)	-	380	373	7	98.2%		
Computer services	1 750	987	(202)	2 535	2 057	478	81.1%		
Consultants: Business and advisory services	4 224	391	-	4 615	3 751	864	81.3%		
Legal Services	919	218	-	1 137	1 117	20	98.2%		
Contractors	134	2	-	136	134	2	98.5%		
Agency and support / outsourced services	20 067	(1 766)	(2 988)	15 313	15 308	5	100 %		
Entertainment	45	(42)	-	3	2	1	66.7%		
Fleet services	172	(101)	-	71	67	4	94.4%		
Consumable supplies	202	(89)	-	113	94	19	83.2%		
Consumable: Stationery, printing and office supplies	745	(288)	-	457	444	13	97.2%		
Operating leases	398	(73)	-	325	323	2	99.4%		

## Appropriation Statement for the year ended 31 March 2015

Programme 5: CORPORATE ASSURANCE (CORPORATE SERVICES CENTRE)									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	628	(7)	-	621	587	34	94.5%		
Training and development	905	(315)	-	590	585	5	99.2%		
Operating payments	1 806	841	-	2 647	2 642	5	99.8%		
Venues and facilities	465	(376)	-	89	87	2	97.8%		
<b>Transfers and subsidies</b>	<b>3</b>	<b>185</b>	<b>-</b>	<b>188</b>	<b>186</b>	<b>2</b>	<b>98.9%</b>	<b>400</b>	<b>394</b>
Departmental agencies and accounts	3	1	-	4	2	2	50 %	4	1
Departmental agencies	3	1	-	4	2	2	50.0%		
Households	-	184	-	184	184	-	100 %	396	393
Social benefits	-	47	-	47	47	-	100 %		
Other transfers to households	-	137	-	137	137	-	100 %		
<b>Payments for capital assets</b>	<b>317</b>	<b>282</b>	<b>-</b>	<b>599</b>	<b>586</b>	<b>13</b>	<b>97.8%</b>	<b>262</b>	<b>247</b>
Machinery and equipment	317	282	-	599	586	13	97.8%	262	247
Transport equipment	111	124	-	235	232	3	98.7%		
Other machinery and equipment	206	158	-	364	354	10	97.3%		
<b>Payments for financial assets</b>	<b>-</b>	<b>87</b>	<b>-</b>	<b>87</b>	<b>87</b>	<b>-</b>	<b>100 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>112 308</b>	<b>-</b>	<b>(3 190)</b>	<b>109 118</b>	<b>99 621</b>	<b>9 497</b>	<b>91.3%</b>	<b>90 808</b>	<b>89 222</b>

## Appropriation Statement for the year ended 31 March 2015

5.1 PROGRAMME SUPPORT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 124</b>	<b>228</b>	<b>-</b>	<b>2 352</b>	<b>2 337</b>	<b>15</b>	<b>99.4%</b>	<b>2 058</b>	<b>2 011</b>
Compensation of employees	1 951	115	-	2 066	2 061	5	99.8%	1 796	1 792
Goods and services	173	113	-	286	276	10	96.5%	262	219
<b>Transfers and subsidies</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	1
<b>Payments for capital assets</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>33.3%</b>	<b>14</b>	<b>13</b>
Machinery and equipment	1	2	-	3	1	2	33.3%	14	13
<b>Total</b>	<b>2 126</b>	<b>230</b>	<b>-</b>	<b>2 356</b>	<b>2 338</b>	<b>18</b>	<b>99.2%</b>	<b>2 073</b>	<b>2 025</b>

5.2 ENTERPRISE RISK MANAGEMENT									
	2014/15							2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>7 838</b>	<b>(234)</b>	<b>(202)</b>	<b>7 402</b>	<b>6 645</b>	<b>757</b>	<b>89.8%</b>	<b>7 095</b>	<b>7 077</b>
Compensation of employees	5 667	(115)	-	5 552	5 279	273	95.1%	5 428	5 424
Goods and services	2 171	(119)	(202)	1 850	1 366	484	73.8%	1 667	1 653
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>
Households	-	-	-	-	-	-	-	6	6
<b>Payments for capital assets</b>	<b>5</b>	<b>4</b>	<b>-</b>	<b>9</b>	<b>8</b>	<b>1</b>	<b>88.9%</b>	<b>18</b>	<b>16</b>
Machinery and equipment	5	4	-	9	8	1	88.9%	18	16
<b>Total</b>	<b>7 843</b>	<b>(230)</b>	<b>(202)</b>	<b>7 411</b>	<b>6 653</b>	<b>758</b>	<b>89.8%</b>	<b>7 119</b>	<b>7 099</b>

## Appropriation Statement for the year ended 31 March 2015

5.3 INTERNAL AUDIT									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>40 169</b>	<b>(425)</b>	<b>-</b>	<b>39 744</b>	<b>35 324</b>	<b>4 420</b>	<b>88.9%</b>	<b>32 855</b>	<b>32 800</b>
Compensation of employees	32 098	(184)	-	31 914	28 378	3 536	88.9%	27 473	27 449
Goods and services	8 071	(241)	-	7 830	6 946	884	88.7%	5 382	5 351
<b>Transfers and subsidies</b>	<b>-</b>	<b>184</b>	<b>-</b>	<b>184</b>	<b>184</b>	<b>-</b>	<b>100 %</b>	<b>152</b>	<b>150</b>
Households	-	184	-	184	184	-	100 %	152	150
<b>Payments for capital assets</b>	<b>110</b>	<b>170</b>	<b>-</b>	<b>280</b>	<b>278</b>	<b>2</b>	<b>99.3%</b>	<b>182</b>	<b>174</b>
Machinery and equipment	110	170	-	280	278	2	99.3%	182	174
<b>Payments for financial assets</b>	<b>-</b>	<b>71</b>	<b>-</b>	<b>71</b>	<b>71</b>	<b>-</b>	<b>100 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>40 279</b>	<b>-</b>	<b>-</b>	<b>40 279</b>	<b>35 857</b>	<b>4 422</b>	<b>89 %</b>	<b>33 189</b>	<b>33 124</b>

5.4 FORENSIC INVESTIGATION									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>18 456</b>	<b>-</b>	<b>(1 891)</b>	<b>16 565</b>	<b>15 304</b>	<b>1 261</b>	<b>92.4%</b>	<b>15 653</b>	<b>15 024</b>
Compensation of employees	3 556	-	-	3 556	2 303	1 253	64.8%	251	248
Goods and services	14 900	-	(1 891)	13 009	13 001	8	99.9%	15 402	14 776
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>6</b>
Households	-	-	-	-	-	-	-	7	6
<b>Total</b>	<b>18 456</b>	<b>-</b>	<b>(1 891)</b>	<b>16 565</b>	<b>15 304</b>	<b>1 261</b>	<b>92.4%</b>	<b>15 660</b>	<b>15 030</b>

## Appropriation Statement for the year ended 31 March 2015

5.5 LEGAL SERVICES									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>30 304</b>	<b>66</b>	<b>-</b>	<b>30 370</b>	<b>28 806</b>	<b>1 564</b>	<b>94.9%</b>	<b>23 507</b>	<b>22 717</b>
Compensation of employees	27 667	-	-	27 667	26 168	1 499	94.6%	20 726	20 703
Goods and services	2 637	66	-	2 703	2 638	65	97.6%	2 781	2 014
<b>Transfers and subsidies</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>50 %</b>	<b>64</b>	<b>62</b>
Departmental agencies and accounts	1	1	-	2	1	1	50 %	2	-
Households	-	-	-	-	-	-	-	62	62
<b>Payments for capital assets</b>	<b>81</b>	<b>6</b>	<b>-</b>	<b>87</b>	<b>84</b>	<b>3</b>	<b>96.6%</b>	<b>14</b>	<b>10</b>
Machinery and equipment	81	6	-	87	84	3	96.6%	14	10
<b>Total</b>	<b>30 386</b>	<b>73</b>	<b>-</b>	<b>30 459</b>	<b>28 891</b>	<b>1 568</b>	<b>94.9%</b>	<b>23 585</b>	<b>22 789</b>

5.6 CORPORATE COMMUNICATION									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>13 097</b>	<b>(189)</b>	<b>(1 097)</b>	<b>11 811</b>	<b>10 346</b>	<b>1 465</b>	<b>87.6%</b>	<b>8 978</b>	<b>8 952</b>
Compensation of employees	7 226	-	-	7 226	5 788	1 438	80.1%	3 648	3 643
Goods and services	5 871	(189)	(1 097)	4 585	4 558	27	99.4%	5 330	5 309
<b>Transfers and subsidies</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>100 %</b>	<b>170</b>	<b>169</b>
Departmental agencies and accounts	1	-	-	1	1	-	100 %	1	-
Households	-	-	-	-	-	-	-	169	169
<b>Payments for capital assets</b>	<b>120</b>	<b>100</b>	<b>-</b>	<b>220</b>	<b>215</b>	<b>5</b>	<b>97.7%</b>	<b>34</b>	<b>34</b>
Machinery and equipment	120	100	-	220	215	5	97.7%	34	34
<b>Payments for financial assets</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>16</b>	<b>16</b>	<b>-</b>	<b>100 %</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>13 218</b>	<b>(73)</b>	<b>(1 097)</b>	<b>12 048</b>	<b>10 578</b>	<b>1 470</b>	<b>87.8%</b>	<b>9 182</b>	<b>9 155</b>

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2015**

**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), Annexure 1-4 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**

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Executive Support (Administration)	72 949	68 717	4 232	5.8%
Provincial Strategic Management	66 806	63 148	3 658	5.5%
Human Capital (CSC)	175 871	156 779	19 092	10.9%
Centre for e-Innovation (CSC)	923 651	654 609	269 042	29.1%
Corporate Assurance (CSC)	109 118	99 621	9 497	8.7%
<b>Total</b>	<b>1 348 395</b>	<b>1 042 874</b>	<b>305 521</b>	<b>22.7%</b>

Underspending under Executive Support, Provincial Strategic Management and Corporate Assurance is mainly due to the later than anticipated filling of posts as well as posts being vacated due to staff exits.

Underspending under Human Capital is mainly due to the fact that the Integrated Financial Management System (IFMS) pilot was decommissioned by National Treasury. The further roll-out of the project is not yet clear and a new tender was issued and is being managed by National Treasury.

Underspending under Centre for e-Innovation is mainly due to an amount of R 300,798 million allocated to the department in the Adjustments Budget process for the implementation of the Broadband project whilst only R 39,315 million could be spent by year-end. This was primarily due to the delay in the awarding of the Broadband tender and the length of time taken for contract negotiations.

**NOTES TO THE APPROPRIATION STATEMENT**  
for the year ended 31 March 2015

**4.2 Per economic classification**

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>Current payments</b>				
Compensation of employees	473 688	448 541	25 147	5.3%
Goods and services	790 250	510 018	280 232	35.5%
<b>Transfers and subsidies</b>				
Provinces and municipalities	10 802	10 800	2	0.0%
Departmental agencies and accounts	50	29	21	42 %
Non-profit institutions	13 735	13 723	12	0.1%
Households	609	600	9	1.5%
<b>Payments for capital assets</b>				
Machinery and equipment	58 007	57 922	85	0.1%
Intangible assets	321	320	1	0.2%
<b>Payments for financial assets</b>	<b>933</b>	<b>921</b>	<b>12</b>	<b>1.3%</b>
<b>Total</b>	<b>1 348 395</b>	<b>1 042 874</b>	<b>305 521</b>	<b>22.7%</b>

The underspending on Compensation of Employees mainly due to the later than anticipated filling of posts as well as posts being vacated due to staff exits

Underspending on Goods and Services is due to the Integrated Financial Management System (IFMS) pilot that was decommissioned by National Treasury. The further roll-out of the project is not yet clear and a new tender was issued and is being managed by National Treasury. An amount of R300,798 million allocated to the department in the Adjustments Budget process for the implementation of the Broadband project whilst only R39,315 million could be spent by year-end. This was primarily due to the delay in the awarding of the Broadband tender and the length of time taken for contract negotiations.

Underspending on Departmental Agencies and Accounts is due to rounding off of figures.

**STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 31 March 2015

	Note	2014/15 R'000	2013/14 R'000
<b>REVENUE</b>			
Annual appropriation	1	1 348 395	903 105
Departmental revenue	2	2 931	2 988
<b>TOTAL REVENUE</b>		<b>1 351 326</b>	<b>906 093</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	448 541	400 434
Goods and services	4	510 018	421 347
<b>Total current expenditure</b>		<b>958 559</b>	<b>821 781</b>
<b>Transfers and subsidies</b>	<b>6</b>	<b>25 152</b>	<b>33 594</b>
<b>Expenditure for capital assets</b>			
Tangible assets	7	57 922	38 986
Intangible assets	7	320	-
<b>Total expenditure for capital assets</b>		<b>58 242</b>	<b>38 986</b>
<b>Payments for financial assets</b>	<b>5</b>	<b>921</b>	<b>176</b>
<b>TOTAL EXPENDITURE</b>		<b>1 042 874</b>	<b>894 537</b>
<b>SURPLUS FOR THE YEAR</b>		<b>308 452</b>	<b>11 556</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds	10	305 521	8 568
Departmental revenue	11	2 931	2 988
<b>SURPLUS FOR THE YEAR</b>		<b>308 452</b>	<b>11 556</b>

**STATEMENT OF FINANCIAL POSITION**  
for the year ended 31 March 2015

	Note	2014/15 R'000	2013/14 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	303 755	6 695
Receivables	9	2 433	1 690
<b>Non-current assets</b>			
Receivables	9	420	416
<b>TOTAL ASSETS</b>		<b>306 608</b>	<b>8 801</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	10	305 521	8 568
Departmental revenue to be surrendered to the Revenue Fund	11	185	138
Payables	12	807	-
<b>Total current expenditure</b>		<b>306 513</b>	<b>8 706</b>
<b>TOTAL LIABILITIES</b>		<b>306 513</b>	<b>8 706</b>
<b>NET ASSETS</b>		<b>95</b>	<b>95</b>
<b>Represented by:</b>			
Recoverable revenue		95	95
<b>TOTAL</b>		<b>95</b>	<b>95</b>

**STATEMENT OF CHANGES IN NET ASSETS**  
for the year ended 31 March 2015

Recoverable revenue	Note	2014/15 R'000	2013/14 R'000
Opening balance		95	76
Transfers:		-	19
Irrecoverable amounts written off	5.2	(61)	-
Debts recovered (included in departmental receipts)		61	19
Closing balance		95	95
<b>TOTAL</b>		<b>95</b>	<b>95</b>

**CASH FLOW STATEMENT**  
for the year ended 31 March 2015

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2014/15 R'000	2013/14 R'000
Receipts		<b>1 351 974</b>	<b>907 265</b>
Annual appropriated funds received	1.1	1 348 395	903 105
Departmental revenue received	2	3 544	4 152
Interest received	2.2	35	8
Net (increase)/decrease in working capital		60	(204)
Surrendered to Revenue Fund		(12 105)	(4 900)
Current payments		(958 559)	(821 781)
Payments for financial assets	5	(921)	(176)
Transfers and subsidies paid	6	(25 152)	(33 594)
<b>Net cash flow available from operating activities</b>	13	<b>355 297</b>	<b>46 610</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(58 242)	(38 986)
Proceeds from sale of capital assets	2.3	5	10
<b>Net cash flows from investing activities</b>		<b>(58 237)</b>	<b>(38 976)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in net assets		-	19
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>19</b>
Net increase in cash and cash equivalents		297 060	7 653
Cash and cash equivalents at beginning of period		6 695	(958)
<b>Cash and cash equivalents at end of period</b>	8	<b>303 755</b>	<b>6 695</b>

## ACCOUNTING POLICIES

### for the year ended 31 March 2015

<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.</p> <p>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.</p> <p>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.</p>	
<b>1</b>	<p><b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b> The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
<b>4</b>	<p><b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b> 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>
<b>6</b>	<p><b>Comparative information</b></p>
<b>6.1</b>	<p><b>Prior period comparative information</b> Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
<b>6.2</b>	<p><b>Current year comparison with budget</b> A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b> Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b> 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.</p>
<b>8</b>	<p><b>Expenditure</b></p>
<b>8.1</b>	<p><b>Compensation of employees</b></p>
<b>8.1.1</b>	<p><b>Salaries and wages</b> Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b> 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.</p>
<b>8.2</b>	<p><b>Other expenditure</b> 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.</p>

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2015**

8.3	<p><b>Accrued expenditure payable</b> 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.</p>
8.4	<p><b>Leases</b></p>
8.4.1	<p><b>Operating leases</b> Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p><b>Finance leases</b> Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
9	<p><b>Cash and cash equivalents</b> Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position. 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><b>Prepayments and advances</b> Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments are expensed as per contractual arrangement with the supplier.</p>
11	<p><b>Loans and receivables</b> 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><b>Impairment of financial assets</b> 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><b>Payables</b> Loans and payables are recognised in the statement of financial position at cost.</p>
14	<p><b>Capital Assets</b></p>
14.1	<p><b>Immovable capital assets</b> 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) may be 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.</p>
14.2	<p><b>Movable capital assets</b> 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) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. 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.</p>

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2015**

14.3	<p><b>Intangible assets</b></p> <p>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.</p> <p>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. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure 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	<b>Provisions and Contingents</b>
15.1	<p><b>Provisions</b></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><b>Contingent liabilities</b></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>
15.3	<p><b>Contingent assets</b></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>
15.4	<p><b>Commitments</b></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>
15.5	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
16	<p><b>Fruitless and wasteful expenditure</b></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>
17	<p><b>Irregular expenditure</b></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>

**ACCOUNTING POLICIES**  
for the year ended 31 March 2015

18	<p><b>Changes in accounting policies, accounting estimates and errors</b> Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
19	<p><b>Events after the reporting date</b> Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
20	<p><b>Recoverable revenue</b> Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
21	<p><b>Related party disclosures</b> <b>Related party transactions</b> A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p><b>Key management personnel</b> Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**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):

	2014/15	2013/14
Final Appropriation	Actual Funds Received	Funds not requested/ not received
R'000	R'000	R'000
Executive Support	72 949	67 468
Provincial Strategic Management	66 806	51 886
Human Capital (CSC)	175 871	148 867
Centre for E-Innovation	923 651	544 076
Corporate Assurance (CSC)	109 118	90 808
<b>Total</b>	<b>1 348 395</b>	<b>903 105</b>

**2. Departmental revenue**

	Note	2014/15	2013/14
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	2 950	3 170
Interest, dividends and rent on land	2.2	35	8
Sales of capital assets	2.3	5	10
Transactions in financial assets and liabilities	2.4	594	982
Total revenue collected		<b>3 584</b>	<b>4 170</b>
Less: Own revenue included in appropriation	11	653	1 182
<b>Departmental revenue collected</b>		<b>2 931</b>	<b>2 988</b>

**2.1 Sales of goods and services other than capital assets**

<b>Sales of goods and services produced by the department</b>	<b>2 950</b>	<b>3 164</b>
Sales by market establishment	855	1 669
Other sales *	2 095	1 495
Sales of scrap, waste and other used current goods	-	6
<b>Total</b>	<b>2 950</b>	<b>3 170</b>

\* Due to increased demand from departments, municipalities and subscribers for advertising space in the Provincial Government Gazette.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

	<i>Note</i>	2014/15 R'000	2013/14 R'000
<b>2.2</b>	<b>Interest, dividends and rent on land</b>		
	Interest	35	8
	<b>Total</b>	<b>35</b>	<b>8</b>
<b>2.3</b>	<b>Sale of capital assets</b>		
	<b>Tangible assets</b>	<b>5</b>	<b>10</b>
	Machinery and equipment	24.2 5	10
	<b>Intangible assets</b>	-	-
	<b>Total</b>	<b>5</b>	<b>10</b>
<b>2.4</b>	<b>Transactions in financial assets and liabilities</b>		
	Other Receipts including Recoverable Revenue	594	982
	<b>Total</b>	<b>594</b>	<b>982</b>
<b>3.</b>	<b>Compensation of employees</b>		
<b>3.1</b>	<b>Salaries and Wages</b>		
	Basic salary	320 508	284 669
	Performance award	6 339	4 209
	Service Based	325	580
	Compensative/circumstantial	6 608	6 115
	Periodic payments	681	287
	Other non-pensionable allowances	65 229	61 282
	<b>Total</b>	<b>399 690</b>	<b>357 142</b>
<b>3.2</b>	<b>Social contributions</b>		
	<b>Employer contributions</b>		
	Pension	36 604	31 704
	Medical	12 172	11 522
	Bargaining council	75	66
	<b>Total</b>	<b>48 851</b>	<b>43 292</b>
	<b>Total compensation of employees</b>	<b>448 541</b>	<b>400 434</b>
	Average number of employees	1 122	1 039

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

	<i>Note</i>	2014/15 R'000	2013/14 R'000
<b>4. Goods and services</b>			
Administrative fees		50	36
Advertising		10 965	7 583
Minor assets	4.1	4 914	1 791
Bursaries (employees)		832	687
Catering		1 322	1 076
Communication		7 127	8 000
Computer services	4.2	408 414	333 021
Consultants: Business and advisory services		13 718	7 171
Legal services		1 409	1 356
Contractors		1 702	4 499
Agency and support / outsourced services		25 442	22 665
Entertainment		26	65
Audit cost - external	4.3	4 471	4 440
Fleet services *		3 602	3 629
Consumables *	4.4	4 367	4 933
Operating leases		2 003	2 081
Property payments	4.5	1 300	1 571
Rental and hiring		55	130
Travel and subsistence	4.6	6 338	7 219
Venues and facilities		2 178	2 050
Training and development		5 434	3 822
Other operating expenditure *	4.7	4 349	3 522
<b>Total</b>		<b>510 018</b>	<b>421 347</b>

*Total value of prepayments included in the current year's expenditure: R12.600 million for Microsoft licenses paid in March, as per contractual arrangement with the supplier.*

\* The SCOA version 4 was implemented effective from 1 April 2014, resulting in a change in accounting policy with the reclassifications of 2013/14 AFS information:

- Inventory expenditure to the value of R4.933 million in 2013/14 is reclassified as Consumables
- Travel and Subsistence expenditure to the value of R3.629 million in 2013/14 is reclassified as Fleet services.
- Other operating expenditure (Gifts) to the value of R 0.023 million in 2013/14 is reclassified as Consumables.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

	<i>Note</i>	2014/15 R'000	2013/14 R'000
<b>4.1</b>	<b>Minor assets</b>		
	<b>Tangible assets</b>	<b>4 914</b>	<b>1 791</b>
	Machinery and equipment	4 914	1 791
	<b>Total</b>	<b>4 914</b>	<b>1 791</b>
<b>4.2</b>	<b>Computer services</b>		
	SITA computer services	129 317	112 397
	External computer service providers	279 097	220 624
	<b>Total</b>	<b>408 414</b>	<b>333 021</b>
<b>4.3</b>	<b>Audit cost – External</b>		
	Regularity audits	4 471	4 440
	<b>Total</b>	<b>4 471</b>	<b>4 440</b>
<b>4.4</b>	<b>Consumables</b>		
	Consumable supplies	2 021	822
	Uniform and clothing	34	-
	Household supplies	-	345
	Building material and supplies	48	181
	IT consumables	717	-
	Other consumables	1 222	296
	Stationery, printing and office supplies	2 346	4 111
	<b>Total</b>	<b>4 367</b>	<b>4 933</b>
<b>4.5</b>	<b>Property payments</b>		
	Property management fees	5	5
	Other *	1 295	1 566
	<b>Total</b>	<b>1 300</b>	<b>1 571</b>
* Included in this note is expenditure for security services (R 0,533 million), cleaning services (R 0,129 million) at various offices and fees for the management of the cafeteria at the Provincial Training Institute (R0, 619 million).			
<b>4.6</b>	<b>Travel and subsistence</b>		
	Local	5 898	6 198
	Foreign	440	1 021
	<b>Total</b>	<b>6 338</b>	<b>7 219</b>
<b>4.7</b>	<b>Other operating expenditure</b>		
	Professional bodies, membership and subscription fees	472	1 015
	Resettlement costs	273	55
	Printing and publication costs	3 332	2 317
	Other *	272	135
	<b>Total</b>	<b>4 349</b>	<b>3 522</b>
* Included in "Other" are expenditure for courier services (R 0, 038 million) and an amount of (R0, 194 million) that was paid for achievements and awards material.			

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

	<i>Note</i>	2014/15 R'000	2013/14 R'000
<b>5. Payments for financial assets</b>			
Other material losses written off	5.1	685	2
Debts written off	5.2	236	174
<b>Total</b>		<b>921</b>	<b>176</b>
<b>5.1 Other material losses written off</b>			
<b>Nature of losses</b>			
Damages to Government Garage Vehicles (30 cases)		182	-
Penalties raised by SARS found to be valid expenditure		477	-
Irrecoverable fruitless and wasteful expenditure (4 cases)		26	-
Prescribed claims written off		-	2
<b>Total</b>		<b>685</b>	<b>2</b>
<b>5.2 Debts written off</b>			
Other debt written off			
Irrecoverable debt written off (19 cases)		61	33
Overpayment of ministerial staff allowance		175	141
<b>Total</b>		<b>236</b>	<b>174</b>
<b>6. Transfers and subsidies</b>			
Provinces and municipalities	Annex 1	10 800	12 600
Departmental agencies and accounts	Annex 2	29	24
Non-profit institutions	Annex 3	13 200	12 500
Households	Annex 4	1 123	8 470
<b>Total</b>		<b>25 152</b>	<b>33 594</b>
<b>7. Expenditure for capital assets</b>			
<b>Tangible assets</b>		<b>57 922</b>	<b>38 986</b>
Machinery and equipment	24	57 922	38 986
<b>Intangible assets</b>			
Software	25	320	-
<b>Total</b>		<b>58 242</b>	<b>38 986</b>
<b>7.1 Analysis of funds utilised to acquire capital assets – 2014/15</b>			
	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>57 922</b>	-	<b>57 922</b>
Machinery and equipment	57 922	-	57 922
<b>Intangible assets</b>	<b>320</b>	-	<b>320</b>
Software	320	-	320
<b>Total</b>	<b>58 242</b>	-	<b>58 242</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**7.2 Analysis of funds utilised to acquire capital assets – 2013/14**

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>38 986</b>	-	<b>38 986</b>
Machinery and equipment	38 986	-	38 986
<b>Total</b>	<b>38 986</b>	-	<b>38 986</b>

**7.3 Finance lease expenditure included in Expenditure for capital assets**

	Note	2014/15 R'000	2013/14 R'000
<b>Tangible assets</b>			
Machinery and equipment		6 825	6 305
<b>Total</b>		<b>6 825</b>	<b>6 305</b>

**8. Cash and cash equivalents**

Consolidated Paymaster General Account	303 732	6 673
Disbursements	-	(1)
Cash on hand	23	23
<b>Total</b>	<b>303 755</b>	<b>6 695</b>

Increase in the Consolidated Paymaster General Account is chiefly due to a compulsory saving of R15.7 million on the BizProjects and BPO; underspending on Goods and Services due to the Integrated Financial Management System (IFMS) pilot that was decommissioned by National Treasury, as well as an amount of R300.798 million allocated to the department in the Adjustments Budget process for the implementation of the Broadband project whilst only R39.315 million could be spent by year-end. This was primarily due to the delay in the awarding of the Broadband tender and the length of time taken for contract negotiations.

**9. Receivables**

	Note	2014/15			2013/14	
		R'000 Less than one year	R'000 One to three years	R'000 Older than three years	R'000 Total	R'000 Total
Claims recoverable	9.1 (Annex 8)	1 884	17	-	1 901	694
Recoverable expenditure	9.2	183	21	14	218	834
Staff debt	9.3	379	197	158	734	578
<b>Total</b>		<b>2 446</b>	<b>235</b>	<b>172</b>	<b>2 853</b>	<b>2 106</b>

**9.1 Claims recoverable**

	Note	2014/15 R'000	2013/14 R'000
National departments		218	58
Provincial departments		1 224	491
Public entities		30	138
Private enterprises		19	-
Local governments		410	7
<b>Total</b>		<b>1 901</b>	<b>694</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**9.2 Recoverable expenditure (disallowance accounts)**

	2014/15 R'000	2013/14 R'000
Damages to Government Garage vehicles	42	306
Disallowance miscellaneous account	130	508
Salary reversal account	46	20
<b>Total</b>	<b>218</b>	<b>834</b>

**9.3 Staff debt**

Income Tax debt	1	1
Departmental debt account	733	577
<b>Total</b>	<b>734</b>	<b>578</b>

**9.4 Fruitless and wasteful expenditure**

Opening balance	-	-
Less amounts written off	-	(1 938)
Transfers from note 21.1		
Fruitless and Wasteful Expenditure	1	1 938
<b>Total</b>	<b>1</b>	<b>-</b>

**Impairment of receivables**

Estimate of impairment of receivables	71	457
<b>Total</b>	<b>71</b>	<b>457</b>

\* The comparative amounts for this note were disclosed under the note "Impairment: Other" during 2013/14 and are reclassified under the note "Impairment of receivables" in the 2014/15 Annual Financial Statements.

**10. Voted funds to be surrendered to the Revenue Fund**

Opening balance	8 568	816
As restated	8 568	816
Transfer from statement of financial performance (as restated)	305 521	8 568
Paid during the year	(8 568)	(816)
<b>Closing balance</b>	<b>305 521</b>	<b>8 568</b>

**11. Departmental revenue to be surrendered to the Revenue Fund**

Opening balance	138	52
As restated	138	52
Transfer from Statement of Financial Performance (as restated)	2 931	2 988
Own revenue included in appropriation	653	1 182
Paid during the year	(3 537)	(4 084)
<b>Closing balance</b>	<b>185</b>	<b>138</b>

**12. Payables - current**

Clearing accounts	807	-
12.1		
<b>Total</b>	<b>807</b>	<b>-</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

	<i>Note</i>	2014/15 R'000	2013/14 R'000
<b>12.1 Clearing accounts</b>			
Salary: Income Tax		348	-
Salary: Pension Fund		153	-
Unallocated receipts: Overpayment of an interdepartmental claim		306	-
<b>Total</b>		<b>807</b>	<b>-</b>
<b>13. Net cash flow available from operating activities</b>			
Net surplus as per Statement of Financial Performance		308 452	11 556
Add back non cash/cash movements not deemed operating activities		46 845	35 054
(Increase)/decrease in receivables – current		(747)	(201)
Increase/(decrease) in payables – current		807	(3)
Proceeds from sale of capital assets		(5)	(10)
Expenditure on capital assets		58 242	38 986
Surrenders to Revenue Fund		(12 105)	(4 900)
Own revenue included in appropriation		653	1 182
<b>Net cash flow generated by operating activities</b>		<b>355 297</b>	<b>46 610</b>
<b>14. Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account		303 732	6 673
Disbursements		-	(1)
Cash on hand		23	23
<b>Total</b>		<b>303 755</b>	<b>6 695</b>
<b>15. Contingent liabilities and contingent assets</b>			
<b>15.1 Contingent liabilities</b>			
<b>Liable to</b>	<b>Nature</b>		
Housing loan guarantees	Employees	Annex 6	111
Claims against the department		Annex 7	3 879
Intergovernmental payables (unconfirmed balances)		Annex 9	565
<b>Total</b>			<b>4 555</b>
			<b>4 858</b>

**15.2 Contingent assets**

The Department of Public Services and Administration (DPSA) contracted Metropolitan Health (Pty) Ltd on 17 October 2014, as the preferred Health Risk Manager to evaluate and finalise the stockpiled Procedure on Incapacity Leave and Ill-health Retirement (PILIR) cases. Metropolitan Health collected all the stockpiled PILIR cases on 15 January 2015 which consists of ill health, retirements and death cases, to be finalized by no later than 31 March 2016.

The Department of the Premier (Corporate Services Centre) confirmed the DPSA agreement with Metropolitan Health (Pty) Ltd in an agreement signed by the Director-General on 8 December 2014.

The Department of the Premier forwarded 51 PILIR Cases to Metropolitan Health and received 9 back from Metropolitan Health to date. The Corporate Services Centre continuously monitors these cases with Metropolitan. The amount cannot be reliably estimated.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

	Note	2014/15 R'000	2013/14 R'000
<b>16. Commitments</b>			
<b>Current expenditure</b>			
Approved and contracted		3 893 620	225 540
Approved but not yet contracted		-	12
		3 893 620	225 552
<b>Capital expenditure</b>			
Approved and contracted		11 462	-
		<b>11 462</b>	-
<b>Total Commitments</b>		<b>3 905 082</b>	<b>225 552</b>

The following commitments are for longer than a year:

- Provision for Broadband services to the Western Cape Government for a period of ten years – R3.689 billion;
- Outsourcing of the recruitment advertising services – R12.487 million;
- Rendering of catering and cleaning services at Kromme Rhee inclusive of management fees – R4.052 million;
- Computer services from Microsoft – R35.410 million;
- Computer services from SITA – R12.011 million; - External computer services – R98.071 million;
- Provision of a citizen service contact centre for the Western Cape Government – R8.997 million.

**17. Accruals and payables not recognised**

			2014/15 R'000	2013/14 R'000
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Other *	441	-	441	659
Goods and services	18 085	13	18 098	14 152
Transfers and subsidies	15	-	15	100
Capital assets	709	-	709	1 694
<b>Total</b>	<b>19 250</b>	<b>13</b>	<b>19 263</b>	<b>16 605</b>

\* Included in this note for "Other" is an amount of R 0,375 million in respect of overtime work performed in March 2015 and a salary related claim (R 0,066 million) that relates to 2014/15. The comparative amounts for this note were disclosed under the note "Employee Benefits" during 2013/14 and are reclassified under the note "Accruals and payables not recognised" in the 2014/15 Annual Financial Statements.

**Listed by programme level**

Executive Support	1 716	1 683
Provincial Strategic Management	1 580	133
Human Capital (CSC)	2 027	2 025
Centre for e-Innovation (CSC)	13 046	10 692
Corporate Assurance (CSC)	894	2 072
<b>Total</b>	<b>19 263</b>	<b>16 605</b>

Includes:

- SITA computer services for March 2015 – R 6.556 million;
- Audit costs in respect of March 2015 – R0.911 million;
- Fleetman services in respect of March 2015 – R0.933 million;
- Telkom account in respect of March 2015 – R0.583 million.
- External computer services for March 2015 – R 6.189 million

Confirmed balances with other departments	Annex 9	152	748
Confirmed balances with other government entities	Annex 9	1 470	830
<b>Total</b>		<b>1 622</b>	<b>1 578</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**18. Employee benefits**

	2014/15	2013/14
	R'000	R'000
Leave entitlement *	11 950	12 080
Service bonus (Thirteenth cheque)	10 738	9 328
Performance awards	3 553	6 661
Capped leave commitments	8 298	8 278
Long service awards **	278	282
<b>Total</b>	<b>34 817</b>	<b>36 629</b>

\* Note: A debit amount of R 1,040 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.

\*\* In terms of new disclosure reporting, long service awards is a new requirement that needs to be reported on. Comparatives for the year ending 31 March 2015 are the actual cash awards paid during the 2014/15 financial year. Provision is made for officials who will be entitled to long service awards in the 2015/16 financial year.

**19. Lease commitments**

**19.1 Operating leases expenditure**

2014/15	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	1 592	1 592
Later than 1 year and not later than 5 years	-	1 670	1 670
<b>Total lease commitments</b>	<b>-</b>	<b>3 262</b>	<b>3 262</b>
2013/14	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	960	960
Later than 1 year and not later than 5 years	-	945	945
<b>Total lease commitments</b>	<b>-</b>	<b>1 905</b>	<b>1 905</b>

**19.2 Finance leases expenditure (Machinery and equipment)**

2014/15	Machinery and equipment	Total
Not later than 1 year	245	245
Later than 1 year and not later than 5 years	69	69
<b>Total lease commitments</b>	<b>314</b>	<b>314</b>
2013/14	Machinery and equipment	Total
Not later than 1 year	539	539
Later than 1 year and not later than 5 years	185	185
<b>Total lease commitments</b>	<b>724</b>	<b>724</b>

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 is presented below:

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**19.3 Finance leases expenditure (Government Motor Transport)**

2014/15	Machinery and equipment R'000	Total R'000
Not later than 1 year	5 589	5 589
Later than 1 year and not later than 5 years	18 982	18 982
Later than five years	469	469
<b>Total lease commitments</b>	<b>25 040</b>	<b>25 040</b>

2013/14	Machinery and equipment R'000	Total R'000
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
<b>Total lease commitments</b>	<b>28 245</b>	<b>28 245</b>

The Department of the Premier leased 124 vehicles from GMT as at 31 March 2015 (March 2014 - 126). 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 approved tariffs for GMT. The department uses the vehicle for most of its useful life. The agreement does not provide for contingent lease payment and at the end of the useful life, which is determined by the lessor, the vehicles are returned to be sold in auction for the benefit of the lessor.

**20. Irregular expenditure**

**20.1 Reconciliation of irregular expenditure**

	<i>Note</i>	2014/15 R'000	2013/14 R'000
Opening balance		23 463	26 211
Add: Irregular expenditure - relating to current year		3 662	7 397
Less: Prior year amounts condoned		-	(2 748)
Less: Current year amounts condoned		(160)	(7 397)
Less: Amounts not condoned and not recoverable		(22 867)	-
<b>Closing balance</b>		<b>4 098</b>	<b>23 463</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		3 502	-
Prior years		596	23 463
<b>Total</b>		<b>4 098</b>	<b>23 463</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**20.2 Details of irregular expenditure – current year**

Incident	Disciplinary steps taken/criminal proceedings	2014/15 R'000
Service provider not registered on WCSD.	No disciplinary actions, amount condoned	2
Expenditure on flight tickets for international visitors.	No disciplinary actions, valid expenditure	7
Parking procured without proper authorisation.	Matter still under investigation.	29
Service provider not registered on WCSD.	No disciplinary actions, amount condoned	19
Service provider not registered on WCSD.	No disciplinary actions, amount condoned	13
Authorised by incorrect level of Delegation	No disciplinary actions, amount condoned	96
Non-compliance to AO system – additional work not approved.	No disciplinary actions, amount condoned	23
Non-compliance with the SITA engagement model by DTPW.	Matter still under investigation.	3 473
<b>Total</b>		<b>3 662</b>

**20.3 Details of irregular expenditure condoned**

Incident	Condoned by (condoning authority)	2014/15 R'000
Service provider not registered on WCSD.	Accounting Officer	2
Expenditure on flight tickets for international visitors.	Accounting Officer	7
Service provider not registered on the WCSD (2 cases).	Accounting Officer	32
Authorised by incorrect level of Delegation	Accounting Officer	96
Non-compliance to AO system – additional work not approved	Accounting Officer	23
<b>Total</b>		<b>160</b>

**20.4 Details of irregular expenditure not recoverable (not condoned)**

Incident	Not condoned by (condoning authority)	2014/15 R'000
Delegation not adhered to regarding the Hip Hop contract.	National Treasury *	1 834
The non-declaration of interest by a bid committee official regarding the Hip Hop contract.	National Treasury *	21 033
<b>Total</b>		<b>22 867</b>

*\* Amount not condoned by National Treasury, however because value for money was received, approval for write off was obtained from the Accounting Officer.*

**20.5 Details of irregular expenditures under investigation**

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
Parking procured without proper authorisation.	29
Non-compliance with the SITA engagement model by DTPW.	3 473
<b>Total</b>	<b>4 098</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**21. Fruitless and wasteful expenditure**

**21.1 Reconciliation of fruitless and wasteful expenditure**

	<i>Note</i>	2014/15 R'000	2013/14 R'000
Opening balance		59	2 033
Prior period error		-	-
As restated		59	2 033
Fruitless and wasteful expenditure – relating to prior year		-	10
Fruitless and wasteful expenditure – relating to current year		849	3
Less: Amounts resolved		(67)	(49)
Less: Amounts transferred to receivables for recovery	9.4	(1)	(1 938)
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<b>840</b>	<b>59</b>

**21.2 Analysis of awaiting resolution per economic classification**

Current expenditure	840	59
<b>Total</b>	<b>840</b>	<b>59</b>

**21.3 Analysis of Current year's fruitless and wasteful expenditure**

Incident	Disciplinary steps taken/criminal proceedings	2014/15 R'000
Cancellation fees paid to travel agency.	None - amount was regarded as a valid expenditure.	8
Cancellation fees.	None - amount was written-off.	1
Interest on tax directives considered late by SARS *	Matter is still under investigation	840
<b>Total</b>		<b>849</b>

*\* Interest was charged by SARS for the period of time that elapsed between the arbitration outcome and the Labour Court outcome in cases where the Department was unsuccessful. SARS deems the arbitration outcome date as the taxable date - The Department is sourcing legal advice with a view to determining the merits of an appeal in this regard.*

**22. Related party transactions**

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 and Communication 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) Provincial Forensic services
  - h) Audit Committees performing oversight functions
  - 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.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**23. Key management personnel**

	No. of Individuals	2014/15 R'000	2013/14 R'000
Political office bearers	1	1 888	1 888
Officials:			
Level 15 to 16	8	12 603	11 673
Level 14	18	17 783	13 602
<b>Total</b>		<b>32 274</b>	<b>27 163</b>

*Note: Responsible Political office bearer - Premier Helen Zille*

**24. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2015**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>HERITAGE ASSETS</b>	<b>241</b>	<b>247</b>	<b>-</b>	<b>488</b>
Heritage assets	241	247	-	488
<b>MACHINERY AND EQUIPMENT</b>	<b>219 965</b>	<b>47 922</b>	<b>14 819</b>	<b>253 068</b>
Transport assets	16 286	3 187	3 235	16 238
Computer equipment	195 330	42 652	10 958	227 024
Furniture and office equipment	7 385	1 180	503	8 062
Other machinery and equipment	959	903	123	1 739
Library material	5	-	-	5
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>220 206</b>	<b>48 169</b>	<b>14 819</b>	<b>253 556</b>

Movable Tangible Capital Assets under investigation	Number	Value R'000
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**Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:**

Machinery and equipment	186	2 881
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*186 Major assets, originally purchased at R 2,881 million (1, 1 per cent of total asset value (down from 1, 6% in 2013/14)), could not be verified during the 2014/15 asset stocktake, which covered 406 sites throughout the Western Cape Province. An age analysis of these assets reveals that:*

- a. 11 assets are up to 3 years old (original purchase value equals R0, 211 million)*
- b. 66 assets are more than 3 years but less than 5 years old (original purchase value equals R0, 790 million)*
- c. 88 assets are more than 5 years but less than 10 years old (original purchase value equals R, 1 534 million)*
- d. 21 assets are older than 10 years (original purchase value equals R0, 347 million).*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**24.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015**

	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
<b>HERITAGE ASSETS</b>	-	247	-	-	247
Heritage assets	-	247	-	-	247
<b>MACHINERY AND EQUIPMENT</b>	51 447	3 300	(6 825)	-	47 922
Transport assets	6 057	3 187	(6 057)	-	3 187
Computer equipment	42 583	69	-	-	42 652
Furniture and office equipment	1 136	44	-	-	1 180
Other machinery and equipment	1 671	-	(768)	-	903
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>51 447</b>	<b>3 547</b>	<b>(6 825)</b>	<b>-</b>	<b>48 169</b>

The difference of R9.753 million between expenditure for capital assets and the total additions of movable assets above, is mainly due to the fact that there are assets that are included in the current year assets register, but only paid in the next financial year R 0,285 million; assets that were transferred into the department R0.20 million; assets included in previous financial year asset register, but only paid in the current financial year (R1,693 million); finance lease costs (R6,825 million); assets incorrectly paid as major assets, but are minor assets (R0.56 million); consumables paid as assets (R3.473 million); assets paid in previous financial year, but included in current year asset register R0.92 million; items paid but not regarded as assets in terms of the asset management policy (R1, 521 million); and Heritage assets that were re-valued in terms of the Asset Management Policy - R0.247 million. Computer hardware and Furniture and office equipment that was transferred from other departments to this department - R0.114 million. GG vehicles purchased by Government Motor Transport and not included in the Departmental Asset Register - R3.187 million.

**24.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	178	14 641	14 819	5
Transport assets	-	3 235	3 235	-
Computer equipment	178	10 780	10 958	5
Furniture and office equipment	-	503	503	-
Other machinery and equipment	-	123	123	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>178</b>	<b>14 641</b>	<b>14 819</b>	<b>5</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**24.3 Movement for 2013/14**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	<b>71</b>	<b>190</b>	<b>-</b>	<b>20</b>	<b>241</b>
Heritage assets	71	190	-	20	241
<b>MACHINERY AND EQUIPMENT</b>	<b>189 851</b>	<b>8 146</b>	<b>34 927</b>	<b>12 959</b>	<b>219 965</b>
Transport assets	15 571	-	2 178	1 463	16 286
Computer equipment	166 873	7 925	31 431	10 899	195 330
Furniture and office equipment	7 053	137	449	254	7 385
Other machinery and equipment	349	84	869	343	959
Library material	5	-	-	-	5
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>18 922</b>	<b>8 336</b>	<b>34 927</b>	<b>12 979</b>	<b>220 206</b>

**24.3.1 Prior period error**

	Note	2013/14 R'000
<b>Nature of prior period error</b>		
Relating to 2013/14	27.1	8 146
Computer hardware		7 925
Furniture and office equipment		137
Other machinery and equipment		84
<b>Total</b>		<b>8 146</b>

*Prior period error relating to 2013/14*

*Assets not found previously and disposed of but now found in latest stock-take and therefore undisposed:*

*• Computer hardware: R0, 304 million • Furniture and office equipment: R0,005 million*

*Other machinery and equipment: R0,017 million*

*Assets identified as scrap in 2013/14 - R4, 547 million*

*Assets not verified during 2013/14 stock-take - R3, 442 million*

*Asset with barcode 45216 previously valued at R0, 018 million, now R0, 002 million - Difference of (R0, 016 million)*

*Order no OR-032111 price previously incorrect - (R0, 020 million)*

*Works of Art previously incorrectly classified - (R0, 170 million)*

**24.4 Minor assets**

	Intangible assets	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
Opening balance	-	70	18 833	18 903
Additions *	-	-	4 798	4 798
Disposals	-	-	(1 402)	(1 402)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>70</b>	<b>22 229</b>	<b>22 299</b>

*\* Included in this total is an amount of R 2 .586 million for telecommunication equipment, held for distribution to other departments.*

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**Minor Capital Assets under investigation**

	Number	Value R'000
<b>Included in the above total of the minor capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	422	748

422 minor assets, originally purchased at R0, 748 million could not be verified during the 2014/15 asset stocktake, which covered 406 sites throughout the Western Cape Province. An age analysis of these assets reveals that:

- a. 176 assets are up to 3 years old (original purchase value equals R0, 324 million)
- b. 109 assets are more than 3 years but less than 5 years old (original purchase value equals R0, 170 million)
- c. 126 assets are more than 5 years but less than 10 years old (original purchase value equals R0, 239 million)
- d. 11 assets are older than 10 years (original purchase value equals R0, 015 million).

	Intangible assets	Heritage assets	Machinery and equipment	Total
Number of minor assets at cost *	-	39	12 320	12 359
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>39</b>	<b>12 320</b>	<b>12 359</b>

\* Included in this total is 1452 telecommunication equipment assets to be distributed to other departments.

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2014**

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	-	69	18 370	18 439
Prior period error	-	-	458	458
Additions	-	1	1 498	1 499
Disposals	-	-	(1 493)	(1 493)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>70</b>	<b>18 833</b>	<b>18 903</b>

**24.4.1 Prior period error**

	Note	2013/14 R'000
<b>Nature of prior period error</b>		
Relating to 2013/14	27.1	<b>698</b>
Heritage assets		52
Machinery and equipment		646
<b>Total</b>		<b>698</b>

Prior period error relating to 2013/14  
Assets not found previously and disposed of but now found in latest stock-take and therefore undisposed:

- Other machinery and equipment: R0, 091 million
- Assets identified as scrap in 2013/14 – R0, 622 million
- Heritage assets incorrectly classified in 2013/14 – R0, 093 million
- Heritage assets were re-valued in terms of the Asset Management Policy – (R0, 041 million)
- Assets incorrectly classified in 2013/14 – (R0, 069 million)

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

25. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	1 481	320	-	1 801
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1 481</b>	<b>320</b>	<b>-</b>	<b>1 801</b>

25.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Cash	Non-cash	(Develop- ment work in progress current costs)	Received current, not paid (Paid cur- rent year, received prior year)	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	320	-	-	-	320
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>320</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>

25.2 Movement for 2013/14

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 481	-	-	-	1 481
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1 481</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 481</b>

26. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2015

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>28</b>
Other fixed structures	28	-	-	28
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>28</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**26.1 Movement for 2013/14**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>28</b>	-	-	-	<b>28</b>
Other fixed structures	28	-	-	-	28
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>28</b>	-	-	-	<b>28</b>

**27. Prior period errors**

**27.1 Correction of prior period errors**

	<i>Note</i>	2013/14 R'000
<b>Assets:</b>		
Movement in Movable tangible capital assets – Computer hardware	24.3.1	7 925
Movement in Movable tangible capital assets – Furniture and office equipment	24.3.1	137
Movement in Movable tangible capital assets – Other machinery and equipment	24.3.1	84
Movement in Minor assets – Machinery and equipment	24.4.1	646
Movement in Minor assets – Heritage assets	24.4.1	52
Current Assets: Receivables–reduced by R 0.416 million	9	(416)
Non - Current Assets: Receivables–increased by R 0.416 million	9	416
<b>Net effect</b>		<b>8 844</b>

Reasons and reconciliations provided under note 24.3.1 and 24.4.1  
The department did not present current and non-current Receivables as separate classifications on the face of its statement of financial position during the 2013/14 financial year.

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**ANNEXURE 1**

**STATEMENT OF UNCONDITIONAL TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
City of Cape Town	-	-	10 702	10 702	10 700	2	-
Drakenstein	-	-	100	100	100	-	-
	-	-	<b>10 802</b>	<b>10 802</b>	<b>10 800</b>	<b>2</b>	-

**ANNEXURE 2**

**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

AGENCY	TRANSFER ALLOCATION				TRANSFER		2013/14
	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 Limited	34	-	16	50	29	58%	24
	<b>34</b>	-	<b>16</b>	<b>50</b>	<b>29</b>	<b>58%</b>	<b>24</b>

**ANNEXURE 3**

**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				TRANSFER		2013/14
	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
<b>Transfers</b>							
Library Business Corners	12 200	-	-	12 200	12 200	100%	11 500
Cape Higher Education Consortium	500	-	-	500	500	100%	500
Cape Town Partnership	-	-	500	500	500	100%	500
<b>Total</b>	<b>12 700</b>	-	<b>500</b>	<b>13 200</b>	<b>13 200</b>	<b>100%</b>	<b>12 500</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**ANNEXURE 4**

**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				TRANSFER		2013/14
	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
<b>Transfers</b>							
Employees - Leave Gratuities	-	-	446	446	440	99%	762
Injury on duty	-	-	26	26	23	88%	41
Claims against the state	-	-	137	137	136	99%	6 832
Severance packages	-	-	-	-	-	-	421
Non-profit institutions: Donations	200	-	(35)	165	165	100%	167
Non-profit institutions: Sponsorship	200	-	170	370	359	97%	239
Remissions, refunds, and payments made as an act of grace	-	-	-	-	-	-	8
<b>Total</b>	<b>400</b>	<b>-</b>	<b>744</b>	<b>1 144</b>	<b>1 123</b>		<b>8 470</b>

**ANNEXURE 5**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF SPONSORSHIP	2014/15	2013/14
		R'000	R'000
<b>Received in cash</b>			
Insights at Pacific Community Ventures.	Sponsorship in support of travel expenses.	-	30
<b>Total</b>		<b>-</b>	<b>30</b>

**ANNEXURE 6**

**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2015 - LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2014	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2015	Guaranteed interest for year ended 31 March 2015	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	111	-	-	-	-	111	-	-
	<b>TOTAL</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111</b>	<b>-</b>	<b>-</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2015**

**ANNEXURE 7**

**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2015**

Nature of Liability	Opening Balance 1 April 2014	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable	Closing Balance 31 March 2015
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Ntinga Technologies CC – Claim for services rendered.	557	-	557	-	-
Ambius – Claim for services rendered.	14	-	14	-	-
Legal Services – Alleged unfair labour practice and interpretation of collective agreement (OSD).	3 158	-	-	-	3 158
Ex-employee of the Provincial Development Council – Labour dispute.	428	-	-	-	428
Ex-employee – Alleged unfair labour practise	-	293	-	-	293
<b>TOTAL</b>	<b>4 157</b>	<b>293</b>	<b>571</b>	<b>-</b>	<b>3 879</b>

**ANNEXURE 8**

**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2014/15	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
WC: Local Government	20	14	5	-	25	14	07/04/15	5
WC: Provincial Treasury	15	4	-	-	15	4	-	-
WC: Social Development	152	-	6	7	158	7	07/04/15	108
WC: Transport and Public Works	73	68	-	-	73	68	-	-
WC: Economic Development and Tourism	156	54	50	323	206	377	07/04/15	50
WC: Human Settlements	91	1	-	-	91	1	-	-
WC: Provincial Parliament	52	21	-	-	52	21	-	-
WC: Agriculture	65	-	-	-	65	-	-	-
WC: Education	214	-	-	-	214	-	-	-
WC: Health	151	-	-	-	151	-	-	-
WC: Cultural Affairs and Sport	8	-	-	-	8	-	-	-
WC: Community Safety	165	-	-	-	165	-	07/04/15	118
WC: Environmental Affairs and Development Planning	1	-	-	-	1	-	07/04/15	1
EC: Education	52	-	-	-	52	-	-	-
EC: Office of the Premier	-	-	70	-	70	-	-	-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

**CLAIMS RECOVERABLE (ANNEXURE 8 - continued)**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2014/15	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
South African Police Service	-	-	88	-	88	-	-	-
Department: Home Affairs	-	-	-	2	-	2	-	-
The Presidency	-	-	8	8	8	8	-	-
Department: Sports, Arts, Culture and Recreation	-	-	-	18	-	18	-	-
Department: Government Communications Information	-	-	-	7	-	7	-	-
Department: Cooperative Governance	-	-	-	23	-	23	-	-
	1 215	162	227	388	1 442	550		282
<b>Other Government Entities</b>								
Eden District Municipality	-	-	-	7	-	7	-	-
Cape Nature Board	-	-	28	13	28	13	-	-
SASSA	-	-	-	124	-	124	-	-
Beaufort West Municipality	-	-	1	-	1	-	-	-
Bitou Municipality	-	-	3	-	3	-	-	-
Breede Valley Municipality	-	-	2	-	2	-	-	-
Cape Agulhas Municipality	-	-	43	-	43	-	-	-
City of Cape Town	-	-	50	-	50	-	-	-
Clanwilliam Municipality	-	-	1	-	1	-	-	-
Drakenstein Municipality	-	-	8	-	8	-	-	-
George Municipality	-	-	42	-	42	-	-	-
Hessequa Municipality	-	-	12	-	12	-	-	-
Kannaland Municipality	-	-	40	-	40	-	-	-
Knysna Municipality	-	-	2	-	2	-	-	-
Matzikama Municipality	-	-	43	-	43	-	-	-
Mosselbay Municipality	-	-	79	-	79	-	-	-
Overstrand Municipality	-	-	14	-	14	-	-	-
Prince Albert Municipality	-	-	1	-	1	-	-	-
Saldanha Bay Municipality	-	-	6	-	6	-	-	-
Stellenbosch Municipality	-	-	12	-	12	-	-	-
Swartland Municipality	-	-	1	-	1	-	-	-
Swellendam Municipality	-	-	52	-	52	-	-	-
Theewaterskloof Municipality	-	-	4	-	4	-	-	-
Petroleum Agency SA	-	-	2	-	2	-	-	-
Regional Planning Surveyors	-	-	14	-	14	-	-	-
	-	-	459	144	459	144	-	-
<b>TOTAL</b>	<b>1 215</b>	<b>162</b>	<b>686</b>	<b>532</b>	<b>1 901</b>	<b>694</b>	<b>-</b>	<b>282</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2015

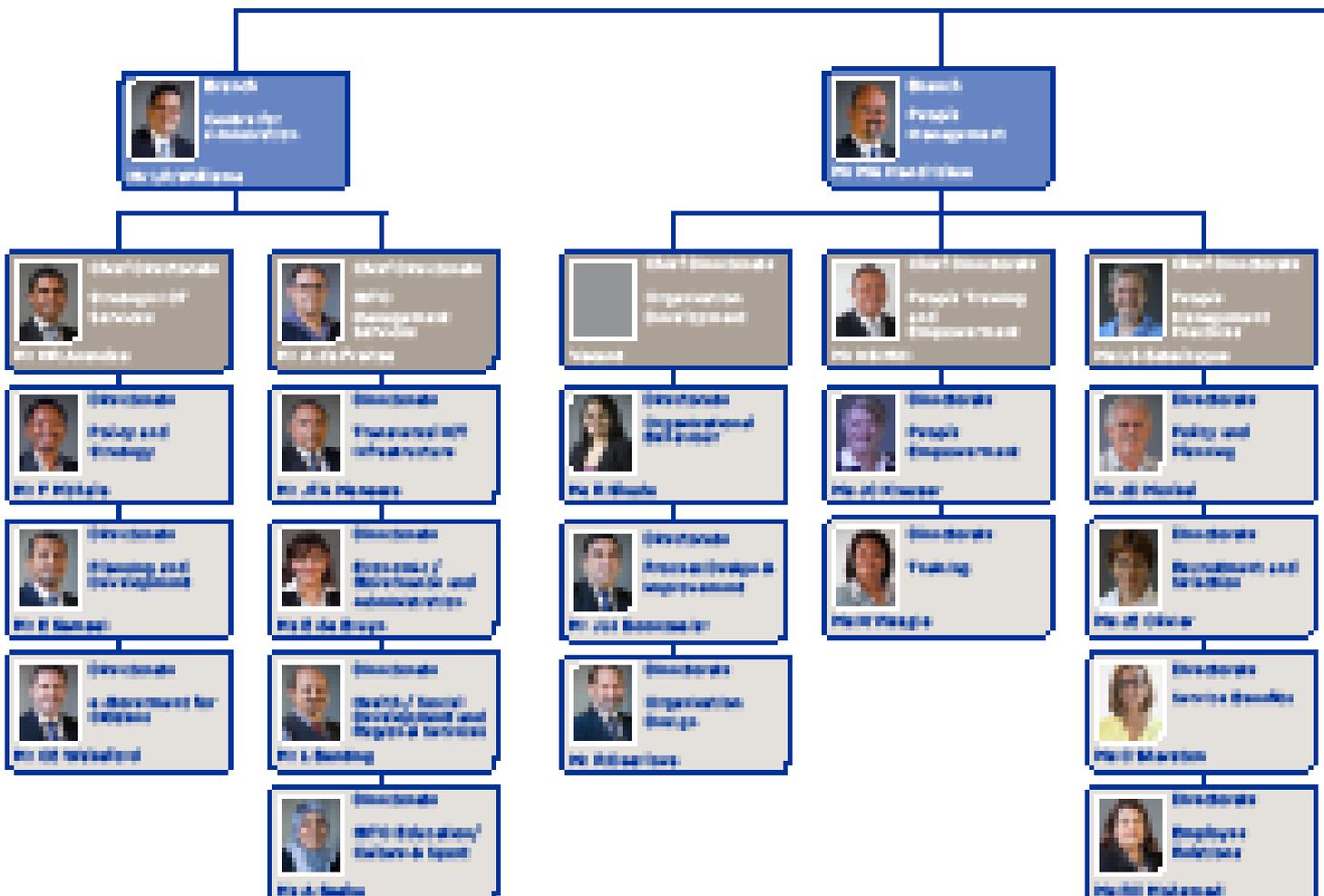
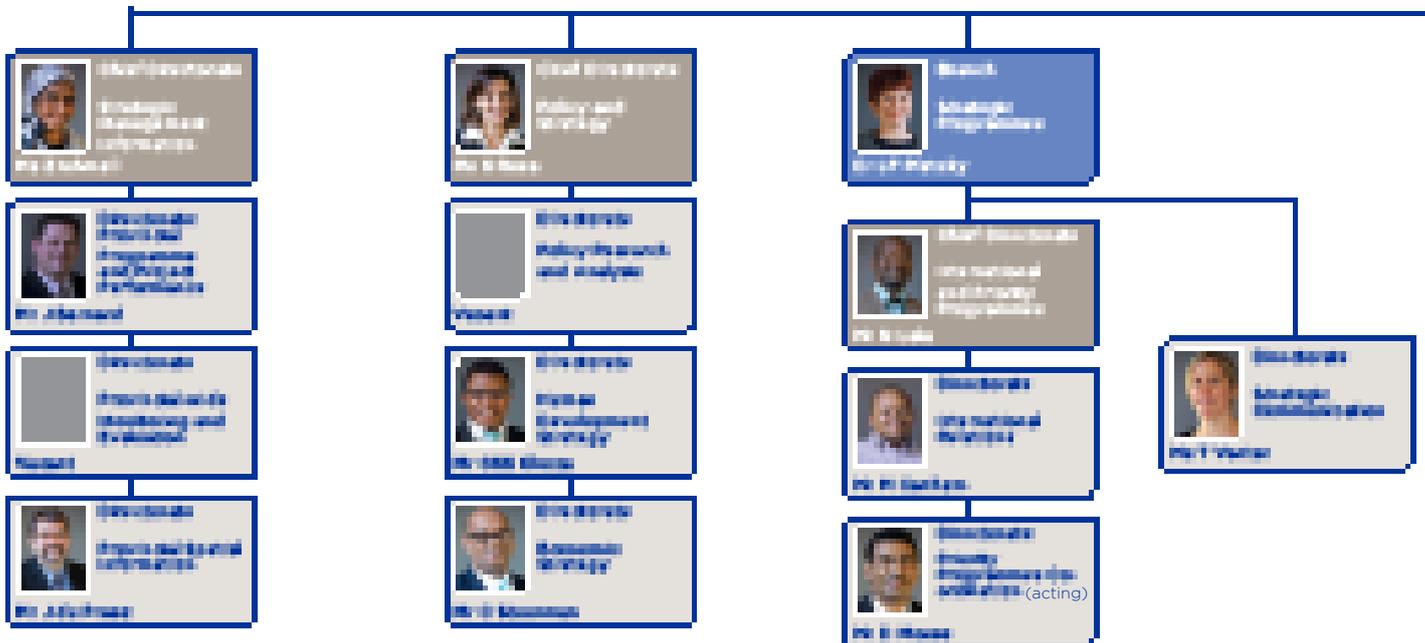
**ANNEXURE 9**

**INTER-GOVERNMENT PAYABLES**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2014/15	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENTS</b>								
<b>Current</b>								
Department: Justice and Constitutional Development	-	-	36	598	36	598	-	-
South African Police Service	1	-	7	-	8	-	-	-
WC Health	150	26	4	-	154	26	07.04.2015	4
WC Agriculture	1	-	-	-	1	-	-	-
WC Transport & Public Works	-	550	-	-	-	550	-	-
WC Provincial Treasury	-	172	-	-	-	172	-	-
WC Human Settlements	-	-	-	103	-	103	-	-
<b>Subtotal</b>	<b>152</b>	<b>748</b>	<b>47</b>	<b>701</b>	<b>199</b>	<b>1 449</b>		<b>4</b>
<b>Non-current</b>								
Department : Justice and Constitutional Development	-	-	518	-	518	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>518</b>	<b>-</b>	<b>518</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>152</b>	<b>748</b>	<b>565</b>	<b>701</b>	<b>717</b>	<b>1 449</b>	<b>-</b>	<b>4</b>
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
Government Motor Transport	1 470	830	-	-	1 470	830	-	-
<b>Subtotal</b>	<b>1 470</b>	<b>830</b>	<b>-</b>	<b>-</b>	<b>1 470</b>	<b>830</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 622</b>	<b>1 578</b>	<b>565</b>	<b>701</b>	<b>2 187</b>	<b>2 279</b>	<b>-</b>	<b>4</b>

# ANNEXURE A:

## **ORGANISATIONAL STRUCTURE OF THE DEPARTMENT OF THE PREMIER**









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**Western Cape  
Government**

Department of the Premier

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