



**Western Cape
Government**

Economic Development
and Tourism



Annual Report 2018/19
Economic Development and Tourism

Department of Economic Development and Tourism

Province of the Western Cape

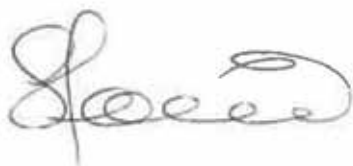
Annual Report
2018/19

SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

Mr David Maynier

Minister of Finance and Economic Opportunities

I have the honour of submitting the Annual Report of the Department of Economic Development and Tourism for the period 1 April 2018 to 31 March 2019.

A handwritten signature in black ink, appearing to read 'Solly Fourie', is centered on the page.

**MR SOLLY FOURIE
ACCOUNTING OFFICER
DATE: 26 AUGUST 2019**

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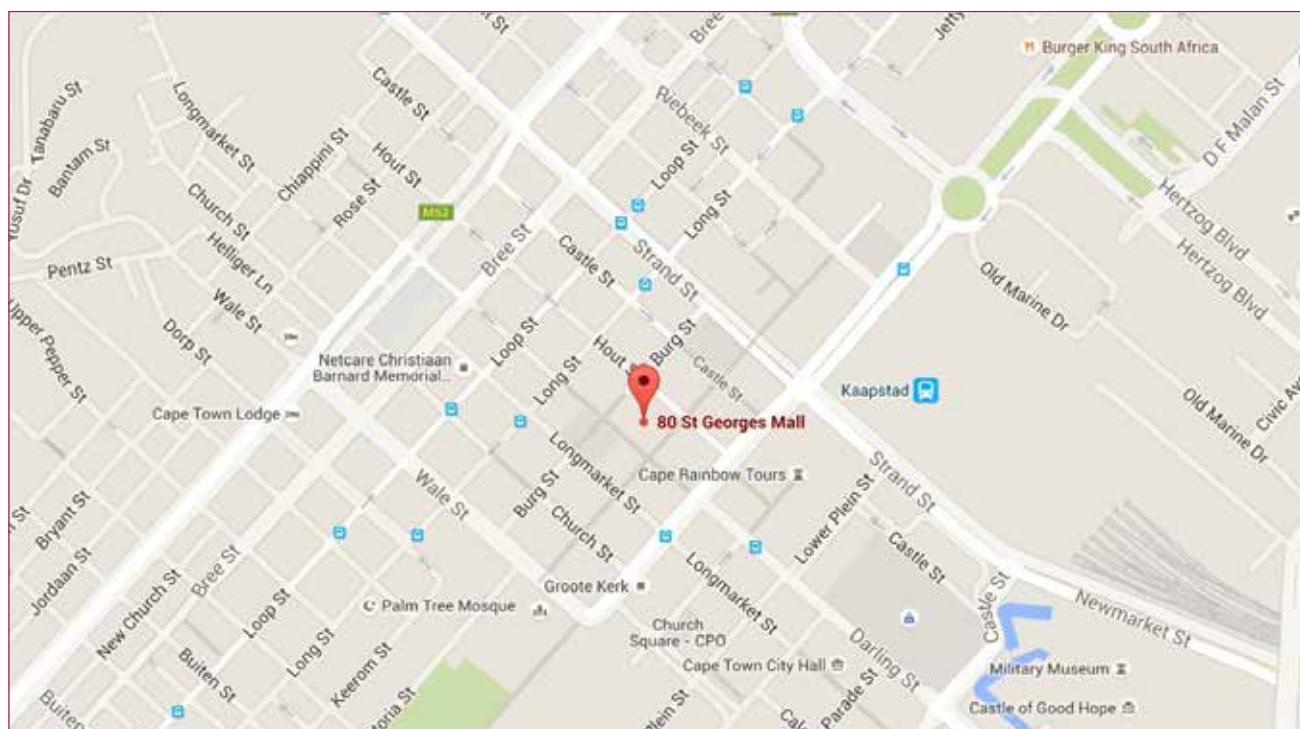


Part A:
General Information

PART A: GENERAL INFORMATION

1. DEPARTMENT'S GENERAL INFORMATION

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Source: Google Maps, 2015

2. LIST OF ABBREVIATIONS/ACRONYMS

ACSA	Airports Company South Africa
AFS	Audited Financial Statement
AGSA	Auditor-General of South Africa
AIFMRM	African Institute for Financial Markets and Risk Management
AO	Accounting Officer
AOPI	Auditing of Performance Information
APP	Annual Performance Plan
BAS	Basic Accounting System
BBBEE	Broad-based Black Economic Empowerment
BER	Bureau for Economic Research
BESP	Built environment Support Programm
BPeSA	Business Process enabling South Africa
BPO	Business Process Outsourcing
CASIDRA	Cape Agency for Sustainable Integrated Development in Rural Areas
CATHSSETA	Culture, Arts, Tourism, Hospitality, Sports, Sector Education and Training Authority
CBMT	Competency-based Modulator Training
CCDI	Cape Craft and Design Institute
CCTC	Cape Clothing and Textile Cluster
CEI	Centre for e-Innovation
CITI	Cape Information and Technology Initiative
CLOTEX	Cape Clothing and Textile Service Centre
CMT	Cut, Make and Trim
CPUT	Cape Peninsula University of Technology
CRDP	Comprehensive Rural Development Programme
CSC	Corporate Services Centre
CTFC	Cape Town Fashion Council
CTGA	Cape Tourist Guides Association
CTICC	Cape Town International Convention Centre
CTCIP	Clothing and Textile Competitiveness Improvement Programme
DAFF	Department of Agriculture, Forestry and Fisheries
DBSA	Development Bank of Southern Africa
DEADP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DITCOM	Departmental IT Committee
DMO	Destination Marketing Organisation
DPME	Department of Planning, Monitoring & Evaluation
DPSA	Department of Public Service and Administration
DST	Department of Science and Technology
DTM	Departmental Top Management
DTPW	Department of Transport and Public Works
DTI	Department of Trade and Industry
EBA	Established Business Activity
ECM	Electronic Content Management
ED	Enterprise Development
EDP	Economic Development Partnership
EE	Employment Equity
EHWP	Employee Health and Wellness Programme
EIA	Environmental Impact Assessment
EPWP	Extended Public Works Programme
ERM	Enterprise Risk Management

FET	Further Education and Training
GDP	Gross Domestic Product
GDPR	Gross Domestic Product per Region
GEM	Global Entrepreneurship Monitor
GMT	Government Motor Transport
HCT	HIV Counselling and Testing
HDI	Historically Disadvantaged Individual
HOD	Head of Department
HRD	Human Resource Development
HSP	Human Settlements Plan
ICAN	Integrated Community Access Network
ICAS	Independent Counselling and Advisory Service
ICT	Information and Communications Technology
IDC	Industrial Development Corporation
IDZ	Industrial Development Zone
IEDS	Integrated Economic Development Services
IFRS	International Financial Reporting Standards
ISO	International Organisation for Standardisation
IT	Information Technology
JMA	Joint Marketing Agreement
KZN	KwaZulu-Natal
LED	Local Economic Development
LLT	Liquor Licencing Tribunal
LRA	Labour Relations Act
M&E	Monitoring and Evaluation
MCOE	Management of Compensation of Employees
MEC	Member of Executive Council
MERO	Municipal Economic Review and Outlook
MOA	Memorandum of Agreement
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework Pre-determined Objectives
NDP	National Development Plan
NDT	National Department of Tourism
NEF	National Empowerment Fund
NFVF	National Film and Video Foundation
NGO	Non-Governmental Organisation
NO	National Outcome
NPO	Non-Profit Organisation
NT	National Treasury
OCP	Office of the Consumer Protector
OD	Organisational Design
PACA	Participatory Appraisal of Competitive Advantage
PDO	Pre-determined Objectives
PERA	Premier's Entrepreneurship Recognition Awards
PERO	Provincial Economic Review and Outlook
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy

PILIR	Policy on Incapacity Leave and Ill-Health Retirement
PPP	Public Private Partnership
PSCBC	Public Service Commission Bargaining Chamber
PSDF	Provincial Skills Development Forum
PSG	Provincial Strategic Goal
PSG 1	Provincial Strategic Goal 1
PSO	Provincial Strategic Objective
PSP	Provincial Strategic Plan
PT	Provincial Treasury
PWD	People with Disabilities
RIA	Regulatory Impact Assessment
RIN	Regional Innovation Network
RLED	Rural and Local Economic Development
RPL	Recognition of Prior Learning
RTLCL	Regional Tourism Liaison Committee
SALGA	South African Local Government Association
SAOGA	South African Oil and Gas Alliance
SAPS	South African Police Service
SARS	South African Revenue Service
SAT	South African Tourism
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SDA	Service Delivery Agreement
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Agency
SETA	Sector Education and Training Authority
SEZ	Special Economic Zone
SITA	State Information Technology Agency
SME	Small and Medium Enterprises
SMME	Small, Medium and Micro Enterprises
SOE	State-owned Enterprise
SPV	Special Purpose Vehicle
STATSSA	Statistics South Africa
TGCSA	Tourism Grading Council of South Africa
TNPA	Transnet National Ports Authority
TSD	and Sector Development
TFDS	Total Foreign Direct Spend
TVET	Technical and Vocational Education and Training
UCT	University of Cape Town
UK	United Kingdom
UNWTO	United Nations World Tourism Organisation
WCADI	Western Cape Aquaculture Initiative
WCFFI	Western Cape Fine Food Initiative
WCG	Western Cape Government
WCLA	Western Cape Liquor Authority
WCM	World Class Manufacturing
WCSD	Western Cape Supplier Database
WCTI	Western Cape Tooling Initiative
Wesgro	Western Cape Investment and Trade Promotion Agency
WISP	Western Cape Industrial Symbiosis Project
W&R SETA	Wholesale & Retail Sector Education and Training Authority

3. FOREWORD BY THE MINISTER

In fulfilling our vision of a Western Cape that has a vibrant, innovative and sustainable economy, the focus of the Department of Economic Development and Tourism continues to be the creation and maintenance of an enabling business environment for private sector-led economic growth and jobs.

During the 2018/19 year, the consistent strategic approach and Project Khulisa sector-specific interventions were successful for the province, despite tough economic challenges in the economy.

The Western Cape recorded the lowest unemployment rate in South Africa, a higher economic growth rate than the rest of South Africa and outperformed the rest of the country on the national business confidence rate.

In the oil and gas sector, the Saldanha Bay IDZ reached an advanced stage, putting the necessary infrastructure in place to attract investors, and has since begun moving into an operational phase. To date, six investor deals have been concluded.

A highlight in the agri-processing space was the inaugural Africa Halal week successfully hosted by the Department and Wesgro during October 2018, which saw over 100 Western Cape Halal businesses showcasing their Halal certified products.

In the tourism sector, the gross value added (GVA) grew by 3.5%. A highlight for the Department was the unveiling of the Nelson Mandela statue on the balcony of the City Hall.

Tireless efforts by the Cape Town Air Access team to advance connectivity to Cape Town, contributed towards the introduction of 13 new routes and the facilitation of 14 route expansions.

While the Ease of Doing Business strategy made it easier to operate a business in the Western Cape, we achieved the R1 billion target in red tape savings and economic benefits as set out in the Provincial Strategic Plan 2014-2019.

The Department continued to support SMMEs during the 2018/19 year. Together with the Provincial Treasury, 610 suppliers were reached, enhancing their ability to do business with government. The Department also launched JUMP, our mobile-first business support digital platform providing access to mapped services, tools, resources and opportunities for SMMEs in the Western Cape.

Furthermore, in collaboration with the National Empowerment Fund, the Department supported the Pick n Pay Township Economy Revitalisation initiative to enable the township retail sector to increase turnover and employment. While, the Funding Fair, in collaboration with Deloitte, facilitated contact between entrepreneurs and various funding institutions, and was the most successful to date with 1 200 delegates and 26 exhibitors attending.

Investment in the digital economy has continued through the delivery of the Western Cape's Broadband Strategy and a positive enabling environment contributed towards the province providing the highest level of household internet access in the country. During 2018/19, the Department partnered with IBM and Google to expand the digital literacy programme.

In establishing the Western Cape as a green economy hub, the Atlantis Greentech Special Economic Zone was designated in October 2018. To date, R680 million in investment has already been attracted, creating 312 jobs with 11 new investors showing interest.

Finally, the Department's skills team through the Apprenticeship Game Changer created awareness about apprenticeship as a launch-pad to career opportunities and the importance of mathematics as subject. Overwhelming support was experienced from employers to play a more active role in addressing the disjuncture between skills demand and skills supply.

I'd like to acknowledge and thank the Department, under the leadership of Mr Solly Fourie, for their efforts in creating an environment conducive to economic growth and job creation. While we celebrate successes, lessons learned throughout the reporting period will also help us shape our future efforts to serve the citizens of the Western Cape, better together.



MINISTER DAVID MAYNIER

MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES

4. REPORT OF THE ACCOUNTING OFFICER

The year under review has once again provided the Department with the opportunity to establish itself as a leader in the creation of a conducive and growing economic environment. The activities of the Department span a wide range of economic interventions and the aim of supporting a demand-led, private sector-driven approach to economic development was again successfully delivered.

Achievement for the year

In a period of unprecedented uncertainty, both nationally and internationally, the Western Cape has managed to increase employment year-on-year once again, with an additional 18 000 jobs added to the provincial economy over the past year (Q2: 2019 compared to Q2: 2018).

More importantly, the Western Cape experienced Labour Force Absorption and Labour Force Participation rates of 53.8% and 67.6%, respectively. (Stats SA: Q2: 2019 Labour Force Survey).

THE Department has a key role in stimulating economic growth through the creation of conducive business environment fundamentals. This in turn builds confidence within the regional economy and allows for investors to take the risk of investing in a region`s economy because the economic enabling environment reduces the investment risk.

The Department contributes to the enabling of the confidence which business has in a region`s economy, through the reduction of Red Tape, provision of Skills Development, Support to Small, Medium and Micro enterprises and working hard to establish catalytic economic infrastructure which provides incentives for investors through a plethora of ease of doing business interventions.

Our Red Tape Reduction Unit continues to do sterling work and many businesses were assisted with the elimination of inhibiting red tape. In fact, the unit was very successful in responding to the needs of business and over R1 billion were saved by businesses through the unit`s interventions over the last four years.

We have continued to assist Small, Medium Enterprises via our Enterprise Development Program in addition to enabling business to do business in an easier and more business friendly environment. The Western Cape Funding Fair, hosted in partnership with Deloitte remains a highlight of the financial year, with over 1 200 business attending the Fair.

Work on both the Energy and Apprenticeship Game Changers were continued during the year and this dedicated approach to addressing two of the key enabling infrastructure levers will continue to make a significant contribution to the region being more competitive and responsive to the demands of investors.

The Apprenticeship Game Changer targeted two main areas: the number of learners entering the work place and the number of completing the work placement period. As at December 2018, 11 275 youth entered work places and it is estimated that by end March 2019, 13 221 learners would have entered the work place.

We have continued to drive successful delivery on Project Khulisa, which is aimed at growing the Tourism, Agri Processing and Oil & Gas services sector. These three sectors have received accentuated focus during the year and together with our continued funding of other key sectors, sector support across a wide range of the economy has flourished.

We were pleased to co-host the Africa Halal Week in October 2018, where 66 exhibitors displayed their products and 20 international buyers attending the event.

Of course Tourism remains one of our key sectors for job propelling opportunities and in Q2 of 2018, the estimated Total Foreign Direct Spend in the Western Cape reached R4.7 billion. Of particular interest have been the phenomenal success achieved by the Air Access team to land 13 new direct flights and 750 000 new seats directly into Cape Town. The success in Air Access has also stimulated the logistics around cargo and this in turn boosts the export of goods produced by the Agri-processing industries.

Increase in investment bodes well for future growth and subsequent job creation from the enhanced investor interest. In addition, the region has once again enjoyed a very successful visitor season, and this can be attributed to the increased destination marketing efforts and the dedicated approach of the Tourism sector within Project Khulisa.

Our collaborative work and oversight role over Wesgro and the Saldanha Bay IDZ has seen growth in the number and size of investment landed. The successful establishment of the Saldanha IDZ Licencing Company is the foundation for significant growth within the West Coast Industrialisation. It is my view that the IDZ will serve as a major catalyst for economic growth in the region.

Work has also started on the Atlantis SEZ, which was designated as a Special Economic Zone for the Clean Technology sector in December 2018.

The Department has been able to deliver the sterling results detailed above within a strong commitment to Good Corporate Governance. The Department has posted a 6th consecutive “clean” audit, which is testimony of the sound financial governance and commitment to good administration, built on sound governance principles.

The detailed achievements of the Department are reflected later in this report as part of the programmatic feedback.

Challenges for the year

We continue to experience slow economic growth and, together with the country’s poor investment risk ratings, the economy remains under pressure. In addition, the domestic consumption trends are demonstrating declining demand due to high levels of domestic debt and lower aggregated disposable income.

These challenges lead to limited demand and low investor confidence. This in turn leads to reduced investment and subsequently lower demand for labour, leading to increased unemployment. However, notwithstanding this, we are confident that by continuing to create an enabling economic environment, investors will find opportunities in the region which is more competitive and supportive.

Departmental receipts

Departmental receipts	2018/19			2017/18		
	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	-	-	-	-	-	-
Non Tax Receipts	315	483	(168)	298	4 424	(4 126)
Sale of goods and services other than capital assets	315	483	(168)	298	438	(140)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	-	27	(27)	-	39	(39)
Sale of capital assets	-	19	(19)	-	22	(22)
Financial transactions in assets and liabilities	-	615	(615)	-	3 925	(3 925)
Total	315	1 144	(829)	298	4 424	(4 126)

During the financial year, the Department over-collected on its financial transactions in assets and liabilities by an amount of R829 000.

In terms of the tourist guide registration fees, 1 703 tourist guides were registered during the financial year resulting in an over-collection of revenue of R168 000. Other notable over-collections in revenue is attributed to the sale of obsolete equipment to staff amounting to R19 000 and interest earned from the application of debt management systems. The Primary contributor to the over-collection of revenue is attributed to Financial Transactions in assets and liabilities which accounted for R615 000.

Programme expenditure

In terms of final expenditure over the past two financial years, the Department has managed to expend 98.94% or R424.396 million of its adjusted appropriation in the 2018/19 financial year, compared to the 98.51% or R399.303 million spent in the 2017/18 financial year.

Programme Name	2018/19			2017/18		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	58 446	57 653	793	58 541	58 067	474
Integrated Economic Development Services	46 208	46 150	58	38 292	37 174	1 118
Trade and Sector Development	47 659	47 204	455	51 430	49 542	1 888
Business Regulation and Governance	9 731	9 684	47	11 069	10 600	469
Economic Planning	136 184	134 244	1 940	129 573	129 350	223
Tourism, Arts and Entertainment	59 670	59 339	331	54 030	53 397	633
Skills Development and Innovation	71 044	70 122	922	62 409	61 173	1 236
Total	428 942	424 396	4 546	405 344	399 303	6 041

Virements

By the end of the 2018/19 financial year, virements were undertaken to defray over expenditure across main divisions within the vote. These virements were applied as follows:

Programme 2: Integrated Economic Development Services: A virement to the Programme was done to supplement the implementation of the Western Cape Funding Fair.

Programme 6: Tourism, Arts and Entertainment: A virement to the Programme was done during the 2018/19 year for the implementation of the Air Access project.

Roll overs

No roll overs were received during the 2018/19 financial year.

During the 2018/19 financial year a total of R4.039 million was realigned for implementation in the 2019/20 financial year. Funds were realigned as follows:

Programme 1: Administration

- R2.600 million re-alignment of funding for Strategic projects to the 2019/20 financial year.
- R1.100 million for the purpose of progressing to a 2nd phase of the Evaluation of the Software Development @ Schools program to be re-aligned to the 2019/20 financial year.

Programme 5: Economic Planning

- R339 000 re-alignment of funding for Strategic projects to the 2019/20 financial year.

Future plans of the Department

The Department will continue to drive the creation of an environment which makes it easier for businesses to grow and expand. We will ensure that we put our Red Tape Reduction program “on steroids” and make sure that we unblock binding constraints to ensure that businesses find it easier to operate in the Western Cape.

The Department is fully committed to fulfil its mandate to provide leadership for the continued establishment of an enabling environment for economic growth and expansion, leading to increased opportunities for prosperity for all citizens.

Public Private Partnerships

There are no PPP undertaken by the Department of Economic Development and Tourism.

Discontinued activities/activities to be discontinued

No activities were discontinued during the 2018/19 financial year.

New or proposed activities

During the next year and the ensuing strategic period, the department will seek to address the challenges of Youth Unemployment; the needs of Informal Economies; Digital Economy and the 4th Industrial Revolution; Spatial Economic Growth; Economic Advocacy and building the “Open for Business” brand for the Western Cape, and continuing to ensure that the economy of the Western Cape is resilient against Water, Energy, Waste disposal and Technology shocks.

This is all in pursuit of continuing the creation of an environment which support opportunities for growth and jobs.

Investment into Catalytic Economic Infrastructure will also focus strongly on the establishment of the Atlantis Special Economic Zone and together with the roll-out of the next phase of growth in the Saldanha Bay Industrial Zone, ensure that we continue to partner with National Departments, to unlock the many opportunities for growth and expansion of the economy within these industrial zones.

SCM processes and systems to prevent irregular expenditure

A large percentage of the Department’s work is undertaken through the supply chain processes and as such this is critical to the business of the Department. In the financial year under review, the SCM processes were critically reviewed to combat waste and corruption as well as to improve efficiencies.

As part of the effort to improve efficiencies, the Department identified more intelligent ways to procurement to realise value for money, create opportunities and promote beneficial change. The Department has therefore, appointed a panel of prospective service providers through a competitive bidding process that can be called upon

for the Apprenticeship Game Changer programme. The Department intends rolling-out similar strategic sourcing categories of services in its spending portfolio.

In the 2018/19 financial year the Department procured goods and services according to the procurement plan with only a 0.85% deviation.

The Department continuously maintains and manages moveable assets on the LOGIS system. The year-end physical verification of all moveable assets was started on 12 February 2019 and completed on 28 February 2019. All the moveable assets acquired in the year under review have been accounted for and accurately captured on the Asset Register as per the Asset Management Framework and the Public Finance Management Act.

Conflict of interest is at least managed through procurement and other processes. DEDAT continuously ensures that:

- Senior management, supply chain management practitioners, role players and Bid committee members disclose their financial interest. The service providers are required to disclose their financial interests and connected government employees through the supply chain management processes.
- Vetting of senior management, staff and key suppliers.
- Verification of bidders' conduct against the register of tender defaulters.

In addition, all staff appointed within the Supply Chain Management unit, complete a Declaration of Interest and acknowledgement of the content of the Code of Conduct form which is kept on file by the Head of SCM.

Gifts and Donations received in kind from non-related parties

Name	Designation	Nature	Estimated Value	Relationship with receiver
Thobeka Pongoma	Admin Officer	Soup ingredients and scarf - Appreciation for past business given to CTICC.	R150	None
Solly Fourie	HOD	Bottle Groot Constantia wine.	R115	-
Rashid Toefy	DDG	VIP Loyalty Card: CTICC 'Your Key to Exclusivity 2018/19' - Provides complimentary discounts for R. Toefy.	No stipulated amount as the card provides discounts.	Ex-employer
Solly Fourie	HOD	Exclusive Books Gift Voucher in the form of a digital card (valid for 36 months).	R500	Government Official
Khalid Khan	DD Agri-processing	Crafted Plate - Received from a Turkish Delegation after a meeting with the official.	R200	None
Rashid Toefy	DDG	Snack gift basket - Year-end gift.	R200	Partner on Safety Programme
Rashid Toefy	DDG	Two bottles of Zari Sparkling Grape Juice - Appreciation for partnership between DEDAT and Halal Forum Industry.	R60	DEDAT stakeholder in the Halal industry

Exemptions and deviations received from the National Treasury

The Department did not have any exemptions or deviations from National Treasury.

Events after the reporting date

The Western Cape Government (WCG) is in the process of establishing a provincially owned company (the Special Economic Development Infrastructure Company or SEDIC) to manage a range of infrastructure projects in which the Province has an interest.

The Western Cape Special Economic Development Infrastructure Company Act 2019 was promulgated on 3 April 2019 by the Provincial Legislature.

Acknowledgements

I acknowledge and appreciate the support, leadership, guidance and encouragement given by the former MECs, Alan Winde and Beverley Schäfer and their office staff as well as the Cabinet of the Western Cape during the financial year. Thank you, also, to my hard-working and dedicated management team, and DEDAT staff who have remained committed and focussed to ensure that we continue to progress in achieving our goals and objectives.

Finally, thank you to all our business partners and economic stakeholders who have engaged with DEDAT over the year and contributed to our vision to grow the economy.



MR SOLLY FOURIE
ACCOUNTING OFFICER
DATE: 26 AUGUST 2019

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 2019.

Yours faithfully,



MR SOLLY FOURIE
ACCOUNTING OFFICER
DATE: 26 AUGUST 2019

6. STRATEGIC OVERVIEW

6.1 Vision

The Department's vision is a Western Cape that has a vibrant, innovative and sustainable economy, characterised by growth, employment and increasing equity, and built on the full potential of all.

6.2 Mission

To achieve the vision statement as noted above, the Department of Economic Development and Tourism will provide leadership to the Western Cape economy through the Department's understanding of the economy, its ability to identify economic opportunities and potential, and its contribution to government economic priorities.

The Department will also act as a catalyst for the transformation of the economy and respond to the challenges and opportunities of its economic citizens, in order to support the government's goal of creation of opportunities for business and citizens to grow the economy and employment.

Lastly, it will contribute to the provision of a predictable, competitive, equitable and responsible environment for investment, enterprise and trade.

6.3 Values

The core values of the Department espouse are:



CARING

To care for those we serve and work with



COMPETENCE

The ability and capacity to do the job we are appointed to do



ACCOUNTABILITY

We take responsibility



INTEGRITY

To be honest and do the right thing



INNOVATION

To be open to new ideas and develop creative solutions to problems in a resourceful way



RESPONSIVENESS

To serve the needs of our citizens and employees

7. LEGISLATIVE MANDATE

Several acts play a role in the Department's work ambit. The more important acts and policies are mentioned:

Public Finance Management Act, 1999 (Act 1 of 1999)

The Act regulates financial management in the Department to ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively and provides the responsibilities and authority to persons entrusted with financial management in the Department.

Western Cape Investment and Trade Promotion Agency Law, 1996 (Act 3 of 1996) as amended by the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013).

The Law establishes the Western Cape Investment and Trade Promotion Agency (Wesgro). It was amended by the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013), which amended the principal act so as to extend the objects, powers and functions of the Western Cape Investment and Trade Promotion Agency and the powers and duties of directors of the Board of the Agency (the Board) and the Chief Executive Officer to include tourism promotion.

Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003), as amended by the BBBEE Amendment Act, 2013 (Act 45 of 2013)

The BBBEE Act establishes a legislative framework for the promotion of black economic empowerment; empowers the Minister to issue codes of good practice, and to publish transformation charters; establishes the Black Economic Empowerment Advisory Council; and provides for matters connected therewith.

The BBBEE Amendment Act introduced a number of changes, of which the following are deemed to be the most significant:

- The establishment of a BBBEE Commission that provides an oversight and advocacy role.
- The definition of "fronting practices" and the criminalisation of such practices.
- All organs of state to report on compliance with BBBEE regulations in their annual reports.

The amendments to the BBBEE Codes of Good Practice came into effect on 01 May 2015.

Consumer Protection Act, 2008 (Act 68 of 2008)

The CPA promotes a fair, accessible and sustainable marketplace for consumer products and services and for that purpose establishes national norms and standards relating to consumer protection, provides for improved standards of consumer information, prohibits certain unfair marketing and business practices, promotes responsible consumer behaviour, promotes a consistent legislative and enforcement framework relating to consumer transactions and agreements; and establishes the National Consumer Commission.

National Small Business Act, 1996 (Act 102 of 1996), as amended by the National Small Business Amendment Act, 2004 (Act 29 of 2004)

The amendment act repealed the provisions pertaining to the Ntsika Enterprise Promotion Agency (Ntsika); provides for the establishment of the Small Enterprise Development Agency (SEDA) and makes provision for the incorporation of Ntsika, Namca and any other designated institution into the agency. Bill amended the National Small Business Act, 1996, so as to repeal all provisions pertaining to the Ntsika Enterprise Promotion Agency (Ntsika); provides for the establishment of the Small Enterprise Development Agency (SEDA) and makes provision for the incorporation of Ntsika, Namac and any other designated institution into the agency.

Municipal Systems Act, 2000 (Act 32 of 2000)

The Act provides core principles, mechanisms and processes to enable Municipalities to move progressively towards social and economic upliftment of communities and to ensure access to essential and affordable services.

Western Cape Consumer Affairs (Unfair Business Practices) Act, 2002 (Act 10 of 2002)

The Act provides for the investigation, prohibition and control of unfair business practices and establishes an Office of the Consumer Protector and Consumer Affairs Tribunals.

Tourism Act, 2014 (Act 3 of 2014)

This act makes provision for the development and promotion of sustainable tourism for the social, economic and environmental benefit of South African citizens. Its objectives include the promotion of responsible tourism practices; the effective marketing of South Africa, both domestically and internationally through South African Tourism (SAT); the promotion of quality tourism products and services; the promotion of economic growth and development of the sector, and the establishment of concrete intergovernmental relations to develop and manage tourism. It specifically makes provision for further training and registration of tourist guides, a code of conduct and ethics for tourist guides, procedures to lodging complaints and disciplinary measures.

The Cooperatives Act, 2005 (Act 14 of 2005), as amended by the Cooperatives Amendment Act, 2013 (Act 6 of 2013)

The Act prescribes that the Department responsible for economic development within the provincial government, ensures co-ordination on planning, budgeting, provisioning of services and support to and monitoring and evaluation of cooperatives.

The Membership of the Western Cape Economic Development Partnership Act, 2013 (Act 12 of 2013)

The purpose of the Act is to provide enabling legislation to regulate the relationship between the Western Cape Government and the EDP. The Act provides that the Western Cape Government may become a member of the EDP and establishes a formal relationship (inclusive of providing for transfer payments) between the two parties. The Act put forward conditions relating to the Western Cape Government's membership of the EDP and funding of the EDP through transfer payments. The Act does not regulate the governance and operations of the EDP as these are regulated by company laws. The Act was passed by Provincial Cabinet in December 2013.

The Cape Town International Convention Centre Company Act, 2000 (Act 8 of 2000)

The purpose of the Act is to provide for the Province's shareholding in the Cape Town International Convention Centre Company, for the funding provided to the Company by the Province, and to provide for matters incidental thereto.

The Special Economic Zones Act, 2014 (Act 16 of 2014)

The purpose of the Act is to provide for the designation, promotion, development, operation and management of Special Economic Zones, which includes the establishment of a business enterprise (either provincial or municipal) to manage each SEZ. Furthermore, the Act provides for the establishment and functioning of the national Special Economic Zones Advisory Board and the establishment of the Special Economic Zones Fund. Finally, the Act seeks to regulate the process of applying for and issuing of Special Economic Zones operator permits; and to provide for functions of the Special Economic Zones operator.

Saldanha Bay Industrial Development Zone Licencing Company Act, 2016 (Act 1 of 2016)

The purpose of the act is to regulate the operation of the Saldanha Bay IDZ Licencing Company SOC Ltd; to provide for the shareholding of the Western Cape government in the Saldanha Bay IDZ Licencing Company SOC Ltd; to provide for the objects, functions and governance of the Saldanha Bay IDZ Licencing Company SOC Ltd.

POLICY MANDATES

National Development Plan (NDP)

The key concepts of the NDP are:

- Uniting South Africans around a common programme.
- Citizens active in their own development.
- Faster and more inclusive economic growth.
- Building capabilities.
- A capable state.
- Leadership and responsibility throughout society.

The National Evaluation Policy Framework (NEPF, 2011)

This Policy Framework provides the basis for a minimum system of evaluation across government. Its main purpose is to promote quality evaluations which can be used for learning to improve the effectiveness and impact of government, by reflecting on what is working and what is not working and revising interventions accordingly. It seeks to ensure that credible and objective evidence from evaluation is used in planning, budgeting, organisational improvement, policy review, as well as ongoing programme and project management, to improve performance. It provides a common language for evaluation in the public service.

Provincial Strategic Plan (PSP) 2014 - 2019

The PSP 2014 – 2019 is a five-year plan that set out the Western Cape Government's strategies and plans for the past five years. It consists of five Strategic Goals, namely

- Strategic Goal 1: Create opportunities for growth and jobs.
- Strategic Goal 2: Improve education outcomes and opportunities for youth development.
- Strategic Goal 3: Increase wellness, safety and tackle social ills.
- Strategic Goal 4: Build a quality living environment, resilient to climate change.
- Strategic Goal 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.

Western Cape Green Economy Strategy Framework

The aim of the framework is to position the Western Cape as the lowest carbon province in South Africa and the leading green economic hub of the African continent.

Broadband Strategic Framework (2012)

The framework sets out a holistic approach to address access (infrastructure), readiness and usage of government, citizens and businesses in order to improve government service delivery, strengthen citizens' access to opportunities and information and increasing economic competitiveness.

SA Connect

The South African National Broadband Policy (adopted in Dec 2013) provides a framework for a robust telecommunications environment in the country. Aligned to the NDP, it asserts the economic beneficiation for broadband infrastructure can only be effected when the following conditions are met:

- Broadband must reach a critical mass of South Africans;
- Access to broadband must be affordable;
- Demand-side skills must be developed so broadband services can be used effectively; and
- Supply-side skills must be developed so that the economic and innovative potential of broadband can be exploited.

Industrial Policy Action Plan (IPAP)

The Industrial Policy Action Plan (IPAP) is firmly entrenched in Government's overall policy and plans to address the key challenges of economic and industrial growth and race based poverty, inequality and unemployment. IPAP 2018 is a product of the Economic Sectors, Employment and Infrastructure Development (ESEID) cluster. The responsibility for its implementation lies with Government as a whole and a wide range of entities, including SOCs.

IPAP 2018 focuses on the following ten key themes which inform the work of the DTI and act as a roadmap for the wider industrial effort:

- Grow the economy.
- Strengthen efforts to raise aggregate domestic demand - mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
- Step up South Africa's export effort.
- Create and reinforce policy certainty and programme alignment.
- Strengthen ongoing efforts to build a less concentrated, more competitive economic and manufacturing environment in which barriers to entry for new entrants are lowered.
- Build a stronger system of industrial finance and incentives to support and secure higher levels of private sector investment in the productive sectors of the economy and grow exports.
- Press ahead with technology-intensive, value-adding beneficiation projects which fully leverage SA's comparative resource endowment advantage into a global competitive advantage.
- Optimise technology transfer and diffusion and, working closely with the Department of Science and Technology, further ramp up the effort to commercialise "home-grown" R&D in key sectors.
- Support the further strengthening of energy-efficient production and carbon mitigation efforts and measures in a manner that allows for sustainable adaptation by all the energy-intensive sectors of the economy.
- Understand, grasp and prepare for the foreseeable effects of the Digital Industrial Revolution and emergent disruptive technologies, collaboratively adapting SA's productive and services sectors to meet the challenges, including those relating to employment displacement.

National Tourism Sector Strategy (NTSS)

Research indicates that there are still numerous opportunities for tourism growth in the country that are not being fully exploited. This has led the new National Department of Tourism, under the direction of the Minister of Tourism, to initiate and manage an inclusive process to draft a National Tourism Sector Strategy to inspire and accelerate the responsible growth of the tourism industry from 2010 to 2020.

The NTSS proposes three core themes with specific focus areas which has a National, Provincial and local perspective.

THEME 1: Tourism growth and the economy

- To grow the tourism sector's absolute contribution to the economy.
- To provide excellent people development and decent work within the tourism sector.
- To increase domestic tourism's contribution to the tourism economy.
- To contribute to the regional tourism economy.

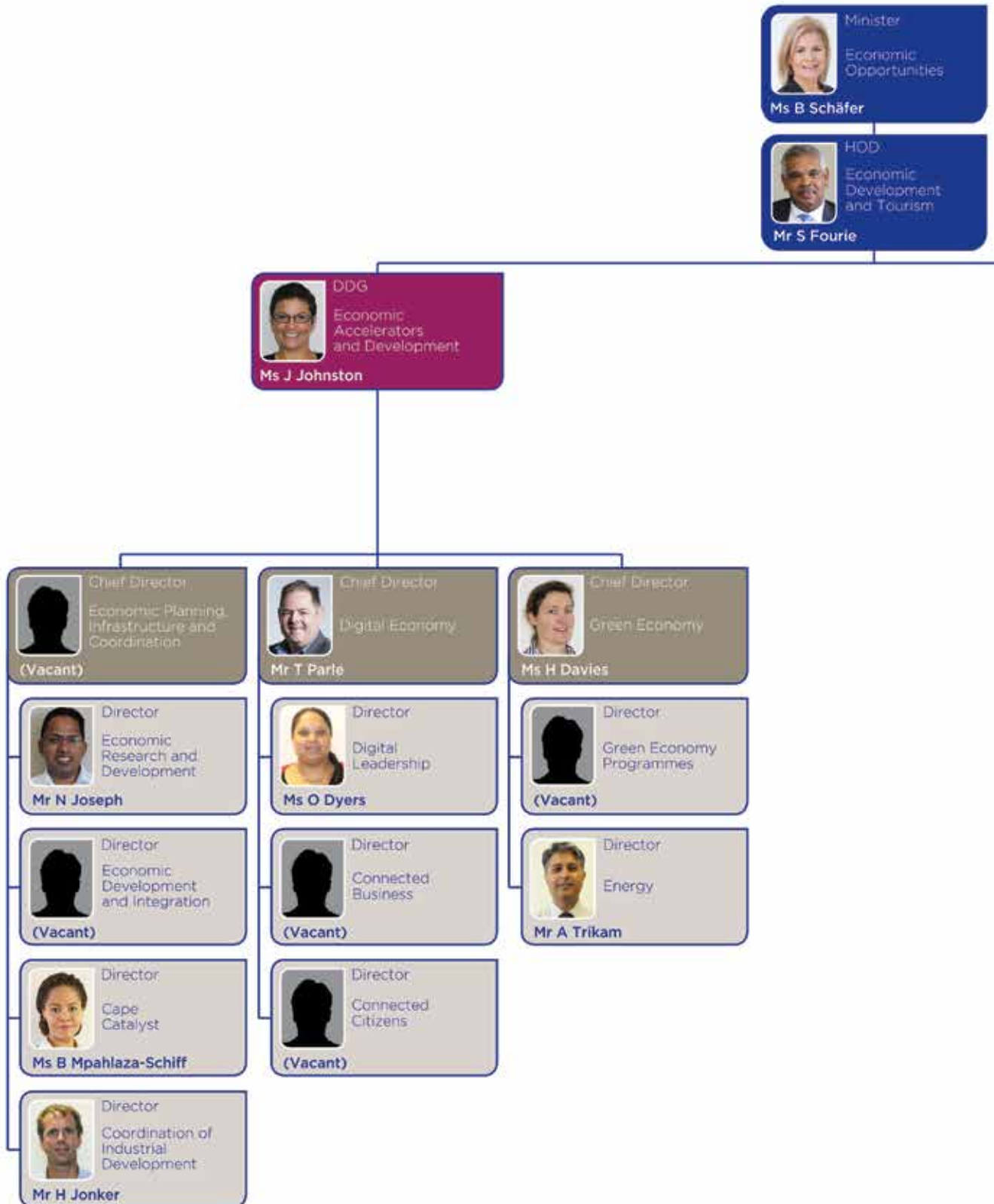
THEME 2: An enhanced visitor experience

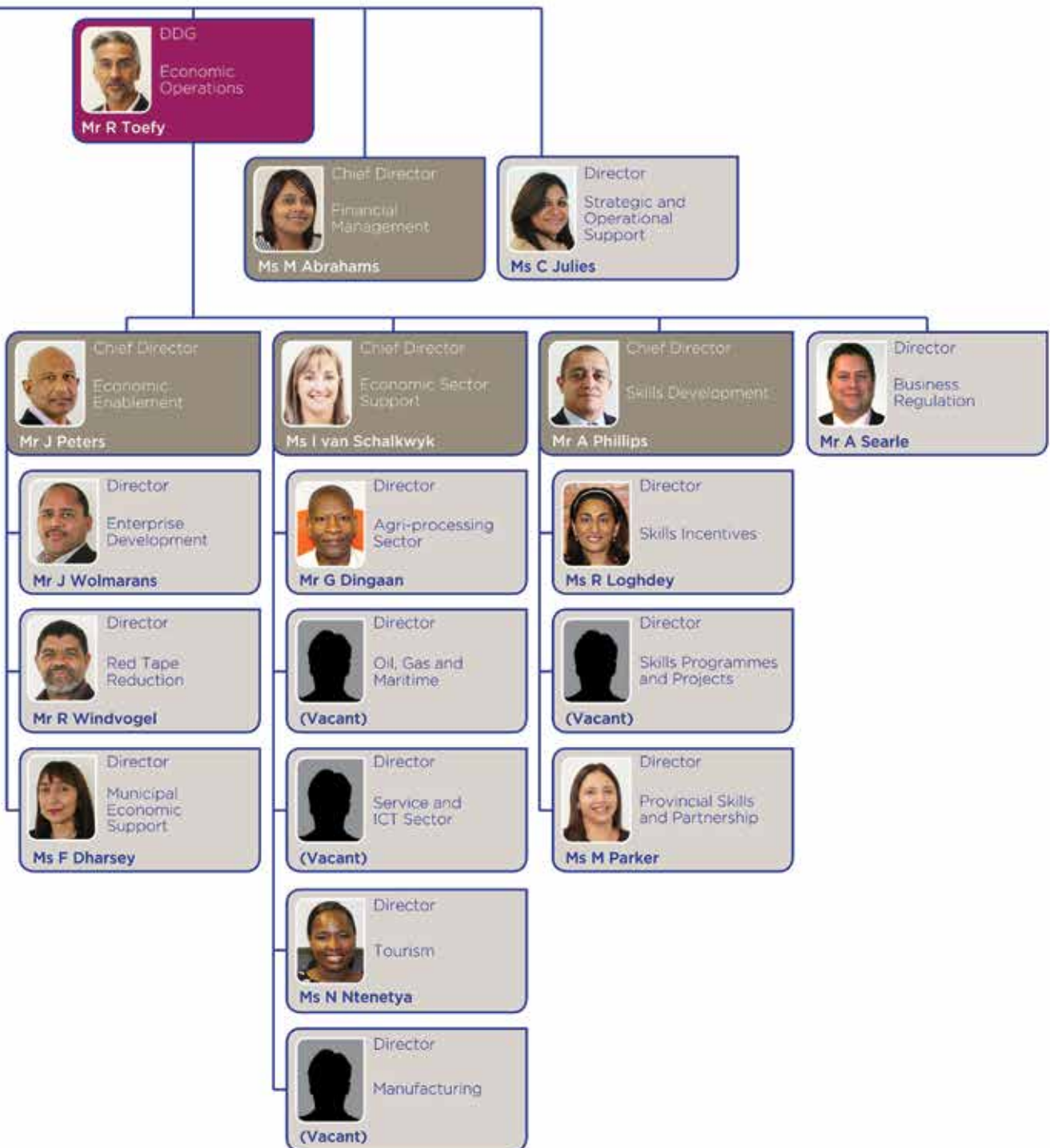
- To deliver a world-class visitor experience.
- To entrench a tourism culture among South Africans.
- To position South Africa as a globally recognised tourism destination brand.

THEME 3: Sustainability and good governance

- To achieve transformation within the tourism sector.
- To address the issue of geographic, seasonal and rural spread.
- To promote "responsible tourism" practices within the sector.
- To unlock tourism economic development at a local government level.

8. ORGANISATIONAL STRUCTURE





9. ENTITIES REPORTING TO THE MINISTER

Name of entity	Legislative mandate	Financial Relationship	Nature of Operations
Western Cape Investment and Trade Promotion Agency (Wesgro).	Western Cape Investment and Trade Promotion Agency Law, 1996 (Act 3 of 1996).	Transfer Payment recipient.	Wesgro is the official Tourism, Trade and Investment Promotion Agency for the Western Cape.
Saldanha Bay Industrial Development Zone Licensing Company (SBIDZ LiCo).	Saldanha Bay Industrial Development Zone Act Licensing Company Act, 2016 (Act 1 of 2016).	Transfer Payment recipient.	The SBIDZ LiCo is wholly owned by the WCG and is responsible for the promotion, management and marketing of the industrial development zone in the Saldanha Bay area as well as ancillary activities that are required for the establishment of the IDZ.



Part B:
Performance Information

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 opinion. The audit opinion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 187 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service delivery environment

It is the fundamental belief of this Department that economic growth is at the heart of all successful development and that growth is driven primarily by the private sector operating in a market environment. The role of the state should therefore be to create and maintain an enabling business environment and provide demand led private sector driven support for tradable or propulsive sectors, industries and business.

In this regard, the Department has followed its consistent course of action, namely Project Khulisa, which enabled greater depth of intervention in specifically targeted sectors. This consistent and predictable strategic approach has led to numerous positives for the Province, most notably that the Western Cape has recorded the lowest expanded unemployment rate in South Africa at 14.7 points lower than the national figure, the second highest growth rate across all industries compared to the rest of South Africa and on average recorded a business confidence rate of 9 points higher than the national average for 2018.

Ease of Doing Business

The Department's Ease of Doing Business strategy continued to deliver exceptional returns on investment, achieving the R1 billion target in red tape savings and economic benefits, set in the Provincial Strategic Plan 2014-2019, by the end of the year. The interventions which contributed to this achievement cut across several WCG departments and municipalities – an indication of the interdepartmental and intergovernmental approach that underpinned, and will continue to underpin, the work of the Department. In addition to targeting problems with potential for high-value returns, the Red Tape Reduction Unit also engaged departments on work that promoted interdepartmental co-ordination and co-ordination, such as alignment and synchronisation of various applications to government departments. An example is the work done by the Department of Environmental Affairs and Development Planning (DEA&DP), which is set to considerably reduce the time taken to consider and finalise applications cutting across that department, the Department of Agriculture, Heritage Western Cape and the National Department of Water Affairs and Sanitation. Furthermore, work was continued in the areas of tourism signage, issued by the Department of Transport and Public Works; digitisation of issuing of veterinary export certificates (Department of Agriculture); applications for and renewal of tourist transport operator permits, issued by the National Public Transport Regulator at the Department of Transport. The unit also lobbied for, and assisted in, obtaining the eventual granting by the National Transport Minister of an extension on the moratorium on the implementation of a regulation that would limit the height of trailer-container combinations on South African roads to 4.3 metres – a move that brings the road freight industry, and with it, the national economy, to a standstill. That intervention underscored the increasing lobbyist role the Department plays, in this instance through its Red Tape Reduction Unit.

The Department continues to provide advice and assistance to businesses through the Red Tape Business Helpline. Whilst the number of cases has decreased (due to a new logging and reporting format), the economic benefits continue to increase, as businesses turn to the Helpline with increasingly complex problems, with concomitant increases in potential losses or, if successfully, assisted gains.

The third phase of the Red Tape Costing Tool (renamed Ease of Doing Business Impact Assessment Tool) project was completed and the final report shared with the stakeholders and contributors. Having been used successfully to track and calculate the collective benefit of the ease of doing business initiatives undertaken in the WCG and various municipalities, it will undergo further refinement and continue to be used to track performance in the area of red tape reduction and business environment improvement.

Municipal support by the Department focussed on the improvement of selected services that not only impacts on the investment and business environment, but also on local businesses. The Municipal-Service-To-Business (MS2B) programme aims to reduce unnecessary cost to doing business in local areas and the outcome sought is to have improved business-facing services at municipal level. To date, improvement measures have been identified and recommended based on assessments done in 16 municipalities. The Department has facilitated the recommendations of improvement measures in 41 business-facing services at municipal level in the Province. The Department has provided support in digitising the processing of building plan application and approvals in 20 of the 24 local level municipalities in the Province. Improved timeframes for processing was recorded in seven more municipalities in 2018 with an average of five-days' time reduction.

The Department's initiatives to support SMME development has also recorded numerous gains during the 2018/19 financial year. The Department undertook an initiative together with the Provincial Treasury to enhance the ability of suppliers to procure and transact with government. Workshops have successfully been conducted across the Province, which reached about 610 suppliers across all municipal areas of the Western Cape.

In collaboration with the National Empowerment Fund (NEF), the Department continued its support to Pick n Pay's Township Economy Revitalisation Initiative. The initiative involves the conversion of existing retail spaces within townships into independently owned mini-supermarkets. The initiative involves improving the infrastructure (building, machinery and equipment) in the township retail sector which will directly lead to an increase in employment opportunities and turnover.

The Department continued its successful partnership with Deloitte and hosted the 2018 Western Cape Funding Fair. The Funding Fair facilitates face-to-face contact between entrepreneurs and various funding institutions within the region and provides a platform to educate and empower project promoters and entrepreneurs on the holistic approach and processes to follow. This knowledge assists entrepreneurs to turn ideas into bankable business plans that have a higher probability of attracting the right type of funding and investment. The 2018 Western Cape Funding Fair introduced master classes which was very well received. The 2018 iteration of the Funding Fair has been the most successful to date in terms of the number of delegates attending on the day. The event was attended by close to 1 200 delegates and was supported by 20 funders who formed part of the 26 exhibitors on the day.

The Department continued its support to the financial assistance programmes offered by Casidra and the NEF. The joint initiative between the Department and the NEF continues to be the most competitive loan finance on offer by the development finance institutions. The financial product offered by Casidra, the Entrepreneur Support Fund, backed by the Department, offers contract finance to Western Cape businesses assistance from as little as R5 000. The fund during quarter four of the 2018/19 financial year assisted 47 businesses with over R3 million delivering on contracts valued at close to R27 million.

As part of its strategy to increase access to markets for qualifying business, the Department continued its support of the Smart Procurement World Expo. Through this initiative the Department supported 20 businesses to attend and exhibit at the expo. The expo provides SMMEs with the opportunity to engage with procurement professionals from both the public and private sector with the aim of accessing new markets.

The Oil and Gas Supplier Development Programme focussed on developing and growing 15 oil and gas businesses to exploit opportunities within existing and new supply chains. The businesses are developed through a structured process (business turnaround or business improvement) to ensure that the business is able to move up the value chains of the Oil and Gas sector. The programme focuses on improving the entrepreneur's skills and the competitive position of the business (scale and efficiency).

The Advanced Emerging Business Support Programme (EBSP) focussed on equipping Small and Micro Enterprise (SME) owners with the relevant business knowledge and skills to enhance their growth, viability and sustainability. The programme assisted 105 entrepreneurs across the Province through a five-day accredited training workshop with the relevant business knowledge and skills.

The unit as part of its evaluation process surveyed more than 70 beneficiaries of past projects and programmes which included the PERA, the Agri-processing Supplier Development Programme, the Emerging Business Support Programme and the Western Cape SMME Loan Fund. A total of 63 businesses responded and reflected expansion in terms of either turnover or employment created. Collectively, these businesses created 437 jobs.

Project Khulisa interventions

Project Khulisa is the key sector strategy followed within the Department. This strategy notes the prioritisation of three key sectors for the Western Cape which would change the trajectory for economic growth and job creation within the Province. These sectors are Agri-processing, Tourism and the Oil and Gas Supply sectors.

The progress made in the **Agri-processing** sector in the 2018/19 financial year pertains to five priority focus areas namely:

The Halal Industrial Park (HIP)/Halal Investment prospectuses: The pre-feasibility study (Phase 1) was concluded and in Phase 2 investor prospectuses was developed. Wesgro, in partnership with DEDAT and the Department of Agriculture (DoA), are leading the Investor/Developer Recruitment efforts. The scope of the project was broadened from just promoting investment into the three identified sites, to the whole of Western Cape leading to Western Cape being positioned as a Halal Hub.

Halal Export Promotion: Wesgro assisted companies to participate in outward missions to Senegal, Nigeria, UK, Thailand, Indonesia, Malaysia, Singapore, etc. to increase Halal exports from the Western Cape. Wesgro together with the Department hosted the inaugural Africa Halal Week in October 2018 which was a great success overall and there has been positive feedback from exhibitors, buyers, delegates, sponsors, partners and stakeholders. Sixty-six exhibitors displayed their products in the food, beverage, fashion and services (tourism) sectors, 20 international buyers of Halal products attended which formed part of the 25 international guests and a total of 777 guests registered for the event. According to Wesgro, the event generated R3 274 129 in Advertising Value Equivalent (AVE), R14 551 352 in OTS (reach), 322 engagements and 218 re-shares.

Halal Certification – Global Best Practice: Following a Halal Gap Analysis in 2017/18 financial year, the Department started an initiative to develop a programme to build the capacity of Halal Certifying Bodies (HCB's) in the Western Cape to the extent that they may over time, be accredited by the international accreditation bodies to enable them to access all Halal export markets. The programme is targeted at the main Halal Certification Bodies and it is aimed at closing the gap that exists between the Halal Certification and Standards status quo in South Africa and the requirements in the targeted export markets.

Wine Export Promotion to Angola and China: DEDAT through Wesgro in partnership with DoA and Wines of South Africa (WOSA) is implementing this project in 2018/19. Since inception, buyers, Candando Supermarket and media from Angola were hosted in Cape Town and were taken to the wine estates within the Province. In Angola, Shoprite plays an important role to support the in-market wine tastings and to provide a distribution network. Based on these in-store tastings, Shoprite has noticed a positive difference in SA wine sales. Through hosting several Key Opinion Leader (KOL) events in China, it exposed Chinese stakeholders to the WC wines in that region. There has been a decline of wine exports to Angola and China and after strategic review, target markets selected for this project will be expanded in 2019/20 financial year.

Improving local capacity – Import Substitution: This project is being implemented internally as the allocated budget was reprioritised to other Departmental priorities. The focus of the Unit's engagements is to meet with the decision-makers, mainly Directors, MDs and CEOs of companies, to discuss their input sourcing strategies. Big companies such as Astral Foods, Ceres Fruit Processors, Parmalat, Tongaat-Hullett Starch, FairCape Dairies, Ashton Kelders, etc. have been engaged.

In relation to the **Oil and Gas** sector activity in 2018/19, the oil price went up to \$80 per barrel during 2018 and created expectations of increased investment in the upstream exploration activities but due to oversupply came down again towards the end of 2018 and will trade between \$55 - \$65 per barrel until new developments materialise.

The SBIDZ is at an advanced stage of putting the necessary infrastructure in place to attract investors into the IDZ zone. The success stories on this lever include the signing of the operator agreement for the Offshore Supply Base quay as well as the in-principle approval for seeding capital by DTI (SEZ fund) to develop the infrastructure projects in Saldanha. There are currently engagements with TNPA on the upgrading of the infrastructure and other facilities at the dry-docks and Synchronlift at the Cape Town Port to improve the effectiveness on providing marine manufacturing and engineering services to vessels that are passing our coastline.

The Saldanha Bay IDZ has begun moving into an operational phase during the current year. The transition to commercial implementation includes a revised Board of Directors, which will now include members from the local business community; the Oil and Gas, and Marine Fabrication industry and the broader business community, along with those currently nominated by the state.

The transaction to purchase the adjoined land from the IDC has been finalised and the property is in the process of being transferred to the SBIDZ.

The lease agreement with the TNPA for the first portion of 35 hectares of conjoined port land has been finalised, and in the process of finalising the 23.3 hectares to be sub-let to the Offshore Supply base operator. The finalisation of these three transactions will allow investors certainty of tenure, and the IDZ to conclude certain eminent leases within the investment pipeline.

In terms of infrastructure, the civil works within the port has completed the basic earth works (550 000 cubic meters of material moved), and is in the process of installing the basic internal infrastructure. This will be completed in the later part of the 2020 year and will include provision of basic infrastructure within the 23.3 hectares allocated to the Offshore Supply base over and above the 35 hectares leased directly from the port. Construction of the access complex was also initiated during this year and is also due for completion in the latter half of 2020.

A total of six investor deals have been concluded to date, with a further related investment being the appointment of an operator of the Offshore Supply Base (OSB), which is in the process of being incorporated within the SBIDZ.

The IDZ continued with the training of students on fitting and turning, rigging, boilermaking and welding and the Department's Artisan Development Programme continued to place more than 150 mechanical related, welders and boilermaker trainees in companies and prepared them for trade testing. IDZ and SAOGA are also participating in Operation Phakisa Skills Forum meetings to ensure alignment between national and provincial skills development programmes.

The details of 3 059 SMMEs are listed on the Grow-Net portal that includes 703 from the Saldanha Bay region and of which 180 are verified to access local opportunities whilst others will be assisted through enterprise and supplier development programmes. IEDS are assisting 15 companies with supplier development interventions that will make them more competitive or enable them to promote their capabilities more effectively.

The Ease of Doing Business Unit continued to address red tape issues around immigration, abnormal loads and rebates on the importation of oil and gas related equipment. The two main issues currently on the agenda is the establishment of space for DHA at Mossel Bay Port to provide customs services as well as the matter on high cube containers that must comply with regulation of 4.3 m heights.

Project Khulisa has identified **Tourism** as a major contributor to the economy and employment in the Province. In 2018 there were 174 893 jobs in the tourism industry. GVA grew by 3.5% to R15.5 billion in 2018.

The unveiling of the Madiba statue on the balcony of the City Hall was a great success with tourist numbers beginning to show an increase. The cycle tourism strategy remains one of the niche markets in tourism, and this year saw the launch of three new routes with a major increase in international and local tourist through cycling.

The Cape Town Air Access worked tirelessly at advancing connectivity to Cape Town through facilitating direct access to the City and expanding routes with 13 new routes and facilitating 14 route expansions. Following the drought, the tourism industry partners, private and public sectors, launched a “Nowhere Does it better Campaign” a white label campaign, to re-ignite people passion in the destination and to show the world that the Western Cape is always open for business.

Digital Economy

The Digital Economy Unit supported eight projects over the course of the 2018/19 financial year.

The outcomes of these projects specifically addressed broadband access, digital skills and digital usage of citizens and businesses within the Province.

The 2017 General Household survey of StatsSA shows the Western Cape at the highest level of household internet access of 70.8%, compared to the national average of 61.8%. This is testament to the strength of consistency and longevity in policy execution of the Western Cape’s Broadband Strategy, and a positive enabling environment in the province and also bodes well for the Western Cape digital economy strategic planning as more people are online in the region.

There was continued support for the Department’s digital skill imperatives through the expansion of I-CAN Learn digital literacy programme which has established strong partnerships for digital training content with IBM and Google. In 2018/19, the I-CAN Learn training expanded to six new locations in four municipalities namely: Piketberg library, Velddrif library, Goedgedacht library, Porterville library, Saldanha Youth Café, and Bredasdorp Youth Café. Through these centres the programme will be able to broaden its reach beyond the metro and facilitate the delivery of digital training to citizens through the provision of IT infrastructure, facilitators and content.

In 2018/19, the Department launched our mobile-first business support digital platform as part of the Department’s digital adoption support programme for SMMEs aimed at fostering entrepreneurship and improved efficiencies and opportunities. The platform now called JUMP, provides access to mapped services, tools and resources, opportunities and events for Western Cape small business as at the end of the financial year 2 941 entrepreneurs had signed up on the platform.

During 2018/19, the Department supported the Departments of Community Safety and Education through the Dash-Tech project which focussed on education and safety.

A second round of eight Ed-Tech start-ups were supported with business development support, some working capital and access to markets for prototyping their products.

The key challenges identified through the Safety-Tech project has been taken up by the Department of Community Safety.

DEDAT also continued to support the 178 WC public access wi-fi initiatives to improve citizen and business access to the internet during 2018/19, as the project transitions to the Department of the Premier. The total accumulated number of citizen users for the duration of the project to date amounts to 952 106, with a monthly average of approximately 180 000 users, up 25% from 2017/18.

Green Economy

The Atlantis Greentech Special Economic Zone (SEZ) was designated in October 2018. This will play a critical role in solidifying the WCG's objective of being a Green Economy hub, supporting jobs and growth in the green technology space. To date, the Atlantis SEZ has already attracted R680 million in investment, creating 312 jobs with 11 new investors (potential investment of R1.4 billion) already showing significant interest in the SEZ.

To improve the energy security of the Province – ensuring enough power for growth that is sustainable and low-carbon, the Energy Security Game Changer and Energy Directorate have focussed on creating an enabling environment for energy efficiency, solar PV and the diversification of energy sources. The uptake of small-scale embedded generation (SSEG) has increased markedly with the adoption of the necessary legal frameworks by 22 out of the 25 local and metro municipalities in the Province (which allow for grid-tied SSEG), 18 of these municipalities having a NERSA-approved feed-in tariff, and two municipalities exploring wheeling/energy trading. Supported by a communications campaign, there is now an estimated 112MW of installed solar PV in the Province (against a target of 135MW from business and household installations by 2020). Part of this success is due to direct engagements with CEOs of large businesses in the Western Cape over the last few years that have led to 3.3MW installed to date (R50 million of private investment), including South Africa's first floating PV system. The Western Cape Government continues to lead by example, with R42.6 million invested in 13 PV systems and electricity consumption in Provincial buildings reduced to 145.2 kWh/m² – 38% below the industry benchmark.

The Economic Water Resilience Workstream led by DEDAT continued to support businesses to help reduce their water consumption; help implement their own water supply augmentation; develop business continuity plans for water shortages; and strengthen water sector businesses. To address systemic issues, DEDAT drove three key projects during 2018/19: (1) Economic water balance - better understand where water is currently and likely to become a constraint to economic growth across the Western Cape; (2) exploring financial mechanisms and models that would lead to increased economic water resilience and (3) improving the understanding of how to increase the water resilience of the agri-processing sector in the Western Cape.

The green economy clustering work implemented through four sector desks run out of GreenCape - renewable energy, energy services, water and waste – supported 1 705 businesses directly and virtually during the year. Multiple industry events were held and supported during the year on sector-based issues. In addition, five 2019 market intelligence reports were produced for the utility scale renewable energy, energy services, waste, water and electric vehicles sectors. The clustering work has also resulted in inputs being provided to key pieces of draft legislation at both a national and local government level, aimed at unlocking green economy related barriers. The green economy financing space has increasingly been engaged in, with financiers exploring project financing opportunities.

The 110% Green website, which serves as the main WCG communication platform of the green economy, was updated to provide information on how to improve business water resilience, upcoming green economy related events (training) and green job opportunities. Through significant consultation with the relevant stakeholders in DEA&DP, the design of the biodiversity economy and waste economy tabs are in the process of being finalised. Promoted posts on Facebook and Twitter were also publicised on a weekly basis. This enabled an expanded audience reach and stimulated discussion and input through comments on the social media platforms.

Skills Development

Key to the Skills development Programme has been the implementation of the Apprenticeship Game Changer and Skills projects aimed at bringing about strong stakeholder management to improve planning, coordination and the implementation of skills development strategies. These stakeholders include government departments, private and public training providers, the Department of Higher Education and the business community.

The efforts of these programmes are aimed at fixing both the longer-term challenges while targeting short-to medium term industry solutions. The promotion of career awareness and maths assistance projects aim to prepare learners and the unemployed to improve their understanding and readiness to enter into and adjust to the world of work.

The employer communication campaign targeted private sector to play a more active role in curriculum development to address the perceived disjuncture between, quality of the outputs, theory and practical application of required skills sets.

Further efforts were made to facilitate a greater uptake of unemployed people within the economy supported by structured employer mentorship programme initiatives, which should form the spine of any government and private sector intervention to sustainably address the problems facing young people. The current Work and Skills programmes and Artisan Development Programmes provide a:

- differentiated approach to skills development initiatives taking into account of high-, intermediate- and low skills requirements; and
- further dimension to skills development initiatives should include a spatial or regional or urban-rural logic, given current and future skills requirements.

A snapshot of any particular economic sector may have a skills requirement, which extend high-, intermediate- and low skills needs at the same time. In deciding on the level of skills development initiatives, a differentiated skills development system, of low, intermediate and high-level skills should be considered.

The development of appropriate skills in strategic projects such as: Broad Band; Information and Communications; the Saldanha Bay Industrial Development Zone; Infrastructure; Agriculture; the Design Sector; the Green Economy supports a differentiated approach and provide opportunities to proactively anticipate future demand for skill sets. These are further motivated by a strong regional or spatial links in determining the skills offering by training providers.

The establishment of possible pilot sites (TVET colleges as well as the public schooling system) to tailor curriculum development and quality assurance initiatives with private sector input have been proposed. A concerted effort was also made to better deliver on future skills demand through improved intelligence and information across selected economic sectors and strategic and catalytic projects.

Alcohol-Harms Reduction Game Changer

As support to the Alcohol-Harms Reduction Game Changer, the Department initiated a project entitled "I CAN Play" which aims to provide alternate recreational activities in the two targeted townships. Additionally, and within the context of the Department of Economic Development and Tourism's mandate, the I-CAN Play project is also about introducing digital gaming into the community as a mechanism to introduce township youth to the digital economy, nurture digital literacy and skills, and support the development of the fast-growing local gaming industry. Additionally, DEDAT used the intervention to test the I-CAN Play entrepreneurial model in 2018/19 in two locations, namely Khayelitsha and Gunya.

The Khayelitsha site, located at Lookout Hill, successfully completed its pilot phase, having achieved more than 400 members, against the targeted 300 members. The development of the Gunya pilot site has been delayed by several systematic issues which affected this commencement within the financial year, most notably the finalisation of the municipal property approval process. The hurdles of trying to execute new and innovative approaches to project delivery will always include some successes and some complications.

2.2 Strategy to overcome areas of underperformance

The economic environment in which the Department operates is market-driven and demand-led. The process of setting targets is therefore extremely complex given the nature of economic conditions, specifically around investment promotion, trade, jobs and business confidence.

To ensure that the programme does not under-perform on any of its performance indicators, the Department initiated a process whereby indicators can be better determined. Funding Proposal documents were introduced and drafted for each project which would contribute towards the Department's objectives. This document allows the Programme to describe the environment in which it operates, identify a problem statement and subsequent sub-problem statement and articulate the strategies and projects that would mitigate or remedy these problems. All indicators are then geared to remedy the actual challenges or market failures within the respective work areas. This process has also enabled the Department to focus its attentions on indicators that measure the things that can and should be measured.

Furthermore, this process also allowed the Department to budget for projects and programmes which directly impact on the achievement of targets. It should however be noted that a primary criterion for the setting of targets is past performance. By examining the past, the Department can, to a certain extent, gauge target-setting given any amendments in budget allocation and concomitant changes in performance trends.

To ensure regular performance monitoring, monthly reports are provided to the Accounting Officer who, through one-on-one meetings with each Programme Manager, evaluates the performance of each programme. Performance of each work area is furthermore discussed during the Departmental Top Management (DTM) meetings on a monthly basis where areas of uncertainty are debated and remedial actions, where necessary, are agreed upon. In addition, all performance information is reviewed on a quarterly basis in terms of the Quarterly Performance Reports submitted to the Provincial Treasury at the end of each quarter.

2.3 Service delivery improvement plan

The Department has completed a Service Delivery Improvement Plan (SDIP) for the period 1 April 2018 to 31 March 2021. The tables below highlight the service delivery plan and the achievements to date.

Main Service and Standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Tourist Guide Registration and Monitoring	<ul style="list-style-type: none"> Tourist Guides Association of Tourist Guides Tourism Industry 	80% of new/renewal Tourist Guide registration applications were processed within 14 working days.	85% of new/renewal Tourist Guide registration applications are processed within 14 working days.	<p>100% of new/renewal Tourist Guides registration applications were processed within 14 working days.</p> <p>The Unit achieved 100% (an over-achievement) adherence due to the efficient system of registration, the staff were competent in their work and the applications of tourist guides had all the required documents.</p> <p>Where the documents were outstanding, Tourist Guides were phoned and notified that they must bring required documentation on collection of their cards or badges.</p>
		<p>70% of registered Tourist Guides issued with renewal notices 30 working days before the expiry of the Tourist Guide License.</p> <p>Although all fully registered Tourist Guides were notified within the 30 working days before expiry, some are not able to renew their license because their First Aid and/or working visas have not been extended.</p>	<p>75% of registered Tourist Guides issued with renewal notices 30 working days before the expiry of the Tourist Guide License.</p>	<p>100% of Registered Tourist Guides were issued with renewal notices within 30 working days before the expiry of the Tourist Guide License.</p> <p>Although all (100%) fully registered Tourist Guides were notified within the 30 working days before expiry, some were unable to renew due to their First Aid (FA) certificates being expired and/or work permits/visa has not been extended by the Department of Home Affairs.</p>

Main services and standards (continued)

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Tourist Guide Registration and Monitoring (continued)		<p>59 (113%) Tourist Guides developed.</p> <p>An intervention was held with Cape Town Metrorail for International Tourist Guides Day. There is no limit to the amount of participants that may attend an intervention.</p>	55 registered Tourist Guides developed to ensure a professional and sustainable tourist guiding subsector that is highly competent.	<p>21 (42%) registered Tourist Guides were developed to ensure a professional and sustainable tourist guiding subsector that is highly competent.</p> <p>Tourist guides were developed and reported on in Q2. In December 2018 and January 2019 more tourist guides were reached. The planned roll out for March 2019 could not take place because of a procurement challenge with the successful service provider which necessitated a cancellation of the last training sessions.</p>
		<p>116 inspections were conducted.</p> <p>Locating Tourist Guides is not within the control of the Unit. Tourist Guides are visited at their worksites at the time of inspection.</p>	120 inspections conducted to ensure compliance in terms of regulating a sustainable tourist guiding subsector.	<p>179 inspections were conducted to ensure compliance in terms of regulating a sustainable tourist guiding subsector.</p> <p>This is an over-achievement of 72% of the target. The number of tourist guides at sights and attractions is out of the Department's control, hence on the inspection day we can over-achieve or under-achieve our target.</p>
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation	<ul style="list-style-type: none"> Consumers Small Businesses (with an annual turnover or asset value of less than R2 million) NGOs Government Departments Local Authorities 	100% of all matters, including consumer complaints received were attended to and/or resolved.	100% of complaints attended/responded to.	100% of complaints attended/responded to.
		<p>This target was not achieved.</p> <p>Due to budgetary constraints, the external survey that measures this indicator could not be completed.</p>	65% of Consumers (based on internal evaluation) indicating change in financial behaviour due to OCP Consumer Financial Literacy Project.	<p>The internal evaluation could not be done due to budgetary constraints.</p> <p>No budget was made available for this project and it did not form part of the OCPs Outcome Indicator(s).</p>

Main services and standards (continued)

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation (continued)		218 Consumer Education programmes were conducted (this includes Financial Literacy workshops and SMME engagements).	60 Consumer Education programmes conducted.	95 Consumer Education programmes were conducted. The demand for workshops and information sessions remains constant especially since many consumers are experiencing financial distress.
		57 Financial Literacy sessions/events were held. This number is included in the total of 218 Consumer Education Programmes conducted.	100 Financial literacy workshops conducted.	117 Financial literacy workshops were conducted due to the increased demand as consumers are experiencing financial distress. The additional interventions were accommodated from a service delivery perspective.
		19 SMME engagements held. This number is included in the total of 218 Consumer Education programmes conducted.	20 SMME engagements conducted.	26 SMME engagements (workshops) were conducted. SMMEs have realised the need to comply with the provisions of the Consumer Protection Act, No. 68 of 2008 and subsequently the demand for these workshops have marginally increased.
Red Tape Reduction Business Helpline Service	<ul style="list-style-type: none"> Businesses operating in the Western Cape, particularly Small Businesses. Aspiring business-persons who consider establishing a business in the Province. 	89% of Red Tape related cases were resolved.	85% closure rate.	74.5% closure rate.
		The satisfaction rate varied across the surveys conducted, averaging approximately 80%.	A satisfaction rate of 70% to be recorded.	A satisfaction rate of 72% was recorded.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Tourist Guide Registration and Monitoring		
Consultation:	Consultation:	Consultation:
1. Clients were consulted through:	1. Clients are consulted through:	1. Clients were consulted through:
a) Discussion forums.	a) Discussion forums.	a) Discussion forums: Refer to under-achievement of information sessions above due to challenges appointing a Service Provider to conduct/facilitate the information sessions.
b) Workshops.	b) Workshops.	b) Workshops: Refer to point (a) above.
c) Suggestion Box.	c) Suggestion Box.	c) Suggestion Box: Has not been implemented since Tourist Guides were notified that they can make their suggestions via: http://tourguide.westerncape.gov.za/ website. This website is available to the members of the public.
d) Bulk email service was utilised.	d) Bulk email service.	d) Bulk email service: The service is fully operational and used constantly whenever we need to dispatch an urgent communique to Tourist Guides.
e) Meetings.	e) Meetings.	e) Meetings: Ad-hoc meetings are held with Tourist Guides who insist on meeting with the Registrar or Assistant Director.
f) Online complaints, feedback forms investigated as an ongoing process.		
2. Input received from Clients was forwarded (written report) and discussed with the relevant authorities and was taken into account when decisions were made.	2. Input received from Clients is discussed with the relevant authorities and is taken into account when decisions are made.	2. The following input was received and taken into account: a) Input from the tourist guides who came to report illegal guiding. b) Department was notified by CATHSSETA (The Culture, Art, Tourism, Hospitality and Sport Sector Education and Training Authority) regarding changes in their Indicum Database Registration System. c) Department had four meetings with Cape Tourist Guide Association, where input on matters relating to Industry e.g. illegal guiding was discussed.
Access:	Access:	Access:
1. Clients could access the service:	1. The service is accessible:	1. The service was accessible:
a) At the Head Office, Ground Floor, Waldorf Arcade, 80 St Georges Mall, Cape Town.	a) At the Head Office, Ground Floor, Waldorf Arcade, 80 St Georges Mall, Cape Town.	a) At the Head Office, Ground Floor, Waldorf Arcade, 80 St Georges Mall, Cape Town.
b) Via the official Departmental website: www.westerncape.gov.za/touristguide	b) Via the official Departmental website: www.westerncape.gov.za/touristguide	b) Via the official Departmental website: www.westerncape.gov.za/touristguide

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

Current/actual arrangements	Desired arrangements	Actual achievements
Tourist Guide Registration and Monitoring (continued)		
		Additional achievement:
		a) Via telephone: 021 483 9130.
		b) Via fax: 021 483 2957.
		c) Via e-mail: registrar@westerncape.gov.za
Courtesy:	Courtesy:	Courtesy:
1. Courtesy was reported and measured through:	1. Courtesy is reported and measured through:	1. Courtesy was reported and measured through:
a) Complaints Desk.	a) Complaints Desk.	a) Complaints Desk.
b) Client Satisfaction Surveys: No survey was done for 2017/18.	b) Clients Satisfaction Surveys.	b) Clients Satisfaction Surveys. Survey was not conducted in 2018/19 financial year. However, it can be reported that in 2019/20 financial year it will be conducted.
c) Online suggestion/complaints/feedback form investigated and it is an ongoing process.	c) Suggestions/feedback/Complaints Box to be investigated.	c) Suggestions/feedback/Complaints Box to be investigated. Feedback and Complaints Box were not implemented; however, it was communicated to tourist guides via: http://tourguide.westerncape.gov.za/ website that complaints and any suggestions can be communicated directly to the Registrar.
2. The behaviour of Officials was measured/monitored against the:	2. The behaviour of Officials is measured/monitored against the:	2. The behaviour of Officials was measured/monitored against the:
a) Code of Conduct.	a) Code of Conduct.	a) Code of Conduct.
b) Business Rules of the Department, including the relevant Standard Operating Procedures implemented within the Directorate.	b) Service Standards set by the Department.	b) Service Standards set by the Department.
Openness and transparency:	Openness and transparency:	Openness and transparency:
Openness and transparency was achieved through:	Openness and transparency is achieved through:	Openness and transparency was achieved through:
1. The publication/distribution of the Department's:	1. The publication/distribution (in three official languages of the Province and obtainable via the WCG Walk-in Centre and the Departmental website) of the Department's:	1. The publication/distribution (in three official languages of the Province and obtainable via the WCG Walk-in Centre and the Departmental website) of the Department's:
a) Annual Citizen's Report.	a) Annual Citizen's Report.	a) Annual Citizen's Report.
b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report.	b) Annual Report.
c) Service Access Booklet: Published in English and available in the other two official languages of the Province on request.	c) Service Access Booklet.	c) Service Access Booklet.
d) Service Charter: Published in English and available in the other two official languages of the Province on request.	d) Service Charter.	d) Service Charter.
e) Service Standard Schedule: Published in English and available in the other two official languages of the Province on request.	e) Service Standard Schedule.	e) Service Standard Schedule.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Tourist Guide Registration and Monitoring (continued)		
The abovementioned documents were obtainable from the Departmental website and at the Walk-in Centre		
2. Local media for the publication of extracts from the Department's Annual Report and other strategic documentation.		
Value for Money:	Value for Money:	Value for Money:
1. The cost of registration was R240, renewable every three years.	1. The cost of registration is R240, renewable every three years.	1. The cost of registration was R240, renewable every three years.
2. Clients had access to useful and useable information at no cost.	2. Clients get useful and useable information at no cost.	2. Clients obtained useful and useable information at no cost.
3. Registration cost was determined by National Legislation.	3. Registration cost is determined by National Legislation.	3. Registration cost was determined by National Legislation.
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation		
Consultation:	Consultation:	Consultation:
1. Clients were consulted through:	1. Clients are consulted through:	1. Clients were consulted through:
a) Discussion forums.	a) Discussion forums.	a) Discussion forums included in our consumer education campaigns (workshops, information sessions etc.).
b) Workshops.	b) Workshops.	b) Workshops.
c) Citizen surveys: No survey was conducted due to budget constraints.		
d) Telephone engagements.	d) Telephone.	d) Telephone engagements.
e) Community Outreach initiative: Provincial Thusong Centre Community engagements.	e) Community Outreach initiatives.	e) A total of 234 Community Outreach initiatives were conducted. This includes the 94 education campaigns, 117 financial literacy workshops and 23 SMME engagements.
f) Media coverage - including print media and radio broadcasts.	f) Media engagements.	f) Media coverage: a) Media coverage - including print. b) Media and radio broadcasts.
g) 218 Consumer Education programmes were conducted. This includes Financial Literacy workshops and SMME engagements.	g) Consumer Education Programmes (minimum of 180 programmes conducted).	g) In terms of the APP the Consumer Education activities of the Programme were divided into general consumer education programmes, Financial Literacy workshops and SMME engagements. The total target for all of these interventions was 180. However, each specific output as noted above had its own target. In the case of Consumer Education programmes the target as set in the APP was 60. The OCP however achieved a total of 94 and this reflects an overachievement of this specific output target as set in the APP. If all the consumer education activities are evaluated the OCP achieved a total of 234 engagements. The target as set in the APP for all activities was 180. The achievement of 234 is therefore an over achievement. We conducted more engagements due to the number of ad hoc requests that were submitted.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation		
Additional achievement:		
Clients were further consulted through:		
a) Information sessions. b) Call Centre service. c) E-mail correspondence. d) Written correspondence.		
2. In terms of Financial Literacy, pre and post evaluation assessments were conducted at all of the Financial Literacy engagements held by the Office of the Consumer Protector. The feedback from citizens was positive and indicated that citizens found value out of the engagement and wanted further engagements on a variety of matters. In terms of Complaints Management, every Consumer received a closure report which detailed the findings in a particular matter. The report also provided consumers with an opportunity to reject a finding and request a re-evaluation by the Director.	2. Input received from Clients is forwarded (written report) and discussed with the relevant authorities and is taken into account when decisions are made about what services are to be provided and at what level.	2. In terms of Financial Literacy, pre and post evaluation assessments were conducted at all of the Financial Literacy engagements held by the Office of the Consumer Protector. A total of 117 Financial Literacy engagements were held. The feedback from citizens was positive and indicated that citizens found value out of the engagement and wanted further engagements on a variety of matters. In terms of Complaints Management, every Consumer received a closure report which detailed the findings in a particular matter. The report also provided consumers with an opportunity to reject a finding and request a re-evaluation by the Director.
		Additional achievement:
		Clients were further consulted through:
		a) Provincial Thusong Centre Community engagements. b) Information sessions. c) The Call Centre service. d) Email correspondence. e) Written correspondence.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation (continued)		
Access:	Access:	Access:
1. Clients could access the service:	1. The service is accessible:	1. Clients could access the service:
a) At the Head Office, Ground Floor, Waldorf Arcade, 80 St Georges Mall, Cape Town, operating hours: 07:30 – 16:00.	a) At the Head Office, Ground Floor, Waldorf Arcade, 80 St Georges Mall, Cape Town, operating hours: 07:30 – 16:00.	a) At the Head Office, Ground Floor, Waldorf Arcade, 80 St Georges Mall, Cape Town, operating hours: 07:30 – 16:00.
2. Via District Offices (Coordinators):	2. Via District Coordinators:	2. Via District Offices (Coordinators):
a). Service no longer accessible at the Paarl Thusong Centre, as the Centre closed in 2017/18.		
b) Knysna, Shop number 8, Demar Centre, Main Street, Knysna.	b) Knysna, Shop number 8, Demar Centre, Main Street, Knysna.	b) Knysna, Shop number 8, Demar Centre, Main Street, Knysna.
c) Via Toll Free line: 0800 007 081.	c) Via Toll Free line: 0800 007 081.	c) Via Toll Free line: 0800 007 081.
d) Via the official Departmental website: www.westerncape.gov.za/	d) Via the official Departmental website: www.westerncape.gov.za/	d) Via the official Departmental website: www.westerncape.gov.za/
Additional achievement:		Additional achievement:
a) Via the helpdesk at the various Thusong Centre Outreach Programmes that were attended by the OCP.		a) Via the helpdesk at the various Thusong Centre Outreach Programmes that were attended by the OCP.
b) Via post: P.O. Box 979, Cape Town, 8000.		b) Via post: P.O. Box 979, Cape Town, 8000.
c) Via email: consumer@westerncape.gov.za		c) Via email: consumer@westerncape.gov.za
d) Via fax: 021 483 5872.		d) Via fax: 021 483 5872.
		The accessibility of the Service is also improved through partnerships with both state organs and community organisations, faith based institutions, Higher Learning Institutions and Schools.
The accessibility of the Service is also improved through:		
a) Wheelchair accessibility at all physical locations.		
b) Elevator floor numbers are available in Braille.		
c) Way-finding and Signage Boards are present, legible and in three Official languages of the Province.		
Additional achievement:		
a) Partnerships with both State organs and community organisations, faith based institutions, Higher Learning Institutions and Schools.		
Courtesy:	Courtesy:	Courtesy:
1. Courtesy was reported and measured through:	1. Courtesy is reported and measured through:	1. Courtesy was reported and measured through:
a) Complaints Desk located in the Office of the Director.	a) Complaints Desk.	a) Complaints Desk.
b) Client Satisfaction Survey: Due to budgetary constraints, no Client Satisfaction Survey was conducted.	b) Written correspondence to Management.	b) Written correspondence to Management.
c) Written correspondence to Management.		

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

Current/actual arrangements	Desired arrangements	Actual achievements
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation (continued)		
2. The behaviour of Officials was measured/monitored against the:	2. The behaviour of Officials are measured/monitored against the:	2. The behaviour of Officials was measured/monitored against the:
a) Code of Conduct.	a) Code of Conduct.	a) Code of Conduct.
b) Business Rules of the Department including the relevant Standard Operating Procedures implemented within the Directorate.	b) Business Rules of the Department.	b) Business Rules of the Department.
3. Customer Care Training: Training was provided to five staff members of the Contact Centre that operated the Call Centre Line.		
Openness and transparency:	Openness and transparency:	Openness and transparency:
Openness and transparency was achieved through:	Openness and transparency is achieved through:	Openness and transparency was achieved through:
1. Written correspondence as required.	1. Written correspondence.	1. Written correspondence as required.
2. One-on-one meetings held.	2. One-on-one meetings.	2. One-on-one meetings held.
3. Round Table consultations with Business and/or Consumer to ensure that the parties had an opportunity to engage with the service levels associated with complaints resolution. This also made the parties feel part of the process so that any resolution reached was done in a fair and transparent manner.	3. Round Table consultations.	3. Round Table consultations with Business and/or Consumer to ensure that the parties had an opportunity to engage with and experience the service levels associated with complaints resolution. This also made the parties feel part of the process so that any resolution reached was done in a fair and transparent manner.
4. Site visits were often conducted during the complaints management process to ensure that parties felt that the process was fair and took into consideration specific factors which needed physical interaction. This contributed towards openness and transparency of the complaints management process.	4. Site visits.	4. Site visits were often conducted during the complaints management process to ensure that parties felt that the process was fair and took into consideration specific factors which needed physical interaction. This contributed towards openness and transparency of the complaints management process.
5. Toll free line: 0800 007 081.	5. Toll free line: 0800 007 081.	5. Toll free line: 0800 007 081.
6. The publication/distribution of the Department's:	6. The publication/distribution (in three Official languages of the Province and obtainable via the WCG Walk-in Centre and the Departmental website) of the Department's:	6. The publication/distribution (in three official languages of the Province and obtainable via the WCG Walk-in Centre and the Departmental website) of the Department's:
a) Annual Citizen's Report: Published in English and available in the other two official languages of the Province on request.	a) Annual Citizen's Report.	a) Annual Citizen's Report.
b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report.	b) Annual Report.
c) Service Access Booklet: Published in English and available in the other two official languages of the Province on request.	c) Service Access Booklet.	c) Service Access Booklet.
d) Service Charter: Published in English and available in the other two official languages of the Province on request.	d) Service Charter.	d) Service Charter.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation (continued)		
e) Service Standard Schedule: Published in English and available in the other two official languages of the Province on request.	e) Service Standard Schedule.	e) Service Standard Schedule.
The abovementioned documents were obtainable from the Departmental website and at the Walk-in Centre		
Additional achievement:		
a) Standard Operating Procedure developed.		
7. Local media for the publication of extracts from the Department's Annual Report and other strategic documentation.		7. Standard Operating Procedure developed and obtainable via the WCG Walk-in Centre and the Departmental website.
Value for Money:		
1. The consumer education service (where useful and useable information could be obtained) was a free service offered to citizens across the Province.	1. Clients get useful and useable information at no cost.	1. The consumer education service is a free service offered to citizens across the Province.
2. The consumer complaints redress service was a free service offered to consumers.	2. Clients obtain free assistance with the resolution of disputes.	2. The consumer complaints redress service is a free service offered to consumers.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provide Red Tape Reduction Business Helpline Services		
Consultation:	Consultation:	Consultation:
<p>1. Clients were consulted through/by:</p> <ul style="list-style-type: none"> a) Discussion forums. b) Workshops and appearances at Business expos. c) Quarterly surveys were undertaken. d) Telephone via service offering. e) Media engagement with Provincial Minister visits to clients and publishing in the Better Together Magazine. 	<p>Initial consultation is driven by demand-driven requests by clients for accessing the service.</p>	<p>In addressing these requests: clients are responded to or consulted with through either of/or all of the following channels:</p>
	a) E-mail.	<p>a) E-mail: E-mail remained the primary mechanism for clients to log their red tape issues and also the method of response to them. This was achieved through ongoing maintenance of the redtape@westerncape.gov.za inbox, administrated originally by a WCG resource agent, but internalised to the Red Tape Reduction Unit entirely in March 2019, with existing resources (though more capacity is required per project plans approved). The unit has also managed enquiries for the Apprenticeship Game Changer Programme similarly.</p>
	b) Telephone.	<p>b) Telephone: The Business Helpline retained albeit much less popular method of receiving client cases, via the 0861 888 126 number. Administrated originally by a WCG resource agent but internalised to the Red Tape Reduction Unit entirely in March 2019, with existing resources (though more capacity is required per project plans approved). This was the most popular method of contact for Apprenticeship Game Changer enquiries by students.</p>
	c) Direct engagements.	<p>c) Direct engagements: Various platforms were utilised for direct enquiries to be lodged by red tape affected businesses including:</p> <ul style="list-style-type: none"> i. Representation at the Cape Chamber annual event. ii. Presence at the One-stop-shop. iii. Presence at the Minister's First Thursdays. iv. Demand-driven requests for presentations.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provide Red Tape Reduction Business Helpline Services (continued)		
	d) On systemic level issues or in creating awareness of the service, potential clients and critical stakeholders to resolution are consulted through:	d) On systemic level issues or in creating awareness of the service, potential clients and critical stakeholders to resolution were consulted through:
	i. Discussion forums.	i. Discussion forums: The Red Tape Reduction Unit presents on a number of industry platforms where input is sought on critical systemic issues including, trading at ports and tourism operator accreditation and permits. Where in addition to discussions, recommendations were provided for improving the business environment in these areas. The Unit also represented at the service interface meeting of DotP.
	ii. Workshops (x1 workshop undertaken).	ii. Workshops: Multiple workshops were undertaken to discuss the importance of Red Tape Reduction as it relates to the cost for the Western Cape Economy. A number of workshops have also been held with Departments of National Small Business, Monitoring and Evaluation and ongoing engagements with local municipalities.
	iii. Industry level engagements and/or engagements with applicable stakeholder structures (x2 engagements to be undertaken).	iii. Industry level engagements and/or engagements with applicable stakeholder structures: The Red Tape Reduction Unit presents on several industry platforms where input is sought on critical systemic issues including, (1) trading at ports and (2) tourism operator accreditation and permits. Where in addition to discussions, recommendations were provided for improving the business environment in these areas. These are outside of the strategic role in support of Khulisa driven industry support committees to the priority sectors.
Access:	Access:	Access:
Clients could access the service	The service to be accessible:	The service was accessible:
1. At the Head Office, 10th Floor, Waldorf Building, 80 St. George's Mall, Cape Town, operating hours: 07:30 - 16:00.	1. At the Head Office, 10th Floor, Waldorf Building, 80 St. George's Mall, Cape Town, operating hours: 07:30 - 16:00.	1. At the Head Office, 10th Floor, Waldorf Building, 80 St. George's Mall, Cape Town, operating hours: 07:30 - 16:00. "Walk-ins" albeit not preferred method of engagement remains open to clients, where they are assisted by staff of Programme 2.
2. Via Share Call: 0861 888 126.	2. Via Share Call: 0861 888 126.	2. Via Share Call: 0861 888 126: The Business Helpline number was retained and as of 1 March 2019 managed internally within the RTRU.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provide Red Tape Reduction Business Helpline Services (continued)		
3. Via e-mail: redtape@westerncape.gov.za	3. Via e-mail: redtape@westerncape.gov.za	3. Via e-mail: redtape@westerncape.gov.za The Red Tape inbox was retained and as of 1 March 2019 managed internally within RTRU.
4. Via "Please Call Me": 31022.	4. Via the website: www.westerncape.gov.za/red-tape-reduction	4. Via the website: www.westerncape.gov.za/red-tape-reduction: The website was retained and regularly updated by internal human resources.
5. Via the website: www.westerncape.gov.za/red-tape-reduction	5. Via the website: www.westerncape.gov.za/red-tape-reduction	5. Via the website: www.westerncape.gov.za/red-tape-reduction
Additional achievement: Via SMS: 079 769 1207.		
Courtesy:	Courtesy:	Courtesy:
1. Courtesy was reported and measured through:	1. Courtesy is reported and measured through:	1. Courtesy was reported and measured through:
a) Complaints Desk.	a) Complaints Desk.	a) Complaints Desk: No formal complaints desk was required as any complaints regarding the service are managed via the Deputy Director: Case Management and Communications as well as the Director: Red Tape Reduction and responded to on a case by case basis.
b) Client Satisfaction Surveys were regularly conducted (at least quarterly). The satisfaction rate varied across multiple surveys, averaging approximately 80%. The final rate for the year will only be available in quarter two of 2018/19.	b) Clients Satisfaction Surveys (one survey quarterly = four surveys).	b) Clients Satisfaction Surveys: four Feedback surveys were undertaken to inform planning and Red Tape Tracker System maintenance.
c) Progress not recorded as this standard needs to be clearly defined in current context.	c) Written correspondence to Management.	c) Written correspondence to Management: This was dependent on the nature of the enquiry and whether formal escalation was required e.g. High Cube container escalation to Ministers' Grant and Winde. In such cases memos are drafted depending on the level of escalation sought and routed accordingly. (Number of formal escalations for higher intervention).
2. The behaviour of Officials was measured/monitored, during formal and informal performance review sessions and against the:	2. The behaviour of Officials is measured/monitored against the:	2. The behaviour of Officials was measured/monitored against the:
a) Code of Conduct.	a) Code of Conduct.	a) Code of Conduct: All business helpline related staff have performance agreements and subject to performance review.
b) Business Rules of the Department and specifically the Directorate Red Tape Reduction, as depicted in the Standard Operating Procedure for Managing Red Tape Related Issue Resolution.	b) Service Standards of the Department.	b) Service Standards of the Department: All business helpline related staff have performance agreements and subject to performance review.
	c) Head: Communications.	c) Head: Communications (HOC): All external media campaigns (with the exception of website content) is submitted for the approval of the DEDAT HOC (this can be measured by HOC approved RTR briefs).

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provide Red Tape Reduction Business Helpline Services (continued)		
3. No Customer Care training provided for 2017/18 reporting period.		
Openness and transparency:	Openness and transparency:	Openness and transparency:
Openness and transparency was achieved through:	Openness and transparency is achieved through:	Openness and transparency was achieved through:
1. Written correspondence as required.	1. Written correspondence.	1. Written correspondence: This was dependent on the nature of the enquiry and whether formal escalation was required e.g. High Cube container escalation to Minister's Grant and Winde. In such cases memos were drafted depending on the level of escalation sought and routed accordingly. (Number of formal escalations for higher intervention).
2. One-on-one meetings held.	2. One-on-one meetings.	2. One-on-one meetings: Depending on the nature of the request, one-on-one meetings may be between the Client and the Unit or the originator of the "blockage". There may be requests for meetings with additional parties relevant to the particular issue. This often entails a degree of discretion given the sensitive nature of the information from all parties and is treated as such.
3. Round Table consultations.	3. Round Table consultations.	3. Round Table consultations: These were often deployed as a method for resolving systemic nature issues, such as the High Cube freight container standard amendments that were proposed. However again, this depends heavily on the nature of the individual case.
4. Site visits.	4. Site visits.	4. Site visits: Are deployed when a visual sense of the problem is required such as infrastructural development bottlenecks (approval of roads etc.).
5. Share Call: 0861 888 126.	5. Share Call: 0861 888 126.	5. Share Call: 0861 888 126: The Business Helpline (0861 888 126) was retained albeit it was a much less popular method of receiving Client cases. The Business Helpline was administrated originally by a WCG resource agent but internalised to the Red Tape Reduction Unit entirely in March 2019, with existing resources (though more capacity is required per project plans approved). It was however the most popular method of contact for Apprenticeship Game Changer enquiries by students.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provide Red Tape Reduction Business Helpline Services (continued)		
6. The publication/distribution of the Department's:	6. The publication/distribution (in three official languages of the Province and obtainable via the WCG Walk-in Centre and the Departmental website) of the Department's:	6. The publication/distribution (in three official languages of the Province and obtainable via the WCG Walk-in Centre and the Departmental website) of the Department's:
a) Annual Citizen's Report: Published in English and available in the other two official languages of the Province on request.	a) Annual Citizen's Report.	a) Annual Citizen's Report.
b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report.	b) Annual Report.
c) Service Access Booklet: Published in English and available in the other two official languages of the Province on request.	c) Service Access Booklet.	c) Service Access Booklet.
d) Service Charter: Published in English and available in the other two official languages of the Province on request.	d) Service Charter.	d) Service Charter.
e) Service Standard Schedule: Published in English and available in the other two official languages of the Province on request.	e) Service Standard Schedule.	e) Service Standard Schedule.
The abovementioned documents were obtainable from the Departmental website and at the Walk-in Centre		
Value for Money:	Value for Money:	Value for Money:
1. Clients had access to useful and useable information at no cost.	1. Clients get useful and useable information at no cost.	1. Clients obtained useful and useable information at no cost. The Business Helpline is a free service for Citizens in the Western Cape. In addition, the website provides free easily downloadable support information that is relevant for businesses.
2. Clients obtained free assistance with the resolution of disputes.	2. Clients obtain free assistance with the resolution of disputes.	2. Clients obtain free assistance with the resolution of disputes. The Business Helpline is a free service for citizens in the Western Cape, with matters relevant to the Unit's areas of work. In addition, the website provides free easily downloadable support information that is relevant for businesses.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Tourist Guide Registration and Monitoring		
Information was communicated through:	Information is communicated through:	Information was communicated through:
a) Departmental website.	a) Departmental website.	a) Departmental website.
b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report: Published in English and available in the other two official languages of the Province on request.
c) One-on-one meetings held.	c) One-on-one meetings.	c) One-on-one meetings.
d) Information sessions conducted.	d) Information sessions.	d) Information sessions conducted.
e) Brochure: Have You asked Your Tourist Guide for their Card and Badge?	e) Brochure: Have You Asked Your Tourist Guide for their Card and Badge?	e) Brochure: Have You asked Your Tourist Guide for their Card and Badge?: When the tourist guides inspections are conducted, badges and ID card licenses are inspected by the staff members. When any discrepancy is found, the office communicates directly with the Tour Operator concerned. This inspection is done on a quarterly basis.
f) Pamphlets.	f) Pamphlets.	f) Pamphlets.
g) Circulars.	g) Circulars.	g) Circulars.
h) Quarterly meetings held.	h) Quarterly meetings.	h) Quarterly meetings.
i) Department's Service Charter is displayed at Reception.	i) Department's Service Charter.	i) Department's Service Charter.
j) The toll-free telephone helplines.		
The information (pamphlets/posters/brochures/etc.) could be found at the Tourism Information Centres.	The information (pamphlets/posters/brochures/etc.) can be found at Tourism Information Centres.	The information (pamphlets/posters/brochures/etc.) could be found at Tourism Information Centres.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation		
Information was communicated through:	Information is communicated through:	Information was communicated through:
a) Departmental website and WCG Intranet.	a) Departmental website.	a) Departmental website.
b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report: Published in English and available in the other two official languages of the Province on request.
c) One-on-one meetings held.	c) One-on-one meetings.	c) One-on-one meetings.
d) Media reports.	d) Media reports.	d) Media reports: Three media reports were developed regarding Savings Month, Spend Wisely Campaign and World Consumer Rights Day.
e) Consumer Education Publications.	e) Publications.	e) Publications: One financial literacy booklet was produced.
f) Information sessions conducted.	f) Information sessions.	f) 94 information sessions in the form of consumer education programmes were held during the year.
g) Site visits.	g) Site visits.	g) Site visits: The method of operation as far as education and awareness campaigns is concerned is that these events are conducted on site within communities and/or business offices.
h) Radio shows held predominantly on community radio stations catering for the three Official languages of the Province.	h) Radio shows (catering for 3 official languages of the Province).	h) The following was achieved in relation to radio shows: <ul style="list-style-type: none"> i. 30 radio talk shows with CCFM and 11 with Radio KC were conducted ii. Two radio awareness campaigns held. iii. In December 2018 a radio campaign targeting all community radio stations was conducted. iv. In March 2019, World Consumer Rights Day Campaign was implemented through Umhlobo Wenene and KFM.
i) Quarterly meetings held on a National level with other Provincial stakeholders and Regulatory Authorities.	i) Quarterly Meetings.	i) Quarterly meetings held.
j) Pamphlets.	j) Pamphlets.	j) Pamphlets: Over 11 000 pamphlets were distributed to consumers, libraries, schools and NGOs.
k) Brochures.	k) Brochures.	k) Brochures.
l) Circulars.	l) Circulars.	l) Circulars.
m) Department's Service Charter.	m) Department's Service Charter.	m) Department's Service Charter.
The information (pamphlets/posters/brochures/etc.) indicated above can be found at certain schools, libraries, clinics, shops, etc. The information was disseminated during actual engagements held and was also provided to stakeholders during stakeholder engagements. As such, our information could be obtained from the stakeholders directly.	The information (pamphlets/posters/brochures/etc.) indicated above can be found at certain schools, libraries, clinics, shops, etc.	The information (pamphlets/posters/brochures/etc.) indicated above could be found at certain schools, libraries, clinics, shops, etc.
Furthermore, Provincial and National stakeholders (public and private) also made use of the information available.		

Service delivery information tool (continued)

Current/actual information tools	Desired information tools	Actual achievements
Red Tape Reduction Business Helpline Service		
Information is communicated through:	Information is communicated through:	Information was communicated through:
a) Departmental Website (relaunched in January 2018).	a) Red Tape Reduction Website.	a) Red Tape Reduction Website: https://www.westerncape.gov.za/red-tape-reduction/ remains a strategic tool for communicating with citizens as well as formal campaigns undertaken.
b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report: Published in English and available in the other two official languages of the Province on request.	b) Annual Report: Published in English and available in the other two official languages of the Province on request.
c) One-on-one meetings held.	c) Site visits.	c) Site visits: These occur as a result of demand-driven requests for information on the services of the Unit (e.g. Cape Chamber, Services SETA). The Unit however does align itself to platforms of its sister Unit's in the Department where relevant and proactive engagements such as those held during entrepreneurship month.
d) Media reports (Media releases on Red Tape Reduction visits).	d) Department's Service Charter.	d) Department's Service Charter.
e) Publications (Better Together Magazine 2018).	e) On systemic level issues or in creating awareness of the service, potential clients and critical stakeholders to resolution are consulted through:	e) On systemic level issues or in creating awareness of the service, potential clients and critical stakeholders to resolution were consulted through:
	i. Discussion forums.	i. Discussion forums: The Red Tape Reduction Unit presents on a number of industry platforms where input is sought on critical systemic issues including, trading at ports and tourism operator accreditation and permits. Where in addition to discussions, recommendations were provided for improving the business environment in these areas.
	ii. Workshops (x1 workshop undertaken).	ii. Workshops: Multiple workshops were undertaken to discuss the importance of Red Tape Reduction as it relates to the cost for the Western Cape Economy. A number of workshops have also been held with Departments of National Small Business, Monitoring and Evaluation and ongoing engagements with local municipalities.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Tourist Guide Registration and Monitoring		
Complaints/Suggestions/Compliments/Queries were:	Complaints/Suggestions/Compliments/Queries are:	Complaints/Suggestions/Compliments/Queries was:
a) Submitted to the relevant Business Unit via the dedicated Call Centre/Walk-in Centre.	a) Submitted to the relevant Business Unit via the dedicated Call Centre/Walk-in Centre.	a) Submitted to the relevant Business Unit via the dedicated Call Centre/Walk-in Centre: see point (c) below.
b) Submitted directly to the relevant Business Unit - contact details are obtainable in the Service Access Booklet.	b) Submitted directly to the relevant Business Unit - contact details are obtainable in the Service Access Booklet.	b) Submitted directly to the relevant Business Unit - contact details are obtainable in the Service Access Booklet: see point (c) below.
c) Responded to in writing (formal letter via post, email or fax) or verbally via telephone or face-to-face, depending on Customer request.	c) Responded to in writing (formal letter via post, email or fax) or verbally via telephone or face-to-face, depending on Customer request.	c) Responded to in writing (formal letter via post, email or fax) or verbally via telephone or face-to-face, depending on Customer request: Letters containing the details of the complaint against the Tourist Guide were dispatched so as to give an opportunity to the Tourist Guide to respond in writing. In terms of complaints (11 cases) that have been investigated, tourist guides responded timeously to those complaints, as stipulated in the Tourism Act, No. 3 of 2014. These matters were amicably resolved without issuing of penalties as stipulated in the Act. Matters turned out not be of serious contravention of the Act, Code of Conduct or Ethics of Tourist Guides.
d) Appeals against the Provincial Registrars decision can be made directly to the National Registrar.	d) Appeals against the Provincial Registrars decision can be made directly to the National Registrar.	d) No appeals against the decision of the Registrar were made during 2018/19.
e) Acknowledged within 48 hours of receipt.		
Western Cape Consumer Protector by virtue of the Provision of Provincial and National Legislation		
Complaints/Suggestions/Compliments/Queries are:	Complaints/Suggestions/Compliments/Queries are:	Complaints/Suggestions/Compliments/Queries were:
a) Submitted to the relevant Business Unit via the dedicated Call Centre/Walk-in Centre.	a) Submitted to the relevant Business Unit via the dedicated Call Centre/Walk-in Centre.	a) Submitted to the relevant Business Unit via the dedicated Call Centre/Walk-in Centre.
b) Submitted directly to the relevant Business Unit - contact details are obtainable in the Service Access Booklet.	b) Submitted directly to the relevant Business Unit - contact details are obtainable in the Service Access Booklet.	b) Submitted directly to the relevant Business Unit - contact details are obtainable in the Service Access Booklet.
c) Responded to in writing (formal letter via post, email or fax) or verbally via telephone or face-to-face, depending on Customer request.	c) Responded to in writing (formal letter via post, email or fax) or verbally via telephone or face-to-face, depending on Customer request.	c) Responded to in writing (formal letter via post, email or fax) or verbally via telephone or face-to-face, depending on Customer request.
d) Acknowledged within 48 hours of receipt.	d) Explore digitalization of some elements of the information feedback.	d) Digitalization will be implemented in the 2019/20 financial year via the Western Cape Government Contact Centre.
		Additional achievement:
		e) Acknowledged within 48 hours of receipt.

Complaints mechanism (continued)

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Red Tape Reduction Business Helpline Service		
Cases were:	Cases are:	Cases were:
<p>a) Submitted to RTRU via the dedicated Contact Centre.</p>	<p>a) Submitted to RTRU via the dedicated Contact Centre.</p>	<p>a) Submitted to RTRU via the dedicated Contact Centre: E-mail remained the primary mechanism for clients to log their red tape issues and also the method of response to them.</p> <p>This was achieved through ongoing maintenance of the eight inbox, administrated originally by a WCG resource agent, but internalised to the Red Tape Reduction Unit entirely in March 2019, with existing resources (though more capacity is required per project plans approved). The Unit has also managed enquiries for the Apprenticeship Game Changer Programme similarly.</p> <p>The Business Helpline retained albeit much less popular method of receiving client cases, via the 0861 888 126 number. The Business Helpline was administrated originally by a WCG resource agent but internalised to the Red Tape Reduction Unit entirely in March 2019, with existing resources (though more capacity is required per project plans approved). This was the most popular method of contact for Apprenticeship Game Changer enquiries by students though.</p>
<p>b) Responded to in writing (generally e-mail, occasionally formally) or verbally via telephone or face-to-face, depending on circumstances and or Customer preference.</p>	<p>b) Responded to in writing (generally e-mail, occasionally formally) or verbally via telephone or face-to-face, depending on circumstances and Customer preference.</p>	<p>b) Responded to in writing (generally e-mail, occasionally formally) or verbally via telephone or face-to-face, depending on circumstances and Customer preference.</p>
Additional achievement:		
<p>c) Submitted to RTRU via the Ministry of Economic Opportunities and the Office of the Head of Department.</p>		<p>Generally responded to similarly to the nature of entry into the RTR Unit. Depending on the nature of the request one-on-one meetings may be between the Client and the Unit or the originator of the "blockage".</p> <p>There may be request for meetings with additional parties relevant to the particular issue. This often entails a degree of discretion given the sensitive nature of the information from all parties and is treated as such.</p>

2.4 Organisational environment

Organisational Environment

The Department's strategy has been developed within the context and in accordance with the National Development Plan (NDP), the Medium Term Strategic Framework (MSTF) and the Western Cape Government's vision for the province as espoused in OneCape 2040. With the aim of consolidating and streamlining the Province's strategic agenda for more effective service delivery, the Provincial Strategic Plan (PSP) was developed in 2014.

The Department, under the leadership of the Minister of Economic Opportunities, continued to express its commitment through maintaining a leading role in driving the Western Cape Government's agenda for Provincial Strategic Goal 1 (PSG1), namely to create opportunities for growth and jobs. PSG 1 is delivered in collaboration with sister departments: Agriculture, Transport and Public Works and Environmental Affairs and Development Planning.

Despite water and energy challenges in the province as well as nationwide economic uncertainty, during the reporting period, the Department of Economic Development and Tourism, has remained resilient in its strategic approach, which is aimed at:

- Growing, attracting and retaining the skills required by our economy;
- Making it easier to do business by reducing red tape;
- Investing in high quality, efficient and competitive infrastructure;
- Rebranding the region to increase internal and external investment;
- Opening new and supporting existing markets for Western Cape businesses as well as identifying key enterprises wanting to enter export market;
- Ensuring our economic, social and environmental sustainability; and
- Demonstrating leadership which promotes an improved regional economic eco-system (governance) and embraces innovation.

Given the broad and transversal nature of the aforementioned strategies, the current fiscal framework as well as the setting of an upper limit for Compensation of Employees (COE), the Department aligned its Workforce Plan to ensure congruence between the needs and priorities of the Department with those of its legislative, regulatory, service and its strategic mandate.

In addition, the re-skilling and upskilling of staff, with key factors to be considered, such as competency improvement, performance, transformation, diversification and mentorship remained a priority for the Department. This plan has and will continue to be the vehicle to ensure that the Department utilises and develops its human capital optimally.

In compliance with budget austerity measures the established MCOE committee continued putting measures in place to have ensured that only posts crucial for service delivery, are filled. This resulted in the filling of two Chief Director posts. Thus, the Department continued to endeavour prioritising a strategic, talent-driven, vision-led Senior Management cadre, labour force and organisational culture.

2.5 Key policy developments and legislative changes

For the year under review, the policy environment remained unchanged. No significant changes to policies and legislation.

3. STRATEGIC OUTCOME ORIENTED GOALS

The Strategic Outcome Orientated Goals of the Department are aligned to the objectives as articulated in Provincial Strategic Goal 1: Creation of opportunities for growth and jobs through facilitation and accelerating economic growth through increased jobs and increased GVA of R25 billion by 2020.

The Department has, through Project Khulisa, identified a set of key, competitive sectors through which we believe we can unlock accelerated growth and job creation. These are: Tourism, Oil and Gas and Agri-processing. They were identified in an extensive exercise to prioritise those sectors that offered both high employment and strong growth potential. While we will continue to support building an enabling environment for the entire economy, these sectors will receive accentuated focus as we believe that they hold promise of maximizing direct and indirect employment and GVA growth.

In creating an economic enabling environment, the Department embarked on a seven-point action plan toward building a resilient, inclusive and competitive Western Cape. These seven strategic interventions can be summarised as follows:

- Provide Economic Growth Leadership;
- Reduce the cost and improve the ease of doing business;
- Establish and promote an innovative and competitive business environment;
- Develop key skills programmes to match the demand for appropriate skills for the economy and thereby to enhance regional competitiveness;
- Invest in key economic catalytic infrastructure;
- Within the tourism industry, promote the global profile of Cape Town and the Western Cape; and
- Promote trade and investment for Africa's growth and development.

Global Economy

Global growth has weakened - world output registered 3.8% in 2017, slightly falling to 3.7% in 2018. The International Monetary Fund (IMF) in its WEF January 2019 update, downwardly revised global economic growth from 3.7% in 2018 to 3.5% in 2019 due to higher levels of economic risk around the world. The key risks include the ongoing US - China trade war, a "greater than expected" Chinese slowdown and a "no-deal" Brexit, which could constrain the growth of other countries and adversely affect that of South Africa¹. Given South Africa and the Western Cape's export orientation, demand for locally produced goods such as agri-related commodities and other manufactured goods is directly related to the global economy.

National economy

The South African economy expanded by 1.3% in 2017, a marked increase from the 0.3% registered in 2016. According to the IMF, SA growth is estimated to fall to 0.8% in 2018 and projected to rise moderately to 1.4% in 2019. Going forward, agriculture and manufacturing are expected to be the primary drivers of economic growth. The IMF asserts that the extent of economic recovery depends strongly on structural reform implementation and policy credibility.

Key risks to the South African economy include: load shedding; financial and operational stability of the SOE's, particularly Eskom; South Africa's sovereign debt rating; policy uncertainty on matters such as land expropriation; and drought conditions in parts of South Africa.

Of concern is the financial and operational stability of Eskom and its impact on: The reliability of electricity supply; electricity pricing and South Africa's sovereign debt rating. These concerns also impact local and foreign investor sentiment, especially in mining and related industries. Energy security is now the single most significant threat to economic and employment creation at both national and provincial level.

¹ World Economic Update, January 2019

Energy security together with policy uncertainty on matters such as land expropriation will restrain investment and growth. International and local investors may take a “hold and see” approach to investment and growth until after the elections.

Provincial economy

At the regional level, the Western Cape economy has historically mirrored the performance of the South African economy – also falling but estimated to have contracted by a marked 0.1% in 2018. This is primarily as a result of the adverse impact of the drought on the agricultural value chain of the Province². On the provincial labour market front, the (narrow) unemployment rate fell slightly from, 20.9% in 2017 to 20.0% in 2018, declining further to 19.5% in Q1:2019.

In the case of the National Development Plan 2030 and supporting Medium Term Strategic Framework (MTSF) (2014-2019), the alignment of the Department’s strategic plan with the national strategic imperatives can be found in the following outcomes:

- Outcome 4: Employment through inclusive economic growth;
- Outcome 5: A skilled and capable workforce to support an inclusive growth path; and
- Outcome 6: An efficient, competitive and responsive economic infrastructure network.

The Integrated Economic Development Service (IEDS) Programme continued to promote and support an enabling business environment and ecosystem that enables businesses to grow and develop which is critical for economic growth and job creation.

The activities of the Enterprise Development unit focussed on access to finance, access to markets, capacity building, promoting a culture of entrepreneurship with the associated pipeline of potential entrants drawn from various initiatives; business development support and sustainable procurement. These initiatives contributed towards job creation and the expansion of businesses by enabling them to, inter alia, move up the value chains within sectors such as Agri-processing. The partnerships developed by the Department enabled it to scale projects in terms of magnitude and reach. Our ongoing partners with organisations such as Pick ‘n Pay and Deloitte once again added much value to the service offerings of the Department to entrepreneurs and small businesses.

The Regional and Local Economic Development (RLED) unit’s activities focussed on improving local business environments by improving municipal business-facing services that works to contributing towards a cost saving or benefit to government and business. The delivery program assessed municipal business processes and proposed appropriate improvement opportunities to implement. The aim is to reduce unnecessary cost to doing business in local areas (in terms of time, cost and complexity of procedures). The long-term outcome sought is continuous improvement of the service delivery environment to business, both domestic and foreign that contributes to jobs and growth in the Western Cape.

The RTRU conducted its projects both in response to issues raised by businesses (reactive) and by identifying areas for improvement of business-facing services delivered by national and provincial government departments and entities (proactive). This is in line with the WCG’s strategic goal of bringing about a more business-friendly environment. The Business Support Helpline assisted 200 businesses in the year under review, bringing to more than 8 600 the number so assisted since inception of the service. Since Regulatory Impact Assessments (RIAs) were made compulsory by way of a Cabinet resolution in May 2016 (a process driven by the unit), RIAs have been conducted in respect of a number of policies and bills. This represents a watershed in law and policy making in the Western Cape, and one sought to be emulated by other governments across all spheres. The unit’s work is being assessed using the increasingly sophisticated assessment tool developed in 2016/17 and refined during the past year, a process that imparts important lessons as to the type and scale of interventions that need to be undertaken to make the Western Cape a preferred investment destination in terms of ease of doing business.

² Budget Overview of Provincial Revenue and Estimates (OPRE), 2019

The area of consumer protection is one which in terms of the Programme's strategic objectives aligns acutely with the development of a customer-centric public service which is aimed at creating an empowered citizenry. As such, many of the Programme's projects are aligned with the provincial and national outcomes which are aimed at the development of a public service which is focussed on protection of consumer rights of citizens. Accordingly, the Programme aligns closely with National Outcome 12 and the Provincial Strategic Goals which are aimed at the creation of an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship. Therefore, it is unambiguous that the work of the Programme is customer focussed given that there is a direct interface with the citizens of the province and direct services are being provided on consumer protection and consumer education issues. The results of the work done during the year under review has shown that various successes have been achieved by the Programme and that considerable strides were made in ensuring that a customer-centric service was provided throughout the province on consumer protection and consumer education matters. The Programme has through its various initiatives continued to demonstrate that it provides a level of service which is comparable if not more efficient than other similar initiatives across other provinces. This is evidenced by both its number of complaints received and cases resolved and the myriad consumer education initiatives conducted across the province.

In terms of achieving the goals set as per the departmental five-year strategy the Programme has made positive strides in this regard. In terms of the resolution of consumer complaints by the Programme the year under review has seen the Programme exceed the outcome indicator relating to the financial rand saving accruing to consumers due to the Programme's assistance. This noteworthy achievement appears to be setting the Programme on its way for achieving its five year targets. Similarly, the results achieved within the consumer education unit within the Programme were exemplary insofar as creating awareness amongst consumers within the province about consumer rights and obligations. The focus on basic financial literacy and the importance of sound budget management by ordinary consumers has also realised positive results at both the output and outcome level for the Programme. The Programme therefore appears to be on a sound footing insofar as achieving its targets over the period identified within the five-year strategy.

In light of the Department's objectives and alignment with PSG 1, the Economic Planning Programme developed, reviewed and supported key policies, strategies and/or frameworks of the Department, the Province and the City.

In order to assist the Department to achieve its objective, of creating an enabling environment for economic growth and job creation, Research and Development provided support to its line functions, provisioned and maintained a Centralised economic data repository and disseminated economic information through a Quarterly Economic Bulletin. These initiatives were aimed at strengthening the importance of credible data in economic decision-making, stimulating economic dialogue and informing the economic landscape. The sub-programme also supported the Western Cape Government's response to the water crisis by providing research and analysis on the economic impacts.

Additionally, the Knowledge Management sub-programme also supported the Western Cape Economic Development Partnership with the aim of encouraging economic stakeholders to engage in a manner that builds and re-enforces existing partnerships. This partnering approach is based on the recognition that government cannot deliver services effectively on its own, and that much more can be achieved if the energy, resources and mandates of other spheres of government and related agencies, as well as non-government role-players, are leveraged to assist the WCG fulfil its constitutional mandate. Due to increasing constraints on public sector funding, government programmes will be required to leverage resources and mandates outside their control in order to deliver on the Provincial Strategic Plan (PSP).

External to the WCG, the work of the WCEDP has become increasingly demand-driven from municipal, business, academic and civil society partners and stakeholders.

The WCEDP is thus increasingly able to fulfil its role as a public benefit organisation, supporting diverse role-players within the regional economic development system on both the demand-side and supply-side, rather than operating as a traditional service provider to government.

Within WCG, WCEDP programmes and projects are diversifying around a number of transversal development issues at the request of various Provincial Strategic Goals (PSGs), departments and programme managers. WCEDP projects and activities have become more focussed and targeted, with more emphasis on outputs and outcomes, including systems analysis, knowledge generation, and the role of partnering and partnerships within the delivery chain.

The WCEDP focuses on both tangible partnering outcomes, such as helping partners to agree on common agendas and to devise processes and platforms to enable joint action and delivery, as well as intangible outcomes, such as changes to institutional cultures, relationships and trust building, behavioural changes and collaborative mindsets.

The Sector Development sub-programme continued to exceed its targets with strong delivery across most of the sectors in which the Department is involved in. A total value of R1.5 billion of trade and investment projects was realised against the 2018/19 target of R1.1 billion with a total of 9 102 jobs being facilitated.

Project Khulisa has identified tourism as one of the key sectors that offers the province the greatest potential return in terms of jobs and growth. Through the Tourism levers, tourism initiatives have been identified to help achieve the outcome of growing tourism direct jobs by 100 000 additional jobs and increasing GVA from R17 billion to R28 billion. During 2018/19, Wesgro supported a total of 48 events with the economic value of R2.220 million. Also, the Convention Bureau secured 17 conference bids with the estimated economic impact of R373.7 million.

For the destination to be globally competitive, it is important that the product offering is varied and of good quality; and able to provide world class tourism experiences. Project (Tourism) Khulisa identified cycle tourism and the development of culture and heritage routes in Western Cape as niche markets that will boost the attractiveness of the destination and increase the visitor numbers together with the associated economic benefits that these visitors bring to the Western Cape. The Cradle of Human Culture Route was successfully launched as part of this tourism lever.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME 1: ADMINISTRATION

Purpose

To provide strong, innovative leadership, and to deliver clean, efficient, cost-effective, transparent and responsive corporate services to the Department.

Programme structure

The Programme is structured as follows:

- Sub-programme 1.1: Office of the Head of Department
- Sub-programme 1.2: Financial Management
- Sub-programme 1.3: Corporate Services

Service delivery objectives and indicators

The past year observed the integration of various strategies and related processes to enhance Financial Management's support service so as to safeguard the Department's ability to fulfil its role as the lead Department for PSG 1 without sacrificing its intended objective of achieving financial governance superiority.

The Programme acknowledges and understands that the journey to high standards of financial governance is permeated with challenges and requires a long-term inclusive strategy that relies on a cohesive compliance and performance culture, stakeholder support and service delivery. This strategic objective has been further disaggregated into three main strategies, namely:

- Promoting excellent client services.
- Ensuring a legislative and policy framework in which efficient and effective processes may be implemented.
- Ensuring the Department is suitably capacitated to meet its financial and governance standards.

Promoting excellent client services

In the constant pursuit of building efficiency and cost effectiveness, while enriching our service offerings to our clients both internal and external to the Department, the Financial Management unit has institutionalised the Lean Thinking approach to all processes.

In this regard, the unit continues to develop and build a culture in which all components are focussed on the elimination of waste and delivering services through streamlined processes that minimizes non-value-added activities. Understanding that customer satisfaction is paramount, Finance reviewed its current procedures and identified processes which were cumbersome to the end users and had excessive processing steps - all of which created waste. Financial Management successfully identified and implemented various efficiency measures, which contributed to financial management exceeding its target regarding the implementation of efficiency measures. Examples of these include:

- Reducing red-tape and streamlining processes by revising and implementing a comprehensive TOR template with clear guidelines PSG 1.
- Streamlining processes by integrating the critical path and cash flow document to better assist project managers with the planning of their projects.
- Streamlining the payment process by enhancing payment checklists to prevent the submission of incomplete payment packs.
- Streamlining processes and enhancing turnaround time with the processing of foreign payments.

Pursuant of excellent service delivery to all departmental stakeholders, the Chief Directorate engaged the expertise of professionals in various governance disciplines to provide a better and more impactful service to the departmental Governance Committee. The purpose of this committee is to implement and drive King IV principles so that the organization is holistically well-governed and positioned to continuously improve service delivery. Financial Management, through its support function to this committee and its goal to ensure the committee is well-functioning and equipped, embarked on an initiative to ensure that the best expertise was always available to committee members as a decision-making tool. During the 2018/19 financial year, the committee engaged with Dr. Richard Foster, Chairman of the board of the Institute of Directors SA, Jerry Chetty, senior manager of the Business Integrity Unit at Sanlam, Lynne Tromp, the Forensic Manager at Petrosa and Betty Spencer, the Risk Director at the National Department of Arts and Culture.

To further support and safeguard the Department, efforts were calibrated to prevent fraud and corruption and provide a performance perspective in its stead through the roll-out of Financial Management's Fraud Awareness Day on 11 May 2018. The theme "Flip the script" was undertaken for the awareness intervention to purport a different view from the traditional one which considers the direct theft of state funds as the only characteristic of public sector fraud and corruption. The intent of the theme was to challenge staff to think differently about fraud and corruption and how their individual conduct and performance in the workplace can enable acts of dishonesty which in turn would increase wastage and decrease service delivery. The approach used to implement the intervention also greatly contributed to achieving the theme and message through a pre-marketing event to sensitize staff, a corporate theatre play that depicted a workplace scenario that staff could relate to and expert speakers providing their views on employee performance and its value to an organization. Positive responses widely received through a staff survey indicates that the awareness objective was not only achieved but appreciated for its different perspective on fraud and corruption in the public sector workplace.

Financial management understands the frustrations and plight of suppliers, especially the small business owners (SMME's), as they are key contributors to the fight against the triple evils of unemployment, poverty and inequality. Therefore, this Office will continuously drive the achievement of the less than 30-day turnaround time for the payment of goods and services. With proper systems and monitoring in place, payments to beneficiaries are processed within an average of 15.79 days from the date of receipt of invoice to the date of payment into the beneficiaries' bank account. Finance has further set a target to process 70% of all bids within 60 days and has for the period under review exceeded that target in that 100% of all bids were processed within 60 days. These turnaround times was achieved without any governance standards being sacrificed.

Ensuring a legislative and policy framework in which efficient and effective processes may be implemented

In furthering efforts to enhance the capability of service delivery programmes to perform their daily financial management responsibilities, Financial Management revised its Financial Management Policy Manual and Financial Management Pocket Guide. The Pocket Guide, documents in a very practical manner all processes related to the Financial Management cycle that staff utilises to implement their projects. The Pocket Guide is complementary to the departmental Financial Management Policy Manual which retains the financial management legislative framework or all policies whereas the Guide demonstrates all processes applicable to the service delivery programmes. The format of the Guide is as intended, simple and clear narrative on the process with an accompanying process map which provides quick and easy guidance to the user.

Moreover, in setting clear standards and ensuring compliance, the Supply Chain Management and Financial Delegations underwent its annual review with the unswerving intent to engender efficiency into processes and adequately locate accountability and responsibility of budget holders within Programmes. During the 2018/19 financial year, the Delegations of Authority was revised to ensure that processes were unhindered by structural changes and any forms of duplication were removed. Due to these said changes, it enabled Programmes to more effectively manage, control and thereby be accountable for their budgets and to limit the risk exposure in certain areas.

In realising our responsibility to establish an effective compliance framework and processes, compliance monitoring was improved through the revision of standardised templates. The procurement templates have undergone significant changes to make it user-friendly and easy to understand for both the bidders and line functions. The lay-out of the templates has also been made simple and easy to use and the line functions are encouraged to use language that is unambiguous and easily understood. The documents have been standardised and are relevant to the type of procurement to be undertaken. These changes have a great potential to increase the efficiency and effectiveness of Department's spending.

Ensuring the Department is suitably capacitated to meet its financial and governance standards

As one of the Financial Management's services to the Department, training and its benefits has always been prioritized. Stemming from the shift during the 2017/18 year with regards to the presentation style training mediums to more interactive media, the training videos were enhanced to such a degree that it earned a nomination to the 2018 Western Cape Service Excellence Awards. The use of interactive media, although identified during the 2017/18 year, was augmented during the 2018/19 year through the more vigorous storytelling content as opposed to informing staff about the specific training topic. The key enhancement to the interactive media used was the depiction of workplace scenarios intended to resonate with staff in such a manner that the training content would be impactful and resonate. In terms of feedback received, this training objective was well-achieved.

The Financial Management Frequently Asked Question system of providing even more assistance to departmental staff in delivery of their financial management roles and responsibilities was also further enhanced during the 2018/19 financial year through the usage of the interactive and storytelling approach to embed training concepts. The visual representation of financial management topics was simplified with a question and answer scenario coupled with a video demonstrating the answer. This, together with storage on the MyContent system, facilitated out-of-classroom and anytime learning, thereby further increasing the Chief Directorate's training capability.

Financial Management exceeded its target of training programmes for the year based on the growing demand for such interventions by Programmes as well as born from legislative changes and revisions of processes.

As public servants, Financial Management constantly strive to act in a way that will lead to improving the quality of service delivery. Hence, the chief directorate conducted regular functional training with financial management staff to increase efficiency in employees, to encourage professional development, team performance and overall cohesion in the individual units.

CORPORATE SERVICES

Departmental Communication

During the financial year the Departmental Communications Unit continued to render communication support services to the Programmes within the Department.

To support the objectives of departmental projects, the Unit implemented a number of communication campaigns. The Unit played a central role in facilitating the relationship with the contracted media agency, Corporate Communications and eG4C, ensuring communication campaigns were properly briefed, and implemented. Notable projects included multi-media awareness campaigns for the Journey to Service Excellence, I-CAN Learn, Nurturing Innovation, Tourism Safety initiatives and support to the roll out of the Apprenticeship and Energy Security Game Changer communication campaigns. In an effort to extend the reach of the Department's communication campaigns, the Unit also translated and produced communication products in English, Afrikaans and isiXhosa.

In conjunction with the line functions, the Communications Unit has the task of ensuring that the Department's website remains updated. Website updates were generally project-specific. The Departmental website was often used as a tool to draw applications for departmental projects, provide stakeholders with more in-depth information and to create awareness of programmes being run in the Department.

Knowledge Management

Knowledge management is the name of a concept in which an enterprise consciously and comprehensively gathers organises, shares, and analyses its knowledge in terms of resources, documents, and people skills. The ability to manage knowledge is crucial in today's economy where knowledge is treated as a commodity.

Enterprise Content Management is the key goal of the knowledge management unit. To that end a conglomerate of platforms and tools are being used to digitally capture and store and manage DEDAT information. The core of the application set is the MyContent system for document and record management.

The Knowledge Management unit has moved to a dual document registry system comprising of both paper and electronic document stores. During the reporting period the fruit of the system has brought about internal efficiencies in the filing and retrieval of information. The over-performance of the records stored were due to programmes improving the method of preparing the documents to be stored as well as the upskilling of dedicated staff not just to use the system for storing purposes, but also for a wide range of benefits for efficient service delivery.

Through our learning networks, role-players developed a shared understanding of relevant issues of the current environment. The primary aim behind the initiative is the exchange of ideas towards developing best practice organisations. Three learning networks held focussed on the internal issues of interest to DEDAT.

Departmental Performance Monitoring

The Department's "Monitoring and Evaluation" Unit managed and delivered the following in 2018/19:

1. DEDAT's non-financial performance information and reports (QPR function);
2. Partnered with Programme 7 and commissioned a formal Evaluation of the Design of the Software Development at Schools program, a long-term skills program jointly conceptualised and implemented by the Western Cape Education Department and DEDAT;
3. Authored reports using actual, historical performance data to support the Executive or Programmes, including the:
 - Data to support the *Accounting Officer's Foreword*, Annual Report 2017/18;
 - Ministry, via the Red Tape Unit's request for a *Review of Liquor Licence related cases*;
 - "*DEDAT's Progress against PSP and Strategic Plan, 2015 - 2018*" for the Review Forum;
 - DEDAT's cumulative support to *Businesses Expanded*, 2015/16 to 2017/18.
4. Proposed, managed and quality-assured the production of departmental
 - Transversal Indicators used in the DEDAT's Handover/End Term Report to Executive;
 - Technical Indicator Reports and its publication aligned to the APP 2019/20 process;
5. Managed DEDAT's annual participation in the DPME's MPAT Assessment; and
6. Participated in business improvement initiatives including the DotP's internal audit of the Department's M&E System and the transversal organisational design review of HOD-support Units.

Outcome indicator	Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations	
		Target 2018/19	Actual 2018/19	Deviation from planned target to actual achieve- ment 2018/19		
Sub-programme: Financial Management						
Strategic Objective		To achieve the highest level of financial governance and to maximise service delivery through excellence.				
1.1	Audit Opinion obtained from the AGSA in respect of the previous financial year.	Unqualified Audit Report.	Unqualified Audit Report.	Unqualified Audit Report.	-	-
Sub-programme: Corporate Services						
Departmental Communication						
Strategic Objective		To adequately inform and empower stakeholders of the Department by providing access and connectivity to Departmental activities through communication initiatives which are aligned to Western Cape Government Communication strategic imperatives.				
1.1	Departmental Communication Plan in place to ensure effective communication.	1	1	1	-	-
Monitoring and Evaluation						
Strategic Objective		Outcomes-based monitoring, evaluation and measurement of the Department's implementation of strategies, programmes and projects to determine the effectiveness and impact of economic development policies and priorities.				
1.1	Functional M&E system aligned to national/provincial standards.	MPAT: Monitoring - Level 4 and Evaluation - Level 2.5.	MPAT: Monitoring - Level 4 and Evaluation - Level 2.	MPAT: Monitoring - Level 4 and Evaluation - Level 3.	One level.	The over-achievement results from the approval and submission of the Three-year Departmental Evaluation Plan. Through the PT allocation of funds for Evaluations, as a beneficiary, DEDAT could plan for and commission an external Evaluation and resultantly, this provided the proof needed to improve DEDAT's Evaluation score.
Knowledge Management						
Strategic Objective		To strengthen institutional governance for improved service delivery.				
1.1	Maintenance of the centralised knowledge management system (ECM) to achieve electronic data governance and institutional memory.	ECM system maintained.	Maintenance of the ECM (Named MyContent).	ECM System maintained.	-	-

Performance indicators and targets

Performance indicator (Output)	Actual Achieved 2015/16	Actual achieved 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Financial Management								
1.1	The Processing of payments to creditors within 30 days.	Payment to creditors within 17.12 days.	Payment to creditors within 17.26 days.	Payment to creditors within 18.31 days.	Payment to creditors within 30 days.	Payment to creditors within 15.79 days	14.21	Systems and controls are in place to ensure sound management of payments.
1.2	Percentage of bids processed within 60 days (No of bids processed within 60 days/ total number of bids).	-	-	100%	70%	100% (N=8)	30%	Efficient SCM processes are in place to ensure the successful processing of bids in a reduced timeline without jeopardising compliance.
1.3	Cumulative expenditure as a percentage of the budget (Actual expenditure/ Adjusted Budget).	97.41%	97.58%	98.51%	98%	98.95% (R424 396 000)	0.95%	The Department exceeded its target due to its rigorous effort in driving expenditure.
1.4	Number of financial efficiency interventions implemented.	5	4	12	4	5	1	To improve the quality of service delivery, financial management looked at how it could enhance turnaround strategies and streamline its processes by applying lean methodology.
1.5	Number of financial manual training sessions conducted.	14	21	18	12	19	7	The financial manual is demand-led and therefore linked to staff training requirements.

Performance indicators and targets (continued)

Performance indicator (Output)	Actual Achieved 2015/16	Actual achieved 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Corporate Services								
Departmental Communication								
1.1	Number of Departmental events calendars developed and updated.	-	1	1	1	1	-	-
1.2	Number of official documents translated.	29	14	23	10	11	1	The demand for translations slightly exceeded the target.
1.3	Number of communication initiatives supported.	-	21	36	8	24	16	The demand for Communication support exceeded the anticipated number of initiatives. Target setting for the next year will be in the form of a band to allow for increase/decrease in demand.

Performance indicators and targets (continued)

Performance indicator (Output)	Actual Achieved 2015/16	Actual achieved 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Departmental Performance Monitoring								
1.1	Number of monitoring reports.	4	1	2	2	2	-	-
1.2	Manage the Department's MPAT.	1	1 MPAT Improvement Report	AO approved on 9 November 2017, in line with DPME time-frames.	On time delivery of both phases of MPAT assessment.	On time delivery of both phases of MPAT assessment.	-	-
1.3	Manage the Department's Non-financial performance reporting function.	4 Quarterly Performance Reports.	4 Quarterly Performance Reports.	4 Quarterly Performance Reports.	4 Quarterly Performance Reports.	4 Quarterly Performance Reports.	-	-
1.4	Department published approved Technical Indicator Descriptions.	-	-	Consolidated Technical Indicator or report for Departmental Programmes submitted.	Published on website before 31 March 2019.	Published on website 29 March 2019.	-	-
1.5	Number of evaluation reports.	-	-	-	1	0	1	Specifications development which required significant consultation with multiple external stakeholders ensued longer than expected. Final report expected for release August 2019.
Knowledge Management								
1.1	% of Departmental records stored on ECM out of the total records received.	86% of records received stored and disseminated.	80% of records received stored and disseminated.	88% (N=2 000)	90%	98.82% (N=3 397)	8.82%	This target was exceeded due to the high number of documents received and the improved quality in the format it was received.
1.2	Number of Learning networks facilitated.	5	4	4	4	3	1	The learning network was postponed due to the unavailability of attendees.

Strategy to overcome areas of underperformance

The unit has embarked on reviewing planned quarterly dates to be spread across the financial year.

In addition, in Q4: 2018/19 the Department contracted a service provider to commence the Evaluation of the Software Development at Schools program, a prioritised Skills program jointly implemented by the Western Cape Education Department and DEDAT. This evaluation report will be released in Q2: 2019/20 and will provide recommendations as to the viability of further evaluation projects into this program.

Changes to planned targets

Not applicable.

Linking performance with budgets

During the 2018/19 financial year, Programme 1: Administration was allocated a financial resource envelope of R58.446 million. Of this, R41.519 million was allocated to Compensation of Employees, R12.623 million to Goods and Services and R4.194 million to payments for Capital Assets.

During the Financial year, 98.60% of the allocated budget was expended. The primary drivers of this expenditure was Compensation of Employees amounting to R40.930 million and Goods and Services amounting to R12.426 million.

Other notable expenditures were allocated to Audit costs amounting to R3.025 million as well as the upskilling of staff (R1.919 million) of which bursaries for staff members of the Department amounting to R721 000 and the provision of transport to staff amounting to R2.185 million.

Sub-programme Expenditure

Sub-programme Name	2018/19			2017/18		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the HoD	10 652	10 644	8	6 055	6 054	1
Financial Management	35 065	34 713	352	31 746	31 610	136
Corporate Services	12 729	12 296	433	20 740	20 403	337
Total	58 446	57 653	793	58 541	58 067	474

4.2 PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Purpose

To promote and support an enabling business environment for the creation of opportunities for growth and jobs.

Programme structure

The Programme is structured as follows:

- Sub-programme 2.1: Enterprise Development
- Sub-programme 2.2: Regional & Local Economic Development
- Sub-programme 2.3: Economic Empowerment
- Sub-programme 2.4: Red Tape Reduction
- Sub-programme 2.5: Management Integrated Economic Development Services

Service delivery objectives and indicators

A common thread throughout the proposed actions of Khulisa is the improvement of the enabling environment for businesses to start, develop and grow. This means consideration of all those factors that inhibit or favour the growth and development of business and ultimately economic growth and labour absorption. To this end, the Programme focussed on the delivery towards “the ease of doing business” (EDB) where the following were prioritised - (1) regulations and legislation, (2) systems and procedures, (3) communication, and, (4) any other factors critical to successful business start-up and growth (e.g. access to finance). Additionally, much attention was also paid to improving the business support eco-system. Importantly, much effort was directed towards supporting the priority sectors as identified by Project Khulisa. The strategic intent then comprised (1) increasing the number of new businesses, (2) growing existing businesses and (3) improving the business regulatory environment, and (4) directing attention to co-coordinating growth and development activities outside of the Cape Town metro area and building institutional capacity of stakeholders and institutions (e.g. municipalities) in the rural districts. Per sub-programme the following can be reported:

Enterprise Development

Entrepreneurs are creators, innovators and have the fortitude to change the economic trajectory and shape the social landscape which is why the Western Cape needs more innovative entrepreneurs. Previously the narrative about SMMEs and entrepreneurship was focussed on the size of the firms. This focus is now on the life cycle approach linked to the stage of development of SMMEs. This has significantly impacted on the nature and scope of the programmes and projects that the unit has embarked upon. As part of the narrative, consideration was given to how high growth enterprises support other firms through their value chains and supply chains.

The impact of the Enterprise Development unit’s initiatives contributed and translated into the expansion of businesses which is critical for economic growth and job creation. The various programmes and projects of the unit resulted in 63 SMMEs expanding their operations which were evident in increased turnover or employment created.

Regional & Local Economic Development

To improve ease of doing business, the Regional and Local Economic Development sub-programme focussed on simplifying local government processes that contribute to an enabling business environment that promotes local economic development as the processes and administrative systems underlying government business-facing services can be inefficient, unpredictable and unnecessarily complicated thus negatively impacting on smooth delivery.

The unit’s delivery programme assessed municipal business processes and proposed appropriate improvement opportunities to implement with an aim to reducing unnecessary cost to doing business in local areas (in terms of time, cost and complexity of procedures). Fifty-five (55) recommendations for improvement, across four (4) municipalities, was successfully proposed. In addition, the Municipal Service to Business (MS2B) programme

implemented improvement projects aimed at adding value to the construction, investment and event and film sectors, in sixteen (16) municipalities. The MS2B Initiative demonstrated that improving key business-facing services in terms of processes and procedures at municipal level contributes towards a positive effect on the business environment within a local economy.

Red Tape Reduction

Using the third iteration of the Red Tape Costing Tool (Impact Assessment Tool), the Red Tape Reduction Unit (RTRU) continued to track and assess the impact of both the interventions it undertook in previous financial years (from 2015/16 onwards, in Phases 1 and 2 of the Costing Tool project) and new ones undertaken in Phase 3 (2018/19). In addition, red tape reduction/ease of doing business initiatives by other Western Cape Government (WCG) departments and municipalities, the first of which were recorded in 2017/18, were captured in the tool and assessed for impact as part of the development of the tool into a means to track red tape reduction/ease of doing business beyond the DEDAT and across the WCG as a whole. Collectively, these interventions enabled the WCG to achieve its target of R1 billion in red tape savings and benefits generated by its initiatives to create a more business-friendly environment in the province.

The RTRU continued its role as a member of the Central RIA Steering Committee, which was established under the leadership of the Department of the Premier following the May 2016 adoption by the provincial Cabinet of Regulatory Impact Assessment (RIA) as a requirement for all significant new legislation and policies issued in the Western Cape. The unit continued to comment on proposed legislation, particularly from the perspective of possible increases in the regulatory burden that such legislation may impose on businesses. It also participated in preliminary investigations, with the City of Cape Town, into possible impacts of regulation of so-called disruptive industries like Air BnB (tourist accommodation) and Uber (taxi services), envisaged by both the national government and the City. Other investigations started in the course of the year included the revision, and specifically the possible extension to non-CBD areas, of the Urban Development Zone (UDZ) incentive and the expediting of the issuing of leases by the Department of Rural Development and Land Reform to emerging farmers who it had placed in possession of farms, but who were left unable to access funding and non-financial assistance from either government or the private or NGO sector, as they could not produce any form of security of tenure on the land they occupied.

The internalisation of the Business Helpline service was completed. The new software system, developed with the assistance of eG4C, based on user specifications supplied by the RTRU, improved the logging, monitoring and reporting on cases. The in-year resolution rate of 74.5% was lower than in previous years, and a reflection of the increase in the complexity of matters dealt with by the unit.

Outcome indicator	Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations	
		Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme 2.1: Enterprise Development						
Strategic Objective		To increase the sustainability and growth of SMMEs.				
1.1	Number of businesses expanded.	31	50	63	+13	The overachievement is due to two factors: 1. The Sub-programme in previous years managed to implement more projects than initially planned (the pool of projects from which outcomes could be obtained has increased) and 2. The Sub-programme has dedicated more time for project evaluations and was thus able to collect more information.
Sub-programme 2.2: Regional and Local Economic Development						
Strategic Objective		To improve local business environments by improving municipal business-facing services that will contribute towards a cost saving or benefit (to government and business) of R1 billion by 2019 in the regional economy.				
1.1	Number of municipal business facing services improved (in terms of either time, complexity and/or cost).	4	6	6	-	-
Sub-programme 2.4: Red Tape Reduction						
Strategic Objective		To facilitate improvement of the business environment in the Western Cape through improvement of national, provincial or local government business facing services, in order to contribute towards cost savings or benefits (to government and business) of R1 billion by 2019 in the provincial economy.				
1.1	Monetary value of savings by, and the benefits to, government and business resulting from red tape reduction initiatives.	R278 million.	R300 million.	R294. 479 306 million.	R5.520 694 million.	The annual target was not achieved, but the target in both the DEDAT Five-Year Strategic Plan 2015-2010 (R500 million) and the Provincial Strategic Plan 2014-2019 (R1 billion) have been achieved, the first of these in the fourth year.
1.2	Closure rate of cases referred for investigation.	89%	85%	74.5% (N=200)	(10.5%)	The target could not be achieved due to the increased complexity of the cases logged. This resulted in longer timeframes to close cases, which often necessitated liaison with multiple departments, agencies, public entities, regulators and municipalities. The closure rate was also compromised by poor response rates and lack of co-operation by some of the mentioned stakeholders.

Performance indicators and targets

Within each sub-programme the noted achievements that contribute to the creation and maintenance of an enabling environment required for growth and jobs, follows.

ENTERPRISE DEVELOPMENT

Entrepreneurship

The Western Cape Entrepreneurship Expo, Summit and Awards (WCEESA) provided a platform to bring together thought leaders, entrepreneurs, corporates, investors, researchers and policymakers across the Province to debate about key thematic areas impacting on the entrepreneurial ecosystem and landscape. In addition, it enabled entrepreneurs and business owners to showcase their products and services and connect with corporates who could potentially open-up new market opportunities via corporate value chains whilst also showcasing and recognising our most inspiring, high-potential entrepreneurs. The WCEESA is implemented on the following levels:

- SMME Exhibition: The exhibition allowed 50 SMMEs to exhibit their products and services and endeavoured to match the needs of the relevant corporates to the products and services of the SMMEs.
- Entrepreneurship Summit: The summit brought together thought leaders, entrepreneurs, SMMEs, corporates, investors, researchers, policymakers and SMME champions across the Western Cape to debate and discuss how Enterprise and Supplier Development Services (ESD) affect the SMME ecosystem and landscape.

Entrepreneurship competition and awards: Entrepreneurs act as role-models and inspire others to follow their entrepreneurial ambitions. The entrepreneurship awards showcased, recognised and supported inspiring, high-potential entrepreneurs. A total of 65 entries (over five categories) were received and judged by a broad spectrum of skilled and competent competition judges. The WCEESA enjoyed non-financial sponsorship from the ABSA Bank Limited, Productivity SA and IMM Graduate School. The overall winner was Organico, a woman-owned business that uses traditional African herbs to create organic essential oils. The business has created 12 permanent and 14 part-time jobs for residents in Masiphumele township, close to where the business is located.



**Western Cape Entrepreneurship Competition 2018
category and overall winners**

Access to financial and non-financial support for SMMEs

Access to financial and non-financial support is critical to creating an enabling environment for SMMEs. The lack of finance readiness, coupled with the lack of awareness (information), has been identified as key constraints faced by SMMEs in accessing financial and non-financial support. Given these constraints, the Department conceptualised and implemented interventions aimed at disseminating information relating to financial institutions and their service offerings, equipping SMMEs with the necessary skills to improve their ability to access funding and providing innovative funding solutions in the form of contract financing to SMMEs.



Delegates at the Western Cape Funding Fair

In collaboration with the National Empowerment Fund (NEF), the Department continued its support to Pick n Pay's Township Economy Revitalisation Initiative. The initiative involves the conversion of existing retail spaces within townships into independently owned mini-supermarkets. The initiative involves improving the infrastructure (building, machinery and equipment) in the township retail sector which will directly lead to an increase in employment opportunities and turnover.

The Department continued its successful partnership with Deloitte and hosted the 2018 Western Cape Funding Fair. The Funding Fair facilitates face-to-face contact between entrepreneurs and various funding institutions within the region and provides a platform to educate and empower project promoters and entrepreneurs on the holistic approach and processes to follow. This knowledge assists entrepreneurs to turn ideas into bankable business plans that have a higher probability of attracting the right type of funding and investment. The 2018 Western Cape Funding Fair introduced master classes which was very well received. The 2018 iterations of the Funding Fair have been the most successful to date in terms of the number of delegates attending on the day. The event was attended by close to 1 200 delegates and was supported by 20 funders who formed part of the 26 exhibitors on the day.

The Department continued its support to the financial assistance programmes offered by Casidra and the NEF. The joint initiative between the Department and the NEF continues to be the most competitive loan finance on offer by the development finance institutions. The financial product offered by Casidra, the Entrepreneur Support Fund, backed by the Department offers contract finance to Western Cape businesses from as little as R5 000. The fund during quarter four of the 2018/19 financial year assisted 47 businesses to the tune of just more than R3 million delivering on contracts valued at close to R27 million.

As part of its strategy to increase access to markets for qualifying business, the Department continued its support of the Smart Procurement World Expo. Through this initiative the Department supported 20 businesses to attend and exhibit at the expo. The expo provides SMMEs with the opportunity to engage with procurement professionals from both the public and private sector with the aim of accessing new markets.

The unit as part of its evaluation process surveyed more than 70 beneficiaries of past projects and programmes which included the Premier's Entrepreneurship Recognition Awards (PERA), the Agri-processing Supplier Development Programme, the Emerging Business Support Programme and the Western Cape SMME Loan Fund. A total of 63 businesses responded and reflected expansion in terms of either turnover or employment created. Collectively, these businesses created 437 jobs.

The Oil and Gas Supplier Development Programme assisted businesses through a structured process, (business turnaround or business improvement) with the requisite interventions (e.g. purchase machinery or develop a marketing plan) to enhance the entrepreneur's skills and the competitive position of the business (scale and efficiency). The aim of the programme was to improve the capacity of businesses to access new and existing market opportunities. With an investment of R5.678 million, the Department supported 15 businesses.

The Department initiated the Advanced Emerging Business Support Programme which provided training support to 105 businesses in the following areas the Cape Metropole, Paarl, George and Beaufort-West. The training focussed on areas such as sales and marketing, customer service, human resource and operations, business strategy and financial management.

The Long Street Kiosks provided an opportunity for ten fledgling entrepreneurs to utilise the kiosks situated on the corners of Long and Wale Street in the Cape Town Central Business District. The Department through an investment of R177 000 provided mentorship support where six (6) kiosks produced approximately R333 470 in turnover over a nine-month period. Through a partnership with the Small Enterprise Development Agency (Seda), individual businesses were provided with additional business advisory support and direct business development services.

The Public-Sector Supplier Development workshops, a collaborative intervention with, inter alia, Provincial Treasury, Departments of Labour, Transport and Public Works, SARS, Human Settlements and Municipalities etc. enhanced the ability of suppliers to register, procure and transact with government via the Central Supplier Database (CSD) and the Western Cape Supplier Database (WCSD). This initiative created a platform for approximately 1 200 suppliers to register on the CSD and the WCSD. Suppliers are empowered through the provision of credible and reliant information on public sector procurement processes, Broad-based Black Economic Empowerment matters, information on tenders etc. Public Sector Supplier Development workshops are held across the Western Cape.

The broad objectives of the workshops are to address supplier needs, improve supplier relations and communication and improve procurement efficiencies. Interventions were focussed on:

- Awareness and education regarding the amended B-BBEE Act, Codes of Good Practice B-BBEE Regulations and Local Content and Production;
- Overview of the CSD registration process and benefits thereof for SMMEs as well as creating a platform for registration;
- On-line assistance with tax matters, business compliance and BEE verification (affidavits); and
- Awareness about the general procurement practices and processes which will all feed into improving the ease of doing business with government (e.g. the use of e-procurement and procurement technology).

Strategic Sourcing: Security Industry

The Strategic Sourcing project for the Security Industry is informed by the multi-year Strategic Sourcing Security Framework Agreement developed by the Department of Community Safety and approved by the Provincial Treasury. The Enterprise Development unit assisted thirty-one (31) suppliers in the security industry with bespoke training. The project is a direct response to the poor quality of security services provided by suppliers to the Western Cape Government. The bespoke training focussed on risk assessment within the context of risk management planning. Research showed that risk assessment is often overlooked, and the reality is that there is an industry-wide shortage of the necessary skills and knowledge to address it. Security risk assessment management is listed as part of the Security Sector Education and Training Authority (SASSETA) scarce and critical skills list for the Safety and Security sector.

The Waste Economy Supplier Development project assisted six (6) businesses to the value of R600 000 (R100 000 per business) operating in different streams of the Waste Economy through a structured process, (business turnaround or business improvement) with requisite interventions (e.g. purchase machinery or develop a marketing strategy) to enhance the entrepreneur's skills and the competitive position of the business (scale and efficiency). The aim of the programme was to improve the capacity of businesses to access new and existing market opportunities.

As part of its strategy to increase access to markets for qualifying business, the Department supported 20 businesses to attend and exhibit at the Smart Procurement World Expo. The exhibition aimed to provide SMMEs with the opportunity to engage with procurement professionals from both the public and private sector with the aim of accessing new markets.

REGIONAL AND LOCAL ECONOMIC DEVELOPMENT

The Department focussed on improving municipal business-facing services across the Province in a manner that supports systemic change required to positively and methodically impact local business environments, as poorly developed government processes negatively impact the cost and ease of doing business. The municipal support program assessed business processes of statutory application and approval processes (noting time, cost and administrative burden efficiency) and proposed appropriate business process improvement opportunities to implement. Fifty-five (55) recommendations were recommended and accepted for improvement in four (4) municipalities.

The first of the municipal support projects addressed optimizing the efficiency of the building control environment in municipalities through the establishment of a web-based portal that allow applications to be lodged on-line and that links to the workflow process of the municipality. This initiative was rolled out to Swartland, Witzenberg, Prince Albert, Theewaterskloof, Swellendam and Beaufort West municipalities.

The building control function was further streamlined through the ICT assessment and customization of digital improvements that underpin the workflow processing of building application and approvals in the Matzikama, Witzenberg, Hessequa, Theewaterskloof and Swellendam municipalities. These initiatives promote an increased rate at which at which building plans are assessed and approved at municipal level and allows the municipality to move to a paperless environment resulting in business saving costs due to a reduction in time and procedures.

Municipal support projects around the automation of the event and film business processing was implemented in Mossel Bay, Cederberg and Drakenstein municipalities. This aimed to streamline the event and film permitting and management process that will promote a greater of events and film opportunities in these regions. This project presents an opportunity to significantly improve the turn-around time for event and film applications and reinforce that regions are serious about the provision of a business-friendly environment and the optimal leveraging of tourism potential.

Finally, Theewaterskloof and Hessequa municipalities were also supported in improving their investment facilitation processes with the development of credible standard operating procedures to adopt and sound tools to improve the business processing related to attracting investment into these local areas.

RED TAPE REDUCTION

The reporting year, 2018/19, was the penultimate year of the Provincial Strategic Plan (PSP) 2015-2020, which set a R1 billion target of savings in red tape (administrative burden) on businesses and/or increased economic benefit to be generated through initiatives aimed at improving ease of doing business in the province. Having reported adjusted figures of R476 million and R349 million prior to the year under review, it was incumbent upon the unit to obtain buy-in from other WCG departments and municipalities with regard to relevant initiatives they had undertaken and which could be assessed and counted as contributions towards the said target. This approach was aimed at creating a better understanding and appreciation beyond the RTRU of the importance of red tape reduction as a means of turning the Western Cape into a preferred destination for business start-up, expansion and investment, and making officials understand they can play in contributing to the creation of that perception of the provincial economy. It was successful from the perspective being able to obtain such buy-in from some departments, as well as municipalities with whom the DEDAT had been working to improve certain of their (the municipalities') business-facing systems. It was, however, clear, that more WCG departments need to be brought on board. The RTRU will pursue that objective going forward.

Contrary to 2017/18, when the unit was, despite considerable difficulty, able to convince national government departments to consider and in some instances implement a raft of proposals relating to various issues raised by businesses, a longer-term approach was taken in 2018/19. The unit started to investigate issues in respect of which intervention would not be immediate (i.e., within the year), but which required wider engagement and consultation and would likely only see recommendations being made over a longer term and, if accepted, implementation beyond that. Thus the lapse and renewal of the UDZ was investigated, raised with SARS, the DTI and the City of Cape Town (CoCT), and comments submitted to the CoCT for inclusion in its submission to the DTI and SARS. Similarly, a longer-term view was taken of the implications of envisaged future regulation of Air BnB and Uber. Issues related to new technology and developments, such as non-motorised transport and e-bikes also appeared on the horizon and preliminary research was conducted with a view to preparing the Department to respond appropriately when businesses seek to venture into those areas in the near future.

One issue that did not afford the unit the luxury of such a long-term approach was so-called high-cube container issue which, having commanded considerable time and effort during the preceding year in the quest for a solution, became a matter of extreme urgency as the 1 January 2019 deadline for the implementation of a 4.3 metre restriction on the combined height of trailer and container combinations in South Africa loomed. When the unit's efforts to obtain an extension of the moratorium on implementation failed, the unit lobbied the provincial minister of transport through its own minister for assistance. The matter was driven to the highest level, the national minister of transport, whose concession on the issue around mid-October, less than three months before the lifting of the moratorium, averted devastating chaos in the South African container transport sector, which would have had crippling knock-on effects across vast parts of the national economy.

The ad hoc interventions by the unit continued to deliver gains ranging from only tens of thousands of rands to more than R70 million in a single instance, involving the removal of the need for an environmental impact assessment for the shooting of a reality TV series in the rural backwaters of the Tankwa Karoo.

Performance indicator (Output)		Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations
					Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19	
Sub-programme: Enterprise Development								
1.1	Number of entrepreneurship promotions and/or business support interventions.	10	5	5	5	6	1	The overachievement relates to a project that was funded from savings realised in the 2017/18 financial year and was thus not planned for the 2018/19 financial period. The project was not included in the 2018/19 planned deliverables.
Sub-programme: Regional & Local Economic Development								
1.1	Number local government specific business processes and/or legislation improvements developed and proposed.	-	79	53	55	55	-	-
Sub-programme: Red Tape Reduction								
1.1	Number of red tape reduction initiatives supported.	-	-	-	15	15	-	-

Strategy to overcome areas of under performance

Not applicable.

Changes to planned targets

Not applicable.

Linking performance with budgets

During the 2018/19 financial year, an amount of R46.208 million was appropriated to the Programme of which the actual expenditure amounted to R46.150 million. This translates to actual expenditure of 99.9% of the Programme's total budget.

An overview of the funds spent per economic classification is as follows:

- Compensation of Employees accounted for R18.351 million or 39.76% of total expenditure;
- Goods and Services accounted for R14.611 million or 31.66% of total expenditure;
- Transfers and Subsidies accounted for R13.122 million or 28.43% of total expenditure; and
- Payments for Capital Expenditure amounted to R66 000 or 0.14% of total expenditure.

Sub-programme expenditure

Sub-programme Name	2018/19			2017/18		
	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
Enterprise Development	28 784	28 735	49	22 391	22 314	77
Regional and Local Economic Development	7 914	7 906	8	7 271	6 828	443
Red Tape Reduction	9 510	9 509	1	8 630	8 032	598
Total	46 208	46 150	58	38 292	37 174	1 118

4.3 PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Purpose

To stimulate economic growth through industry development, trade and investment promotion.

Programme structure

The Programme is structured as follows:

- Sub-programme 3.1: Trade and Investment Promotion
- Sub-programme 3.2: Sector Development

Service delivery objectives and indicators

The 2018/19 financial years presented a challenging economic environment and much uncertainty. National challenges including a change in political leadership, national policy uncertainty, widening fiscal deficits, exception currency volatility and the after effects of a once-in-400-year drought in the Western Cape that had a devastating

impact on the agricultural sector as well as the tourism industry due to the day zero messaging. The Western Cape experienced slightly faster job growth on average from 2013 to 2018 than the rest of the national economy.

The manufacturing sector is also expected to weigh on growth over this period due to a sharp output decline in 2018, mainly attributable to the food, beverages and tobacco subsector (Agri-processing). This subsector is the biggest manufacturing subsector in the Province (28.1% of manufacturing in 2017) and has close links to the agriculture sector.

Business services, the biggest services sector (28% of the tertiary sector), is expected to continue being the key driver of growth. Almost three-quarters of the Province's growth forecast over the next five years comes from this subsector. The finance and insurance subsector (20.3% of the tertiary sector) is expected to generate 36% of overall growth over this period. This subsector has the fastest growth rate (2.9% per annum) of all services subsectors over this period.

The hospitality industry (-1.2% of the total services sector), shaved off overall growth from 2013 to 2017 as nationally-imposed visa regulations, concerns about the Ebola virus and the Western Cape drought weighed on tourism. The industry is forecast to make a strong recovery over the next five years as these negative factors abate. Another supporting factor is the anticipated weakening of the rand against major currencies that makes South Africa a relatively more attractive destination for international visitors.

Project Khulisa Oil and Gas growth is very dependent on the development of new port infrastructure by the National Ports Authority. The TOTAL gas-condensate discovery outside of Mossel Bay (Brulpadda block) with an estimated volume of about one billion barrels will acquire further 3D seismic data gathering before drilling more exploration wells and has the potential to be a game changer in this sector if the exploration proves favourable over the next three years.

Furthermore, the IDZ realised its eight signed investor and more than 40 additional companies in the pipeline. It is not only large investors targeted by the Department. The portal developed by the Departments has more than 753 SMMEs listed from the Saldanha Bay region and in total 203 are compliant to trade across South Africa.

With the operationalisation of Project Khulisa and its new strategic direction as well as the adoption of an outcomes-based approach, Wesgro has made significant strides in achieving the objectives of Project Khulisa and the PSG 1. During the financial year under review, R2.3 billion worth of investment was committed and a total of R2.8 billion worth of export business deals were signed.

Outcome indicator		Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations
			Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19	
Sub-programme: Trade and Investment Promotion						
Strategic Objective		To provide resources to the trade and investment promotion public entity to enable it to deliver on its legislative and strategic mandate for trade and investment promotion.				
1.1	Rand value of committed investments into the Province.	R2.29 billion	R1.1 billion - R2.1 billion	R2.222 billion	R122.1 million	The additional project realised as well as the capital intensive nature of the projects secured resulted in the over-achievement.
1.2	Number of jobs facilitated from committed investments into the Province.	1 014	620 - 1 300	752	-	-
1.3	Estimated rand value of business agreements signed (trade).	R2.83 billion	R200 million - R500 million	R4.975 billion	R4.475 billion	The business agreements were signed sooner than anticipated as due to the adoption of the proactive approach with regards to the engagement of clients and the expedition of facilitation and promotional services.
Sub-programme: Sector Development						
Strategic Objective		To provide strategic leadership and the necessary resources to deliver on the key initiatives needed to grow the Oil and Gas sector. To provide strategic leadership and the necessary resources to deliver on the key initiatives needed to grow the Agri-processing sector.				
1.1	Estimated value of trade and investment facilitated.	Baseline establishment	R500 million	R3.609 billion	R3.109 billion	Increased exports from Halal Agri-processing was attributed to increased participation in trade promotional activities and national pavilions which yielded higher than expected export sales.

Performance indicators and targets

TRADE AND INVESTMENT PROMOTION

In direct relation to Wesgro's mandate for trade and investment promotion and the focus that needs to be given to the priority sectors identified in Project Khulisa, the following was achieved during the 2018/19 financial year:

Wesgro realised a total of 15 investment projects to the value of R2.22 billion, against a target of R1.3 billion - R2.1 billion. This has assisted in the facilitation of 752 jobs and growing the Western Cape's industrial base. Investment performance has also contributed to the objectives outlined in Project Khulisa through the commercialisation of investments in the priority sectors identified.

Wesgro secured a total of 79 business agreements, with an estimated economic value of R4.97 billion, resulting in the facilitation of 921 jobs. The adoption of a more proactive approach with regard to client engagements and the expedition of facilitation services such as, matching companies and investors, taking companies on outward buying and selling missions and offering specialised advisory services, contributed to the over achievement.

The Unit secured a deal worth R2 billion as a result of targeting high profile buyers for Africa Halal Week. One of these buyers, from Mustafas in Singapore, was so impressed with the quality of Western Cape Halal products that she sourced R2 billion in product in one shipment. In addition, the Agency committed a total of nine Outward Foreign Direct Investment projects to the value of R381 million.

SECTOR DEVELOPMENT

The total value of trade and investment for Khulisa Oil & Gas and Agri-processing for 2018/19 was R3.6 billion.

Project Khulisa: Oil and Gas

Infrastructure

- Transaction advisors will be appointed to develop an appropriate finance model for the infrastructure projects (Mossgas Jetty and Berth 205) in Saldanha and the proposed date for RFPs to go out is end of October 2019.
- Earth works have been completed and the contractor is currently busy with the construction of bulk services on the port land.
- Engagements between the TNPA, Department and ship repair industry resulted in critical repair work done to the inner caisson at the Sturrock Dry Dock as well as the floating caisson at the Robinson Dry Dock.
- Operation Phakisa will invest R98 million on the construction of a new floating caisson for Sturrock Dry Dock at the Port of Cape Town.

Enterprise and Supplier Development

- The Enterprise Development Summit that introduced the SMME ecosystem to local businesses was held at the Military Academy in Saldanha on 22 November 2018, where presentations were done by the Saldanha Bay IDZ, Small Enterprise Development Agency (SEDA), Small Enterprise Finance Agency (SEFA), the Department and the National Defence Force Procurement Division.
- Version two of the portal went live on 11 July 2018 and the Economic Development Partnership (EDP) was assigned to assist with the transition of hosting and managing the portal from Grow-Net to the West Coast Business Development Centre.
- DEDAT supported 15 companies with supplier development interventions that included assistance with acquiring equipment, business systems for compliance as well as marketing.
- The portal has 74 businesses from Saldanha listed on the database of which 216 businesses are compliant to trade.

Skills Development

- 104 Artisan candidates were trade tested during May-June 2018 and 95 candidates passed.
- The SBIDZ facilitated training and upskilling programmes for 12 specialised coded welding learners, ten facilitators, ten assessors and ten moderators.
- 281 Artisanal candidates were placed in workplaces
- There are 1 368 candidates participating in the apprentice's skills programme in the region including West Coast, George and Mossel Bay with the focus on the following trades:
 - Diesel and motor mechanics
 - Electricians
 - Welding
 - Plumbing

Ease of Doing Business

- DEDAT participated in the process to place a moratorium on the application of punitive measures on high cube containers that do not comply with legislation till January 2020. A task team was appointed to investigate the safety and economic implications of high cube containers on public roads.
- The Department in collaboration with the Cape Chamber of Commerce successfully addressed the issues around the scanning of imported containers and the renewal of licences for import/export agencies.

Marketing

- The South African Oil and Gas Alliance (SAOGA) with support from the DTI completed a successful outward mission with 38 companies and industry stakeholders to Maputo in Mozambique.
- Representatives from DEDAT, SBIDZ and Wesgro visited the Keppel Corporation and Sembcorp Marine Industries as well as attended the Africa Singapore Business Forum in Singapore during August 2018.
- TOTAL made a significant offshore gas-condensate discovery close to Mossel Bay but will do further 2D and 3D seismic data assessments and drill more appraisal wells to provide a more accurate estimate on the volume of light liquid hydrocarbon available.
- The SBIDZ have a total of eight signed investors with 40 additional investors in the pipeline and attracted more than R3 billion in investment value.

Agri-processing

The impact of drought, avian influenza, forever unpredictable cost of fuel and electricity challenges which led to load-shedding continued to negatively affect the businesses throughout the value chains. The impact of each of these is significant and the impact far-reaching in terms of job losses and low economic growth because of subdued economic activity. Amid all these challenges, the Department through the Agri-processing Unit continued to implement all the planned projects with the intention of stimulating economic growth by promoting exports, "strengthening" export certification processes, engaging the stakeholders within the sector to share relevant information and through focussing on unlocking potential of the focus areas that were never the focus areas during Project Khulisa.

Project Khulisa, as outlined in the Annual Performance Plan, has three strategic Intents:

- Grow the Western Cape's share of the global Halal market from <1% to 2% by 2025.
- Double the value of wine and brandy exports to Angola and China by 2025.
- Increase local production capacity to process agricultural goods for the domestic and international markets.

To summarise implementation progress of the initiatives under each of the above strategic intents:

Wine Sector Development

The Department continued to support a strategic partnership through collaboration between Wesgro and WOSA as the implementation agencies for promoting wine exports to growth markets like Angola and China as part of boosting growth in the Agri-processing sector. The objective of this project was to align the public sector-funded export promotion agency (Wesgro) with the private sector funded SA Wine promotion specialist entity (WOSA) to increase the awareness, visibility and trial of South African wines in Angola and China. The African wine market still features strongly in the ranking of South African exports statistics in key target markets such as Angola, Nigeria, Kenya, Tanzania, Ghana and Uganda and we have also seen some boomers such as Zimbabwe and Mozambique showing growth over the past three years. Angola remains South Africa's second largest wine importer in the African continent even with current economic challenges, this is a market with huge consumption of wine and for that reason we should maintain Project Khulisa activations in the market in order for South African wine to grow its share of the market. South African wines are well placed to grow in the China market due to Chinese market's increased demand for more moderately priced wines which brings great opportunities for marketing many South African wines. South Africa can offer excellent value across a range of price points, has many brands with impressive quality credentials, and many fine stories to tell. South Africa also has the competitive advantage of production integrity and traceability through our Seal of Origin.

The initiatives that were implemented during the financial year under review included:

- To improve access of South African wines into Angola, a partnership with a South African retailer has been established to promote South African wines. During the 2018/19 financial year, through this partnership, eight (8) in-store wine tastings were held in Angola.
- The wine and food pairing event was successfully hosted in Angola, and to give great exposure to the Western Cape food and wine offering, the media and buyers from Angola were the main guests at the event.
- A video was compiled in Portuguese for the Angolan market on the Western Cape and its wine experiences. The screening event of the video was held in September 2018.
- The initiatives to support increased Western Cape wine access into China, four (4) articles were written on wine topics and published through media and to drive brand awareness in the Chinese market.
- Media tour to the Western Cape winelands was undertaken by a Chinese delegation in September 2018.
- Two (2) networking events were held in China, whereby attendees were educated on Western Cape winemaking traditions and how to pair wine with foods.
- Key opinion leader event took place in Western Cape whereby 50 South African and Chinese guests were hosted alongside Cape Wine 2018 to celebrate 20 years of trade relations between SA and China.



Wine Tasting in Angola

Halal Sector Development

The partnership between the Department (DEDAT), Wesgro and the Department of Agriculture (DoA) continued during the financial year to support the growth of the Western Cape's global Halal market share through various initiatives. Opportunities in the Halal sector continued to expand and today the Halal industry is touted as a new growth sector of the future. With an estimated 1.6 billion Muslim consumers worldwide, the value of the global market for Halal food and non-food products is estimated to be US 2.1 trillion annually. The Halal market is not just found in predominantly Muslim countries, but there are also large and sometimes prosperous pockets of Muslim communities in the US, Europe, Australia, Russia and China. Halal is not just about food, but it also encompasses a wide range of products and services from pharmaceuticals, cosmetics, healthcare, finance, toiletries and other non-consumables. Western Cape has had a headstart in search of global Halal market opportunities and it also aspires to be an African Halal Hub. Western Cape can certainly lay claim as a major contributor and a trail blazer to the rapidly growing international Halal market.

Based on the identified strategic markets in 2018/19 financial year, the following programmes were executed:

Halal Export Promotion

The Department working together with Wesgro and the industry stakeholders provided input to sound market analysis, which enabled the finalisation of the list of strategic markets for the targeted trade promotion efforts.

- Nine (9) international markets were visited during the financial year, some in partnership with the DTI, which includes Senegal, United Kingdom, Thailand, Nigeria, Japan, Cameroon, Singapore, UAE and Malaysia.
- Forty (40) companies were assisted in accessing the previously mentioned markets with exhibiting their products, meeting new buyers, and gathering on-the-ground market intelligence and to also interact with various stakeholders such as the certifiers, academics and competitors.
- Export Advancement Programme training was provided for to 25 companies that intends to start exporting Halal products.

Africa Halal Week (AHW) 2018

To support the local Halal certified companies, the Department (DEDAT) and Wesgro successfully hosted the Africa Halal Week in October 2018, in which local and international buyers were invited to participate. The objective of this annual event was to create opportunities for Western Cape companies who are Halal certified, to expand their offer and products to the global Muslim and Halal markets, increase revenue as well as understand other opportunities within the broader global Halal economy. Africa Halal Week 2018 was a great success overall and there has been positive feedback from exhibitors, buyers, delegates, sponsors, partners and stakeholders.

Below is a summary of some of the outcomes of the Africa Halal Week:

- 66 exhibitors displayed their products in the food, beverage, fashion and services (Tourism) sectors.
- 20 international buyers attended the event, and a total of 777 guests registered for the event.
- R3 274 129 in AVE (Advertising Value Equivalent) was generated and 322 engagements were undertaken during the event.
- The workshops on Accessing Markets in Africa, the Middle East, Asia and Europe were well attended and gave participants a sound understanding of opportunities and challenges in each market.

It can be confirmed that some companies received confirmed international orders during and after the event, and these companies are from the food and beverages sector.



Delegates at the Africa Halal Week

Halal Certification - Export Capacity Building

The growth of the Halal economy would be accelerated through ensuring that the credibility of the local Halal certification system and processes is maintained and promoted. To access additional markets with locally manufactured Halal goods, there are global standards that the Halal certification bodies must comply with before the accreditation to certify for those markets is given. To summarise progress of this initiative:

- A total of five Halal Certification Bodies participated in the programme to train them on one of the ISO standards.
- The Department (DEDAT), in partnership with the Department of Agriculture (DoA) engaged national government, SANAS and SABS on the plans and full support was received.

Stakeholder Engagements

To ensure successful implementation of programmes and projects, the Agri-processing Unit continued to engage various stakeholders within South Africa to solicit support. The stakeholders that were engaged ranged from Halal certifiers, national government, funding institutions, commercial banks, producer associations, academia and several individual companies. The companies were mainly engaged on the following:

- Skills development support and the potential for companies to take up youth placements through various Departmental skills programmes.
- Energy mix and assistance provided by provincial and national governments. Some of the companies indicated that they will be switching from coal to using friendlier forms of energy.
- Enterprise development and specifically the funding fairs, and red tape reduction initiative.

Western Cape Halal Intergovernmental Task Team (WCHITT)

The WCHITT was established to ensure that all spheres of government and other Western Cape provincial government departments and strategically relevant agencies are fully aware of the Halal economy development initiatives. The task team is comprised of members from the DTI, DAFF, DEDAT, DOA, DEADP, Provincial Treasury and Wesgro.

Halal Forum

The Halal Forum was established as a platform through which the Western Cape government receives advice and feedback from Halal companies and the Muslim Professionals, academia and the community. The quarterly meetings are always well attended by industry stakeholders including large firms, SMMEs as well as community organisations.

Oceans Economy

As a newly identified focus area with potential to create jobs, contribute to the provincial GDP and the betterment of livelihoods of coastal communities, the Department (DEDAT) has been engaging widely within this area. DEDAT has established a Provincial Oceans Economy Working Group which meets bi-monthly and it is chaired by the Deputy Director-General of Economic Operations. Members of the working group come from all spheres of government, which include DTI, DEA, DAFF, NDT, TNPA, WCDEADP, WCDOA, Wesgro, etc. Some of the coastal regional business forums have also been engaged and more will be engaged.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Trade and Investment Promotion								
1.1	Number of investments projects realised.	10	12	12	14	15	1	The additional project realised as well as the capital intensive nature of the projects secured resulted in the over achievement.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
1.2	Number of business agreements signed (including distributors and funders).	-	41	53	25	79	54	The business agreements were signed sooner than anticipated as due to the adoption of the proactive approach with regards to the engagement of clients and the expedition of facilitation and promotional services.
Sub-programme: Sector Development								
1.1	Number of Khulisa initiatives supported.	-	2	2	2	3	1	Additional opportunities arose for the agency to support Khulisa Agri-processing through more initiatives.

Strategy to overcome areas of under performance

Not applicable.

Changes to planned targets

Not applicable.

Linking performance with budgets

During the 2018/19 financial year, an amount of R47.659 million was appropriated to the programme. The compensation of employees accounted for R8.729 million whilst goods and services accounted for R1.216 million.

Transfers and subsidies represented the bulk of the programmes appropriation (R37.700 million) as this consisted of the allocation to Wesgro for the implementation of trade and investment promotion activities within the Western Cape as well as allocations to Sector Development Agencies (SDA) within the Western Cape and R14 000 on capital payments.

Sub-programme expenditure

Sub-programme Name	2018/19			2017/18		
	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
Trade and Investment Promotion	36 200	36 200	-	33 920	34 020	(100)
Sector Development	11 459	11 004	455	17 510	15 522	1 988
Management: Trade and Sector Development	-	-	-	-	-	-
Total	47 659	47 204	455	51 430	49 542	1 888

4.4 PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Purpose

To ensure an equitable, socially responsible business environment in the Western Cape – through general interventions within the trading environment and through specific interventions mandated by the Constitution and national and provincial legislation and policies.

Programme structure

The Programme is structured as follows:

- Sub-programme 4.1: Consumer Protection

Service delivery objectives and indicators

The Business Regulation and Governance programme primarily executes regulatory mandates that are imposed by the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) as well as provisions of both provincial and national legislation. In respect of Consumer Protection, Part A of Schedule 4 to the Constitution prescribes that the area of Consumer Protection is a functional area of concurrent national and provincial legislative competence. As such both the national and provincial sphere of government has legislative competence on the area of consumer protection. As a result of the aforementioned the provincial department has promulgated the Western Cape Consumer Affairs (Unfair Businesses Practices) Act, 2002 (Act 10 of 2002). This legislation establishes the Office of the Consumer Protector as a provincial authority responsible for the investigation and resolution of unfair business practices.

From the above it therefore appears that the OCP has an extremely broad mandate to investigate conduct that may have had a prejudicial effect on consumers within the province. However, it must be noted that this mandate is not restricted to only consumer complaints investigation since the important issue of consumer education also forms part of the statutory obligations of the Programme. On a national level however we have the Consumer Protection Act, 2008 (Act 68 of 2008) which has resulted in the entrenchment of numerous fundamental consumer rights and

obligations. This legislation further entrenched the provincial OCP's role and mandate as an Alternative Dispute Resolution Agency within the arena of consumer protection. The national legislation furthermore concretises certain illegal practices and also prescribes the various roles and functions which provincial offices and provincial tribunals will now need to play to ensure the effective implementation of the national legislation. In practical terms this translates into the OCP conducting inquiries into complaints lodged by consumers against the conduct/product/service of a business.

CONSUMER REDRESS SERVICES

The area of consumer protection is one which in terms of strategic objectives aligns acutely with the development of a customer-centric public service which is aimed at creating an empowered citizenry. As such many of the Programme's projects are aligned with the provincial and national outcomes which are aimed at the development of a public service which is focussed on protection of consumer rights of citizens. As such the Programme identifies closely with National Outcome 12 and the Provincial Strategic Goals which are aimed at the creation of an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship. It is therefore clear that the work of the Programme is customer-focussed since there is a direct interface with the citizens of the province and direct services are provided on consumer protection and consumer education issues. The results of the work done during the year under review has shown that various successes have been achieved by the Programme and that considerable strides were made in ensuring that a customer-centric service is provided throughout the province on consumer protection and consumer education matters. The Programme has through its various initiatives continued to demonstrate that it provides a level of service which is comparable if not more efficient than other similar initiatives across other provinces. This is witnessed by both its complaints management service offerings and the variety of consumer education initiatives conducted across the province.

In an attempt to monitor and record the impact of the resolutions facilitated by the OCP, a specific outcome indicator was included in the APP as of the 2011/12 financial year. The indicator has continued within the financial year under review. This performance indicator relates to the financial saving that accrues to a consumer due to the OCP's inquiry and/or investigation into a disputed consumer complaint. The criteria used to determine the financial saving was one endorsed by the National Consumer Commission (NCC) and subsequently adopted by all provincial consumer protection authorities. In terms of this specific outcome indicator the intervention by the OCP in complaints lodged at its office has directly saved the affected consumers a total of **R1 270 069.02**. The recorded saving was however less than what was predicted in the Annual Performance Plan of the programme. One of the factors contributing towards this deviation relates to the fact that the Programme has during the year under review operated at less than 50% staff capacity within the complaints unit. During the previous financial year, the complaints unit had three staff members responsible for inquiring into complaints. During the financial year under review only two staff members were within the unit. This reduction in capacity required the Programme to implement an alternative strategy to manage the complaints that were received. As such, specific complaints were referred to other entities who had the requisite jurisdiction to resolve the particular matter e.g. Motor Industry Ombudsman (MIOSA). This resulted in the "saving" that was eventually attained now being claimed by the party to whom the matter was referred. In addition to the aforementioned, the complaints management environment on consumer issues has become diversified with additional role-players intervening in this space (both private and public). As a result, consumers now have different options with regards to who and how their complaints can be attended to. This has had an impact on the number of matters received and subsequently the number of cases resolved and the savings achieved.

The financial value saving reflects either the value of repairs, refunds, contract value saving or product replacements provided to a consumer. It is however noteworthy that this saving excludes the cost of legal or other fees which consumers would have had to disburse if they had taken their complaint via the formal legal process. If this additional cost were to be factored in to the OCP's equation, it stands to reason that the actual financial saving to the consumer would be far higher than the recorded amount. It is however undeniable that the impact made by the OCP in the lives of ordinary consumers is clearly visible by way of this specific indicator.

CONSUMER EDUCATION AND AWARENESS

The comments made above with regards to the Programme's alignment with national outcome 12 and the provincial strategic objectives aimed at customer service excellence must be noted here since they are also applicable to the area of consumer education. The year under review has seen the OCP's consumer education and awareness unit continuing its good work with communities, business, NPO's, faith-based organisations, government departments and other interested stakeholders. The primary mandate of the consumer education unit is to provide stakeholders with information/guidance on consumer matters and also to enhance the level of awareness amongst the aforementioned groups about various important consumer matters. This includes the role and function of the OCP, the content of the Consumer Protection Act and basic financial literacy. In line with this mandate the OCP has conducted numerous awareness/information campaigns and workshops with targeted groups and stakeholders across the province. The results of these engagements have been positive especially since the output and outcome targets as set by the OCP have been achieved. It is furthermore evident that the various strategic partnerships that were forged over the past few years have now started to bear fruit, especially within the consumer awareness category. One of the mechanisms that have contributed towards the success of the unit's campaigns is the various engagements with the print media and radio (especially community radio) sector. The vast majority of these engagements with this sector have been on the basis of both parties acknowledging the need to provide citizens with access to information which would strengthen their ability to protect themselves in transactions with business. The effectiveness of this and other awareness projects has confirmed that the OCP will need to continue to enhance and refine the various awareness campaigns across the province.

A key focus of the OCP's approach in performing its mandate, especially in light of the tremendous increase in interest from citizens on the issue of consumer protection was to develop and maintain key partnerships with strategic partners. The rationale was that an effective and strong working relationship with other key stakeholders would only serve to enhance the service offerings of the OCP. This became particularly important during this financial year which saw a reduced fiscus and human resource component being made available to Programme 4. In addition, various strategic partners would be able to participate in consumer education campaigns hosted by the OCP and thereby enhance the areas of focus presented to attendees. The year under review has therefore seen the OCP continuing its work in establishing effective working relationships and partnerships with a wide spectrum of role-players within the consumer protection arena. The partnerships developed included statutory bodies responsible for consumer protection as well as non-government organisations.

One of the key areas of focus during the 2017/18 financial year has been the topic of basic financial literacy and the importance thereof for ordinary citizens. The economic challenges faced by ordinary citizens during the past financial year were many and unfortunately this has led to a spike in consumers not adhering to financial commitments with credit providers. As such there was a need to provide support to citizens as far as knowing what to do when faced with the challenges of not servicing debt. The Programme therefore embarked on a specific consumer education initiative which utilised industrial theatre as a medium through which the issue of debt management was addressed. The project was done province-wide and included presentations done at schools, shopping malls, SASSA pay points, taxi/bus terminus. The project was immensely successful since attendees received the message of basic financial literacy in a fun way but which at the same time resonated with the audience. The Programme has subsequently received requests from stakeholders for the continued roll-out of this method of engagement and communication with citizens. The Programme will possibly be embarking on a similar project in the 2018/19 financial year.

The work done by the unit has ensured that the majority of targets set have been achieved. This is a notable achievement especially if taking into account the limitations as far as human resources are concerned and the broad area of work that had to be covered across the province.

Outcome indicator	Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations	
		Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Consumer Protection						
Strategic Objective		To provide an effective and efficient consumer protection service within the province which is aligned to the objectives and functions as prescribed by provincial and national consumer protection legislation.				
1.1	Number of strategic consumer NGO and other relevant partnerships established.	30	30	30	-	-
1.2	Monetary value saving to consumers.	R1.7 million	R2 million	R1.27 million	(R729 931)	The prediction of the value of savings to be achieved is a challenge. This is especially since the achievement depends on factors outside of our control e.g. number of cases received, value of individual cases resolved.

Performance indicators and targets

Consumer Redress

The financial year under review has seen the OCP continuing to work towards its objective of becoming an identifiable and trusted consumer dispute resolution authority for consumers within the province. The strategies implemented by the OCP are all geared towards the provision of a customer/citizen-centric friendly service aimed at assisting consumers in the resolution of their disputes. This service, which includes the provision of a toll free complaints recording and information hotline has seen numerous consumer complaints recorded at the office for investigation and/or inquiry. The Western Cape OCP continues to be the leader as far as providing a consumer helpline which provides affordable and easy access to members of the public. The fact that the Programme remains the leading province as far as number of cases logged can therefore be claimed to be a direct result of the accessibility to the service and the confidence displayed amongst citizens in utilising the service offerings of the OCP. It must be noted that the year under review has seen the OCP achieve its target of attending to 100% of all the matters lodged with it for inquiry. The indicator set does not mean that 100% of all cases received was successfully resolved in favour of consumers. It must be noted that in some matters consumers would refuse a settlement offer or in fact not have a basis in law to claim a particular remedy. In such matters, a finalisation report is developed and provided to the parties and the matter closed. Such matters are included in the reporting on the target.

Consumer education

The targets set for the education units' activities have either been met or exceeded. In this regard it must be noted that the targets for campaigns, programmes and engagements are largely based on the available resources (human and financial) within the unit. It should be noted that the unit is comprised of four officials who are responsible for covering the entire province and as such targets have been set while taking this into consideration. It will however be noted that many of the targets related to information campaigns/workshops have been exceeded. The mitigation around this is largely based on the fact that often the unit would receive ad hoc requests for further

sessions while conducting planned engagements within a community. The decision has been made that from a citizen-centric perspective the unit would accommodate the ad hoc requests as far as possible rather than either declining or postponing till a future date. It is often more effective for the unit to conduct the ad hoc sessions at the time of request since many of the engagements are outside of the Metro and as such it is more suitable to include them at the time of request. This phenomenon has therefore resulted in an increase in the number of planned engagements.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Consumer Protection								
1.1	Number of consumer education programmes conducted.	235	173	142	60	95	35	The targets within consumer education were exceeded due to the number of ad hoc requests received from clients and strategic partners. The ad hoc requests could not be refused as we are a citizen-facing service.
1.2	Percentage of complaints managed/handled.	-	-	-	100%	100%	-	-
1.3	Number of consumer education booklets and/or information material distributed to citizens and business.	19 357	1 765	3 810	10 000	11 872	1 872	The additional engagements held by the Programme together with requests from national institutions/departments to distribute their material also contributed towards the target been exceeded.
1.4	Number of financial literacy workshops conducted.	69	37	57	100	117	17	The targets within consumer education were exceeded due to the number of ad hoc requests received from clients and strategic partners. The ad hoc requests could not be refused as we are a citizen-facing service.
1.5	Number of SMME engagements conducted.	25	17	19	20	26	6	The targets within consumer education were exceeded due to the number of ad hoc requests received from clients and strategic partners. The ad hoc requests could not be refused as we are a citizen-facing service.

Strategy to overcome areas of under performance

Consumer Education

The challenges with regards to the prediction of the financial savings accruing to consumers must be noted since they depend on factors outside of the Programme's control e.g. number of cases received, value of individual case. The target was therefore adjusted to take these issues into consideration.

Changes to planned targets

Not applicable.

Linking performance with budgets

During the 2018/19 financial year, an amount of R9.731 million was appropriated to Programme 4. The Programme's Compensation of Employees amounted to R7.459 million, Goods and Services R1.606 million.

Sub-programme expenditure

Sub-programme Name	2018/19			2017/18		
	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
Consumer Protection	9 731	9 684	47	11 069	10 600	469
Liquor Regulation	-	-	-	-	-	-
Total	9 731	9 684	47	11 069	10 600	469

4.5 PROGRAMME 5: ECONOMIC PLANNING

Purpose

The purpose of this Programme is to provide support to the leadership of the Department - the Minister, the Head of Department and the Departmental Top Management - in undertaking planning processes that provide a coherent vision and strategic outcomes around which policies and strategies are developed, enhanced or applied to attain their attended objectives.

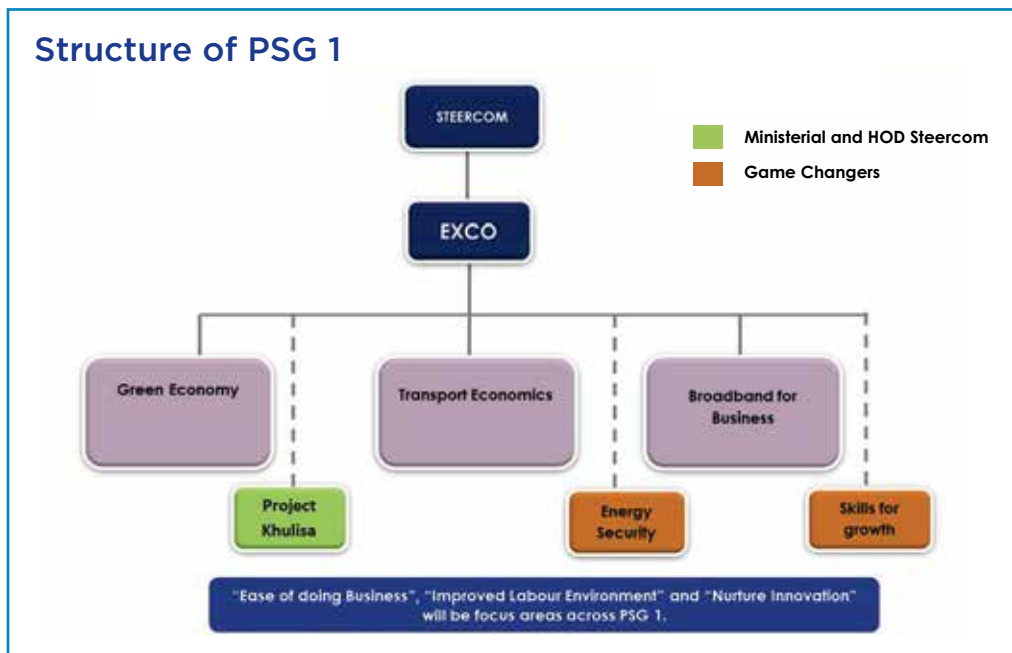
Programme structure

The Programme is structured as follows:

- Sub-programme 5.1: Economic Policy and Planning
- Sub-programme 5.2: Research and Development
- Sub-programme 5.3: Knowledge Management
- Sub-programme 5.4: Monitoring and Evaluation
- Sub-programme 5.6: Enabling Growth Infrastructure and Initiatives
- Sub-programme 5.7: Broadband for the Economy
- Sub-programme 5.8: Green Economy

Service delivery objectives and indicators

The PSG 1 and five-year strategy sets stretched targets across all key areas described in PSG 1. While this department takes overall accountability for the delivery of PSG 1, these stretched targets can only be achieved with the support of other key departments such as the Department of Agriculture, the Department of Environmental Affairs and Development Planning and the Department of Transport and Public Works. These departments co-ordinated by the Department of Economic Development and Tourism constitute the core of the PSG 1 executive committee, which is tasked to deliver on the stretched targets in a challenging economic environment.



The Programme developed and reviewed key policies and strategies of the Department, the Province and the City in the light of the Department's objectives and alignment with PSG 1.

The Constitution places a responsibility on local government to facilitate Local Economic Development (LED), but does not point to LED as a clear, specific and exclusive function of local or provincial government. This has had and continues to have a negative impact on service delivery. In order to clarify the roles of national, provincial and local governments in Local Economic Development, and specifically, to frame the Department's strategy and role, the sub-programme developed an Approach to Strategy Development in Municipalities.

The Western Cape Government has acknowledged that there is a renewed urgency for improved data and statistics at global, regional, national, provincial and local levels. The Implementation Roadmap on Province-wide Data Governance articulates an approach as a response to the challenges as experienced by the WCG in this regard. The strategic Framework for Province-wide Data Governance provides the strategic direction on promoting data governance within the WCG for standard application by data producers, data users and data custodians. The sub-programme prepared the brief for submission to Cabinet and obtained approval for the Ongoing Commitment to the Province-wide Data Governance Intervention and the Implementation Roadmap for Province-wide Data Governance.

Economic policy and strategy development and implementation require inter-government, societal and business co-operation. In expressing the objectives of PSG 1 the plethora of stakeholders often experience competing objectives and diverse approaches in achieving similar objectives. In order to address challenges that might arise across multiple stakeholders which result in obstacles to achieving the objectives of PSG 1, the WCEDP facilitated strategic partnerships amongst all stakeholders, enabling them to work together to achieve their goals.

In 2018/19 Economic Policy and Planning together with the Research and Development Unit managed and supported key activities of the new Five-Year Strategic Planning process. This included the facilitation of the development of programmatic position papers, conducting five workshops per programme and the procurement of a Service Provider to facilitate a design-thinking process as input into the development of the new Five-Year Strategy.

Furthermore, in order to assist the Department to achieve its objective of creating an enabling environment for economic growth and job creation, Research and Development provided key economic intelligence in order to understand an economic landscape that is constantly in flux and influenced by both exogenous and endogenous economic developments such as Brexit, oil price hikes, policy uncertainty due to land expropriation etc. Key economic trends (viz. labour market, GDP, inflation) were also tracked.

The Enabling Infrastructure sub-programme continued to support the development of the Saldanha Bay IDZ and the Atlantis Special Economic Zone (ASEZ). The SBIDZ has continued its infrastructure roll-out and initiatives that catalyse the broader West Coast Development in alignment with the WOSA approach. The ASEZ received official SEZ designation status in the 2018/19 financial year which means that the property is now eligible to apply for the DTI's SEZ Fund for infrastructure capex; and to National Treasury for tax incentives, once these processes are established and the ASEZ entity is established. Following the ASEZ designation, the SEDIC Bill process was initiated. SEDIC will provide the enabling platform for the Province to establish the Atlantis SEZ as well as other infrastructure projects.

The Enabling Growth Infrastructure Sub-Programme has also continued to support the Cape Health Technology Hub towards establishment.

Outcome indicator	Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations	
		Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Economic Policy and Planning						
Strategic Objective		To provide economic strategy and policy leadership in the Province.				
1.1	Number of economic strategies or policies or governance frameworks signed off.	2	1	1	-	-
Sub-programme: Research and Development						
Strategic Objective		To conduct and facilitate economic research and analysis to support economic strategy policy development within the Department's strategic framework.				
1.1	Develop an economic research agenda.	An Implemented research agenda: 1	1	An implemented research agenda:1	-	-
Sub-programme: Knowledge Management						
Strategic Objective		To strengthen the understanding and practice of partnering for service delivery impact and integrated planning amongst public sector stakeholders.				
1.1	Reports on percentage improvement in partnering maturity.	5	5	5	-	-
Sub-programme: Enabling Growth Infrastructure and Initiatives						
Strategic Objective		Grow and develop the provincial economy through the development of catalytic interventions and economic drivers.				
1.1	Value of investment.	R605 383 000	-	-	-	-
Sub-programme: Broadband for the Economy						
Strategic Objective		Grow and develop the provincial economy through the support of broadband usage, infrastructure and readiness by businesses and citizens to stimulate the broadband uptake in order to improve competitiveness.				
1.1	Value of investment.	-	-	-	-	-
Sub-programme: Green Economy						
Strategic Objective		To stimulate the development of green industries and facilitate resource-efficiency and sustainability to improve the competitiveness of the economy.				
1.1	Value of investment.	R1.255 billion	R550 million	R191 million	R359 million	Although there is a deviation from the 2018/19 annual target, the five-year target was already exceeded in 2016/17 with a total amounting to R2.75 billion excluding the R191 million reported in 2018/19. The investment in the green economy is highly reliant on national legislation and other external factors. With the IRP delays there remains uncertainty with the REIPPPP investments.

SUB-PROGRAMME 5.1: ECONOMIC POLICY AND PLANNING

In order to assist the Department to achieve its objective, of giving effect to integrated evidence-based economic planning, policy and strategy development, the Economic Policy and Planning Unit supports province-wide cross-cutting economic development and facilitates the strategic planning processes for the Department.

Economic Policy and Planning together with Research and Development supported the new Five-Year Strategic Planning process. This included facilitating the development of programmatic position papers, conducting five workshops per programme and the procurement of a Service Provider to facilitate a design-thinking process – to be an impartial facilitator – as input into the development of the new Five-Year Strategy. Emanating from all of this, 12 priority areas were identified and Working Groups were set up for each. The objective of the 12 Working Groups is the development of a Five-Year Strategic Framework (and 15 Strategic Framework) per priority area to shape and input into DEDAT's new Five-Year Strategic Plan. This is pioneering work, given that a joint top-down and bottom-up approach is being followed to include the views and inputs of the whole Department in the development of the new Five-Year Strategic Plan.

Lastly, the Unit reviewed the European Union's (EU) policy requirements for abalone importation and reviewed the SARB's policy on foreign payments and how these payments impact SA technology firms.

SUB-PROGRAMME 5.2: RESEARCH AND DEVELOPMENT

The Research and Development Unit in 2018/19 continued to reinforce its focus of providing research support, dissemination of economic intelligence and developing credible provincial economic data to the Department, executive management and the rest of the WCG.

In 2018/19, Research and Development produced a number of research reports. The Unit continued to support the work of the Green Economy Chief Directorate with the finalisation of the study on the economic impact of the drought on the Western Cape economy. Furthermore, in the spirit of collaboration, DEDAT furnished inputs into the Provincial Treasury's annual publications, namely the PERO, the MTBPS and the OPRE. Through the ERCF, the Unit was able to communicate and engage on a number of key topical economic developments including the new Five-Year Strategic Planning process and presented stimulating views and insights.

The Unit continued to play its important supportive role. The Unit, together with the Economic Policy and Planning Unit administered and managed the new Five-Year Strategic Planning process of the Department. Furthermore, the Unit continued to support the Project Khulisa work of Economic Sector Support by furnishing the Unit with key data for Tourism, Oil and Gas and the Halal industry.

SUB-PROGRAMME 5.3: KNOWLEDGE MANAGEMENT

Western Cape Economic Development Partnership (WCEDP)

The WCEDP aims, as a non-profit company, to “improve the performance of the Cape Town and Western Cape economic development system, by creating and sustaining partnerships between economic stakeholders, in support of the goal of creating a resilient, inclusive and competitive region, thus contributing to South Africa's national economic success.” - WCEDP Founding Goals and Objectives.

Based on structured feedback, certain areas of the WCEDP's work have had a recognised impact amongst stakeholders. These include the development of area-based and issue-based partnering solutions that address specific problems, and the generation and sharing of knowledge on partnering and partnering solutions.

- Issue-based partnering solutions involve implementing the WCG Provincial Strategic Plan (PSP) by testing partnering solutions through specific projects and through intervening in complex systems, such as water, community safety and economic sectors and value chains, for example.
- Area-based partnering solutions involve intervening in space at different scales, with a particular focus on working with municipalities around precinct-level planning, implementation and management.
- Knowledge generation and knowledge sharing involve amplifying and sustaining impact through knowledge-sharing and learning programmes, and transdisciplinary research.

The extreme drought experienced by the Western Cape resulted in additional requests for partnering assistance for water management across the Province.

A summary of EDP activities, using the Provincial Strategic Goals as a lens, demonstrates the EDP's work in 2018/19 in the following areas:

PSG 1: Growth and jobs

- Township Economies programme – with DEDAT and City of Cape Town.
- Metro-Central Partnership (Blue Downs Integration Zone in city of Cape Town) – cross reference with PHA Study, Air Access Campaign and need to fill outbound cargo space. Six focus areas: water economy and biodiversity; Swartklip site planning; precinct management; enterprise development; Blue Downs and Symphony Way corridor; and human settlements and Public sector activation workshop 19-20 June.
- PHA precinct management model (possible request).
- Saldanha Bay Municipality partnering solutions: focus on revival of West Coast Business Development Centre as part of SMME ecosystem support.
- South Cape Economic Partnership (SCEP): Regional cross-boundary approach to local economic development. Alignment of multiple projects, focussing on tourism and creative industries, oil and gas (green fuels), agri-processing and timber industry, waste management, energy and water, integrated transport and infrastructure, and ICT and smart cities.
- Wellington CBD urban management solution (new request from Drakenstein Municipality).

PSG 2: Education and youth opportunities

- Western Cape Youth Employment – School Support Programme (Jobs Fund/WCED R97 million) – EDP appointed by WCED as Implementation Agent. Partnership between Jobs Fund, WCG, schools, NGOs and employers.

PSG 3: Wellness, safety, social ills

- Learning and knowledge sharing strategy for WCG/Municipal “Whole of Society” Approach (WOSA) in targeted areas: Saldanha, Drakenstein, Manenberg/Hanover Park, Khayelitsha.
- Review of Western Cape on Wellness (WOW!) partnering strategy.
- Strengthening the partnering relationship between Department of Health and Department of Transport and Public Works.

PSG 4: Living environment, resilience, stability and inclusivity

- Integrated Communities – Woodstock/Salt River inclusionary housing (CCT). On hold due to SCM issues at CCT.
- Breede River catchment management and implementation of the Environmental Resource Protection Plan (DEA&DP and BGCMA).
- Western Cape Water Supply System: Case study of Groenland Water Deal; Learning tool: Timeline of drought planning and decision-making (with GreenCape); Partnering for catchment management (with Greater CT Water Fund).
- Support to Cape Town Water Resilience Framework (new).
- Overberg Water Fund (new request).

WG4: Integrated management and PSG 5: Good governance and integrated service delivery (cross-cutting)

- EDP thematic focus on local government: Getting the basics right and doing the fundamentals well in order to partner effectively.
- Synthesis of different systems change methodologies: Doing Development Differently, Problem-driven Iterative Adaptation, Creating Public Value, How Change Happens, Radical Incrementalism, Relationship Systems Intelligence, Resilience Thinking and Adaptive Leadership, Human Systems Dynamics, Collective Impact, Complexity-aware Monitoring, etc.
- LG-MTEC debriefing after visits to municipalities: identification of collaborative and non-collaborative behaviours in the system.
- Support to Integrated Work Plan (annual cycle of WCG-Municipal engagements).
- Input to Provincial Strategic Planning Forum (17-18 July - provisional).

- Input to End of Term Review (EOTR), review of Provincial Transversal Management System (PTMS) and structure of next Provincial Strategic Plan (PSP).
- Input to State of Development Planning Report, updated Growth Potential of Towns Study and Integrated Municipal Performance Support System.

Learning and knowledge sharing programme (cross-cutting)

- WCG and municipalities Whole-of-Society Approach (WOSA) learning and knowledge sharing network.
- National Treasury Government Technical Advisory Committee (GTAC) Partnering Framework (June – September).
- Support for revival of GTAC Economies of Regions Learning Network (ERLN).
- Input to National Treasury City Support Programme Executive Leadership Programme: Leading Future Cities: Navigating Today's Complexity (April).
- National Treasury City Support Programme: Request to develop “Partnering Framework for Cities” (new).
- Presentation to FNB Municipal Academy (nine provinces): Practice of Partnering for System Change – Lessons for Municipal Leaders Transdisciplinary Research (TDR) with University of Stellenbosch Centre for Complex Systems in Transition (CST).
- Preparation of EDP 7-year Timeline for input to EOTR and PTMS reviews.
- Development of executive leadership module on township economies with UCT GSDPP (new).

SUB-PROGRAMME 5.6: ENABLING GROWTH INFRASTRUCTURE AND INITIATIVES

Cape Catalyst Enabler

With the main focus of the sub-programme: Enabling Growth and Infrastructure Initiatives being on project development and support to infrastructure-orientated or catalytic interventions within the economy, the Unit provided support to four infrastructure-related projects, exceeding its target by one.

Saldanha Bay IDZ

The Saldanha Bay Industrial Development Zone (SBIDZ) reported that it continued its infrastructure roll-out in the 2018/19 financial year and finalising the purchase of back-of-port property from the Industrial Development Corporation (IDC). This included the continuation of the bulk internal works on the second phase (port land) development, while also securing the first lease agreement with the Transnet National Ports Authority (TNPA). This roll-out had been done in close coordination with the port development efforts of the TNPA, who have appointed an operator for the Offshore Service and Supply Base (OSSB). The contractor for the construction of a new access complex and IDZ Service Centre is also making significant progress. Collectively, these infrastructure investments will create the Oil and Gas and Marine Repair Complex envisaged by the SBIDZ.

The SBIDZ has signed lease agreements with six investors, including South African companies as well as joint venture investors from Europe and the Middle East. All of the investors are aiming to set up facilities to service the Oil, Gas and Marine engineering sector and most are targeting to start construction of these facilities within the next financial year. Although some of the investors have not finalised their exact investment amount (subject to final design of facilities and sourcing of equipment), the total estimated investment amount is in the region of R3 billion.

The development of the IDZ also continues to catalyse further industrialisation in the region. The West Coast Industrial Plan's research is proving to have been accurate about the overall infrastructure investments by private sector and overall planning efforts by all three spheres of Government. These efforts have now expanded to the socio-economic efforts of all WCG Departments through the Whole of Society Approach (WoSA) under PSG 3. The coordination with the Saldanha Bay Municipality was initially centred around the completion of its new Five-Year Integrated Development Plan (IDP) and has now expanded to the integration of all governmental efforts in the municipal area.

The SBIDZ is leading some of the coordination work for training of local people and assistance to local SMMEs. It has continued sourcing its own funding for training interventions from SETA's, the DTI, etc. and managed to provide more than 520 training opportunities and make more than 150 placements at companies. The SMME development work of the SBIDZ has been in partnership with DEDAT, the EDP and the Saldanha Bay Municipality and has been focusing on a support ecosystem and online portal for local procurement and business development services.

Cape Health Technology Park

The Cape Health Technology Park is a collaborative project driven by Wesgro and supported by DEDAT and the City of Cape Town that seeks to stimulate the Health technology industry through the provision of enabling infrastructure and scales of agglomeration. In the 2018/19 financial year, the master-planning for the Diesel site was finalised with agreement between all property occupants. This master plan is the final step towards finalising the final property arrangements between the City of Cape Town and the CHTP. Three applications were made for investment into the park and engagement with these investors was initiated. Tenancing recruitment was initiated with over 20 companies still committed to residing within the Park for expansion purposes. The industry business development initiatives were successfully continued with the Western Cape and Cape Town being positioned as an African leader in health technology.

Cape Town International Convention Centre

Aimed at broadening the capacity footprint of the Cape Town International Convention Centre (CTICC), the CTICC East expansion was launched in January 2018. DEDAT continues to support and monitor the Development to ensure return on investment.

Atlantis Green Technology Special Economic Zone (SEZ) and Special Economic Development Infrastructure Company (SEDIC)

The Atlantis Green Technology SEZ, which is aimed at facilitating the growth of green and clean tech industries, received designation in 2018 after an intensive review and assessment process by the national SEZ Advisory Board. The SEZ was officially launched by President Ramaphosa in December 2018. A review of the Atlantis SEZ strategy in 2018 indicated that, in addition to the potential to manufacture components for the renewable energy industry and energy efficiency equipment, there is potential for the manufacturing of devices for water management and water storage, the production of advanced packaging and other materials; advanced chemicals, green building materials development, waste material recovery and re-use.

Significant progress has been made with putting in place the required governance structures for the project in alignment with the SEZ Act and designation requirements, drawing together all three spheres of government.

At an operational level, the focus in the Atlantis SEZ currently is on infrastructure master planning, skills and enterprise development, investment promotion and ongoing stakeholder engagement. To this end, in 2018/19, the ASEZ initiative has established an Atlantis Community Stakeholder Network; 80 Atlantis learners were provided with career awareness and capacity training in the field of Green Technology; and plans have been developed to address the enterprise and skills development needs of the area to enable specifically the Atlantis Community to take up opportunities that the ASEZ may present to them. These plans will be implemented in the 2019/20 year.

Design and Innovation Enabler

The overall thrust of the design enabler seeks to support the design eco-system as well as to develop and implement collaborative projects that galvanise and showcase the positive effects of design and innovation in the region with the aim of improving service delivery and stimulating demand for locally designed and manufactured/produced products and services. DEDAT continues to play a coordinating function in bringing together various WCG Departments together to collaborate and share information around innovation, which in turn will also strengthen the eco-system and improve the WCG's ability to innovate for the wicked challenges that face our region.

In the 2018/19 financial year, three key projects were supported to realise the objective of using design and innovation as a key competitive advantage for the Western Cape.

The Better Living Challenge (BLC). The Craft and Design Institute's Better Living Challenge project relies on the collaboration between City of Cape Town, DEDAT, the Department of Human Settlements (DoHS), private sector, designers and innovators to address the challenges in living conditions for lower-income groups through innovative solutions. The Better Living Challenge 2 specifically seeks to surface design innovations (opportunities, ideas and designs) that:

- Support the incremental improvement or expansion of low income homes;
- Provide better quality and alternative building materials;
- Increase the comfort and quality of life of residents; and
- Enable a more densified urban form.

In the 2018/19 financial year the BLC2 achieved a significant milestone in hosting an incubator for informal construction businesses and employees from Delft and Khayelitsha, focusing on improving their design and construction skills, while developing their business acumen. The BLC has also developed a significant amount of information that can be used by other informal construction businesses as well as low-income home-owners to improve their homes. The BLC is finalising its approach to materials that can further support low-income home owners to improve their homes.

Innovation through gamification and digital content stimulation

This is a collaborative project between the Digital Economy and Innovation/Cape Catalyst unit to develop a digital game which aims to both stimulate businesses and citizens to incorporate innovative practices into their business and professional activities but also aims to support the local digital content creation sector in new opportunities, especially those offered by serious gaming.

In 2018/19 financial year, this initiative delivered information to over 20 content developers on how best to use games and gamification in addressing challenges that business and government face. The Initiative's drivers, the Cape Innovation Technology Initiative, facilitated a B2B engagement that has resulted in an opportunity for gamers to develop a game that addresses the need for suitable recruitment into the Business Processing and telemarketing industries.

Lastly, information has started to be received based on the original game developed for re-blocking purposes from the pilot initiated in 2017/18. The "Reblok" game's business model has been slightly changed to enable other NGOs to make use of the game, and the company is actively pursuing this.

Western Cape Government Innovation Forum and stakeholder network

An innovative government is critical to lead the drive for an innovative region which in turn improves the region's competitiveness. In 2018/19 DEDAT continued to coordinate the innovation forum while initiating broader communications on innovation through the innovation intranet site. This site provides WCG officials with the opportunity to learn more about innovation in Government by reviewing case studies, learning about tools used for innovation; and even being able to view innovations from Technology transfer offices of the Western Cape universities. DEDAT initiated an ideas management system which was launched in December 2018. Top ideas will be provided to relevant Departments to consider implementation with DEDAT support. DEDAT continues to increase its innovation stakeholder network having created partnerships with National Advisory Council on Innovation (NACI); Centre for Public Service Innovation (CPS); APolitical and the Universities' Technology Transfer Offices.

While the above were the key projects for the financial year, DEDAT has also continued to support the Western Cape Design and Innovation Seed Fund driven by the Craft Design Institute (CDI) in partnership with DEDAT and the Technology Innovation Agency (TIA). Finally, DEDAT supported the initiation of a WCG Innovation fund that seeks to realise innovations that can improve citizens lives. This project will be implemented in the 2019/20 financial year.

SUB-PROGRAMME 5.7: BROADBAND FOR THE ECONOMY

Broadband for the Economy Enabler

The Broadband for the Economy sub-programme is responsible for the socio-economic objectives of the Western Cape Broadband Strategic Framework. As per the Strategic Framework, the set of projects undertaken by the Unit seeks to improve the broadband access, digital skills and digital usage of citizens and businesses within the Province. Consequently, the Broadband for the Economy, (also known as the Digital Economy unit), supported eight projects over the course of the 2018/19 financial year.

I-CAN Suite of Projects

I-CAN is the Department's digital skills programme which seeks to extend basic digital literacy skills and access across the project. The I-CAN suite encompasses a number of co-dependent elements to achieve this intent, outlined as follows:

The I-CAN **Elsies River Centre**, which the Department continues to support, remains the flagship digital skills initiative of the programme. The centre continued to report good progress during the financial year. The Elsies River centre has a multi-level and multi-category digital skills programme incorporating free/introductory, DEDAT-supported, low-cost and user-paid training modules which are delivered through a combination of the I-CAN centre operator and various service providers and collaborators. Over the course of the year, 906 citizens participated in workshops, 704 citizens received free digital literacy training with a total of 15 679 recorded visits to the centre. In addition, the centre operator digitised a 12-module, entry-level, online, basic digital literacy course which is now being made available to citizens at all spaces where the I-CAN training is being delivered.

Expansion of the **I-CAN Learn** footprint: During the year, the Department firmed up its partnership with our first digital skills content partners Google and IBM, who have provided free access to their extensive suite of digital courses. Coupled with the I-CAN entry-level content, the groundwork for a broad range of digital skills training is now available for citizens at varying levels of digital competency. In parallel, through partnerships with the Department of Cultural Affairs and Sport and the Department of Social Development, we have seen the first I-CAN Learn sites open to the public in six new locations namely: Piketberg library, Velddrif library, Goedverwacht library, Porterville library, Saldanha Youth Café, and Bredasdorp Youth Café in late February 2019. This has been a major milestone, as it has been in the planning for quite some time and it extends the footprint of I-CAN into non-metro communities of the province. Alongside this, the Department has been working on the development of **I-CAN Operations Management System**, which once completed, will greatly assist in extending and management of I-CAN services across the province further and faster.

Digital Business Toolkit

The Digital Business Toolkit, now known as JUMP was officially launched in March 2019, boasting 2 941 sign-ups from entrepreneurs by the end of that month. JUMP is aimed at assisting entrepreneurs and small businesses with resources and tools which will assist in improving digital adoption within their businesses in order to improve their competitiveness, using a mobile-first digital platform. In addition, 20 delivery partners and three strategic input partners were secured, most notably with Google, which has come on board as a strategic tech partner to DEDAT.

Khayelitsha Bandwidth Barn

The Department has continued to support the Khayelitsha Barn (K-Barn), which is a community-based tech business incubator owned by CITI and operating from Look-out Hill in Khayelitsha. The K-Barn programmes encompass a combination of ICT and business-focussed programmes, with developmental and digital literacy programmes, in order to be responsive to the needs of the surrounding communities.

DashTech – EdTech and Safety-tech

Digital technology is a key lever to assist in bringing greater efficiency and opportunities across all sectors in the economy. As part of the Digital Opportunities Implementation Framework, the Department seeks to assist the economy to be responsive in this fast-paced changing technological climate. One of the focus areas is Dash-Tech. (The “dash” in Dash-Tech, is a proxy for any sector in the economy for example Fin-Tech, Ed-Tech, Travel-Tech etc). For 2018/19, DEDAT has focussed on Ed-Tech and Safety-Tech as two areas which have both economic value and are strategically relevant to the WCG. During 2018/19, the Department supported the Department of Community Safety (DoCS), through a design-led thinking process to identify key challenging areas for which digital technologies may be useful to support and some of these recommendations were then taken up by DoCS as part of their future programmatic delivery.

In terms of Ed-Tech, DEDAT continues to work with the Western Cape Education Department to ensure alignment between the development in the Ed-Tech environment and the needs of the education department. To this end, DEDAT has contributed significantly towards the second cohort of Ed-Tech companies at the Injini Ed-Tech incubator, the first of its kind in Africa. Eight (8) Ed-Tech start-ups were supported with business development support and some working capital. Some of them worked with the WCED to prototype in schools.

I-CAN Play

The I-CAN Play project was designed to establish commercially driven (pay-for-play) digital gaming sites in disadvantaged communities to increase digital competencies of citizens through digital gaming. It was earmarked for two locations linked to the Alcohol-Related Harms Reduction Game-changer. The Khayelitsha site, located at the Khayelitsha Barn at Lookout Hill, successfully completed its pilot phase, having achieved more than 400 members, against the targeted 300 members. The development of the Gunya pilot site was delayed by a number of systematic issues which affected this commencement within the financial year, most notably the finalisation of the municipal property approval process. The hurdles of trying to execute new and innovative approaches to project delivery will always include some successes and some complications.

Global Positioning

One of the key objectives of the DEDAT digital economy programme is to establish the Western Cape as a leading global digital hub. Through a research-driven, multi-stakeholder process, a unique digital proposition was developed for the region and key messaging and activation approach has been developed. The output of this work will be used in the coming financial year to drive outward investment and trade messaging, as well as a synergistic inward-focussed campaigns aimed at businesses and citizens to maximise the opportunities of the digital economy.

Last Mile Digital Access

This project aims to create a microcosm of the future economy in a specified community by enabling digital inclusion, access and supporting the local community with digital business skills. In 2018/19, the Department supported the Cape Digital Foundation in the community of Imizama Yethu, Hout Bay. In just a short period, the project has seen 35 businesses listed in a hyper-local business directory, two youths trained in basic video journalism and 40 informal businesses taken through digital skills. For the 2019/20 financial year, the Department is planning for rolling out more of these kind of projects to other communities in the province.

Public Access Wi-Fi

During 2017/18, a decision was taken by the Provincial Cabinet, to shift the implementation from DEDAT to the Centre for e-Innovation, at the Department of the Premier, as the WCG had taken the decision to significantly expand the roll-out of public access Wi-Fi across the province. At the request of the Department of the Premier, DEDAT continued to manage the operational oversight of the existing 178 hotspots until November 2018, whilst DotP finalised the procurement processes to expand public access wi-fi to over 1 600 WCG sites. Over the period April to November 2018, Liquid Telecom reported that the total accumulated number of citizen users over the duration of the project to date amounted to 952 106, with a monthly average of approximately 180 000 users, up 25% from 2017/18.

SUB-PROGRAMME 5.8: GREEN ECONOMY

Green Economy enabler

With the aim of realising the Western Cape Green Economy Strategy Framework's vision of the Western Cape being a leading green economic hub and the lead in low carbon economic growth, the Green Economy sub-programme supported six projects over the 2018/19 financial year.

Energy Security Game Changer

The Energy Security Game Changer was established as a joint effort by the Western Cape Government, the City of Cape Town, and the five largest non-metro municipalities (Stellenbosch, George, Drakenstein, Saldanha Bay and Mossel Bay). The Game Changer focuses on five main areas, namely enhanced uptake of efficient water heating, the promotion of small-scale embedded power generation, the importation of liquefied natural gas (LNG) and implementation of and advocacy for energy efficiency.

Smart Grids

Significant progress was made in the 2018/19 financial year to enable the small-scale power generation market, with a focus on creating a supporting environment for rooftop solar photo-voltaic (PV) installations. Extensive engagements and awareness raising to promote the uptake of solar PV continued, with 13 companies having committed to PV installations resulting in R50 million investment over the last two years. In addition, 18 out of the 22 Western Cape municipalities that have the legal framework in place to allow for small scale embedded generation feed in now have NERSA approved feed-in tariffs. Stellenbosch and Drakenstein Municipalities have developed wheeling tariffs and engagements have been initiated to put wheeling frameworks in place for further municipalities. Verified private rooftop solar PV installations in the Western Cape now translate to approximately R375 million worth of investment and just over 100 permanent jobs. Based on recent calculations by the CSIR and PQRS, the installed capacity of solar PV in the province is approximate 112MW which exceeds the targeted 105MW for the 2018/19 financial year.

Liquefied Natural Gas (LNG)

Over the past year, the focus has been on continued development of the LNG opportunity on the West Coast with a number of studies being finalised towards bankability for the project including a transport, water and overarching feasibility study, the last of which was funded by USTDA (US\$800 000). The outcomes of the feasibility study indicate that the project is viable with an IRR of 13% and GDP impact of US\$9.4 billion. Another success has been the signing of an MOC with Transnet in support of the development of natural gas infrastructure, including application to DBSA for funding to progress the Western Cape LNG project.

Waste Economy

Through various consultations and workshops, the waste economy team strengthened relationships and established new networks, which enabled support to be provided to more businesses and the drafting of the Western Cape Waste Economy Strategic Framework (WESF). Work was also undertaken to improve understanding of the potential for increasing local manufacture and recycling content of composting bins.

Economic Water Resilience Workstream

Building on from work started in 2017/18, DEDAT continued to lead the Economic Water Resilience Workstream (under the Provincial Disaster Management Centre). Workstream partners included the Department of Environmental Affairs and Development Planning, the Department of Agriculture, GreenCape, the City of Cape Town, Wesgro, the Economic Development Partnership and the National Business Initiative. The workstream's goals were to address the immediate water crisis needs of businesses and strengthen long-term economic water resilience. This was facilitated through a continued focus on four key objectives, namely: reduce businesses' water consumption;

increase businesses' own water supply augmentation; prepare businesses for day zero; and build the water sector of the Province. Through the workstream, information was shared via drought-related communications, the 110% Green website (See: <https://www.westerncape.gov.za/110green/water>) and various social media platforms. Additionally, business and municipal engagements were held across the province, along with offering strategic and technical support around technology, inputting into market trend analyses, and supporting business continuity planning. Through the workstream, support, advice and information were offered to many businesses in the Western Cape. Support has also been provided to businesses and municipalities in the Central Karoo, which continues to be affected by severe water shortages. In Cape Town, the industrial sector collectively reduced their water consumption by 30%, while the commercial sector only reduced by 10% from pre-drought (2015) water consumption. The top 300 City of Cape Town industrial companies reduced their overall water usage by 24% between June 2016 and March 2018, but this was highly variable by sector.

During the 2018/19 financial year, the water unit within the Green Economy Programme undertook three key projects. The first considered financial mechanisms and models toward improving economic water resilience. The project team that comprised colleagues from DEDAT, DEA&DP, DLG, Provincial Treasury, GreenCape, EDP, the City of Cape Town, the National Business Initiative, National Treasury, SALGA, WASH-FIN and AfD (French Development Bank) provided extremely valuable insights. This project consisted of three components, namely the exploration and development of proposed models for the structuring of hybrid centralised-decentralised water-supply systems and the knock-on impacts to municipal revenue and economic sustainability; understanding the impacts of varied tariff rates and structures on business; and an investigation into the financial mechanisms and options for enabling decentralised water projects and water-sector businesses. This project aimed to improve understanding around decentralised water supplies – i.e. where would decentralized systems to varying degrees enable an optimal balance of water security, municipal revenue and economic resilience. This work will be used to facilitate informed conversations with municipalities and businesses moving forward. The case study municipalities in the 2018/19 financial year covered the City of Cape Town, Drakenstein, Laingsburg, Mossel Bay, Overstrand, Saldanha Bay.

The second project explored opportunities to improve agri-processing sector and sub-sectors' economic water resilience. This project, which included colleagues from DEDAT, DEADP, DoA, GreenCape, Wesgro and the City of Cape Town, aimed to understand and reduce water-related risks to the agri-processing sector and fruit and vegetables and dairy sub-sectors; and develop and design appropriate interventions towards ensuring the medium- to long-term water resilience of the Western Cape economy. The outcomes of this project support the Department in promoting economic growth in the agri-processing sector (and sub-sectors) in a manner that is aligned with resource availability.

The third project was a Western Cape economic water security analysis including models of water availability and economic growth for municipalities in the Western Cape to provide insights where, within the Western Cape, water is or could become a constraint to economic growth. The project considers the type (and therefore water intensity) of economic growth; the level of population growth, potential decreases in water yield (e.g. due to climate change); and changes in water demand management patterns. The work will enable the Department to understand which municipal economies and sectors are at risk so that support can be targeted as needed.

Green Economy Leadership and Co-ordination

A key focus for 2018/19 has been to explore different ways of engaging with the WCG Green Economy Work Group (GEWG) partners to jointly contribute to the growth of the green economy. The group is collectively working on the revision of the Western Cape Green Economy Strategic Framework, with inputs from the Green Economy Reference Group, which includes stakeholders from the private sector, academia, civil society and government.

In addition to the revision of the Western Cape Green Economy Strategic Framework, significant work has been undertaken in drafting strategic frameworks for energy, the waste economy and economic water resilience. These will be finalised in 2019/20 and used to help co-ordinate the work of all Western Cape stakeholders in collectively growing the green economy.

110% Green communications platform

The 110% Green platform, <https://www.westerncape.gov.za/110green/>, aims to share best practice and the work of the WCG and partners in the green economy space. The Energy Security Game Changer has a separate website, <https://www.westerncape.gov.za/energy-security-game-changer/>, which is linked to the 110% Green website. The 110% Green website underwent a revamp to better reflect the focus of the green economy work being done within the Western Cape Government, which involved multiple departments. Tabs are being designed and populated to cover the waste economy and the biodiversity economy.

The use of the 110% Green social media platforms for green economy related information and the budget spend for promoted posts have resulted in an increase in followers and visits to the website.

The communication campaigns for the Energy Security Game Changer and 110% Green for 2019/20 will continue to build on the momentum achieved with the campaigns over the last years. This includes, for business: Continue to demonstrate that PV, energy efficiency and water efficiency measures are a good investment for businesses and share case studies; for households: Resource savings campaign to share water and energy saving tips; if the current energy supply continues to result in widespread load-shedding, the energy security communications will continue to share ways in which households and businesses can limit the impact (expanding on the load shedding tips document) and work being undertaken by WCG and municipalities; development of a green supplier database; continued update of the 110% website and the promotion of Facebook and Twitter posts relevant to the green economy.

Green economy ecosystem development and clustering

The green economy clustering work implemented through four sector desks run out of GreenCape - renewable energy, energy services, water and waste - supported 1 705 businesses directly and virtually during the year. This number includes queries serviced and doesn't include the businesses engaged with at the various events attended and presented at. Multiple industry events were held and supported during the year on sector-based issues. In addition, five 2019 market intelligence reports (MIRs) were produced for the utility scale renewable energy, energy services, waste, water and electric vehicles sectors. These MIRs show significant potential for growth and job creation in green economy related technology, product and service businesses in the South African context. The take up of these goods and services would in turn significantly improve the resource and climate change resilience of the economy, municipalities and communities. Inputs into key pieces of draft legislation, regulations and strategies at both a national and local government level, aimed at unlocking green economy related barriers, have included the draft Industry Waste Management Plans for Plastic and Packaging, Paper, E-waste and Lighting industries; and various water related strategies and policies at a City level. Lastly, significant inroads have been made in the financing space, working with the large financiers to explore water project financing. A green finance database of 110 institutions has been collated that indicates financiers who are active in offering financial support to green economy opportunities.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Economic Policy and Planning								
1.1	Number of strategies or policies reviewed and/or supported.	4	3	3	2	2	-	-
Sub-programme: Research and Development								
1.1	Number of Economic research reports developed.	12	16	10	10	10	-	-
Sub-programme: Knowledge Management								
1.1	Number of joint plans/projects between the Western Cape Economic Development Partnerships and its partners.	2	10	13	30	31	1	The EDP does not know in advance what requests for partnering it will receive during the year and the targets set are a "best guess", using previous years' experience as a guideline.
Sub-programme: Enabling Growth Infrastructure and Initiatives								
1.1	Number of infrastructure projects supported.	8	7	4	4	4	-	-
1.2	Number of design/innovation projects supported.	5	4	2	3	5	2	The Design and Innovation team was able to implement two additional projects in 2018/19 namely the Design and Innovation Seed Fund, as well as the WCG Design and innovation seed fund, which was initiated earlier than expected due to buy-in from the WCG Departments. At the request of the project partners for DEDAT's continued support, the latter has been incorporated into the 2019/20 Annual Performance Plan.
Sub-programme: Broadband for the Economy								
1.1	Number of broadband projects supported.	14	7	9	7	8	1	Due to the request from DotP for continued support to the Wi-Fi hotspots project, the unit has exceeded its target.
Sub-programme: Green Economy								
1.1	Number of Green Economy projects supported.	11	10	6	6	6	0	-

Strategy to overcome areas of under performance

Not applicable.

Changes to planned targets

Not applicable.

Linking performance with budgets (Programme managers to complete)

During the 2018/19 financial year, an amount of R136 184 million was appropriated to the Programme of which the actual expenditure amounted to R134 244 million. This translates to actual expenditure of 98.6% of the Programme's total budget.

An overview of the funds spent per economic classification is as follows:

- Compensation of Employees accounted for R27 018 million or 20% of total expenditure.
- Goods and Services accounted for R30 865 million or 23% of total expenditure.
- Transfers and Subsidies accounted for R76 339 million or 57% of total expenditure.
- Payments for Capital Expenditure amounted to R23 000 of the total programmatic expenditure.

Sub-programme expenditure

Sub-programme Name	2018/19			2017/18		
	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
Economic Policy and Planning	1 824	1 327	497	2 405	2 360	45
Research and Development	6 552	6 465	87	9 110	9 042	68
Knowledge Management	10 925	10 924	1	10 136	10 136	-
Monitoring and Evaluation	-	-	-	-	-	-
Enabling Growth Infrastructure and Initiatives	63 913	63 660	253	56 291	56 283	8
Broadband for the Economy	16 091	15 575	516	21 472	21 414	58
Green Economy	36 879	36 293	586	30 159	30 115	44
Total	136 184	134 244	1 940	129 573	129 350	223

4.6 PROGRAMME 6: TOURISM, ARTS AND ENTERTAINMENT

Purpose

To facilitate the implementation of an integrated tourism strategy that will lead to sustained and increased growth and job creation in the tourism industry.

Programme structure

The Programme is structured as follows:

- Sub-programme 6.1: Tourism Planning
- Sub-programme 6.2: Tourism Growth and Development
- Sub-programme 6.3: Tourism Sector Transformation
- Sub-programme 6.4: Tourism Destination Marketing

Service delivery objectives and indicators

The Western Cape Government recognises the tourism industry's potential to bring about economic growth and employment creation. As one of the major contributors to economic value and employment in the Western Cape, tourism directly contributes R17 billion in GVA and accounts for 204 000 formal jobs in the province. Under a high growth scenario (which would entail the Western Cape matching the growth of successful tourism regions elsewhere in the world), the sector's GVA contribution could increase by 65% to R28 billion in 2019, and it could add up to 100 000 formal jobs over the same period (Khulisa Final report 2014).

Tourism Performance

According to the January 2019 addition of the United Nations World Tourism Barometer (UNWTO), global tourist arrivals grew by 6% in 2018. International tourist arrivals (overnight visitors) worldwide totalled to 1.4 billion in 2018. The 1.4 billion mark has been reached two years ahead of UNWTO's long term forecast released in 2010. By region, Middle East (+10%) and Africa (+7%) led growth, while arrivals to Asia and the Pacific and Europe both increased by 6%, in line with the world average growth. The Americas increased by 3% year-on-year. These results were driven by a favourable economic environment and strong outbound demand from major source markets.

Tourist arrivals to South Africa reached over 10.4 million trips in 2018 and recorded a year-on-year growth of 1.8%. Positive growth across regions were attained from North America (1.5%), Central and South America (8.3%), Africa land (2.8%) and Africa air (7.4%) markets. Overall, the Africa market to South Africa grew by 3.0% year-on-year. In Q2 2018, the estimated Total Foreign Direct Spend (TFDS; excluding capital expenditure) in South Africa reached R17.9 billion and increased by 1.8% year-on-year. The growth in spend was driven by shopping, food and accommodation. These categories respectively grew ahead of 2017, with the highest growth attained from the accommodation (+14.6%) segment. In Q2 2018, domestic tourism accounted for 4.1 million trips and generated R5.5 billion in tourism revenue for South Africa. South Africa generated 13.5 million bed nights from the domestic market.

In Q2 2018, the Western Cape accounted for 13.7% of all South African tourist arrivals and received 26.3% of South Africa's tourist spend. In addition, the Western Cape held 19.3% of South Africa's bed nights recorded during the period. A total of 324 528 tourists were recorded during Q2 2018. During the quarter, tourist arrivals to the province decreased by 3.5% year-on-year. Europe sustained a strong presence as the Western Cape's strongest international market with respect to volume, accounting for a total of 151 766 tourists in Q2 2018. A positive growth was attained from the North American region, driven by tourists from the United States (+4.5%). In Q2 2018, the estimated Total Foreign Direct Spend (TFDS; excluding capital expenditure) in the Western Cape reached R4.7 billion and grew by 10.5% when compared to the same period of 2017. The Western Cape recorded the 2nd highest number in bed nights, generating 5.2 million for the quarter and grew by 10% year-on-year. Paid accommodation occupied in the formal sector (Hotels, B&Bs, guesthouses, self-catering, game lodges and backpackers) accounted for 50% of the total bed nights recorded in the Western Cape and grew by 6.7% year-on-year.

SUB-PROGRAMME 6.1 TOURISM PLANNING

During the 2018/19 financial year, the approach for stakeholder engagement continued around the identified Khulisa Tourism projects. Certain project task teams (for example the Madiba Legacy Route task team, the air access task team and cycle tourism etc.) have been created which met on a regular basis to discuss finer detail per project and this information is then fed into the Khulisa Tourism Manco meetings. The Khulisa Tourism Manco meetings were held regularly throughout the year which allowed stakeholders to discuss the implementation of Wesgro's Khulisa Tourism projects. Stakeholders present included Wesgro, the Ministry and DEDAT. These matters and discussions are then escalated via the Khulisa Steercom meeting (chaired by the DDG - Economic Operations) and then via the Khulisa Stock take meeting (chaired by the Minister of Economic Opportunities).

Tourism Planning represented the Department on the various working groups of the National Department of Tourism's (NDT) This included reporting on provincial delivery as part of the National Tourism Sector Strategy and providing input on certain NDT projects as well as sharing information on DEDAT tourism projects.

During the 2018/19 financial year, Tourism Planning Unit started conceptualising the Western Cape Tourism Master Plan (WCTMP) in the form of a concept document and the project proposal for commencement in 2019/20 has been approved during 2018/19. The WCTMP will be the single destination provincial tourism strategy that will define a collective vision for the development of tourism in the Province. Stakeholder engagements with tourism industry experts were held during the financial year as well as WCTMP briefing session which was attended by the district municipalities as well as officials from NDT.

SUB-PROGRAMME 6.2: TOURISM GROWTH AND DEVELOPMENT

During the 2018/19 financial year, the unit supported the **cycle tourism niche market**, with a focus on the development of three additional Cycle Routes, part of the Cycle Routes Network an initiative of the Western Cape Government namely the Cycle 364 Route, Cederberg Circuit Cycle Route and the Overberg Meander Route a. To date, four routes have been launched namely the a) Cycle 364 Route b) The Cederberg Circuit Cycle Route c) Cross Cape and d) The Overberg Meander.

The **Cycle 364 Route** is approximately 128 km and starts and end at the V&A Waterfront Cape Town, taking in the Atlantic Seaboard, Hout Bay, Chapman's Peak, Suikerbossie hill, Simon's Town, and goes past Masiphumelele, as well as Ocean View. The route has been named Cycle Tour 364 because cyclists are able to ride it 364 days of the year. The 365th day is reserved for riders of the Cape Town Cycle Tour. The Cycle 364 Cycle Route was officially launched on 14 May 2018. The **Cederberg Circuit Cycle Route** stretches over 247 km and is a circular route that starts and ends in Citrusdal in the West Coast region of the Western Cape, through Op die Berg in the Koue Bokkeveld and passes historical mountain passes, crystal clear rivers and luscious nature reserves through the Cederberg Mountains. This route passes citrus farms, rock art paintings and cyclists will experience the extreme weather conditions of the Cederberg. The Cederberg Circuit Cycle Route was officially launched on 8 June 2018.

The **Overberg Meander Cycle Route** is approximately 364 km and is made up of towns such as Swellendam, Cape Agulhas, Elim, Hermanus and Grabouw, the Cape Overberg boasts a landscape that is dominated by gentle, undulating hills, deep, green grass and golden wheat fields enclosed by the ocean and foreboding mountain ranges, making for great adventure activities. The Overberg Meander Cycle Route was officially launched on 10 December 2018.

The development of the Cycle Routes was done through a consultative process with industry experts and buy-in from the municipal stakeholders.

The objective of these routes is to position the Western Cape as the Cycling Capital of Africa.

The **Culture and heritage niche market** with a special focus on the Madiba Legacy project, continued to be supported in the 2018/19 financial year. The Madiba legacy project, which is one of the Khulisa Tourism initiatives, focuses on Madiba's journey and traces the former President Nelson Mandela's footsteps in the Western Cape to enable and encourage tourists to walk in his footsteps. This project forms part of the Centenary year of Madiba. The project will greatly enrich visitor experiences of the attractions associated with one of the greatest men of our time, Nelson Mandela.

In partnership with the City of Cape Town and the Department of Cultural Affairs and Sports (DCAS), the Department installed a Nelson Mandela's statue on the balcony of the City Hall. This is where he addressed the crowd for the first time on 11 February 1990, upon his release from prison. Additional site-specific enhancements at the City Hall, including the development of the Mandela exhibition will also take place. During the 2018/19 financial year, the project steering committee of this project between the City of Cape Town, DEDAT and DCAS continued to ensure delivery of the project. The design, manufacture and installation of the Madiba Statue on the City Hall Balcony were completed this financial year. The Nelson Mandela statue will be donated to the City of Cape Town and were unveiled on 24 July 2018, part of the Centenary Celebrations. This project is in partnership with the City of Cape Town, DEDAT and Department of Cultural Affairs and Sport (DCAS) and will enhance the Culture and Heritage tourism offering in Cape Town and the Western Cape.

Improving service in tourism has been identified as one of the focus areas to be addressed in the industry. The Journey to Service Excellence (J2SE) Programme was implemented in Hermanus during the 2018/19 financial year. The J2SE is aimed at creating a culture of service excellence within a destination and to embed a culture of service excellence at town level. The J2SE examines the whole tourism "value chain" i.e. all businesses which come into contact with visitors, including transport services, accommodation establishments, financial institutions, shops, and any other businesses and authorities who come into contact with tourists.

The Journey to Service Excellence (J2SE) Programme has three components:

- A workshop component that is based on the SABS Service standard SANS 1197, a four-day training workshop for different businesses across the tourism value chain in the Overstrand Municipality.
- A region-wide service excellence radio campaign, where service excellence Ambassadors were nominated by the community of Hermanus.
- A leadership workshop for the CEOs, Managers of the businesses in Hermanus.

Strong partnerships were formed between the Hermanus Business Chamber, DEDAT, Overstrand District Municipality, and Overstrand Tourism to make this programme a success. A total number of 121 beneficiaries completed the four-day training workshop. A total number of 38 individuals from 31 businesses participated in the Leadership workshop. The training resulted in the upskilling of employees in terms of the work functions and striving to increase service delivery in the tourism environment. It also resulted in benefits for the employers in terms of improved customer service provided to tourists, and an improved reputation of a friendly hospitality industry within the towns of Hermanus.

The Media campaign ran from May to October 2018 and included e-mail flyers, printed flyers, posters, radio advertisements and advertisements in the Hermanus Times, radio competition, announcement on the Western Cape Government's Facebook page and in the Hermanus Business Chamber newsletter. The media campaign was in partnership with the Hermanus Times and community radio station, Radio Whale Coast FM. The radio competition took place during the months of August and September 2018. The competition also formed part of creating awareness around Tourism Month in September 2018. The objective was to involve the community and to further create a culture of Service Excellence in the town of Hermanus.

There were nine winners during the J2SE Radio competition. Interviews were conducted by the Department's Tourism team and Departmental Communications with the weekly winners, after which an advertorial was placed in the Hermanus Times. Radio interviews were also held with the weekly winners and their nominators. This also created a platform to advertise their businesses for free. Prizes were handed over to the winners and nominators at the overall J2SE event, part of a live outside broadcast of Radio Whale Coast on 25 October 2018.

The feedback received from all stakeholders were very appreciative and positive to assist in creating a culture of Service Excellence in the Overstrand Municipality.

A further boost to the improvement of Service Levels was the implementation of the CATSSETA Accredited Customer Service Programme that is aimed at frontline tourism staff. This was a six-day training programme that included a portfolio of evidence. This programme was rolled out to businesses in the Beaufort West, Oudtshoorn and George area part of the MOA signed between the N12 Treasure Route, an initiative with the National Department of Tourism.

The Department worked closely with municipalities and tourism offices in Beaufort West and George and the municipalities. A total of 52 businesses were found competent and completed the Cathsseta Accredited training programme. The beneficiaries were trained from June to August 2018. The training resulted in benefits for the employers in terms of improved customer service provided to tourists, improved reputation of friendly and hospitality service within the destination.

Tourism Support Services provided support and assistance to 328 tourism establishments and individuals. This included:

- Management of the negative perceptions around the safety of the destination by providing a pro-active service by disseminating safety information via forums held and distributing printed travel safety tips to 214 tourism businesses, hospitals, embassies and police stations.
- Providing support and assistance to 52 tourists in distress.
- Secretariat support to the relevant Regional Tourism Liaison Committees (RTLCS), which is scheduled on a bimonthly basis in the districts. Sixty-two applications were facilitated within the regions of Cape Winelands, Overberg, West Coast and Southern Cape for the erection of tourism signs. The Tourism Road Signage application process incorporates the assistance from the Red Tape Reduction Unit within DEDAT.

The Department has amplified its strategy pertaining to the safety of tourists and has held many forums and interventions. The Tourism Safety and Support Programme has a very strong relationship with the consulates and embassies, SAPS, NSRI, hospitals, local tourism organisations, Wesgro, Cape Town Tourism and other tourism role-players. The Western Cape is used as a best-practice model in South Africa with regards to a Tourism Safety and Support after-care programme.

In addition, the Department is an active member and participant at the Table Mountain Safety Forum, which responds to and reports on concerns, incidents, crime and media related queries in terms of the Table Mountain area. Representatives include UCT, SAPS, SANParks, volunteer groups, interest groups and other government departments. The Department is also a participant on the SAPS Cape Town Cluster crime report meetings.

SUB-PROGRAMME 6.3: TOURISM SECTOR TRANSFORMATION

Tourist Guide Registration

A total of 1 703 new/renewal Tourist Guides registration applications were processed within 14 working days of application.

The unit over-achieved by 76% due to the efficient system of registration, the staff were competent in their work and the applications of tourist guides that had all the required documents. Where the documents were outstanding, Tourist Guides were phoned and notified that they must bring required documentation on collection of their cards or badges.

Upskilling/Training of Tourist Guides

- **West Coast Training of five (5) Culture Tourist Guides in collaborations with Airbnb:** The project trained Culture Tourist Guides which were fully registered on the database of the Department and in turn registered on Airbnb platform to efficiently market and operate their experiences on such platform.
- **Winelands Training of five (5) Adventure Tourist Guides:** We trained five (5) youthful tourist guides who qualified and fully registered Mountain Bike Guides.
- **Training of eleven (11) Culture Tourist Guides in Bo-Kaap specialising in site specific training:** Department undertook to train Bo-Kaap residents so that they specialise in the history and cultural richness of Bo-Kaap.

The unit trained or developed 21 registered Tourist Guides to ensure a professional and sustainable tourist guiding subsector that is highly competent.

Inspections

One hundred and seventy-nine (179) inspections were conducted to ensure compliance in terms of regulating a sustainable tourist guiding subsector.

SUB-PROGRAMME 6.4: TOURISM DESTINATION MARKETING

The purpose of the programme was to conduct tourism destination marketing and promotion (leisure and business tourism) for Cape Town and the Western Cape. The programme must also ensure that priority focus is given to the initiatives identified by Project Khulisa Tourism.

Wesgro's implementation of tourism destination marketing was successful. This is reflected in the achievement of the new measurable, the estimated economic impact of activities. The measurable looks at the various tourism activities of leisure tourism and the Convention bureau in relation to the estimated economic impact for the destination. A total of twenty-five tourism destination initiatives were supported by the team, resulting in an estimated economic impact of R1 136 192 000 for the region.

Outcome indicator	Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations	
		Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Tourism Planning						
Strategic Objective		To co-ordinate a single tourism destination strategy and delivery model, which ensures effective and integrated destination management and marketing.				
1.1	A single tourism destination strategy and delivery model developed by 2020.	-	-	-	-	
Sub-programme: Tourism Growth and Development						
Strategic Objective		To boost the attractiveness of the region through competitive product offerings and to improve accessibility to Cape Town and the regions.				
1.1	Number of tourism niche markets supported.	2	2	2	-	
Sub-programme: Tourism Sector Transformation						
Strategic Objective		To register and regulate the tourist guiding subsector.				
<i>Note: Tourism Sector Transformation does not have an Outcome indicator.</i>						
Sub-programme: Tourism Destination Marketing						
Strategic objective		To provide resources to the tourism, trade and investment promotion public entity to enable it to deliver on its legislative and strategic mandate for trade and investment promotion.				
1.1	Total estimated economic value of tourism destination marketing initiatives supported.	R417.5 million	R171.6 million	R1 159 948 000	R988 348 000	Additional opportunities arose for the Agency to support an increased number of initiatives. The additional number of initiatives supported resulted in an increase economic value thereof.

Performance indicators and targets

The Khulisa Tourism Action Plan was developed through a consultative process with private sector and the public sector. The Tourism Action Plan approved by Cabinet in August 2015, identifies the following initiatives aimed at driving the growth of the tourism sector:

- Define the **competitive identity** of the destination to develop a clear vision and visual identity that can be used by all communications stakeholders of the province to encourage more impactful global penetration and higher return on marketing spend.
- Develop and implement an **aggressive growth strategy** within the Africa and Gulf Cooperation Council (GCC).
- Develop data and **real-time business intelligence**, capacity which enhances the responsiveness of the tourism industry.
- Develop and implement **delegate boosting and conversion programmes** aimed at driving up delegate attendance and driving long-term positive outcomes of business events for enterprises and academia.
- Develop and implement a **stakeholder co-ordination strategy** to promote collaboration with private and public stakeholders in the tourism and hospitality industry and ensure collective buy-in on all policies, strategies and interventions, and in this way, to improve alignment in the sector.
- Secure **three new direct air routes** to increase and improve airline access (passenger and freight) into and out of Cape Town International Airport (CTIA), with the initial focus on the establishment of new routes and increasing frequencies on existing routes into Africa.
- Lobby for **friendlier visa regulations** to simplify the visa application process to ensure sustained visitor arrivals.
- Create an **awareness campaign on local transport** options to make it easier for visitors to travel within the province by using local transport options.
- Position the Western Cape as the **cycling** capital of Africa.
- Maximise the **Madiba Legacy Route**.
- Position the Province as a global **food and wine destination** by developing a food and wine tourism marketing tool kit and global marketing campaign that will be implemented and supported by hosting targeted travel trade and media.
- Position the province as an **international business and leisure events hub** in order to position the Western Cape as a 365 year-round destination, through the compilation of a calendar of events, and to make it easier to host an event.
- Develop and implement a **service level improvement** programme.

Project Khulisa Tourism is a transversal approach that provides delivery of these tourism initiatives across the programmes in the Department. These initiatives contribute to achieving the identified outcomes of growing tourism direct jobs by up to 100 000 additional jobs and increasing tourism GVA from R17 billion to R28 billion.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Tourism Planning								
1.1	Number of stakeholder coordination strategies developed.	-	-	1	1	1	-	-
Sub-programme: Tourism Growth and Development								
1.1	Number of tourism products supported.	1	2	2	2	2	-	-
1.2	Tourism Support Services: Number of tourism establishments/individuals supported/assisted.	287	260	281	250	328	78	Due to hosting Tourism Safety Forums, we were able to disseminate safety information to a larger audience at a time. There was also an increase in demand for assistance required to tourists in distress.
1.3	Number of beneficiaries participating in the service level improvement programme.	-	-	161	200	173	(27)	During the implementation of the J2SE workshops in Hermanus the unit experienced a challenging period due to the unrest and beneficiaries were unable to attend and complete all the modules of the Service Excellence workshops.
Sub-programme: Tourism Sector Transformation								
1.1	Number of tourist guides developed.	154	308	59	50	21	(29)	The tourist guides were developed and reported on in the 2 nd quarter. In the 4 th quarter, when the deliverables were planned to be met, procurement challenges were experienced with the service provider which necessitated a cancellation of the planned 4th quarter training session, which resulted in the planned deliverable not being met.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Tourism Sector Transformation (continued)								
1.2	Number of individuals registered (tourist guides).	1 617	1 148	1 595	1 300	1 703	403	The unit has no control over the number of Tourist Guides who register. Reasons for this is because training is accredited by Cathsseta but provided by private training providers. Most training providers are profit-driven which leads to more tourist guides being trained hence the increase in numbers.
1.3	Number of individuals/tourism related businesses inspected or monitored (tourist guides).	127	124	116	130	179	49	The number of tourists guides at sights and attractions is out of the Department's control, hence on the inspection day we can over-achieve or under-achieve our target.
Sub-programme: Tourism Destination Marketing								
1.1	Number of tourism destination marketing initiatives supported.	-	14	25	13	34	21	Additional opportunities arose for the Agency to support an increased number of initiatives.

Strategy to overcome areas of under performance

The circumstances for the underperformance relating to the J2SE workshops was outside of DEDAT's control due to community unrest. In 2019/20 if delays are caused by external factors a change in venue or a postponement of the training is a mitigation measure being put in place.

In terms of the tourist guide development programme the procurement process will commence timely in the first quarter of 2019/20 as per the procurement plan for the requirements of a training service provider for the whole year to avoid in delays and have sufficient time to advertise again if a suitable service provider is not found.

Changes to planned targets

Not applicable

Linking performance with budgets

During the 2018/19 financial year, an amount of R59.670 million was appropriated to the programme. A breakdown per economic classification is as follows:

- Compensation of Employees accounted for R7.986 million.
- Goods and services accounted for R4.167 million.
- Transfers and subsidies accounted for R46.418 million.
- R14 000 for capital payments.

Sub-programme expenditure

Sub-programme Name	2018/19			2017/18		
	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
Tourism Planning	-	-	-	-	-	-
Tourism Growth and Development	13 292	12 963	329	-	-	-
Tourism Sector Transformation	2	-	2	13 354	12 722	632
Tourism Destination Marketing	46 376	46 376	-	40 676	40 675	1
Total	59 670	59 339	331	54 030	53 397	633

4.7 PROGRAMME 7: SKILLS DEVELOPMENT AND INNOVATION

Purpose

To facilitate the provisioning of Human Capital and Innovation skills to deliver on the economic Human Resources Development need of the Western Cape.

Programme structure

The Programme is structured as follows:

- Sub-programme 7.1: Provincial Skills and Partnership
- Sub-programme 7.2: Skills Programmes and Projects
- Sub-programme 7.3: Skills Incentives

Service delivery objectives and indicators

The number one priority for the Western Cape Government is to enable higher levels of economic growth and job creation. To achieve this, the focus of the Skills Development Programme had been taken up in efforts to: attain higher levels of youth employment; implement programmes aimed at addressing systemic challenges such as to improve, career guidance, educational attainment in Mathematics and improve retention rates at educational institutions and workplaces; improve life and job readiness skills; improve the appropriateness and effective delivery of education and training curricula to address industry needs; and to improve coordination across a number of stakeholders related to policy, planning, implementation and the funding of skills development programmes and projects to achieve the desired outcomes. To do all of these, the sub- programmes within the Skills Development Unit actively strive to foster relationships with all three spheres of government, civil society and business to promote the concept of apprenticeships.

Given the South African history, apprenticeship for trades such as electricians, welders, fitters etc. were institutionalised, while the rigour for occupations has not been afforded the same dedication. But globally, many countries have expanded their apprenticeship systems to include any occupation that would be found in the workplace. Workplace learning is considered the most effective learning methodology to produce high quality workers that have the skills that employers actually need.

Apprenticeships, in the broadest sense, provide an opportunity to address the growth in a skilled labour force and significant impact on youth unemployment reduction. This is because an apprenticeship for both trades and occupations:

- Aligns theoretical training needs with industry requirements;
- Assists with integration of training changes in technology and market forces;
- Provides youth with critical core skills, such as problem solving, teamwork, and communication; and
- Offers youth with incidental costs while in transit to becoming qualified and making themselves more employable.

PROVINCIAL SKILLS AND PARTNERSHIP

The Provincial Skills Partnerships sub-programme has actively driven the coordination, planning and the implementation of skills development initiatives aimed at achieving the Apprenticeship Game Changer objectives. The sub-programme had focussed on buy-in political leadership through the Premier's Council on Skills and coordination a number of sectoral Technical Advisory Forums (TAFs). Amongst these consultative forums include those for Oil and Gas; Agri-processing; Tourism and Hospitality; ICT/BroadBand; and Energy.

One of the greatest successes of this sub-programme has been the establishment of Western Cape Seta Cluster. This cluster has been the coordination of 18 out of 21 Setas within the Province. Quarterly meetings and regular communication between industry, Setas and government improves information sharing which leads to an enhanced understanding of the value and roles of SETAs in the Skills Development value-chain within the Western Cape Economy.

Industry interactions with these role-players were in the main to identify occupations in high demand, training required to provide a pipeline for youth to enter the job market, based on data on the skills supply and demand in the province to facilitate the planning processes.

This task includes working to fix longer-term or systemic educational challenges such as career awareness and throughput in “gateway” subjects such as Mathematics to short-term interventions required by industry.

This had been the second year of the Apprenticeship Game Changer implementation, with the third year to be completed in 2019/20. Key to achieving the objective of the Game Changer was for youth to access workplace learning opportunities; are retained at workplaces before they are considered as competent Technical and Vocational Education and Training (TVET) workers.

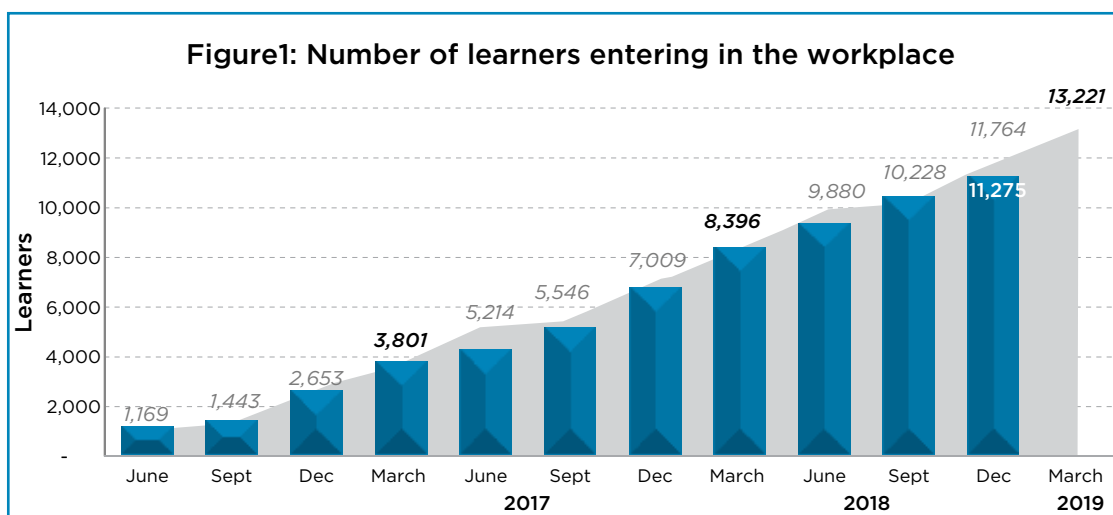
Providing opportunities to improve the employment and the contribution of youth to the economy and society, require significant effort to solicit and maintain the ongoing efforts to improve the efforts of a number of stakeholders, inclusive of government, business, labour and civil society to better coordinate, plan and deliver on skill development interventions.

The Apprenticeship Game Changer targeted two main areas: the number of learners entering workplaces and those completing the work placement period.

Skills training and work placement

Directing skills training to areas of the economy where skilled workers could be absorbed focussed on the technical and vocational skills required by the priority sectors within the Western Cape economy. The Apprenticeship Game Changer and the Project Khulisa mandate, Skills training focussed on vocational and technically related skills for priority demand-led trades and occupations to increase the quality and quantity of employable persons in the Province.

Figure 1 highlights the number of youth entering work placement opportunities in the Western Cape within identified occupations across the priority economic sectors. It shows that by December 2018, a total of 11 275 youth entered workplaces in the priority trades and sectors since 2017. Projections are that by March 2019, that a total of 13 222 have entered workplaces. This will be confirmed once all Seta, Artisan and Work and Skills data had been received.



Artisan Development

Artisan Development in trades needed by industry had been a deliberate strategy to target the placement of apprentices at host companies to gain practical work place experience. In this regard the Programme had in 2018/19 actively supported 298 apprentices at host companies, sourced through the South African Oil and Gas Alliance, Golden Arrow Bus Company, Imperial Technical Training Academy at its various dealerships, etc. These learners have been supported with stipends to these apprentices over an 18-month period, monitored to ensure progress, identification of training gaps and appropriate corrective actions instituted.

The Competency Based Modular Training (CBMT) developed, with Technical and Vocational Colleges and Industry is proving a major success in changing industry perception of the learner quality produced by TVET Colleges and enhances the employability of youth accessing TVET Colleges. This training programme has emerged as a crucial link in the Skills pipeline to increase the number of youth entering workplaces in the technical and vocational skills space. A total of 240 CBMT candidates were enrolled and in 2018/19 and is expected to start work placement in 2019/20.

Amongst industry challenges is the inability to host apprentices at factories, having the required number of qualified artisans to, from a technical perspective demonstrate, guide, supervise and mentor apprentices. This is very important as it helps with the retention of apprentices and them completing the 18-month apprenticeships.

Added to this cocktail, are national regulations that prescribe that only a qualified artisan is able to supervise two apprentices at any given time. This means a qualified artisan can train only two apprentices for a minimum 18-month period.

The Programme, with the objective aimed at increasing the number of qualified artisans available to train apprentices and from a risk management to retain apprentices also embarked on skilling industry mentors. Interventions in this regard have been the successful implementation of Recognition of Prior Learning Toolkits for a number of priority trades and an effective mentorship training programme.

The identification of general workers within industry that have been exposed to technical and vocational work and that could, with limited Recognition of Prior Learning interventions be able to do their trade test, is seen as a quick win to increasing the number of qualified artisans. The benefits of such an intervention is that it increases the pool of qualified artisans available to industry; possibly increases the salary of the worker once completed; and improves industry to host apprentices at those companies.

In support of this initiative the Programme in 2018/19 had provided 50 RPL candidates with an opportunity to be assessed and register for trade tests.

To improve the softer and supervisory skills of qualified artisans and technical staff at companies that are able to host apprentices, the Department supported mentorship training to 200 candidates in 2018/19. This intervention will assist in supporting apprentice retention at companies and those completing their work placement period and qualifying as artisans. Strong collaborations and partnerships were established with industry players on the West Coast Business Development Forum (WCBDF) for the roll out of the RPL and Mentorship interventions supporting regional local development.

In support of the broader (globally accepted approach) to apprenticeships, the Programme continued with the preparation of qualification of an Apprenticeship model (A21 or Apprenticeships for the 21st Century) for certain occupations. These occupations include: Solar Photovoltaic installers; water process controllers; bicycle mechanics; and Information Communication Technical Technicians. The Programme has been very active in the supporting of the roll out of the A21 Centres of Specialisation across the six (6) public TVET colleges within the province.

In 2018/19 the development of National Occupation Curricula learning material had begun and is expected to be completed in 2019/20. The curricula are being developed with industry players. The Solar PV installer curricula and learning material is co-developed with Cape University of Technology and South African Renewable Energy Technology (Saretec).

Sector technical related Skills Training is aligned to outcome four of the AGC, which focuses on achieving the outcome of new and existing workers in priority, TVET occupations in accessing and completing short courses and/or specializations specific to employer needs.

Information Communication Technology remained a focus of the Programme in 2018/19 with the Programme focusing on entry-level and Specialised ICT technical training. A feeder into the ICT Technical Programme are learners from the Department's Software Development at Schools Programme. This is a highly innovative programme, which is the first of its kind in the country. Grade 10-12 learners receive fundamental Java training and articulates onto an advanced Java technical training once exiting matric. Once completed, learners exit into a six-month internship with host companies within the ICT sector in the Western Cape.

The Software Development at Schools project is a partnership between: DEDAT, Oracle SA and the Western Education Department. This programme has been highly successful, with possible response from industry as to the relevance and the improved employability of youth.

A total of 196 learners have been trained and placed for 6-month internships via the ICT Technical Skills Programme in the 2018/19 financial year.

SKILLS PROGRAMME AND PROJECTS

The Work and Skills Programme creates learning and work placement opportunities for unemployed youth in the Western Cape's economic sectors to improve the future employment prospects of participants, between the ages of 18-34 years. This placement opportunity is a maximum of six months and is generally coupled with technical and soft skills training in the context of work experience. The Work and Skills Programme places mostly first time entrants with host companies and offers an exit strategy to learners who successfully complete the programme.

A better educated and more skilled workforce is the most pressing long-term priority for the economy. The Work and Skills Programme, which is demand-led, aims to improve the employability of participants through incentivised workplace experience.

In the 2018/19 financial year the Department entered into an agreement with BPESA, City of Cape Town and EOH to train and place 200 learners with Companies in the BPO sector to gain workplace experience with the aim of becoming more employable. To date DEDAT overachieved this figure by placing 308 learners with companies in the BPO sector. The companies that participated in the Work and Skills Programme included Merchants, Old Mutual, WNS and Capita. These companies currently deliver services including customer service, sales, debt collection and technical support.

Through the Work and Skills Programme, partnered with Abagold and HIK in Hermanus and Doringbaai Abalone in Doringbaai. These companies fall within the Overberg and West Coast Districts and create employment opportunities for youth from the local and surrounding communities. These companies cultivate abalone and export canned and dried abalone all over the world especially in the Far East, where they have a very strong share of the market. In 2018/19, a total of 85 learners were hosted by these companies in DEDAT's Work and Skills Programme.

Partnership with Floraland in Bredasdorp (specialises in processing, packaging and distributing and exporting of dried plant parts and decorative fruit mainly for international markets, such as the Netherlands) facilitated the placement of 39 youth from the local community, Caledon and Napier as part of the WSP Programme.

SKILLS INCENTIVES

The Skills Incentives sub-programme aims to ensure the alignment of fundraising opportunities and skills development incentives within the strategic priorities of the Department. The unit further develops synergy and partnerships that aim to strengthen targeted skills interventions to facilitate increased employability of youth in selected Apprenticeship Game Changer and Project Khulisa economic sectors, amongst others.

The Skills Incentives Think Tank (SITT)

Highlights of the 2018/19 financial year was the substantial growth in the interest of Skills Incentives offerings and possible funding opportunities. This resulted in the establishment of the Skills Incentives Think Tank (SITT) in 2018 which continued during 2019 with the purpose to facilitate the co-ordination amongst stakeholders to improve access to skills funds, collaboration and information sharing around skills incentives, with a focus on gaining access to work experience for youth.

The SITT initiative has over one hundred members and allows for access to excellent networks, partnerships and possible funding partners. The initiative involved monthly engagements among various stakeholders, including company site visits to share skills learnings. Areas of the company and skills training site visits included Hout Bay and pursued the regionals skills approach to areas such as Hermanus, Moorreesburg and Wolseley.

The sub-programme has also been pro-active in collaborating with many companies, aimed towards increasing the employability of youth.

Key collaborations included, amongst others:

- DEDAT, EOH, CoCT & BPESA
- CoCT contribution of R3 500 000 towards the implementation costs of EOH and BPESA, which cover a contribution towards the Recruitment and Selection and Work Readiness Training of the 174 beneficiaries;
- EOH contribution of R5 800 000 towards the implementation costs; and
- DEDAT contribution of R4 225 830.84 towards the stipend costs of the programme which is recovered directly by EOH with DEDAT.
- DEDAT & CiTi
- CiTi to conduct Technical Training and DEDAT to assist facilitate Work Placement. The value of training by Citi will be a minimum of 300 learners at a cost of R25 000 per learner leveraged.
- DEDAT & HG Molenaar & Co PTY (LTD) and DEDAT & Swift Skills Academy to provide 24 learners with an opportunity to do Work Readiness Training and be placed in the work environment, with companies co-funding DEDAT stipends.
- Partnering with Imperial Technical Training Academy to co-develop a skills pipeline model into the Artisan trades.

The Department, through its Skills Incentives sub-programme, in collaboration with the Garden Route Skills Mecca and its key partners, Garden Route District Municipality, George Municipality, African Skills Village, the Western Cape SETA Cluster and South Cape College (amongst others), hosted the first “Youth on the Move: Gateway to Opportunity” event in George. The Youth on the Move aims at connecting youth who are looking for opportunities with employers and organisations.



Performance indicators and targets

Outcome indicator	Baseline (Actual outcome) 2017/18	Actual performance against target			Comment on deviations	
		Target 2018/19	Actual 2018/19	Deviation from planned target to actual achieve- ment 2018/19		
Sub-programme: Provincial Skills and Partnerships						
Strategic Objective		To engage with and facilitate commitment from employers to participate in the Apprenticeship Game Changer.				
1.1	Number of Employers supporting the Apprenticeship Game Changer.	-	70	95	25	Employer support for the Game Changer was overwhelming and interaction at amongst the Premier's Council on Skills proved pivotal.
Sub-programme: Skills Programmes and Projects						
Strategic Objective		To increase the number of appropriately skilled persons, by providing them access to work experience and/or training opportunities.				
1.1	Number of Artisanal candidates ready for trade testing.	37	30	52	22	Appropriate company selection and efficient monitoring of apprentice logbooks supporting earlier and timeous completion.
Sub-programme: Skills Incentives						
Strategic Objective		To attract and access skills incentives for placement opportunities and skills initiatives.				
1.1	Number of collaborative skills interventions supported.	8	3	4	1	Marketing the Apprenticeship Game Changer through effective communications resulted in greater awareness and commitment from partners.

Performance indicators and targets

Industry commitment

Commitment from industry players to take on large numbers of youth to gain workplace experience so that youth can become more employable is key to the success of skills interventions planned and executed through the Skills Development Unit.

Obtaining commitment required convening sectoral industry meetings to formulate the concept of apprentices for certain trades and occupations in the Oil and Gas; Hospitality and Tourism; and Agri-processing growth sectors and ICT/Broadband and Energy sectors.

The number of collaborative skills interventions supported in 2017/18 include financial and non-financial collaborations. Collaborative agreements were entered into between the Department and stakeholders to promote a coherent and effective working relationship on matters of skills development data sharing on the various trades and occupations within the priority growth sectors of the Apprenticeship Game Changer within the Western Cape Province.

Qualified artisans

The Artisan Development Programme is considered one of the more successful transitions from completion of theory at TVET college level to youth over a 36-month period culminating readiness to access a trade test. To achieve this, requires dedication of youth entering the world of work, supported by industry players, progressively developing the requisite skills and making a contribution to productivity within an industry.

Improving the employability of young people includes improving the “softer” skills such as work readiness and attitude and workplace and technical competencies required to perform the required task within the workplace. During this period, the ADP placed 290 artisanal candidates within various trades at 90 companies, such as Motor Mechanics, Diesel Mechanics, Auto Electricians, Welders, Boilermakers, Fitters, Fitter and Turners, Plumbers, Bricklayers and Carpenters.

Collaborations supported

The Skills Development pipeline is complex with a number of players in this space, each with a limited mandate and influence. Bringing about improved coordination and collaboration has been a key responsibility of the Skills Development Unit. Breaking down silos and obtaining support from Government departments, the Department of Higher Education, Basic Education and industry is measured with this indicator.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Provincial Skills and Partnership								
1.1	Number of structured and scheduled engagements, forums and events.	22	25	24	20	22	2	The over-achievement is due to additional workshops held with the service provider on the development of the National Occupational Curriculum Content (NOCC) for bicycle mechanics, computer technicians and water process controllers.

Performance indicator (Output)		Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations
					Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19	
1.2	Number of Recognition of Prior Learning and Mentor candidates trained.	-	-	-	100	280	180	Refocused Apprenticeship Game Changer to equip industry player with the ability to mentor apprentices at workplaces.
1.3	Number of semi-skilled people trained through work readiness programmes.	-	-	-	300	287	(13)	The service providers managed to only enrol 299 learners. Furthermore, twelve (12) Learners dropped-off the training programme due to them receiving permanent employment.
Sub-programme: Skills Programmes and Projects								
1.1	Number of semi-skilled people trained.	1 938	469	488	96	294	198	The time period for ICT technical training was extended to allow for practical assimilation, including work readiness, to complement theoretical training. This is aimed towards enhancing learner outcomes at the end of the training period, and therefore led to training planned to be completed in the 3rd quarter, only concluding in quarter 4.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Skills Programmes and Projects (continued)								
1.2	Number of host companies participating in work placement.	-	-	-	1	28	27	Agreement between City of Cape Town, DEDAT and BPESA made provision for the placement of 174 beneficiaries through BPESA affiliated companies. However, subsequent to this agreement, which informed the APP target, partner companies disagreed on the placement timeframes and training material. In mitigation, DEDAT embarked on recruiting additional companies which could assist in placing more beneficiaries (375) within a shorter timeframe. There was an increase in the number of host companies participating in the Work and Skills Programme due to an increase in demand received for placement in the Tourism and Services sectors. due to an increase in demand received for placement in the Tourism and Services sectors.

Performance indicator (Output)	Baseline (Actual output) 2015/16	Baseline (Actual output) 2016/17	Baseline (Actual output) 2017/18	Actual performance against target			Comment on deviations	
				Target 2018/19	Actual 2018/19	Deviation from planned target to actual achievement 2018/19		
Sub-programme: Skills Incentives								
1.1	Number of structured and scheduled skills stakeholder engagements, forums and events.	-	-	-	3	10	7	This was overachieved, due to the increased interest in the Skills Incentives offerings and possible funding opportunities.

Strategy to overcome areas of under performance

Not applicable.

Changes to planned targets

Not applicable.

Linking performance with budgets

An amount of R71.044 million was allocated to skills development in 2018/19 to support interventions and partnerships aimed at closing the gap between the skills supplied and those demanded by the economy. The allocated amount includes: R15.851 million for Compensation of Employees; R41.752 million for Goods and Services; and R13.014 million to Transfers and Subsidies with the bulk earmarked for stipend payments to beneficiaries to support experiential workplace learning.

Sub-programme Name	2018/19			2017/18		
	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
Provincial Skills and Partnership	33 879	33 258	621	18 183	17 322	861
Skills Programmes and Projects	35 202	35 124	78	42 750	42 381	369
Skills incentives	1 963	1 740	223	1 476	1 470	6
Management: Skills Development	-	-	-	-	-	-
Total	71 044	70 122	922	62 409	61 173	1 236

5. SUMMARY OF FINANCIAL INFORMATION

5.1 Departmental receipts

Departmental Receipts	2018/19			2017/18		
	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	-	-	-	-	-	-
Non Tax Receipts	315	483	(168)	298	4 424	(4 126)
Sale of goods and services other than capital assets	315	483	(168)	298	438	(140)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	-	27	(27)	-	39	(39)
Sale of capital assets	-	19	(19)	-	22	(22)
Financial transactions in assets and liabilities	-	615	(615)	-	3 925	(3 925)
Total	315	1 144	(829)	298	4 424	(4 126)

5.2 Programme expenditure

The table below reflects the transfer payments made for the period 1 April 2018 to 31 March 2019

Programme Name	2018/19			2017/18		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	58 446	57 653	793	58 541	58 067	474
Integrated Economic Development Services	46 208	46 150	58	38 292	37 174	1 118
Trade and Sector Development	47 659	47 204	455	51 430	49 542	1 888
Business Regulation and Governance	9 731	9 684	47	11 069	10 600	469
Economic Planning	136 184	134 244	1 940	129 573	129 350	223
Tourism, Arts and Entertainment	59 670	59 339	331	54 030	53 397	633
Skills Development and Innovation	71 044	70 122	922	62 409	61 173	1 236
Total	428 942	424 396	4 546	405 344	399 303	6 041

5.3 Transfer payments to public entities

The table below reflects the transfer payments made for the period 1 April 2018 to 31 March 2019.

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity	Reasons for the funds unspent by the entity
		R'000	R'000		
Programme 3: Trade and Sector Development					
Western Cape Destination Marketing, Investment and Trade Promotion Agency (Wesgro).	Operational funding in support of the Wesgro's Trade and Investment promotion activities.	37 700	41 270	The trade and investment units within Wesgro successfully completed projects relating to: <ul style="list-style-type: none"> a) Export Promotion of Wine and Halaal Export Products from the Western Cape. b) Globally position the Western Cape as a Halal Hub. c) Data Intelligence regarding tourism data, potential solutions are being investigated utilizing technology. d) The successful launch of the Project Good Hope global position campaign "a place of more" into the Western Cape as an investment destination. e) A successful Africa Halal week held in 2018. 	The entity spent their whole allocation relating to trade and investment and committed to expenditure for the 2019/20 year in terms of procurement process which is why there is an over expenditure reflected.
Programme 5: Economic Planning					
Western Cape Destination Marketing, Investment and Trade Promotion Agency (Wesgro).	Operational funding to support the Atlantis SEZ establishment.	8 323	6 298	2 205	Expenditure was impacted on by delays in obtaining permission to set up holding company and Atlantis SEZ subsidiary; however, the remainder of the funds is committed to infrastructure planning and will be spent by the end of the 1st Quarter of 2019/20.
Saldanha Bay Industrial Development Zone Licensing Company.	Operational funding for the Entity.	55 632	54 729	903	Balance will be spent by end May 2019.
Programme 6: Tourism, Arts and Entertainment					
Western Cape Destination Marketing, Investment and Trade Promotion Agency (Wesgro).	Operational funding in support of Wesgro's Destination Marketing activities.	46 376	-	-	-

5.4 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2018 to 31 March 2019.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with section 38(1)(j) of the PFMA?	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
				R'000	R'000	
Programme 2: Integrated Economic Development Services						
Various Waste Economy Companies.	Private Enterprises.	Grant funding to subsidise SMME's in the Waste Economy.	N/A	556	556	N/A
Various Oil and Gas Supply Industry Companies.	Private Enterprises.	Grant funding to subsidise SMME's in the Oil and Gas sector.	N/A	5 821	5 821	N/A
Households.	Households.	Prize money for the entrepreneurship competition winners (WCEE-SA) 2018.	N/A	125	125	N/A
Households.	Households.	Donation in support of promote and sustain the economic activities of co-operatives in Oudtshoorn.	N/A	94	94	N/A
Something Nice Market Store.	Private Enterprises.	Grant funding to upgrade store in Blue Downs.	Yes	499	375	The unspent balance was transferred to the entity in March 2019. At 31 March the entity was still awaiting delivery of equipment ordered.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with section 38(1)(j) of the PFMA?	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
				R'000	R'000	
Ice Media t/a Delft Market Store.	Private Enterprises.	Grant funding to upgrade store in Delft.	Yes	500	186	The unspent balance was transferred to the entity in March 2019 and has been committed to upgrade its power supply. There have been delays from Eskom regarding the work that needs to be done.
Pick n Pay Retailers.	Private Enterprise.	Grant funding to upgrade store in Mbekweni.	Yes	500	0	The unspent balance was transferred to the entity in March 2019 and is committed to upgrade a store in Mbekweni. The grant funding supplements the loan funding required by the entity. At the end of the financial year, entity (Mbekweni Market Store) was yet to commit to a loan deal that would fund the balance of the upgrade costs.
National Empowerment Fund.	Schedule 3A: National Public Entities.	Support provided to the NEF in support of assistance to Western Cape based SMMEs.	Yes	5 000	5 000	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with section 38(1)(j) of the PFMA?	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
				R'000	R'000	
Programme 5: Economic Planning						
Cape Information and Technology Initiative (CITI).	Non-Profit Institution.	Grant funding to support the operations of the Khayelitsha Bandwidth Barn.	Yes	500	500	N/A
Genesis Community Information Technology Initiative (Genesis IT).	Non-Profit Institution.	Grant funding to support the operations of the ICAN Elsie's River.	Yes	400	400	N/A
Cape Digital Foundation.	Non-Profit Institution.	Grant funding to support the operations of the CDF.	Yes	550	247	Funding allocation was until end of May 2019. Project also experienced some date changes due to availability of partners.
Western Cape Economic Development Partnership.	Non-Profit Institution.	Operational funding for the WC Economic development partnership	Yes	10 424	10 424	N/A
Programme 7: Skills Development and Innovation						
Households.	Households.	Occupational and Entry stipends paid to learners on the Work and Skills Programme.	N/A	1 040	1 040	N/A
Households.	Households.	Stipends paid to assistants in rolling out an ICT upskilling project.	N/A	168	168	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with section 38(1)(j) of the PFMA?	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
				R'000	R'000	
Households.	Households.	Stipends paid to Maths assistants placed at various TVET colleges.	N/A	2 150	2 150	N/A
Households.	Households.	Stipends paid to learners on the Youth Access Programme.	N/A	4 812	4 812	N/A
Households.	Households.	Stipends Paid to Learners for Artisanal Development Programme.	N/A	1 774	1 774	N/A
Households.	Households.	Stipends Paid to Learners for the Merseta Projects: Experiential Work Experience (CPUT) and N6 TVET Learners (College of Cape Town).	N/A	1 000	1 000	N/A
Boland College.	Higher Education Institution.	Grant Funding to support the Western Cape Skills Competition.	Yes	2 000	2 000	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2018 to 31 March 2019, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for	Amount transferred	Reasons why funds were not transferred
		R'000	R'000	
Casidra (Pty) Ltd.	Support provided to Casidra in support of assistance to Western Cape based SMMEs.	3 374	0	Due to changes in the financial environment, a Supply Chain Management process was followed.

5.5 Conditional grants and earmarked funds paid

Not applicable.

5.6 Conditional grants and earmarked funds received

The Department received no conditional grants during the 2018/19 financial year. However, as part of its Annual Appropriation, additional earmarked funds were received for the following:

- R25.007 million was earmarked for the purpose of supporting the Western Cape Destination Marketing, Investment and Trade Promotion Agency (Wesgro) in terms of their core function of attracting foreign direct investment, enhancing trade (with a focus on the prioritised sectors), investigating alternative markets and aiming for international best practice in destination marketing, trade and investment promotion.
- An amount of R4.000 million was earmarked for support to the Western Cape Destination Marketing, Investment and Trade Promotion Agency's (Wesgro) communication project to improve investor confidence in the Western Cape.
- A total amount of R55.632 million was earmarked to support the functioning of the governance structures constituted to oversee and manage the planning and implementation of the Saldanha Bay IDZ project.
- An amount of R10.424 million was earmarked to support the operations of the Western Cape Economic Development Partnership (WCEDP) during the 2018/19 financial year.
- An amount of R2.000 million was earmarked for the purpose of implementing the Injini Ed-Tech Incubator.
- An amount of R8.133 million was earmarked for the purpose of supporting the establishment of the Atlantis Special Economic Zone (ASEZ).
- An amount of R4.729 million was earmarked for support towards the Energy Game Changer.
- An amount of R6.187 million was earmarked for support towards the Apprenticeship Game Changer.
- R2.118 million was earmarked for the purpose of supporting the Western Cape Destination Marketing, Investment and Trade Promotion Agency (Wesgro) to support cycling tourism within the Western Cape.

5.7 Donor funds received

Department who transferred the grant	Department of Economic Development and Tourism
Purpose of the grant	Supporting the Saldanha Bay Industrial Development Zone Licencing Company (SBIDZ-LC) in terms of their core function of establishing and IDZ/SEZ in Saldanha Bay by: <ul style="list-style-type: none"> • promoting, managing and marketing the SBIDZ; • providing internal infrastructure in the SBIDZ area; • facilitating the ease of doing business in the SBIDZ area; and • acquiring and leasing land incidental to the Company's business.
Expected outputs of the grant	Number of infrastructure projects supported: 1
Actual outputs achieved	Number of infrastructure projects supported: 1
Amount per amended DORA	N/A
Amount Received (R'000)	R55.632 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R54.729 million
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving Department	The SBIDZ-LC is monitored through the WCG's APP Process and they report their performance on a Quarterly basis. The relevant DDG has bi-monthly meetings with the SBIDZ and the Department is represented on the Executive Committee that meets weekly as an operational management team. The SBIDZ-LC provides Quarterly Progress report to DEDAT and DEDAT produces Monitoring reports. The Department is also included in quarterly report-back meetings between the Board and the shareholder (in accordance with the Shareholders Compact).
Purpose of the grant	To support the operations of the Western Cape Economic Development Partnership (WCEDP) during the 2018/19 financial year.
Expected outputs of the grant	30 joint plans/projects between the WCEDP and its partners.
Actual outputs achieved	32 joint plans/projects between the WCEDP and its partners.
Amount per amended DORA	N/A
Amount Received (R'000)	R10.424 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R10.424 million
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	The EDP does not know in advance what requests for partnering it will receive during the year and the targets set are a "best guess", using previous years' experience as a guideline. The EDP annual target was 30 reports. They submitted a total of 32 reports for the year, an over-achievement of two reports.
Measures taken to improve performance	N/A

5.7 Donor funds received (continued)

Department who transferred the grant	Department of Economic Development and Tourism
<p>Monitoring mechanism by the receiving Department</p>	<p>The EDP submitted written progress reports to the relevant programme manager of the Department on a quarterly basis after the end of each of the following quarters:</p> <ul style="list-style-type: none"> • 1 April to 30 June; • 1 July to 30 September; • 1 October to 31 December; and • 1 January to 31 March. <p>The above-mentioned progress reports reflected the achieved targets and outputs, as outlined in the Business Plan. These progress reports were submitted together with supporting document(s) substantiating the achieved targets and outputs.</p> <p>The Department reserved the right to request additional information pertaining to any matters or issues raised in or relevant matters or issues omitted from any report/progress report as furnished.</p> <p>Failure by the WCEDP to submit any progress reports on or before the dates as stipulated in clause 5.1 above would result in suspension or termination of payments by the Department.</p> <p>The management of the WCEDP were obliged to attend regular meetings to be held at the reasonable instance and request of the Department to discuss progress of or any impediments to the fulfilment of the obligations in terms of the Transfer Payment Agreement.</p> <p>Although no official(s) of the Department may serve on or be appointed to the Board of the WCEDP, the WCEDP could allow a duly nominated official(s) from the Department to attend board meetings and other committee meetings as an ex officio member, with the exception of those meetings at which confidential governance matters were discussed, as a way of monitoring and evaluating progress made by the WCEDP in achieving the targets and outputs of the Project as stipulated in the Business Plan.</p> <p>The Department would be provided with timeous notice of all such meetings as well as all relevant documents including but not limited to, minutes of meetings and agendas attended by the relevant official and pertaining to the Project.</p> <p>The WCEDP made available to the Department all relevant records, documents and other evidence pertaining to the performance/obligations in terms of the Agreement, as and when requested by the Department, in order that the Department may conduct outcome and impact evaluations, after reasonable prior written notice has been given.</p> <p>Together with the final progress report submitted to the Department in accordance with the above, the WCEDP submitted a report by its Director, Chief Executive Officer, or other most senior member of management, as the case may be, pertaining to the Project, and which referred to the following:</p> <ul style="list-style-type: none"> • The extent to which the WCEDP achieved its objectives for the financial year concerned; • Appropriate performance information regarding the economical, effective and appropriate utilisation of the Funds; and • An indication of other funds, if any, received from organs of State, as well as any undertaking given by the State. <p>To ensure that the Funds were utilised correctly, the WCEDP would, upon written notice by the Department, grant authorised officials of the Western Cape Government access to the documentation, books, financial records and bank statements of the WCEDP at all reasonable times, and these officials shall be entitled to inspect the WCEDP's records at the WCEDP's premises and to make copies of any required documentation.</p> <p>The Department reserved the right to request the WCEDP to have the financial statements, referred to above, audited.</p>

5.7 Donor funds received (continued)

Department who transferred the grant	Department of Economic Development and Tourism
Purpose of the grant	To provide incubation services for Ed-Tech companies and develop the Western Cape Ed-tech Ecosystem by supporting an Ed-Tech incubator to nurture economic growth and greater employment, and to position the WC as a leading global digital hub.
Expected outputs of the grant	Ed-Tech cluster developed, and support provided for eight Ed-Tech entrepreneurs.
Actual outputs achieved	Ecosystem development activated. Eight Ed-Tech companies incubated. <ul style="list-style-type: none"> • Recruitment and selection of cohort. • Launch of Incubation Programme. • Prototyping Activities. • Conclusion of Incubation Programme.
Amount per amended DORA	N/A
Amount Received (R'000)	R2.000 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R2.585 million (R585 000 was DEDAT funding).
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving Department	Signed Service Level Agreement. Signed Project Manager Reports on completion of deliverables. Operational Project meetings. Project Reference Group meetings as and when required.

Department who transferred the grant	Provincial Treasury
Purpose of the grant	Support towards the Apprenticeship Game Changer.
Expected outputs of the grant	Appointment of staff.
Actual outputs achieved	Staff appointed
Amount per amended DORA	N/A
Amount Received (R'000)	R4.677 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R4.677 million
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving Department	Six weekly stocktake reporting to Premier.

Department who transferred the grant	Provincial Treasury for Energy Security Game Changer
Purpose of the grant	Energy Security Game Changer personnel expenditure.
Expected outputs of the grant	Appointment of Staff.
Actual outputs achieved	Staff appointed.
Amount per amended DORA	No
Amount Received (R'000)	R2.500 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R2.523 million
Reasons for the funds unspent by the entity	A staff member was promoted from ASD to DD. Increased budget spend but still within total earmarked allocation.
Reasons for deviations on performance	
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving Department	Staff performance and evaluation.
Purpose of the grant	Support towards the Energy Security Game Changer
Expected outputs of the grant	Running of Game Changer office and contribution to communications campaign.
Actual outputs achieved	Game Changer office set up and communications campaign run.
Amount per amended DORA	No
Amount Received (R'000)	R1.832 million
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R1.808 million
Reasons for the funds unspent by the entity	Underspending in Ops budget due to reduction in staff numbers.
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Departmental budget tracking and Stocktake reporting.

Donor Fund 1: National Treasury: Jobs Fund

Name of donor	Jobs Fund
Full amount of the funding (R'000)	R39.268 million. To date received R35.2 million.
Period of the commitment	Four years.
Purpose of the funding	To support the Work and Skills Programme.
Expected outputs	Number of learners employed (1 755) and time-bound internships (2 700).
Actual outputs achieved	Learners employed (1 877), while 4 489 completed time-bound internships.
Amount received in current period (R'000)	0
Amount spent by the Department (R'000)	R5.2 million
Reasons for the funds unspent	Project runs over financial years and co-funded from departmental funding.
Monitoring mechanism by the donor	Quarterly reporting and Site Visit verification.

5.8 Capital investment, maintenance and asset management plan

Infrastructure Projects	2017/18			2016/17		
	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
New and replacement asset	3 649	3 528	121	5 843	5 692	151
Existing Infrastructure assets	-	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-
Infrastructure Transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	3 649	3 528	121	5 843	5 692	151

Provide commentary on the following:

- Progress made on implementing the capital, investment and asset management plan.**
 Not applicable.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance).**
 Not applicable.
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed.**
 Assets will be replaced in terms of the asset management policy. In comparison to the previous financial year, the Department will continue with the restructuring of floors and offices during the financial year 2019/20.
- Plans to close down or down-grade any current facilities.**
 Not applicable.
- Progress made on the maintenance of infrastructure.**
 Not applicable.
- Developments relating to the above that are expected to impact on the department's current expenditure.**
 Not applicable.
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.**
 During the 2018/19 financial year, the Department embarked on a disposal process where its asset base was reduced by R791 548.87 (A total of 139 Assets). In this regard, the Department considered factors such as the Department's Socio and Economic responsibility and assisting public sector entities in fulfilling their mandate of service delivery to the public at large.

In lieu of this, assets were donated to Non-Governmental Organisations (NGO's), Non Profit Organisations (NPO's) and a public entity in aiding them to fulfil their obligations effectively and efficiently.

Distribution entailed:

- A total of 124 assets with the value of R708 990.05 were donated to NGO's and NPO's.
- A total four assets with the value of R22 732.20 was transferred to a public entity of the state.
- A total of 11 assets to the value of R59 826.62 were disposed through responsible recycling "e-waste".

The asset base was further reduced by:

- A total of 27 assets to the value of R238 513.64 were written off.
- A total of 48 assets to the value of R550 452.09 was sold to staff.

Measures taken to ensure that the Department's asset register remained up-to-date during the period under review.

- The asset records are updated on a daily basis, taking into consideration relevant prescripts and asset management guidelines. On a monthly basis the asset register and the BAS system are reconciled to ensure that the register is complete and correct.

The current state of the Department's capital assets, for example, what percentage is in good, fair or bad condition:

- 48.05% is in a good condition
- 51.90% is in a fair condition
- 0.05% is in a bad condition

Major maintenance projects that have been undertaken during the period under review.

- No major maintenance projects have been undertaken during the period under review. Assets are maintained in accordance with the manufacturer's service booklet, and as required.

Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track.

- Not applicable.



Part C:
Corporate Governance

PART C: GOVERNANCE

1. Introduction

With the entrance of the new of the King IV Report on Corporate Governance (1 April 2017) and maintaining due vigilance of the governance space, the Department pre-empted potential changes to its governance structures and garnered King IV information with the expert assistance and guidance of Dr Richard Foster, Chairman of the board of the Institute of Directors South Africa. In lieu of his King IV Committee membership and due insights, Dr Foster guided and elucidated all the elements and intent of the new Code to the committee members to ensure contextualisation, understanding and ultimate adoption of the principles of the Code.

As in prior years, the Corporate Governance requirements of the King IV report with regards to the Accounting Officer's responsibilities are espoused by section 38 and 40 of the PFMA. Pursuant of this legislative duty and responsibility towards sound governance, the Governance Committee is chaired by the Accounting Officer and composed of all senior management members inclusive of provincial partners in the areas of Risk Management, Information Technology, Internal Audit and Forensics. The Governance committee ensures that corporate, ethical and social responsibility and accountability are imparted to the Departments' entire stakeholder constituent and applies this ethos to their business responsibility in leading the Department towards the achievement of its mandate.

Within the ambit of two very foundational King IV principles, Leadership and Organisational Ethics, the Governance Committee, through its Chief Financial Officer member, calibrated its efforts to prevent fraud and corruption and provide a performance perspective in its stead through the roll out of a Fraud Awareness Day on 11 May 2018.

The theme "Flip the script" was undertaken for the awareness intervention to purport a different view from the traditional one which considers the direct theft of state funds as the only characteristic of public sector fraud and corruption. The intent of the theme was to challenge staff to think differently about fraud and corruption and how their individual conduct and performance in the workplace can enable acts of dishonesty which in turn would increase wastage and decrease service delivery. The approach used to implement the intervention also greatly contributed to achieving the theme and message through a pre-marketing event to sensitize staff, a corporate theatre play that depicted a workplace scenario that staff could relate to and expert speakers providing their views on employee performance and its value to an organization. Positive responses widely received through a staff survey indicates that the awareness objective was not only achieved but appreciated for its different perspective on fraud and corruption in the public sector workplace.

2. Risk Management

The Department established a Governance Committee (GovCom) to assist the Accounting Officer in executing his responsibilities relating to risk management.

Governance committee responsibility

The Governance Committee reports that it has complied with its responsibilities arising from Section 38 (1)(a) (i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. In addition, the committee has an adopted formal Terms of Reference (approved by the committee chairperson on 27 June 2018) and regulated its affairs in compliance with this Terms of Reference and has discharged all its responsibilities as contained therein.

Governance committee members

The Governance Committee comprises of selected members of the Department's senior management team. As per its Terms of Reference the committee meets four times a year. However, the committee only met three times during the year under review due to the inability to reach a quorum for quarter one.

The table below discloses relevant information on committee members:

Member	Position	Scheduled Meetings	Attended	Date Appointed
Mr S Fourie	Accounting Officer (Committee: Chairperson)	3	3	N/A
Ms J Johnston	Deputy Director-General: Economic Acceleration and Development	3	3	6 Apr 2018
Mr R Toefy	Deputy Director-General: Economic Operations	3	3	6 Apr 2018
Dr H Fast	Deputy Director-General: Energy Security - Game Changer Lead	3	2	6 Apr 2018
Ms M Abrahams	Chief Director: Chief Financial Officer (Risk Champion)	3	3	6 Apr 2018
Mr J Peters	Chief Director: Economic Enablement	3	3	6 Apr 2018
Ms H Davies	Chief Director: Green Economy	3	3	6 Apr 2018
Ms I Van Schalkwyk	Chief Director: Economic Sector Support	3	3	6 Apr 2018
Mr A Phillips	Chief Director: Skills Development	3	3	6 Apr 2018
Dr F Prinsloo	CD: Apprentice Game Changer Lead	3	1	6 Apr 2018
Mr N Joseph	Director: Economic Development and Integration	3	3	6 Apr 2018
Ms C Julies	Director: Strategic and Operational Support	3	2	6 Apr 2018
Adv A Searle	Director: Business Regulation	3	0	6 Apr 2018
Ms B Mott	Deputy Director: Internal Control	3	3	6 Apr 2018

Other Attendees	Position	Scheduled Meetings	Attended
Ms A Haq	Director: Enterprise Risk Management (DotP)	3	2
Mr S Martin	Director: Internal Audit (DotP)	3	2
Ms C Cochrane	Chief Risk Advisor: Enterprise Risk Management (DotP)	3	2
Mr R Hendricks	Deputy Director: Internal Audit (DotP)	3	1
Ms B Cebekhulu	Deputy Director: Provincial Forensic Services (DotP)	3	1
Ms N Liphuko	Deputy Director: Provincial Forensic Services (DotP)	3	1
Ms E De Bruyn	Deputy Director: Cel	3	1
Mr T Fatyi	Risk Advisor: Enterprise Risk Management (DotP)	3	2
Mr N Tembani	Risk Advisor: Enterprise Risk Management (DotP)	3	1
Mr T Jacobs	Assistant Director: Internal Audit	3	1
Mr E Peters	IT Governance and Risk Practitioner	3	0
Ms J Lombard	Secretariat	3	3
Ms R Heera	Secretariat	3	1
Ms J Hendricks	Secretariat	3	2

Governance committee key activities

The Accounting Officer is the risk champion and chairperson of the Governance Committee. In executing its function, the committee performed the following key activities during the year:

- Reviewed the Department's Risk Management Policy, Strategy and Implementation Plan; for recommendation by the Audit Committee and approval by the Accounting Officer.
- Set, reviewed and applied appropriate risk appetite and tolerances, and recommended same for approval by the Accounting Officer.
- Reviewed the Department's risk identification and assessment methodology.
- Ensured that risks and related mitigations were articulated in accordance with the Department's risk appetite and tolerance levels.
- Assessed the effectiveness of implementation of the risk management policy, strategy and implementation plan.

- Ensured that there was accessible, accurate, timely and relevant risk disclosure to stakeholders.
- Obtained oversight assurance of the effectiveness of risk management processes.
- Directed the development of the ICT strategic, implementation and operational plan in alignment to the business plan.
- Ensured that the provincial business continuity plan is developed.
- Developed a strategy for the implementation of an ethics programme.
- Reviewed, recommended and monitored the Fraud Prevention Policy inclusive of an implementation plan.

Key risks considered and addressed during the year

The following are the key Strategic Risks for the Department that were considered and addressed during the year:

- Inability to respond to decline in tourism numbers due to negative (deteriorating) perceptions around tourism safety in the Western Cape.
- The inability of the Office of the Consumer Protector to comply with its statutory obligations relating to complaints resolution.
- Inability to sustain and grow the economy due to water insecurity.
- Slow uptake of work placement opportunities.
- The impact of crime, safety and security on economic growth and job creation.
- Inability to sustain and grow the economy and human well-being due to energy insecurity and accessibility.

Each programme's risks were deliberated/debated at the quarterly Governance Committee meetings. Programme managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. The committee also referred risks to their risk owners that should be analysed more extensively and recommended additional mitigations or actions to manage risks.

Key emerging risks for the following financial year

A zero-base risk identification approach was followed in the last quarter of 2018/19 and the Governance Committee requested the Directorate Enterprise Risk Management to capture the emerging risk and opportunity data that was identified by the committee. This will be tabled at the first meeting of committee meeting in 2019/20 for further discussion and selection of risks to be included in 2019/20 Strategic risk profile.

Conclusion

The Department of the Premier: Enterprise Risk Management, in partnering with the Department facilitated tailored risk management training to departmental staff during the 2018/19 financial year. As a widely accepted means to embed cultures, the risk management training and development programme raised considerable awareness amongst staff that do not necessarily operate within the risk management process ambit but unintentionally contributes to it in their daily operations. The programme was thus engineered to orientate and capacitate lower level staff to the value incurred by implementing effective risk management and how this relates to their areas of work.

In addition, and with a watchful eye on the King IV requirement to apply risk management through leadership and negate the principle becoming a series of activities that are apart from the realities of the Department's business, the sourcing of risk intelligence through industry experts has been undertaken as a normal preparatory task for any risk assessment session during the 2018/19 financial year. For the year under review, Ms Betty Spencer, the Director of Risk Management with the National Department of Arts and Culture was requested to provide the Governance Committee with expert advise and guidance on the relation and value between risk and strategy to provide the most appropriate context for the committee to develop a quality and true departmental risk profile.

This measure has greatly improved the risk management process in that risk owners have a better point of reference given the scenario setting by the industry expert and consequently lending credibility to departmental risk profiles.

3. Fraud and Corruption

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

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

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

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

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). Following amendments by the Protected Disclosures Amendment Act, No 5 of 2017 the transversal Whistle-blowing Policy was reviewed and the revised Whistle-blowing Policy was approved on 18 July 2018. The Policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

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

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

Open cases as at 1 April 2018	0
New cases (2018/19)	2
Closed cases (2018/19)	0
Duplicate/incorporated cases (2018/19)	(1)
Open cases as at 31 March 2019	1

The following table further analyses the closed cases indicated above:

Nature and investigation outcome of cases closed
There were no closed cases during the 2018/19 financial year.

4. Minimising conflict of interest

A key corporate governance element is effective conflict of interest management. The Department regards this as an important focus area within Supply Chain Management and the Transfer Payments. Pursuant of this and to achieve conflict of interest coverage and thereby prevention, the Department has for the 2018/19 financial year cemented its stance in terms of ethical service delivery practices and ensured the following:

- All departmental bid committee members sign a declaration of interest for each bid/quotation and if any conflict may exist, the relevant members are excused from the meeting. This declaration also mitigates any potential confidentiality issues that may arise.
- Suppliers are required to complete a WCBD4 document, which requires them to disclose any family members that are involved in the procurement process or employed in the Department. The information on the WCBD 4 is verified by the Department prior to the evaluation of a bid or quotation.
- Declarations of interest completed by all staff inviting quotations for procurement between R0 to R10 000.
- Declarations of interests completed by all staff involved in transfer payments to beneficiaries during the year.
- Vetting of senior management, staff and key suppliers.
- Verification of bidders' conduct against the register of tender defaulters.

In addition, for the period under review the Department ensured 100% compliance with The Public Service Regulations (2001), which stipulates that all designated employees in the public service, must disclose the particulars of their financial interest on an annual basis to the relevant Executive Authority

5. Code of conduct

A code of conduct for Supply Chain Management (SCM) was developed to ensure that SCM officials undertake fiduciary duties when undertaking their normal duties. All supply chain management officials sign a code of conduct upon their assumption of duty. The content of the code of conduct are discussed in detail with each official so that they are aware of the serious nature of the document.

In order to promote a standard of professional ethics in the workplace, the Department ensured that all new staff members attend an induction programme, which addresses the Code of Conduct and encourages staff to think and behave ethically.

6. Health, safety and environmental issues

In terms of section 8 (1) of the Occupational Health and Safety Act, every employer shall provide and maintain a working environment that is safe and without risk to the health of his/her employees, has a dedicated Security Manager and Security Committee and Occupational Health and Safety Committee (OHSC) at the Department of Economic Development, Waldorf Building.

There are four departments that reside in the Waldorf Building, with the Department of Economic Development and Tourism acting as the lead department with regard to all health and safety issues. During the reporting period, the Department had an evacuation drill with the full participation of the employees and stakeholders residing in the building.

The health and safety goal of the Department is to reduce work-related injuries and accidents resulting in injury and damage to property. The Department developed and approved an Occupational, Security and ICT Business Continuity Plan, to deal with contingencies matters.

During the period under review a dedicated Manager represented the Department on the Western Cape Government Provincial Safety and Security Managers Forum, which monitors the implementation of security measures across departments.

7. Scopa resolutions

The Committee noted the Auditor-General's audit opinion regarding the Department's Annual Financial Statements for the 2017/18 financial year, having obtained a clean audit. This audit opinion remains unchanged from the 2014/15 financial year.

No resolutions.

8. Prior modifications to Audit Reports

There were no prior year modifications to the audit report.

9. Internal control unit

The control environment is the foundation for all other components of internal control. The governance committee and senior management establish the tone at the top regarding the importance of internal control and the expected standards of conduct. The control environment provides discipline, process and structure. The control environment is supported by policies and procedures developed within the Department. These policies and procedures are monitored by various assurance providers including the Auditor General, Provincial Treasury, Internal Audit and the Internal Control Unit.

The expected responsibilities within the internal control unit are detailed in the operational plan and are informed by various mediums. The internal control unit have translated these responsibilities within the operational plan, into standard operating procedures, working papers and or checklists to assist in the monitoring and reporting of internal control deficiencies and cases of non-compliance.

For the 2018/19 financial year the internal control unit conducted inspections on compliance and financial information. In this regard, we conducted inspections on all payments for supply chain management and transfer payments as well as other inspections on the, asset reconciliation, financial leases, interim and annual financial statements.

10. Internal Audit

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

- Assess and make appropriate recommendations for improving the governance processes in achieving the Department's objectives.
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process.
- 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 and completed in the 2018/19 Internal Audit Plan:

- DPSA Directive on Public Administration and Management Delegations
- Monitoring and Evaluation
- Supply Chain Management
- Transfer Payments

The following consulting engagements were approved and completed in the 2018/19 Internal Audit Plan:

- Recruitment and Selection

11. Audit Committee

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

- Internal Audit function.
- External Audit function (Auditor General of South Africa - AGSA).
- Departmental Accounting and reporting.
- Departmental Accounting Policies.
- Review of AGSA management and audit report.
- Review of Departmental In year Monitoring.
- Departmental Risk Management.
- Internal Control.
- Pre-determined objectives.
- 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 Richard Rhoda (Chairperson)	CA (SA) CTA (UCT) Advanced Executive Program (Unisa); Tier1 IPFA (Public Finance and Auditing)	External	N/A	1 January 2019 (1 st Term)	N/A	2
Ms Annelise Cilliers	CA (SA) Honours BCompt; CTA (UNISA) BCompt (UNISA)	External	N/A	1 January 2019 (1 st Term)	N/A	2
Ms Merle Kinnes	BA; LLB; Certificate Forensic Examination; Attorney of the High Court of SA.	External	N/A	1 January 2018 (2 nd term)	N/A	8
Mr Linda Nene	BCom (Acc); Post Grad Dip Management (Corp Governance); CCSA, GIA (SA); FIIASA; CRMA; CCP (SA); Masters in International Business	External	N/A	1 January 2018 (1 st term)	N/A	7
Ms Judy Gunther (Chairperson)	CIA; AGA; Masters in Cost Accounting; BCompt; CRMA	External	N/A	1 January 2016 (2 nd term)	2 nd term expired 31 December 2018	6
Mr Francois Barnard	MComm (Tax); CA (SA); Postgrad Diploma in Auditing; CTA BCompt (Honours); BProc	External	N/A	1 January 2016 (2 nd term)	2 nd term expired 31 December 2018	6

Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2019.

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 (PFMA) and National Treasury Regulations 3.1.13**. The Audit Committee also reports that it has adopted an 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

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

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

Assurance Engagements:

- DPSA Directive on Public Administration and Management Delegations
- Monitoring and Evaluation
- Supply Chain Management
- Transfer Payments

Consulting Engagements:

- Recruitment and Selection

The internal audit plan was completed for the year. The areas for improvements, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee continues to monitor the actions on an ongoing basis.

In-Year Management and Monthly/Quarterly Report

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

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report.
- reviewed the AGSA's Management Report and management's response thereto.
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements.
- reviewed material adjustments resulting from the audit of the Department.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

Performance Information

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

Report of the Auditor-General South Africa

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

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



Mr Richard Rhoda
Chairperson of the Economic Cluster Audit Committee
Department of Economic Development and Tourism
Date: 2 August 2019



Part D:
Human Resource Management

PART D: HUMAN RESOURCE MANAGEMENT

1. Introduction

Our unique contribution to the work of the Western Cape Government is as a result of the persistent, and often selfless, efforts of the people within the Department of Economic Development and Tourism.

To consistently deliver improved services to the citizens of the Western Cape Province is not without its own challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are inter-dependent and inter-related, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored.

These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of “doing more with less”.

Despite the changing patterns and demands impacting on the modern workplace, the consistent hard work of our people, has resulted in remarkable achievements and service delivery improvement during the year under review.

2. Status of people management at the Department

2.1 Departmental workforce planning

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the Department annually assesses its workforce profile against current and future organisational needs.
- The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.
- The Workforce Plan 2016-2021, is therefore aligned to the vision and mission of the Department's Strategic Plan, as well as the People Management Strategy.
- The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that strategies (as per the listed priorities) would achieve its outcomes:
 - Competent people in the right numbers at the right place at the right time with the right attitude.
 - Leaders that are exemplars of the behaviours associated with the organisation's values.
 - Highly engaged people.
 - An equitable workforce.
 - A citizen-centric performance culture.
 - A diverse workforce with equal opportunities for all.
 - A performance conducive workplace.

2.2 Employee performance management

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

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

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

2.3 Employee wellness

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

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

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

2.4 People management monitoring

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

3. People management oversight statistics

3.1 Personnel related expenditure

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

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

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

Programme	Programme Designation
Programme 1	Administration
Programme 2	Integrated Economic Development Services
Programme 3	Trade and Sector Development
Programme 4	Business Regulation and Governance
Programme 5	Economic Planning
Programme 6	Tourism Art and Entertainment
Programme 7	Skills Development and Innovation

Table 3.1.1: Personnel expenditure by programme, 2018/19

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Programme 1	57 653	40 930	1 198	12 426	71.0	405	101
Programme 2	46 150	18 351	1 395	14 611	39.8	540	34
Programme 3	47 204	8 321	9	1 170	17.6	594	14
Programme 4	9 684	7 419	4	1 605	76.6	464	16
Programme 5	134 244	27 019	514	30 863	20.1	614	44
Programme 6	59 339	8 774	584	4 128	14.8	439	20
Programme 7	70 122	15 113	32 897	41 633	21.6	378	40
Total	424 396	125 927	36 601	106 436	29.7	468	269

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number is accumulative and not a snapshot as at a specific date.

Table 3.1.2: Personnel expenditure by salary band, 2018/19

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Interns	1 225	1	34	36
Lower skilled (Levels 1-2)	444	0.3	148	3
Skilled (Levels 3-5)	6 583	5.1	235	28
Highly skilled production (Levels 6-8)	30 055	23.4	371	81
Highly skilled supervision (Levels 9-12)	61 911	48.1	638	97
Senior management (Levels 13-16)	28 409	22.1	1 184	24
Total	128 628	100.0	478	269

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number is accumulative and not a snapshot as at a specific date.

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

Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2018/19

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	29 450	22.9	116	0.1	797	0.6	1 652	1.3
Programme 2	13 034	10.1	-	-	191	0.1	469	0.4
Programme 3	5 922	4.6	-	-	88	0.1	244	0.2
Programme 4	5 272	4.1	-	-	129	0.1	263	0.2
Programme 5	19 116	14.9	-	-	225	0.2	527	0.4
Programme 6	6 601	5.1	11	0.0	170	0.1	258	0.2
Programme 7	12 517	9.7	-	-	101	0.1	208	0.2
Total	91 910	71.5	126	0.1	1 701	1.3	3 622	2.8

Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary band, 2018/19

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
Interns	1 211	0.9	-	-	-	-	-	-
Lower skilled (Levels 1-2)	321	0.2	-	-	32	0.0	12	0.0
Skilled (Levels 3-5)	4 660	3.6	-	-	233	0.2	446	0.3
Highly skilled production (Levels 6-8)	21 954	17.1	101	0.1	832	0.6	1 778	1.4
Highly skilled supervision (Levels 9-12)	45 518	35.4	26	0.0	552	0.4	1 318	1.0
Senior management (Levels 13-16)	18 247	14.2	-	-	53	0.0	68	0.1
Total	91 910	71.5	126	0.1	1 701	1.3	3 622	2.8

3.2 Employment and vacancies

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

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2019

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	81	80	1.2%
Programme 2	26	26	-
Programme 3	12	12	-
Programme 4	12	12	-
Programme 5	40	39	2.5%
Programme 6	15	15	-
Programme 7	28	28	-
Total	214	212	0.9%

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2019

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	2	2	-
Skilled (Levels 3-5)	26	26	-
Highly skilled production (Levels 6-8)	73	73	-
Highly skilled supervision (Levels 9-12)	89	87	2.2%
Senior management (Levels 13-16)	24	24	-
Total	214	212	0.9%

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2019

Critical occupations	Number of active posts	Number of posts filled	Vacancy rate %
Economists	2	2	-
Total	2	2	-

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

3.3 Job evaluation

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

Table 3.3.1: Job evaluation, 1 April 2018 to 31 March 2019

Salary Band	Number of active posts as at 31 March 2019	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	2	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	26	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	73	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	89	0	0.0	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	14	0	0.0	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	6	0	0.0	0	0.0	0	0.0
Senior Management Service Band C (Level 15)	3	0	0.0	0	0.0	0	0.0
Senior Management Service Band D (Level 16)	1	0	0.0	0	0.0	0	0.0
Total	214	0	0.0	0	0.0	0	0.0

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

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2018 to 31 March 2019

Beneficiaries	African	Coloured	Indian	White	Total
None					

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches awarded to employees within a particular salary level. Each salary level consists of 12 notches. Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2018 to 31 March 2019

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
Internal control	1	-	-	5	Retention
Total					1
Percentage of total employment					0.5

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2018 to 31 March 2019

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

Note: Table 3.3.4 is a breakdown of table 3.3.3 by race and gender.

3.4. Employment changes

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

Table 3.4.1: Annual turnover rates by salary band, 1 April 2018 to 31 March 2019

Salary Band	Number of employees as at 31 March 2018	Turnover rate 2017/18	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2018/19 %
Lower skilled (Levels 1-2)	3	0.0	0	0	0	0	0.0
Skilled (Levels 3-5)	27	11.1	5	0	6	2	29.6
Highly skilled production (Levels 6-8)	74	12.7	4	1	6	2	10.8
Highly skilled supervision (Levels 9-12)	91	10.3	14	1	17	1	19.8
Senior Management Service Band A (Level 13)	13	7.1	0	0	0	0	0.0
Senior Management Service Band B (Level 14)	4	16.7	2	0	0	0	0.0
Senior Management Service Band C (Level 15)	3	0.0	0	0	0	0	0.0
Senior Management Service Band D (Level 16)	1	0.0	0	0	0	0	0.0
	216	11.0	25	2	29	5	
Total			27		34		15.7

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially and Nationally)

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2018 to 31 March 2019

Critical Occupation	Number of employees as at 31 March 2018	Turnover rate 2017/18	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2018/19 %
Economists	2	0.0	0	0	0	0	0.0
	2	0.0	0	0	0	0	
Total			0		0		0.0

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2018 to 31 March 2019

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2018
Death	0	0.0	0.0
Resignation *	8	23.5	3.7
Expiry of contract	20	58.8	9.3
Dismissal - operational changes	0	0.0	0.0
Dismissal - misconduct	0	0.0	0.0
Dismissal - inefficiency	0	0.0	0.0
Discharged due to ill-health	1	2.9	0.5
Retirement	0	0.0	0.0
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory Body	0	0.0	0.0
Transfers to other Public Service departments	5	14.7	2.3
Total	34	100.0	15.7

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 2018 to 31 March 2019

Resignation Reasons	Number	% of total resignations
Further Studies	1	12.5
Health Related	1	12.5
Insufficient Progression Possibilities	1	12.5
No Reason Provided	4	50.0
Personal/Family	1	12.5
Total	8	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2018 to 31 March 2019

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	0	0.0
Ages 25 to 29	1	12.5
Ages 30 to 34	4	50.0
Ages 35 to 39	1	12.5
Ages 40 to 44	0	0.0
Ages 45 to 49	1	12.5
Ages 50 to 54	0	0.0
Ages 55 to 59	1	12.5
Ages 60 to 64	0	0.0
Ages 65>	0	0.0
Total	8	100.0

Table 3.4.6: Employee initiated severance packages.

Total number of employee initiated severance packages offered in 2018/19	None
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Table 3.4.7: Promotions by salary band, 1 April 2018 to 31 March 2019

Salary Band	Number of Employees as at 31 March 2018	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	3	0	0.0	2	66.7
Skilled (Levels 3-5)	27	0	0.0	16	59.3
Highly skilled production (Levels 6-8)	74	0	0.0	45	60.8
Highly skilled supervision (Levels 9-12)	91	2	2.2	52	57.1
Senior management (Levels 13-16)	21	1	4.8	15	71.4
Total	216	3	1.4	130	60.2

Note: Promotions reflect the salary level of an employee after he/she was promoted.

Table 3.4.8: Promotions by critical occupation, 1 April 2018 to 31 March 2019

Critical Occupation	Number of Employees as at 31 March 2018	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Economists	2	0	0.0	2	100.0
Total	2	0	0.0	2	100.0

Note: Promotions reflect the salary level of an employee after he/she was promoted.

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 2019

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	2	0	0	0	1	0	1	0	0	4
Senior management (Levels 13-14)	1	6	0	2	2	5	1	2	1	0	20
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	8	29	2	5	4	29	2	7	1	0	87
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	7	12	1	0	16	33	1	3	0	0	73
Semi-skilled and discretionary decision-making (Levels 3-5)	2	4	1	1	5	10	0	2	0	0	25
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	1	1	0	0	0	0	3
Total	18	54	4	8	28	79	4	15	2	0	212
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	18	54	4	8	28	79	4	15	2	0	212

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

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

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

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2019

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	1	0	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	0	0	0	0	1	0	0	1
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	1	0	0	0	0	0	0	0	0	1
Total	0	2	0	0	0	1	0	1	0	0	4
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	0	2	0	0	0	1	0	1	0	0	4

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

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

Table 3.5.3: Recruitment, 1 April 2018 to 31 March 2019

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

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

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

Table 3.5.4: Promotions, 1 April 2018 to 31 March 2019

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

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

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2018 to 31 March 2019

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	3	2	3	3	3	1	2	0	0	18
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	0	0	0	1	3	1	1	0	0	8
Semi-skilled and discretionary decision making (Levels 3-5)	0	3	0	0	0	5	0	0	0	0	8
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	3	6	2	3	4	11	2	3	0	0	34
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	3	6	2	3	4	11	2	3	0	0	34

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

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

Table 3.5.6: Disciplinary actions, 1 April 2018 to 31 March 2019

Disciplinary Actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Written warning	0	1	0	0	0	0	0	0	0	0	1
Total	0	1	0	0	0	0	0	0	0	0	1
Temporary Employees	0	0	0	0	0	0	0	0	0	0	0
Grand Total	0	1	0	0	0	0	0	0	0	0	1

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 the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2018 to 31 March 2019

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	0	0	1	0	0	1
Senior management (Levels 13-14)	1	1	1	0	1	4	1	1	10
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	16	1	3	2	14	0	1	39
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	5	0	0	11	16	1	3	38
Semi-skilled and discretionary decision making (Levels 3-5)	3	11	1	1	5	11	0	1	33
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	1	0	0	1
Total	8	33	3	4	19	47	2	6	122
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	8	33	3	4	19	47	2	6	122

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

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

3.6. Signing of Performance Agreements by SMS members

Table 3.6.1: Signing of Performance Agreements by SMS members, as at 31 May 2018

SMS Post Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Head of Department	1	1	1	100.0
Salary Level 15	3	3	3	100.0
Salary Level 14	4	4	4	100.0
Salary Level 13	14	13	13	100.0
Total	22	21	21	100.0

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

Table 3.6.2: Reasons for not having concluded performance agreements with all SMS members on 31 May 2018

Reasons for not concluding Performance Agreements with all SMS
Not applicable

Table 3.6.3: Disciplinary steps taken against SMS members for not having concluded performance agreements on 31 May 2018

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

3.7. Filling of SMS posts

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

Table 3.7.1: SMS posts information, as at 30 September 2018

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.0%	0	0
Salary Level 15	3	3	100.0%	0	0
Salary Level 14	5	5	100.0%	0	0
Salary Level 13	14	14	100.0%	0	0
Total	23	23	100.0%	0	0

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

Table 3.7.2: SMS posts information, as at 31 March 2019

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.0%	0	0
Salary Level 15	3	3	100.0%	0	0
Salary Level 14	6	6	100.0%	0	0
Salary Level 13	14	14	100.0%	0	0
Total	24	24	100.0%	0	0

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

Table 3.7.3: Advertising and filling of SMS posts, as at 31 March 2019

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Head of Department	0	0	0
Salary Level 15	0	0	0
Salary Level 14	2	1	1
Salary Level 13	2	0	0
Total	4	1	1

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

SMS Level	Reasons for non-compliance
Head of Department	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	N/A

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

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

3.8. Employee Performance

The following tables note the number of staff by salary band (table 3.8.1) and staff within critical occupations (3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 – 5 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2018 to 31 March 2019

Salary Band	Employees as at 31 March 2018	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	3	2	66.7
Skilled (Levels 3-5)	27	16	59.3
Highly skilled production (Levels 6-8)	74	45	60.8
Highly skilled supervision (Levels 9-12)	91	52	57.1
Senior management (Levels 13-16)	21	15	71.4
Total	216	130	60.2

Table 3.8.2: Notch progressions by critical occupation, 1 April 2018 to 31 March 2019

Critical Occupations	Employees as at 31 March 2018	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Economists	2	2	100.0
Total	2	2	100.0

To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2017/18, but paid in the financial year 2018/19. 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 2018 to 31 March 2019

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within group	Cost (R'000)	Average cost per beneficiary (R'000)
African	9	50	18.0	375	41 660
Male	6	20	30.0	275	45 866
Female	3	30	10.0	100	33 246
Coloured	27	130	20.8	1 363	50 497
Male	12	52	23.1	626	52 196
Female	15	78	19.2	737	49 138
Indian	1	9	11.1	64	64 088
Male	0	5	0.0	0	0
Female	1	4	25.0	64	64 088
White	2	23	8.7	74	36 869
Male	1	8	12.5	18	17 846
Female	1	15	6.7	56	55 892
Employees with a disability	2	4	50.0	49	24 703
Total	41	216	19.0	1 925	46 966

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2018 to 31 March 2019

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R'000)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	1	3	33.3	11	11 182	0.0
Skilled (Levels 3-5)	1	27	3.7	18	17 846	0.0
Highly skilled production (Levels 6-8)	14	74	18.9	431	30 781	0.4
Highly skilled supervision (Levels 9-12)	17	91	18.7	894	52 577	0.9
Total	33	195	16.9	1 354	41 024	1.4

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

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2018 to 31 March 2019

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R'000)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	5	13	38.5	320	63 979	1.1
Senior Management Service Band B (Level 14)	2	4	50.0	152	76 206	0.5
Senior Management Service Band C (Level 15)	0	3	0.0	0	0	0.0
Senior Management Service Band D (Level 16)	1	1	100.0	100	99 518	0.4
Total	8	21	38.1	572	71 478	2.0

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

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2018 to 31 March 2019

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R'000)	Cost as a % of total personnel expenditure
Economists	1	2	50.0	76	75 738	0.1
Total	1	2	50.0	76	75 738	0.1

3.9 Foreign workers

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

Table 3.9.1: Foreign workers by salary band, 1 April 2018 to 31 March 2019

Salary Band	1 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0
Highly skilled supervision (Levels 9-12)	1	50.0	1	50.0	0	0
Senior management (Levels 13-16)	1	50.0	1	50.0	0	0
Total	2	100.0	2	100.0	0	0

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

Table 3.9.2: Foreign workers by major occupation, 1 April 2018 to 31 March 2019

Major Occupation	1 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% change
Deputy Director	1	50.0	1	50.0	0	0.0
Director	1	50.0	1	50.0	0	0.0
Total	2	100.0	2	100.0	0	0.0

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

3.10 Leave utilisation for the period 1 January 2018 to 31 December 2018

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

Table 3.10.1: Sick leave, 1 January 2018 to 31 December 2018

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Interns	79	58.2	22	36	61.1	4	18
Lower skilled (Levels 1-2)	6	66.7	3	3	100.0	2	2
Skilled Levels 3-5)	142	81.0	24	28	85.7	6	97
Highly skilled production (Levels 6-8)	485	70.1	70	81	86.4	7	551
Highly skilled supervision (Levels 9-12)	530	72.1	75	97	77.3	7	1 068
Senior management (Levels 13-16)	79	78.5	17	24	70.8	5	232
Total	1 321	71.8	211	269	78.4	6	1 968

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. The three-year sick leave cycle started in January 2016 and ended in December 2018. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2018 to 31 December 2018

Salary Band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost (R'000)
Interns	0	0.0	0	36	0.0	0	0
Lower skilled (Levels 1-2)	0	0.0	0	3	0.0	0	0
Skilled (Levels 3-5)	28	100.0	2	28	7.1	14	19
Highly skilled production (Levels 6-8)	57	100.0	3	81	3.7	19	66
Highly skilled supervision (Levels 9-12)	25	100.0	4	97	4.1	6	37
Senior management (Levels 13-16)	103	100.0	1	24	4.2	103	256
Total	213	100.0	10	269	3.7	21	378

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: Annual leave, 1 January 2018 to 31 December 2018

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	304	32	10
Lower skilled (Levels 1-2)	79	6	13
Skilled Levels 3-5)	606	27	22
Highly skilled production (Levels 6-8)	1 947	80	24
Highly skilled supervision (Levels 9-12)	2 244	99	23
Senior management (Levels 13-16)	577	23	25
Total	5 757	267	22

Table 3.10.4: Capped leave, 1 January 2018 to 31 December 2018

Salary Band	Total capped leave available as at 31 Dec 2017	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 2018	Total capped leave available as at 31 Dec 2018
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	50	0	0	0	5	50
Highly skilled supervision (Levels 9-12)	300	0	0	0	13	300
Senior management (Levels 13-16)	93	0	0	0	4	93
Total	444	0	0	0	22	444

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

Table 3.10.5: Leave pay-outs, 1 April 2018 to 31 March 2019

Reason	Total amount (R'000)	Number of employees	Average payment per employee
Leave pay-outs during 2018/19 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service	0	0	0
Current leave pay-outs on termination of service	128	24	5 322

3.11 Health Promotion Programmes, including HIV and AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2018 to 31 March 2019

Units/categories of employees identified to be at high risk of contracting HIV and 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 and AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.</p>	<p>HIV and AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. Employee Health and Wellness Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (Four session model); • Trauma and critical incident counselling; • Advocacy on HIV and AIDS awareness, including online E-Care services and • Training, coaching and targeted Interventions where these were required.

Table 3.11.2: Details of Health Promotion including HIV and AIDS Programmes, 1 April 2018 to 31 March 2019

Question	Yes	No	Details, if yes
<p>1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.</p>	√		<p>Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier).</p>
<p>2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</p>	√		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to the eleven (11) departments, including the Department of Economic Development and Tourism.</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) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and three (3) EHW Practitioners.</p> <p>Budget: R2.756 million</p>

Question	Yes	No	Details, if yes
<p>3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/ services of this Programme.</p>	√		<p>The Department of the Premier has entered into a service level agreement with ICAS (external service provider) to render an Employee Health and Wellness Service to the eleven departments of the Corporate Services Centre (CSC).</p> <p>The following interventions were conducted: Group facilitation, Diversity Management focusing on Mental Health Awareness, Change Management, Financial Literacy, GRIT (Guts, Resilience, Influence and Tenacity for leaders and employees), Teambuilding and Effective communication, TB awareness, Deaf Awareness, TB Screening and Testing, Team building, Juicy Parenting, Relationship Enrichment. Debriefing sessions, Employee Information sessions and Information desks, GEMS Information desk and walk about, HCT and Wellness Screening.</p> <p>These interventions are based on trends reflected in the quarterly reports and implemented to address employee needs.</p> <p>The targeted interventions for both employees and managers were aimed at personal development; promotion of healthy lifestyles; and improving coping skills. This involved presentations, workshops, group discussions to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. Targeted interventions were also implemented to equip managers with tools to engage employees in the workplace.</p> <p>Information sessions were also provided to inform employees of the EHW service and how to access the Employee Health and Wellness (EHW) Programme. Promotional material such as pamphlets, posters and brochures were distributed.</p>
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	√		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Economic Development is represented by Mr. Noel Smit.</p>

Question	Yes	No	Details, if yes
<p>5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	√		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four EHW Policies were approved which includes HIV and AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV and AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, that is the lead department for HIV and AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is 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>During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been audited by DPSA against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2017-2022) which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</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 Provincial Strategic Plan on HIV and AIDS, STIs and TB 2017-2022 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. <p>The Department implemented the following measures to address the stigma and discrimination against those infected or perceived to be infective with HIV:</p> <ul style="list-style-type: none"> • Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI); • HCT Screenings; • TB Talks and Screenings; • Distributing posters and pamphlets; • Condom distribution and spot talks; and • Commemoration of World AIDS Day and Wellness events.

Question	Yes	No	Details, if yes
7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have achieved.	√		<p>HCT sessions: The following Wellness and HCT screening sessions were conducted: The Department participated in four HCT and Wellness screening sessions.</p> <p>188 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</p> <p>There were 96 clinical referrals for TB, for further management.</p>
8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		<p>The impact of health promotion programmes is indicated through information provided through the EHW Contract with ICAS.</p> <p>The EHWP is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individual and the workplace.</p>

3.12 Labour relations

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

Table 3.12.1: Collective agreements, 1 April 2018 to 31 March 2019

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2018 to 31 March 2019

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Written warning	1	100.0
Total	1	100.0
Percentage of total employment		0.4

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2018 to 31 March 2019

Type of misconduct	Number	% of total
Fails to comply with or contravenes an act	1	100.0
Total	1	100.0

Table 3.12.4: Grievances lodged, 1 April 2018 to 31 March 2019

Grievances lodged	Number	% of total
Number of grievances resolved	10	100.0
Number of grievances not resolved	0	0.0
Total number of grievances lodged	10	100.0

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

Table 3.12.5: Disputes lodged with Councils, 1 April 2018 to 31 March 2019

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	0	0.0
Number of disputes dismissed	0	0.0
Total number of disputes lodged	0	0.0

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is "upheld", it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is "dismissed", it means that the Council is not ruling in favour of the aggrieved.

Table 3.12.6: Strike actions, 1 April 2018 to 31 March 2019

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 2018 to 31 March 2019

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 who were suspended with full pay, whilst the case was being investigated.

3.13 Skills development

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

Table 3.13.1: Training needs identified, 1 April 2018 to 31 March 2019

Occupational Categories	Gender	Number of employees as at 1 April 2018	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13-16)	Female	10	0	11	0	11
	Male	11	0	9	0	9
Professionals (Salary Band 9-12)	Female	42	0	50	0	50
	Male	34	0	59	0	59
Technicians and associate professionals (Salary Band 6-8)	Female	48	0	69	0	69
	Male	22	0	39	0	39
Clerks (Salary Band 3-5)	Female	15	0	24	0	24
	Male	7	0	29	0	29
Elementary occupations (Salary Band 1-2)	Female	2	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	119	0	154	0	154
	Male	76	0	136	0	136
Total		195	0	290	0	290
Employees with disabilities	Female	2	0	0	0	0
	Male	2	0	0	0	0

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 2018 to 31 March 2019

Occupational categories	Gender	Number of employees as at 31 March 2019	Training provided during the reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13-16)	Female	12	0	15	0	15
	Male	12	0	4	0	4
Professionals (Salary Band 9-12)	Female	42	0	30	0	30
	Male	44	0	36	0	36
Technicians and associate professionals (Salary Band 6-8)	Female	52	0	50	0	50
	Male	22	0	13	0	13
Clerks (Salary Band 3-5)	Female	16	0	32	0	32
	Male	8	0	35	0	35
Elementary occupations (Salary Band 1-2)	Female	2	0	1	0	1
	Male	0	0	0	0	0
Sub Total	Female	126	0	128	0	128
	Male	88	0	88	0	88
Total		214	0	216	0	216
Employees with disabilities	Female	2	0	0	0	0
	Male	2	0	0	0	0

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

3.14 Injury on duty

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

Table 3.14.1: Injury on duty, 1 April 2018 to 31 March 2019

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

3.15 Utilisation of consultants

Table 3.15.1 Consultant appointments using appropriated funds

Programme	Consulting firm	Project title	Nature of project	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	Total number of projects	BBBEE Level
OFFICE OF THE HOD	HS BUSINESS SOLUTIONS	HOD STRATEGIC PROJECT: STRAT PLAN AND INFORMALITY	Facilitated and managed a design thinking process to develop a new Five-year strategic framework.	1	September – December 2018	283 500	1	4
IEDS	CASIDRA	ENTREPRENEUR SUPPORT FUND	-	-	March 2019	-	1	-
IEDS	EXECUTHTINK	LONG STREET KIOSK	The project was aimed at supporting ten Small and Micro businesses occupying the Long Street Kiosks with mentorship support.	1	March 2019	177 000	1	1
IEDS	MOSSEL BAY - WC LOCAL MUNICIPALITY	MOSSEL BAY SMME PROJECT	The Project established organised trading areas (i.e. business parks) for SMMEs at the Kwanonqaba Youth and Business Park and for informal traders in D'Almeida. Kwanonqaba business park will consist of lock-up-and-go units for trading and secure trading units for informal traders in D'Almeida.	-	49 days [Jan - Mar 2019]	1 000 000	1	N/A
IEDS	AFRICAN KALEIDOSCOPE EVENTS	WC ENTERPR EXPO, SUMMIT AND AWARDS	MC plaques, trophy and entertainment for the Western Cape Entrepreneurship Recognition Awards.	1	November 2018	19 881.20	1	1
IEDS	STRATECON	RED TAPE COSTING TOOL (PHASE 3)	Continuation of project to assess the impact of red tape reduction and ease of doing business interventions in the province.	2	195 days [18 June - 30 December 2018]	823 546	1	4
IEDS	BUSINESS ENGINEERING	MS2B: BUILDING CONTROL PORTAL	This initiative addresses optimizing the building control environment in municipalities through the establishment of a web-based portal that provides a consistent single point of access that allows applications to be lodged on-line and optimises the workflow processing of building plan applications and approvals by digitizing the back-office business processing. Municipalities can now move to a paperless environment resulting in business saving costs due to a reduction in time and procedures.	15	155 days [Aug 2018 - Mar 2019]	3 023 626	1	-

Programme	Consulting firm	Project title	Nature of project	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	Total number of projects	BBBEE Level
IEDS	BUSINESS ENGINEERING	MS2B: EVENT AND FILM WORKFLOW	This Project streamlines the event and film permitting and management process through the provision of the design and development of a digitized workflow of the full back-office end-to-end support service for seamless approvals and feedback with authorities. This project significantly improves the turn-around time for event and film applications and reinforce that regions are serious about the provision of a business-friendly environment.	8	108 days [July – Dec 2018]	499 732.50	1	-
TOURISM GROWTH AND DEVELOPMENT	BITE REPRO HOUSE	CAPE CYCLE ROUTES NETWORK - PINS	Manufacture and installation of Cycle Pins in Cederberg.	-	-	340 617.93	1	4
TOURISM GROWTH AND DEVELOPMENT	ADVENTURE QUALIFICATIONS NETWORK	TOURISM REG: UPSKILLING ADVENTURE TOURIST GUIDE TRAINING	Training of five (5) Adventure Tourist Guides in the Winelands Region.	1	1 month	64 500	1	4
TOURISM GROWTH AND DEVELOPMENT	G & D GUEST HOUSE	TOURISM REG: UPSKILLING BO-KAAP TOURIST GUIDE TRAINING	Training of Bo-Kaap Culture Tourist Guides.	1	1 month	26 720.48	1	1
TOURISM GROWTH AND DEVELOPMENT	ALIVE PTL	TOURISM REG: UPSKILLING CULTURE GUIDE TRAINING	Training of ten (10) Culture Tourist Guides in the West Coast Region.	1	2 months	54 774.51	1	1
TOURISM GROWTH AND DEVELOPMENT	KOKETSO GROWTH	MADIBA LEGACY TOUR ROUTE STATUE	Manufacture and install Madiba statue on City Hall Cape Town.	None	7 months	494 298.24	1	2
TOURISM GROWTH AND DEVELOPMENT	KOKETSO GROWTH	MADIBA LEGACY FILM PRODUCTION	Production of making of Madiba statue.	None	-	10 087.72	1	2
TOURISM GROWTH AND DEVELOPMENT	DIWAY CONSULTING	CYCLE BOARDS	Manufacture and installation of two information boards.	None	1 month	7 590.00	1	1

Programme	Consulting firm	Project title	Nature of project	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	Total number of projects	BBBEE Level
TOURISM GROWTH AND DEVELOPMENT	DEPARTMENT OF THE PREMIER	CAPE CYCLE ROUTES NETWORK - DATA	Development of a Cape Cycle Routes Web Mapping Application.	3	2 months	67 563.65	1	N/A
SECTOR DEVELOPMENT	SAI GLOBAL	HALAL CERTIFICATION BODIES (HCB)	Capacity Building.	4	45	361 204.88	1	4
ECONOMIC PLANNING	THE GREEN CAPE SECTOR DEVELOPMENT	LEADERSHIP: ECO-SYSTEM AND CLUST SUPP	This entails working closely with industry and investors in several sectors - renewable energy, energy efficiency, waste, water, construction, transport and agriculture - to identify economically viable green economy business opportunities and identify and unlock the barriers that prevent them from being realised. In addition, the cluster work stimulates the demand for green tech, products and services by providing information and supporting the development of cost benefit analyses to enable investment decisions by potential customers.	1	Sept 2018 - March 2019	8 158 000	1	NON-CONTRIBUTOR
ECONOMIC PLANNING	THE GREEN CAPE SECTOR DEVELOPMENT	ROOFTOP PV: SMART GRIDS	-	1	April - March 2019	2 054 750	1	NON-CONTRIBUTOR
ECONOMIC PLANNING	CONNINGARTH ECONOMISTS	WATER CRISIS IMPACT STUDY	The project aimed at enhancing the understanding of the potential economic impacts of the water crisis in 2017 and 2018 and possible impacts on future economic sustainability and growth in the Western Cape.	1	Jan 2018 - Aug 2018	200 000	1	4
ECONOMIC PLANNING: ENABLING GROWTH INFRASTRUCTURE AND INITIATIVE	CAPE INNOVATION TECHNOLOGY INITIATIVE	INNOVATION: GAMEFICATION	Design and Innovation Project.	1	September 2018 - February 2019	500 000	1	1
ECONOMIC PLANNING: BROADBAND FOR THE ECONOMY	TRACTION CONSULTING	DIGITAL BUSINESS TOOLKIT	Website Application Development. SME Ecosystem co-ordination Stakeholder management. Event Management. Research and content creation.	20	1 April 2018 - 31 March 2019	2 318 000	1	4

Programme	Consulting firm	Project title	Nature of project	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	Total number of projects	BBBEE Level
ECONOMIC PLANNING: BROADBAND FOR THE ECONOMY	CAPE INNOVATION TECHNOLOGY INITIATIVE	DASH-TECH: EDUTECH INCUBATOR	Support for an Ed-Tech incubator to nurture economic growth and greater employment, and to position the WC as a leading global digital hub.	5	September 2018 – March 2019	2 584 990	1	1
ECONOMIC PLANNING: BROADBAND FOR THE ECONOMY	CAPE INNOVATION TECHNOLOGY INITIATIVE	ICAN PLAY: KBWB SITE	-	5	-	81 768.50	1	1
ECONOMIC PLANNING: BROADBAND FOR THE ECONOMY	WINDS OF CHANGE	DASH-TECH: SECURITECH	Undertake a design-thinking process to identify key problem statements within the safety and security sector and prepare a process for finding solutions to these problems.	2	April – July 2018	215 010	1	NON-CONTRIBUTOR
ECONOMIC PLANNING: ENABLING GROWTH INFSTRRE AND INITIATIVE	DATAENTRIX	INNOVATION: COMMITTING TO INNOVAT	Design and Innovation Project.	1	August 2018 – March 2019	350 000	1	1
ECONOMIC PLANNING: ENABLING GROWTH INFSTRRE AND INITIATIVE	WINDS OF CHANGE	INNOVATION: COMMITTING TO INNOVAT	Design and Innovation Project.	1	December 2018 – January 2019	135 000	1	NON-CONTRIBUTOR
ECONOMIC PLANNING: BROADBAND FOR THE ECONOMY	WESGRO	GLOBAL DIGITAL REGION POSITIONING	To support the positioning and promotion the Western Cape as a leading Global Digital Region in order to attract investment into the region, promote outward trade based on the expertise and promote competencies of digital companies and citizens operating in the Western Cape and to enhance the uptake of digital technologies with WC companies.	4	22 Oct 2018 - 31 March 2019	800 000	1	4
ECONOMIC PLANNING: ENABLING GROWTH INFSTRRE AND INITIATIVE	WESGRO	CAPE HEALTH TECHNOLOGY PARK	Infrastructure Project.	1	November 2018 – March 2019	2 000 000	1	4

Programme	Consulting firm	Project title	Nature of project	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	Total number of projects	BBBEE Level
SKILLS DEVELOPMENT AND INNOVATION	SWISS SA CO-OPERATION INITIATIVE	A21 AGC - SYS DEV-COMP TECHNICIAN	With the QCTO to produce the following deliverables for the Computer Technician Occupational Qualification: - National Occupational Curriculum Content or NOCC and; - Recognition of Prior Learning Toolkit or RPL Toolkit.	1	Oct 2018 – May 2019	330 000	1	
SKILLS DEVELOPMENT AND INNOVATION	SWISS SA CO-OPERATION INITIATIVE	A21 AGC - SYS DEV-BICYCLE MECH	To work in close liaison with the W&RSETA to produce the following deliverables for the Bicycle Mechanic Occupational Qualification: - National Occupational Curriculum Content or NOCC and; - Recognition of Prior Learning Toolkit or RPL Toolkit.	1	Oct 2018 – May 2019	336 000	1	
SKILLS DEVELOPMENT AND INNOVATION	VISUAL TRAINING TELEVISION PRODUCTION	A21 AGC - SYS DEV-SOLAR PV TECH	The scope of this project is to produce learning materials to allow for the delivery of an apprenticeship programme for the Solar Photovoltaic Service Technician, SAQA Qualification ID Number 99447.	1	Oct 2018 – May 2019	259 000	1	4
SKILLS DEVELOPMENT AND INNOVATION	SWISS SA CO-OPERATION INITIATIVE	A21 AGC - SYS DEV-WATER PROC CON	The nature of this project is to work in close liaison with the Water Institute of Southern Africa (WISA), to produce the following deliverables for the Water Process Controller Qualification: - National Occupational Curriculum content of NOCC and; Recognition of Prior Learning or RPL Toolkit.	1	Oct 2018 – May 2019	276 000	1	

Table 3.15.1 Consultant appointments using donor funds

Programme	Consulting firm	Project title	Nature of project	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand	Total number of projects	BBBEE Level
None								



Part E:
Financial Information

PART E: FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL to the Western Cape Provincial Parliament on vote no. 12: Western Cape Department of Economic Development and Tourism

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Department of Economic Development and Tourism set out on pages 192 to 263, which comprise the appropriation statement, the statement of financial position as at 31 March 2019, 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 to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Economic Development and Tourism as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2017 (Act No.3 of 2017) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the Department in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' Code of ethics for professional accountants and parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Material impairments

7. As disclosed in note 12.1 to the financial statements, the investment was significantly impaired. The impairment estimate amounted to R107.508 million (2017/18: R0).

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 264 to 277 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with MCS as prescribed by National Treasury and the requirements of the PFMA and 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.

11. In preparing the financial statements, the accounting officer is responsible for assessing the Western Cape Department of Economic Development and Tourism's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the Department or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the Department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the Department for the year ended 31 March 2019:

Programmes	Pages in the annual performance report
Objective 5 - Economic Planning	97 - 108
Objective 7 - Skills Development and Innovation	124 - 128

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not raise any material findings on the usefulness and reliability of the reported performance information for these programmes:
- Programme 5 - Economic Planning
 - Programme 7 - Skills Development and Innovation

Other matters

19. I draw attention to the matters below.

Achievement of planned targets

20. Refer to the annual performance report on pages 94 to 109 and 119 to 128 for information on the achievement of planned targets for the year and explanations provided for the under/over achievement of a number of targets.

Adjustment of material misstatements

21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Economic Planning and Skills Development and Innovation. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the Department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
23. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

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

Internal control deficiencies

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

Auditor-General
2

Cape Town
31 July 2019



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

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

Financial statements

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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APPROPRIATION STATEMENT for the year ended 31 March 2019

Appropriation per programme										
Programme	2018/19					2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
1. Administration	59 236	-	(790)	58 446	57 653	793	98.6%	58 541	58 067	
2. Integrated Economic Development Services	45 428	-	780	46 208	46 150	58	99.9%	38 292	37 174	
3. Trade and Sector Development	47 659	-	-	47 659	47 204	455	99.0%	51 430	49 542	
4. Business Regulation and Governance	9 689	-	42	9 731	9 684	47	99.5%	11 069	10 600	
5. Economic Planning	139 614	-	(3 430)	136 184	134 244	1 940	98.6%	129 573	129 350	
6. Tourism, Arts and Entertainment	56 182	-	3 488	59 670	59 339	331	99.4%	54 030	53 397	
7. Skills Development and Innovation	71 134	-	(90)	71 044	70 122	922	98.7%	62 409	61 173	
TOTAL	428 942	-	-	428 942	424 396	4 546	98.9%	405 344	399 303	
Reconciliation with statement of financial performance										
ADD										
Departmental receipts				829				4 126		
Aid assistance				4 571				5 730		
Actual amounts per statement of financial performance (total revenue)				434 342				415 200		
ADD										
Aid assistance					6 605				14 150	
Actual amounts per statement of financial performance (total expenditure)					431 001				413 453	

APPROPRIATION STATEMENT for the year ended 31 March 2019

Appropriation per economic classification											
Economic classification	2018/19						2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000		
Current payments	241 304	(914)	(3 592)	236 798	232 363	4 435	98.1%	225 788	221 616		
Compensation of employees	129 445	-	-	129 445	125 927	3 518	97.3%	118 055	115 365		
Salaries and wages	115 061	(566)	-	114 495	111 623	2 872	97.5%	104 671	102 258		
Social contributions	14 384	566	-	14 950	14 304	646	95.7%	13 384	13 107		
Goods and services	111 859	(914)	(3 592)	107 353	106 436	917	99.1%	107 733	106 251		
Administrative fees	455	(30)	(8)	417	373	44	89.4%	385	325		
Advertising	12 606	153	160	12 919	12 892	27	99.8%	13 375	13 018		
Minor assets	411	(201)	(1)	209	155	54	74.2%	507	459		
Audit costs: External	3 000	-	25	3 025	3 025	-	100.0%	2 324	2 324		
Bursaries: Employees	600	110	11	721	721	-	100.0%	352	352		
Catering: Departmental activities	1 396	(7)	254	1 643	1 628	15	99.1%	1 170	1 085		
Communication	1 056	94	(6)	1 144	1 099	45	96.1%	947	890		
Computer services	4 098	1 602	(2 749)	2 951	2 947	4	99.9%	6 638	6 576		
Consultants: Business and advisory services	47 737	(11 042)	(1 329)	35 366	35 153	213	99.4%	35 979	35 616		
Legal services	-	-	-	-	-	-	-	-	-		
Contractors	1 478	(62)	-	1 416	1 413	3	99.8%	3 261	3 238		
Agency and support/outsourced services	-	-	-	-	-	-	-	831	831		
Entertainment	97	(28)	(4)	65	57	8	87.7%	57	37		
Fleet services	711	(64)	-	647	647	-	100.0%	513	513		
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	1	-		
Consumable supplies	631	(28)	(5)	598	521	77	87.1%	698	676		
Consumable: Stationery, printing and office supplies	1 610	(417)	(15)	1 178	1 096	82	93.0%	1 125	1 012		
Operating leases	359	(39)	(6)	314	304	10	96.8%	538	518		
Property payments	1	-	-	1	1	-	100.0%	60	59		
Transport provided: Departmental activity	115	-	-	115	115	-	100.0%	30	25		
Travel and subsistence	4 544	(870)	(73)	3 601	3 411	190	94.7%	2 682	2 566		
Training and development	26 290	10 415	(15)	36 690	36 602	88	99.8%	32 887	32 825		
Operating payments	1 650	184	5	1 839	1 810	29	98.4%	1 650	1 594		
Venues and facilities	2 127	(468)	155	1 814	1 787	27	98.5%	1 001	991		
Rental and hiring	887	(216)	9	680	679	1	99.9%	722	721		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Appropriation per economic classification											
2018/19						2017/18					
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			
Transfers and subsidies	183 224	(122)	186 643	186 573	70	100.0%	171 991	171 579			
Provinces and municipalities	-	-	-	-	-	-	1 500	1 500			
Municipalities	-	-	-	-	-	-	1 500	1 500			
Municipal bank accounts	-	-	-	-	-	-	1 500	1 500			
Departmental agencies and accounts	143 336	1 200	148 036	148 035	1	100.0%	124 834	124 833			
Higher education institutions	2 000	-	2 000	2 000	-	100.0%	-	-			
Public corporations and private enterprises	11 350	(3 469)	7 881	7 877	4	99.9%	3 575	3 530			
Public corporations	3 375	(3 375)	-	-	-	-	-	-			
Other transfers to private enterprises	3 375	(3 375)	-	-	-	-	-	-			
Private enterprises	7 975	(94)	7 881	7 877	4	99.9%	3 575	3 530			
Other transfers to private enterprises	7 975	(94)	7 881	7 877	4	99.9%	3 575	3 530			
Non-profit institutions	16 824	550	17 374	17 374	-	100.0%	30 611	30 611			
Households	9 714	1 597	11 352	11 287	65	99.4%	11 471	11 105			
Social benefits	43	43	127	124	3	97.6%	82	110			
Other transfers to households	9 671	1 554	11 225	11 163	62	99.4%	11 389	10 995			
Payments for capital assets	4 349	1 027	5 427	5 387	40	99.3%	7 450	5 997			
Machinery and equipment	3 848	1 020	5 009	4 972	37	99.3%	5 370	5 348			
Transport equipment	2 100	704	2 835	2 835	-	100.0%	2 005	2 005			
Other machinery and equipment	1 748	316	2 174	2 137	37	98.3%	3 365	3 343			
Software and other intangible assets	501	7	418	415	3	99.3%	2 080	649			
Intangible assets	501	7	418	415	3	99.3%	2 080	649			
Payments for financial assets	65	9	74	73	1	98.6%	115	111			
Total	428 942	-	428 942	424 396	4 546	98.9%	405 344	399 303			

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 1: Administration									
2018/19					2017/18				
	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. Office of the HOD	10 764	642	(754)	10 652	10 644	8	99.9%	6 055	6 054
2. Financial Management	35 319	(207)	(47)	35 065	34 713	352	99.0%	31 746	31 610
3. Corporate Services	13 153	(435)	11	12 729	12 296	433	96.6%	20 740	20 403
Total	59 236	-	(790)	58 446	57 653	793	98.6%	58 541	58 067
Economic classification									
Current payments	55 453	(393)	(918)	54 142	53 356	786	98.5%	53 921	53 456
Compensation of employees	41 519	-	-	41 519	40 930	589	98.6%	36 325	36 324
Salaries and wages	36 051	(33)	-	36 018	35 662	356	99.0%	31 850	31 849
Social contributions	5 468	33	-	5 501	5 268	233	95.8%	4 475	4 475
Goods and services	13 934	(393)	(918)	12 623	12 426	197	98.4%	17 596	17 132
Administrative fees	154	23	-	177	176	1	99.4%	98	55
Advertising	907	(439)	-	468	467	1	99.8%	8 276	8 104
Minor assets	295	(150)	-	145	145	-	100.0%	335	305
Audit costs: External	3 000	-	25	3 025	3 025	-	100.0%	2 324	2 324
Bursaries: Employees	600	110	11	721	721	-	100.0%	352	352
Catering: Departmental activities	80	51	(8)	123	122	1	99.2%	203	192
Communication	376	109	-	485	484	1	99.8%	398	377
Computer services	817	435	(181)	1 071	1 070	1	99.9%	1 088	1 088
Consultants: Business and advisory services	2 207	(809)	(765)	633	445	188	70.3%	114	114
Contractors	340	70	-	410	410	-	100.0%	339	323
Agency and support/outsourced services	-	-	-	-	-	-	-	41	41
Entertainment	24	(5)	-	19	18	1	94.7%	18	6
Fleet services	711	(64)	-	647	647	-	100.0%	513	513

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 1: Administration (continued)										
	2018/19						2017/18			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000	
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	1	-	
Consumable supplies	364	9	-	373	372	1	99.7%	446	440	
Consumable: Stationery, printing and office supplies	658	(246)	-	412	411	1	99.8%	616	534	
Operating leases	128	(16)	-	112	112	-	100.0%	168	163	
Transport provided: Departmental activity	-	-	-	-	-	-	-	5	-	
Travel and subsistence	1 024	(147)	-	877	876	1	99.9%	393	366	
Training and development	565	633	-	1 198	1 198	-	100.0%	903	879	
Operating payments	1 144	46	-	1 190	1 190	-	100.0%	750	749	
Venues and facilities	293	(4)	-	289	289	-	100.0%	196	188	
Rental and hiring	247	1	-	248	248	-	100.0%	19	19	
Transfers and subsidies	10	35	-	45	43	2	95.6%	57	57	
Departmental agencies and accounts	5	-	-	5	4	1	80.0%	3	3	
Departmental agencies	5	-	-	5	4	1	80.0%	3	3	
Households	5	35	-	40	39	1	97.5%	54	54	
Social benefits	5	35	-	40	39	1	97.5%	54	54	
Payments for capital assets	3 710	356	128	4 194	4 189	5	99.9%	4 508	4 500	
Machinery and equipment	3 710	356	128	4 194	4 189	5	99.9%	4 500	4 500	
Transport equipment	2 100	54	31	2 185	2 185	-	100.0%	2 005	2 005	
Other machinery and equipment	1 610	302	97	2 009	2 004	5	99.8%	2 495	2 495	
Intangible assets	-	-	-	-	-	-	-	8	-	
Payments for financial assets	63	2	-	65	65	-	100.0%	55	54	
Total	59 236	-	(790)	58 446	57 653	793	98.6%	58 541	58 067	

APPROPRIATION STATEMENT for the year ended 31 March 2019

1.1 Office of the HOD											
Economic classification	2018/19						2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000		
Current payments	10 761	634	(754)	10 641	10 636	5	100.0%	5 984	5 983		
Compensation of employees	8 058	313	-	8 371	8 370	1	100.0%	5 542	5 542		
Goods and services	2 703	321	(754)	2 270	2 266	4	99.8%	442	441		
Payments for capital assets	3	8	-	11	8	3	72.7%	71	71		
Machinery and equipment	3	8	-	11	8	3	72.7%	71	71		
Total	10 764	642	(754)	10 652	10 644	8	99.9%	6 055	6 054		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Economic classification		2018/19							2017/18	
		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	R'000
Current payments		31 728	(521)	(175)	31 032	30 683	349	98.9%	27 272	27 142
Compensation of employees		23 702	(313)	-	23 389	23 040	349	98.5%	20 185	20 184
Goods and services		8 026	(208)	(175)	7 643	7 643	-	100.0%	7 087	6 958
Transfers and subsidies		6	-	-	6	4	2	66.7%	54	54
Departmental agencies and accounts		5	-	-	5	4	1	80.0%	3	3
Households		1	-	-	1	-	1	-	51	51
Payments for capital assets		3 522	312	128	3 962	3 961	1	100.0%	4 368	4 363
Machinery and equipment		3 522	312	128	3 962	3 961	1	100.0%	4 363	4 363
Intangible assets		-	-	-	-	-	-	-	5	-
Payments for financial assets		63	2	-	65	65	-	100.0%	52	51
Total		35 319	(207)	(47)	35 065	34 713	352	99.0%	31 746	31 610

APPROPRIATION STATEMENT for the year ended 31 March 2019

1.3: Corporate Services											
Economic classification	2018/19						2017/18				
	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	R'000	R'000
Current payments	12 964	(506)	11	12 469	12 037	432	96.5%	20 665	20 331		
Compensation of employees	9 759	-	-	9 759	9 520	239	97.6%	10 598	10 598		
Goods and services	3 205	(506)	11	2 710	2 517	193	92.9%	10 067	9 733		
Transfers and subsidies	4	35	-	39	39	-	100.0%	3	3		
Households	4	35	-	39	39	-	100.0%	3	3		
Payments for capital assets	185	36	-	221	220	1	99.5%	69	66		
Machinery and equipment	185	36	-	221	220	1	99.5%	66	66		
Intangible assets	-	-	-	-	-	-	-	3	-		
Payments for financial assets	-	-	-	-	-	-	-	3	3		
Total	13 153	(435)	11	12 729	12 296	433	96.6%	20 740	20 403		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 2: Integrated Economic Development Services										
2018/19							2017/18			
	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	R'000
Sub-programme										
1. Enterprise Development	28 323	(142)	603	28 784	28 735	49	99.8%	22 391	22 314	
2. Regional and Local Economic Development	7 734	116	64	7 914	7 906	8	99.9%	7 271	6 828	
3. Red Tape	9 371	26	113	9 510	9 509	1	100.0%	8 630	8 032	
Total	45 428	-	780	46 208	46 150	58	99.9%	38 292	37 174	
Economic classification										
Current payments	28 854	3 375	780	33 009	32 962	47	99.9%	30 594	30 091	
Compensation of employees	18 393	-	-	18 393	18 351	42	99.8%	18 010	17 602	
Salaries and wages	16 264	(44)	-	16 220	16 216	4	100.0%	15 953	15 545	
Social contributions	2 129	44	-	2 173	2 135	38	98.3%	2 057	2 057	
Goods and services	10 461	3 375	780	14 616	14 611	5	100.0%	12 584	12 489	
Administrative fees	43	-	3	46	46	-	100.0%	56	49	
Advertising	275	87	73	435	434	1	99.8%	176	174	
Minor assets	19	(19)	-	-	-	-	-	116	112	
Catering: Departmental activities	598	211	265	1 074	1 074	-	100.0%	700	686	
Communication	117	(10)	9	116	116	-	100.0%	114	104	
Computer services	250	144	-	394	394	-	100.0%	600	599	
Consultants: Business and advisory services	5 108	3 792	-	8 900	8 899	1	100.0%	6 142	6 130	
Contractors	500	245	-	255	255	-	100.0%	846	845	
Agency and support/outsourced services	-	-	-	-	-	-	-	154	154	
Entertainment	16	(6)	1	11	11	-	100.0%	21	17	
Consumable supplies	58	(41)	13	30	28	2	93.3%	54	48	
Consumable: Stationery, printing and office supplies	201	(60)	54	195	196	(1)	100.5%	113	113	
Operating leases	-	16	8	24	24	-	100.0%	48	48	
Travel and subsistence	426	24	164	614	613	1	99.8%	590	571	
Training and development	1 755	(374)	15	1 396	1 396	-	100.0%	1 323	1 315	

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 2: Integrated Economic Development Services (continued)

	2018/19						2017/18		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Operating payments	27	93	5	125	125	-	100.0%	176	171
Venues and facilities	450	(5)	170	615	614	1	99.8%	652	651
Rental and hiring	618	(232)	-	386	386	-	100.0%	703	702
Transfers and subsidies	16 501	(3 375)	-	13 126	13 122	4	100.0%	6 330	6 285
Public corporations and private enterprises	11 350	(3 469)	-	7 881	7 877	4	99.9%	3 575	3 530
Public corporations	3 375	(3 375)	-	-	-	-	-	-	-
Other transfers to public corporations	3 375	(3 375)	-	-	-	-	-	-	-
Private enterprises	7 975	(94)	-	7 881	7 877	4	99.9%	3 575	3 530
Other transfers to private enterprises	7 975	(94)	-	7 881	7 877	4	99.9%	3 575	3 530
Non-profit institutions	5 000	-	-	5 000	5 000	-	100.0%	2 000	2 000
Households	151	94	-	245	245	-	100.0%	755	755
Social benefits	26	-	-	26	26	-	100.0%	-	-
Other transfers to households	125	94	-	219	219	-	100.0%	755	755
Payments for capital assets	73	-	-	73	66	7	90.4%	1 353	783
Machinery and equipment	73	-	-	73	66	7	90.4%	784	783
Other machinery and equipment	73	-	-	73	66	7	90.4%	784	783
Intangible assets	-	-	-	-	-	-	-	569	-
Payments for financial assets	-	-	-	-	-	-	-	15	15
Total	45 428	-	780	46 208	46 150	58	99.9%	38 292	37 174

APPROPRIATION STATEMENT for the year ended 31 March 2019

2.1: Enterprise Development									
Economic classification	2018/19					2017/18			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	11 844	3 233	603	15 680	15 636	44	99.7%	15 727	15 695
Compensation of employees	7 632	(361)	-	7 271	7 230	41	99.4%	9 782	9 780
Goods and services	4 212	3 594	603	8 409	8 406	3	100.0%	5 945	5 915
Transfers and subsidies	16 477	(3 375)	-	13 102	13 098	4	100.0%	6 250	6 205
Public corporations and private enterprises	11 350	(3 469)	-	7 881	7 877	4	99.9%	3 575	3 530
Non-profit institutions	5 000	-	-	5 000	5 000	-	100.0%	2 000	2 000
Households	127	94	-	221	221	-	100.0%	675	675
Payments for capital assets	2	-	-	2	1	1	50.0%	414	414
Machinery and equipment	2	-	-	2	1	1	50.0%	414	414
Total	28 323	(142)	603	28 784	28 735	49	99.8%	22 391	22 314

APPROPRIATION STATEMENT for the year ended 31 March 2019

2.2: Regional and Local Economic Development											
Economic classification	2018/19						2017/18				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000		
Current payments	7 672	172	64	7 908	7 906	2	100.0%	7 172	6 729		
Compensation of employees	3 884	282	-	4 166	4 166	-	100.0%	3 134	2 751		
Goods and services	3 788	(110)	64	3 742	3 740	2	99.9%	4 038	3 978		
Transfers and subsidies	-	-	-	-	-	-	-	80	80		
Households	-	-	-	-	-	-	-	80	80		
Payments for capital assets	62	(56)	-	6	-	6	-	19	19		
Machinery and equipment	62	(56)	-	6	-	6	-	19	19		
Total	7 734	116	64	7 914	7 906	8	99.9%	7 271	6 828		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Economic classification		2018/19						2017/18	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000
Current payments	9 338	(30)	113	9 421	9 420	1	100.0%	7 695	7 667
Compensation of employees	6 877	79	-	6 956	6 955	1	100.0%	5 094	5 071
Goods and services	2 461	(109)	113	2 465	2 465	-	100.0%	2 601	2 596
Transfers and subsidies	24	-	-	24	24	-	100.0%	-	-
Households	24	-	-	24	24	-	100.0%	-	-
Payments for capital assets	9	56	-	65	65	-	100.0%	920	350
Machinery and equipment	9	56	-	65	65	-	100.0%	351	350
Intangible assets	-	-	-	-	-	-	-	569	-
Payments for financial assets	-	-	-	-	-	-	-	15	15
Total	9 371	26	113	9 510	9 509	1	100.0%	8 630	8 032

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 3: Trade and Sector Development

Programme 3: Trade and Sector Development									
2018/19					2017/18				
	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. Trade and Investment Promotion	36 200	-	-	36 200	36 200	-	100.0%	33 920	34 020
2. Sector development	11 459	-	-	11 459	11 004	455	96.0%	17 510	15 522
Total	47 659	-	-	47 659	47 204	455	99.0%	51 430	49 542
Economic classification									
Current payments	9 958	(13)	-	9 945	9 491	454	95.4%	11 715	9 829
Compensation of employees	8 729	-	-	8 729	8 321	408	95.3%	9 066	7 334
Salaries and wages	7 802	(90)	-	7 712	7 312	400	94.8%	7 808	6 273
Social contributions	927	90	-	1 017	1 009	8	99.2%	1 258	1 061
Goods and services	1 229	(13)	-	1 216	1 170	46	96.2%	2 649	2 495
Administrative fees	21	4	-	25	21	4	84.0%	16	15
Advertising	-	71	-	71	71	-	100.0%	42	40
Minor assets	18	(16)	-	2	1	1	50.0%	17	12
Catering: Departmental activities	20	8	-	28	26	2	92.9%	9	9
Communication	79	(9)	-	70	65	5	92.9%	65	65
Consultants: Business and advisory services	500	(129)	-	371	361	10	97.3%	2 084	2 029
Contractors	2	84	-	86	85	1	98.8%	21	16
Entertainment	5	1	-	6	6	-	100.0%	5	2
Consumable supplies	31	8	-	39	33	6	84.6%	23	18

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 3: Trade and Sector Development (continued)

	2018/19						2017/18		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Consumable: Stationery, printing and office supplies	100	7	-	107	105	2	98.1%	36	35
Operating leases	-	-	-	-	-	-	-	15	5
Travel and subsistence	312	29	-	341	335	6	98.2%	217	208
Training and development	20	(7)	-	13	9	4	69.2%	25	12
Operating payments	1	31	-	32	30	2	93.8%	74	29
Venues and facilities	120	(95)	-	25	22	3	88.0%	-	-
Transfers and subsidies	37 700	-	-	37 700	37 700	-	100.0%	39 695	39 695
Departmental agencies and accounts	37 700	-	-	37 700	37 700	-	100.0%	34 020	34 020
Departmental agencies	37 700	-	-	37 700	37 700	-	100.0%	34 020	34 020
Non-profit institutions	-	-	-	-	-	-	-	5 675	5 675
Payments for capital assets	1	13	-	14	13	1	92.9%	5	4
Machinery and equipment	1	6	-	7	7	-	100.0%	5	4
Other machinery and equipment	1	6	-	7	7	-	100.0%	5	4
Intangible assets	-	7	-	7	6	1	85.7%	-	-
Payments for financial assets	-	-	-	-	-	-	-	15	14
Total	47 659	-	-	47 659	47 204	455	99.0%	51 430	49 542

APPROPRIATION STATEMENT for the year ended 31 March 2019

3.1: Trade and Investment Promotion											
2018/19											2017/18
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Transfers and subsidies	36 200	-	-	36 200	36 200	-	100.0%	33 920	34 020		
Departmental agencies and accounts	36 200	-	-	36 200	36 200	-	100.0%	33 920	34 020		
Total	36 200	-	-	36 200	36 200	-	100.0%	33 920	34 020		

APPROPRIATION STATEMENT for the year ended 31 March 2019

3.2: Sector Development											
Economic classification	2018/19						2017/18				
	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	R'000	R'000
Current payments	9 958	(13)	-	9 945	9 491	454	95.4%	11 715	9 829		
Compensation of employees	8 729	-	-	8 729	8 321	408	95.3%	9 066	7 334		
Goods and services	1 229	(13)	-	1 216	1 170	46	96.2%	2 649	2 495		
Transfers and subsidies	1 500	-	-	1 500	1 500	-	100.0%	5 775	5 675		
Departmental agencies and accounts	1 500	-	-	1 500	1 500	-	100.0%	100	-		
Non-profit institutions	-	-	-	-	-	-	-	5 675	5 675		
Payments for capital assets	1	13	-	14	13	1	92.9%	5	4		
Machinery and equipment	1	6	-	7	7	-	100.0%	5	4		
Intangible assets	-	7	-	7	6	1	85.7%	-	-		
Payments for financial assets	-	-	-	-	-	-	-	15	14		
Total	11 459	-	-	11 459	11 004	455	96.0%	17 510	15 522		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 4: Business Regulation and Governance

		2018/19					2017/18				
	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. Consumer Protection	9 689	-	42	9 731	9 684	47	99.5%	11 069	10 600		
Total	9 689	-	42	9 731	9 684	47	99.5%	11 069	10 600		
Economic classification											
Current payments	9 673	(650)	42	9 065	9 024	41	99.5%	11 057	10 591		
Compensation of employees	7 459	-	-	7 459	7 419	40	99.5%	8 119	7 759		
Salaries and wages	6 637	(115)	-	6 522	6 482	40	99.4%	7 101	6 805		
Social contributions	822	115	-	937	937	-	100.0%	1 018	954		
Goods and services	2 214	(650)	42	1 606	1 605	1	99.9%	2 938	2 832		
Administrative fees	30	5	-	35	35	-	100.0%	30	23		
Advertising	381	229	42	652	652	-	100.0%	996	992		
Minor assets	20	(19)	-	1	1	-	100.0%	4	-		
Catering: Departmental activities	5	(1)	-	4	4	-	100.0%	15	-		
Communication	85	(12)	-	73	72	1	98.6%	100	79		
Computer services	180	(180)	-	-	-	-	-	319	318		
Contractors	319	(28)	-	291	291	-	100.0%	299	299		
Agency and support/outsourced services	-	-	-	-	-	-	-	636	636		
Consumable supplies	5	(1)	-	4	4	-	100.0%	1	1		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 4: Business Regulation and Governance (continued)

	2018/19						2017/18		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Consumable: Stationery, printing and office supplies	18	(3)	-	15	15	-	100.0%	19	18
Operating leases	40	(6)	-	34	34	-	100.0%	60	57
Property payments	1	-	-	1	1	-	100.0%	3	2
Travel and subsistence	591	(156)	-	435	435	-	100.0%	316	272
Training and development	210	(206)	-	4	4	-	100.0%	17	17
Operating payments	279	(258)	-	21	21	-	100.0%	123	118
Venues and facilities	50	(19)	-	31	31	-	100.0%	-	-
Rental and hiring	-	5	-	5	5	-	100.0%	-	-
Transfers and subsidies	1	-	-	1	-	1	-	7	7
Households	1	-	-	1	1	-	-	7	7
Social benefits	1	-	-	1	1	-	-	7	7
Payments for capital assets	15	650	-	665	660	5	99.2%	5	2
Machinery and equipment	15	650	-	665	660	5	99.2%	2	2
Transport equipment	-	650	-	650	650	-	100.0%	-	-
Other machinery and equipment	15	-	-	15	10	5	66.7%	2	2
Intangible assets	-	-	-	-	-	-	-	3	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	9 689	-	42	9 731	9 684	47	99.5%	11 069	10 600

APPROPRIATION STATEMENT for the year ended 31 March 2019

Economic classification		2018/19							2017/18	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	9 673	(650)	42	9 065	9 024	41	99.5%	11 057	10 591	
Compensation of employees	7 459	-	-	7 459	7 419	40	99.5%	8 119	7 759	
Goods and services	2 214	(650)	42	1 606	1 605	1	99.9%	2 938	2 832	
Transfers and subsidies	1	-	-	1	-	1	-	7	7	
Households	1	-	-	1	-	1	-	7	7	
Payments for capital assets	15	650	-	665	660	5	99.2%	5	2	
Machinery and equipment	15	650	-	665	660	5	99.2%	2	2	
Intangible assets	-	-	-	-	-	-	-	3	-	
Total	9 689	-	42	9 731	9 684	47	99.5%	11 069	10 600	

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 5: Economic Planning									
2018/19					2017/18				
	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. Economic Policy and Planning	2 430	(446)	(160)	1 824	1 327	497	72.8%	2 405	2 360
2. Research and Development	8 245	1 062	(2 755)	6 552	6 465	87	98.7%	9 110	9 042
3. Knowledge Management	10 925	-	-	10 925	10 924	1	100.0%	10 136	10 136
4. Enabling Growth Infrastructure and Initiative	64 513	(480)	(120)	63 913	63 660	253	99.6%	56 291	56 283
5. Broadband for the Economy	16 854	(377)	(386)	16 091	15 575	516	96.8%	21 472	21 414
6. Green Economy	36 647	241	(9)	36 879	36 293	586	98.4%	30 159	30 115
Total	139 614	-	(3 430)	136 184	134 244	1 940	98.6%	129 573	129 350
Economic classification									
Current payments	63 791	(558)	(3 430)	59 803	57 882	1 921	96.8%	56 436	56 234
Compensation of employees	28 430	-	-	28 430	27 019	1 411	95.0%	25 164	25 120
Salaries and wages	25 258	(13)	-	25 245	24 105	1 140	95.5%	22 526	22 492
Social contributions	3 172	13	-	3 185	2 914	271	91.5%	2 638	2 628
Goods and services	35 361	(558)	(3 430)	31 373	30 863	510	98.4%	31 272	31 114
Administrative fees	165	(63)	(11)	91	57	34	62.6%	36	35
Advertising	4 905	(350)	(55)	4 500	4 484	16	99.6%	348	344
Minor assets	58	4	(1)	61	8	53	13.1%	32	27
Catering: Departmental activities	40	59	(3)	96	85	11	88.5%	62	59
Communication	235	(14)	(15)	206	174	32	84.5%	156	154
Computer services	2 751	1 213	(2 568)	1 396	1 394	2	99.9%	4 370	4 310
Consultants: Business and advisory services	24 332	(1 078)	(330)	22 924	22 922	2	100.0%	24 282	24 229

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 5: Economic Planning (continued)

	2018/19						2017/18		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Contractors	-	3	-	3	2	1	66.7%	38	37
Entertainment	40	(11)	(5)	24	18	6	75.0%	12	11
Consumable supplies	112	-	(18)	94	28	66	29.8%	83	81
Consumable: Stationery, printing and office supplies	341	(84)	(69)	188	132	56	70.2%	170	169
Operating leases	87	(14)	(14)	59	49	10	83.1%	96	95
Property payments	-	-	-	-	-	-	-	57	57
Travel and subsistence	1 401	(407)	(296)	698	561	137	80.4%	626	617
Training and development	765	(160)	(30)	575	514	61	89.4%	534	519
Operating payments	50	34	-	84	73	11	86.9%	365	365
Venues and facilities	78	300	(15)	363	352	11	97.0%	5	5
Rental and hiring	1	10	-	11	10	1	90.9%	-	-
Transfers and subsidies	75 789	550	-	76 339	76 339	-	100.0%	73 072	73 072
Departmental agencies and accounts	63 995	-	-	63 955	63 955	-	100.0%	50 135	50 135
Departmental agencies	63 955	-	-	63 955	63 955	-	100.0%	50 135	50 135
Non-profit institutions	11 824	550	-	12 374	12 374	-	100.0%	22 936	22 936
Households	10	-	-	10	10	-	100.0%	1	1
Social benefits	10	-	-	10	10	-	100.0%	1	1
Payments for capital assets	32	8	-	40	22	18	55.0%	54	34
Machinery and equipment	31	8	-	39	22	17	56.4%	54	34
Other machinery and equipment	31	8	-	39	22	17	56.4%	54	34
Intangible assets	1	-	-	1	-	1	-	-	-
Payments for financial assets	2	-	-	2	1	1	50.0%	11	10
Total	139 614	-	(3 430)	136 184	134 244	1 940	98.6%	129 573	129 350

APPROPRIATION STATEMENT for the year ended 31 March 2019

5.1 Economic Policy and Planning										
2018/19										
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	2017/18	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	Actual expenditure
Current payments	2 430	(446)	(160)	1 824	1 327	497	72.8%	2 394	2 359	
Compensation of employees	1 891	(209)	-	1 682	1 192	490	70.9%	2 032	2 012	
Goods and services	539	(237)	(160)	142	135	7	95.1%	362	347	
Payments for capital assets	-	-	-	-	-	-	-	11	1	
Machinery and equipment	-	-	-	-	-	-	-	11	1	
Total	2 430	(446)	(160)	1 824	1 327	497	72.8%	2 405	2 360	

APPROPRIATION STATEMENT for the year ended 31 March 2019

5.2: Research Development		2018/19							2017/18	
		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	R'000	R'000
Current payments	8 233	1 062	(2 755)	6 540	6 455	85	98.7%	9 107	9 039	
Compensation of employees	4 995	209	-	5 204	5 202	2	100.0%	4 645	4 644	
Goods and services	3 238	853	(2 755)	1 336	1 253	83	93.8%	4 462	4 395	
Transfers and subsidies	10	-	-	10	10	-	100.0%	1	1	
Households	10	-	-	10	10	-	100.0%	1	1	
Payments for capital assets	2	-	-	2	-	2	-	2	2	
Machinery and equipment	1	-	-	1	-	1	-	2	2	
Intangible assets	1	-	-	1	-	1	-	-	-	
Total	8 245	1 062	(2 755)	6 552	6 465	87	98.7%	9 110	9 042	

APPROPRIATION STATEMENT for the year ended 31 March 2019

5.3: Knowledge Management										
Economic classification	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	1	-	-	1	-	1	-	-	-	
Goods and services	1	-	-	1	-	1	-	-	-	
Transfers and subsidies	10 924	-	-	10 924	10 924	-	100.0%	10 136	10 136	
Non-profit institutions	10 924	-	-	10 924	10 924	-	100.0%	10 136	10 136	
Total	10 925	-	-	10 925	10 924	1	100.0%	10 136	10 136	

5.4: Enabling Growth Infrastructure and Initiatives										
Economic classification	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	8 880	(480)	(120)	8 280	8 028	252	97.0%	8 134	8 126	
Compensation of employees	4 661	-	-	4 661	4 533	128	97.3%	3 825	3 821	
Goods and services	4 219	(480)	(120)	3 619	3 495	124	96.6%	4 309	4 305	
Transfers and subsidies	55 632	-	-	55 632	55 632	-	100.0%	48 155	48 155	
Departmental agencies and accounts	55 632	-	-	55 632	55 632	-	100.0%	48 155	48 155	
Payments for capital assets	1	-	-	1	-	1	-	2	2	
Machinery and equipment	1	-	-	1	-	1	-	2	2	
Total	64 513	(480)	(120)	63 913	63 660	253	99.6%	56 291	56 283	

APPROPRIATION STATEMENT for the year ended 31 March 2019

5.5: Broadband for the Economy											
Economic classification	2018/19						2017/18				
	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	R'000	R'000
Current payments	15 938	(927)	(386)	14 625	14 123	502	96.6%	19 466	19 408		
Compensation of employees	6 567	-	-	6 567	6 122	445	93.2%	5 257	5 256		
Goods and services	9 371	(927)	(386)	8 058	8 001	57	99.3%	14 209	14 152		
Transfers and subsidies	900	550	-	1 450	1 450	-	100.0%	2 000	2 000		
Departmental agencies and accounts	900	550	-	1 450	1 450	-	100.0%	2 000	2 000		
Non-profit institutions											
Payments for capital assets	14	-	-	14	1	13	7.1%	6	6		
Machinery and equipment	14	-	-	14	1	13	7.1%	6	6		
Payments for financial assets	2	-	-	2	1	1	50.0%	-	-		
Total	16 854	(377)	(386)	16 091	15 575	516	96.8%	21 472	21 414		

APPROPRIATION STATEMENT for the year ended 31 March 2019

5.6: Green Economy											
Economic classification	2018/19						2017/18				
	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	R'000	R'000
Current payments	28 309	233	(9)	28 533	27 949	584	98.0%	17 335	17 302		
Compensation of employees	10 316	-	-	10 316	9 970	346	96.6%	9 405	9 387		
Goods and services	17 993	233	(9)	18 217	17 979	238	98.7%	7 930	7 915		
Transfers and subsidies	8 323	-	-	8 323	8 323	-	100.0%	12 780	12 780		
Departmental agencies and accounts	8 323	-	-	8 323	8 323	-	100.0%	1 980	1 980		
Non-profit institutions	-	-	-	-	-	-	-	10 800	10 800		
Payments for capital assets	15	8	-	23	21	2	91.3%	33	23		
Machinery and equipment	15	8	-	23	21	2	91.3%	33	23		
Payments for financial assets	-	-	-	-	-	-	-	11	10		
Total	36 647	241	(9)	36 879	36 293	586	98.4%	30 159	30 115		

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 6: Tourism, Arts and Entertainment

		2018/19						2017/18		
	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. Tourism Growth and Development	14 504	(1 200)	(12)	13 292	12 963	329	97.5%	-	-	
2. Tourism Sector Transformation	2	-	-	2	-	2	-	13 354	12 722	
3. Tourism Destination Marketing	41 676	1 200	3 500	46 376	46 376	-	100.0%	40 676	40 675	
Total	56 182	-	3 488	59 670	59 339	331	99.4%	54 030	53 397	
Economic classification										
Current payments	14 504	(1 207)	(66)	13 231	12 902	329	97.5%	11 809	11 179	
Compensation of employees	9 064	-	-	9 064	8 774	290	96.8%	7 278	7 148	
Salaries and wages	8 179	(193)	-	7 986	7 786	200	97.5%	6 427	6 300	
Social contributions	885	193	-	1 078	988	90	91.7%	851	848	
Goods and services	5 440	(1 207)	(66)	4 167	4 128	39	99.1%	4 531	4 031	
Administrative fees	18	(3)	-	15	15	-	100.0%	129	129	
Advertising	357	834	100	1 291	1 284	7	99.5%	244	71	
Minor assets	1	(1)	-	-	-	-	-	3	3	
Catering: Departmental activities	47	-	-	47	46	1	97.9%	52	10	
Communication	81	16	-	97	97	-	100.0%	55	53	
Computer services	100	(10)	-	90	89	1	98.9%	-	-	
Consultants: Business and advisory services	3 213	(1 902)	(234)	1 077	1 066	11	99.0%	1 130	888	
Contractors	217	-	-	217	217	-	100.0%	1 718	1 718	
Entertainment	2	-	-	2	1	1	50.0%	-	-	

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 6: Tourism, Arts and Entertainment (continued)											
2018/19											2017/18
	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	R'000	R'000
Consumable supplies	43	1	-	44	44	-	100.0%	27	24		
Consumable: Stationery, printing and office supplies	121	2	-	123	115	8	93.5%	131	103		
Operating leases	50	(19)	-	31	31	-	100.0%	94	93		
Travel and subsistence	255	1	59	315	311	4	98.7%	286	278		
Training and development	714	(127)	-	587	584	3	99.5%	504	504		
Operating payments	64	9	-	73	72	1	98.6%	67	67		
Venues and facilities	150	(8)	-	142	140	2	98.6%	91	90		
Rental and hiring	7	-	9	16	16	-	100.0%	-	-		
Transfers and subsidies	41 677	1 200	3 541	46 418	46 417	1	100.0%	42 196	42 194		
Provinces and municipalities	-	-	-	-	-	-	-	1 500	1 500		
Municipalities	-	-	-	-	-	-	-	1 500	1 500		
Departmental agencies and accounts	41 676	1 200	3 500	46 376	46 376	-	100.0%	40 676	40 675		
Departmental agencies	41 676	1 200	3 500	46 376	46 376	-	100.0%	40 676	40 675		
Households	1	-	41	42	41	1	97.6%	20	19		
Social benefits	1	-	41	42	41	1	97.6%	20	19		
Payments for capital assets	1	-	13	14	13	1	92.9%	20	20		
Machinery and equipment	1	-	13	14	13	1	92.9%	20	20		
Other machinery and equipment	1	-	13	14	13	1	92.9%	20	20		
Payments for financial assets	-	7	-	7	7	-	100.0%	5	4		
Total	56 182	-	3 488	59 670	59 339	331	99.4%	54 030	53 397		

APPROPRIATION STATEMENT for the year ended 31 March 2019

6.1: Tourism Growth and Development											
Economic classification	2018/19						2017/18				
	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	R'000	R'000
Current payments	14 502	(1 207)	(66)	13 229	12 902	327	97.5%	-	-	-	-
Compensation of employees	9 064	-	-	9 064	8 774	290	96.8%	-	-	-	-
Goods and services	5 438	(1 207)	(66)	4 165	4 128	37	99.1%	-	-	-	-
Transfers and subsidies	1	-	41	42	41	1	97.6%	-	-	-	-
Households	1	-	41	42	41	1	97.6%	-	-	-	-
Payments for capital assets	1	-	13	14	13	1	92.9%	-	-	-	-
Machinery and equipment	1	-	13	14	13	1	92.9%	-	-	-	-
Payments for financial assets	-	-	-	7	7	-	100.0%	-	-	-	-
Total	14 504	(1 200)	(12)	13 292	12 963	329	97.5%	-	-	-	-

APPROPRIATION STATEMENT for the year ended 31 March 2019

6.2: Tourism Sector Transformation									
Economic classification	2018/19					2017/18			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	2	-	-	2	-	2	-	11 809	11 179
Compensation of employees	-	-	-	-	-	-	-	7 278	7 148
Goods and services	2	-	-	2	-	2	-	4 531	4 031
Transfers and subsidies	-	-	-	-	-	-	-	1 520	1 519
Provinces and municipalities	-	-	-	-	-	-	-	1 500	1 500
Households	-	-	-	-	-	-	-	20	19
Payments for capital assets	-	-	-	-	-	-	-	20	20
Machinery and equipment	-	-	-	-	-	-	-	20	20
Payments for financial assets	-	-	-	-	-	-	-	5	4
Total	2	-	-	2	-	2	-	13 354	12 722

6.3: Tourism Destination Marketing									
Economic classification	2018/19					2017/18			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Transfers and subsidies	41 676	1 200	3 500	46 376	46 376	-	100.0%	40 676	40 675
Departmental agencies and accounts	41 676	1 200	3 500	46 376	46 376	-	100.0%	40 676	40 675
Total	41 676	1 200	3 500	46 376	46 376	-	100.0%	40 676	40 675

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 7: Skills Development and Innovation

		2018/19					2017/18		
	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. Provincial Skills and Partnership	36 909	(3 030)	-	33 879	33 258	621	98.2%	18 183	17 322
2. Skills Programme and Projects	32 221	3 071	(90)	35 202	35 124	78	99.8%	42 750	42 381
3. Skills Incentives	2 004	(41)	-	1 963	1 740	223	88.6%	1 476	1 470
Total	71 134	-	(90)	71 044	70 122	922	98.7%	62 409	61 173
Economic classification									
Current payments	59 071	(1 468)	-	57 603	56 746	857	98.5%	50 256	50 236
Compensation of employees	15 851	-	-	15 851	15 113	738	95.3%	14 093	14 078
Salaries and wages	14 870	(78)	-	14 792	14 060	732	95.1%	13 006	12 994
Social contributions	981	78	-	1 059	1 053	6	99.4%	1 087	1 084
Goods and services	43 220	(1 468)	-	41 752	41 633	119	99.7%	36 163	36 158
Administrative fees	24	4	-	28	23	5	82.1%	20	19
Advertising	5 781	(279)	-	5 502	5 500	2	100.0%	3 293	3 293
Catering: Departmental activities	606	(335)	-	271	271	-	100.0%	129	129
Communication	83	14	-	97	91	6	93.8%	59	58
Computer services	-	-	-	-	-	-	-	261	261
Consultants: Business and advisory services	12 377	(10 916)	-	1 461	1 460	1	99.9%	2 227	2 226
Contractors	100	54	-	154	153	1	99.4%	-	-
Entertainment	10	(7)	-	3	3	-	100.0%	1	1

APPROPRIATION STATEMENT for the year ended 31 March 2019

Programme 7: Skills Development and Innovation (continued)										
	2018/19					2017/18				
	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	
Consumable supplies	18	(4)	-	14	12	2	85.7%	64	64	
Consumable: Stationery, printing and office supplies	171	(33)	-	138	122	16	88.4%	40	40	
Operating leases	54	-	-	54	54	-	100.0%	57	57	
Transport provided: Departmental activity	115	-	-	115	115	-	100.0%	25	25	
Travel and subsistence	535	(214)	-	321	280	41	87.2%	254	254	
Training and development	22 261	10 656	-	32 917	32 897	20	99.9%	29 581	29 579	
Operating payments	85	229	-	314	299	15	95.2%	95	95	
Venues and facilities	986	(637)	-	349	339	10	97.1%	57	57	
Rental and hiring	14	-	-	14	14	-	100.0%	-	-	
Transfers and subsidies	11 546	1 468	-	13 014	12 952	62	99.5%	10 634	10 269	
Higher education institutions	2 000	-	-	2 000	2 000	-	100.0%	-	-	
Households	9 546	1 468	-	11 014	10 952	62	99.4%	10 634	10 269	
Social benefits	-	8	-	8	8	-	100.0%	-	29	
Other transfers to households	9 546	1 460	-	11 006	10 944	62	99.4%	10 634	10 240	
Payments for capital assets	517	-	(90)	427	424	3	99.3%	1 505	654	
Machinery and equipment	17	-	-	17	15	2	88.2%	5	5	
Other machinery and equipment	17	-	-	17	15	2	88.2%	5	5	
Intangible assets	500	-	(90)	410	409	1	99.8%	1 500	649	
Payments for financial assets	-	-	-	-	-	-	-	14	14	
Total	71 134	-	(90)	71 044	70 122	922	98.7%	62 409	61 173	

APPROPRIATION STATEMENT for the year ended 31 March 2019

7.1: Provincial Skills and Partnership									
Economic classification	2018/19					2017/18			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	31 547	(2 844)	-	28 703	28 085	618	97.8%	15 945	15 935
Compensation of employees	11 544	(150)	-	11 394	10 805	589	94.8%	9 591	9 583
Goods and services	20 003	(2 694)	-	17 309	17 280	29	99.8%	6 354	6 352
Transfers and subsidies	5 346	(186)	-	5 160	5 158	2	100.0%	733	733
Higher education institutions	2 000	-	-	2 000	2 000	-	100.0%	-	-
Households	3 346	(186)	-	3 160	3 158	2	99.9%	733	733
Payments for capital assets	16	-	-	16	15	1	93.8%	1 505	654
Machinery and equipment	16	-	-	16	15	1	93.8%	5	5
Intangible assets	-	-	-	-	-	-	-	1 500	649
Total	36 909	(3 030)	-	33 879	33 258	621	98.2%	18 183	17 322

APPROPRIATION STATEMENT for the year ended 31 March 2019

7.2: Skills Programme and Projects										
Economic classification	2018/19						2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	25 520	1 417	-	26 937	26 921	16	99.9%	32 849	32 845	
Compensation of employees	2 609	150	-	2 759	2 752	7	99.7%	3 135	3 134	
Goods and services	22 911	1 267	-	24 178	24 169	9	100.0%	29 714	29 711	
Transfers and subsidies	6 200	1 654	-	7 854	7 794	60	99.2%	9 901	9 536	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	6 200	1 654	-	7 854	7 794	60	99.2%	9 901	9 536	
Payments for capital assets	501	-	(90)	411	409	2	99.5%	-	-	
Machinery and equipment	1	-	-	1	-	1	-	-	-	
Intangible assets	500	-	(90)	410	409	1	99.8%	-	-	
Total	32 221	3 071	(90)	35 202	35 124	78	99.8%	42 750	42 381	

7.3: Skills Incentives										
Economic classification	2018/19						2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	2 004	(41)	-	1 963	1 740	223	88.6%	1 462	1 456	
Compensation of employees	1 698	-	-	1 698	1 556	142	91.6%	1 367	1 361	
Goods and services	306	(41)	-	265	184	81	69.4%	95	95	
Payment for financial assets	-	-	-	-	-	-	-	14	14	
Total	2 004	(41)	-	1 963	1 740	223	88.6%	1 476	1 470	

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2019

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

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

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

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

3. Detail on payments for financial assets:

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	58 446	57 653	793	1.36%
Integrated Economic Development Services	46 208	46 150	58	0.13%
Trade and Sector Development	47 659	47 204	455	0.95%
Business Regulation and Governance	9 731	9 684	47	0.48%
Economic Planning *	136 184	134 244	1 940	1.42%
Tourism, Arts and Entertainment	59 670	59 339	331	0.55%
Skills Development and Tourism	71 044	70 122	922	1.30%

* The primary driver for underspending for Programme 5: Economic Planning relates to the underspending on Compensation of Employees due to delays in filling of vacancies.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees **	129 445	125 927	3 518	2.72%
Goods and services	107 353	106 436	917	0.85%
Transfers and subsidies				
Departmental agencies and accounts	148 036	148 035	1	0.00%
Higher education institutions	2 000	2 000	0	0.00%
Public corporations and private enterprises	7 881	7 877	4	0.05%
Non-profit institutions	17 374	17 374	0	0.00%
Households	11 352	11 287	65	0.57%
Payments for capital assets				
Machinery and equipment	5 009	4 972	37	0.74%
Intangible assets	418	415	3	0.72%
Payments for financial assets	74	73	1	1.35%

** The primary driver for underspending for the Department relates to delays in filling of vacancies and 13 officials leaving the Department during the year.

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2019

	<i>Note</i>	2018/19	2017/18
		R'000	R'000
REVENUE			
Annual appropriation	<u>1</u>	428 942	405 344
Departmental revenue	<u>2</u>	829	4 126
Aid assistance	<u>3</u>	4 571	5 730
TOTAL REVENUE		434 342	415 200
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>4</u>	125 926	115 365
Goods and services	<u>5</u>	106 436	106 252
Aid assistance	<u>3</u>	3 773	4 851
Total current expenditure		236 135	226 468
Transfers and subsidies			
Transfers and subsidies	<u>7</u>	186 573	171 578
Aid assistance	<u>3</u>	2 832	9 299
Total transfers and subsidies		189 405	180 877
Expenditure for capital assets			
Tangible assets	<u>8</u>	4 973	5 347
Intangible assets	<u>8</u>	415	649
Total expenditure for capital assets		5 388	5 996
Payments for financial assets	<u>6</u>	73	112
TOTAL EXPENDITURE		431 001	413 453
SURPLUS FOR THE YEAR		3 341	1 747
Reconciliation of Net Surplus for the year			
Voted funds		4 546	6 041
Departmental revenue Receipts	<u>14</u>	829	4 126
Aid assistance	<u>3</u>	(2 034)	(8 420)
SURPLUS/(DEFICIT) FOR THE YEAR		3 341	1 747

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2019

	Note	2018/19	2017/18
		R'000	R'000
ASSETS			
Current assets		7 706	17 649
Cash and cash equivalents	<u>9</u>	7 193	17 416
Prepayments and advances	<u>10</u>	29	9
Receivables	<u>11</u>	484	224
Non-current assets		303 951	304 041
Investments	<u>12</u>	303 853	303 853
Receivables	<u>11</u>	98	188
TOTAL ASSETS		311 657	321 690
LIABILITIES			
Current liabilities		7 725	17 709
Voted funds to be surrendered to the Revenue Fund	<u>13</u>	4 546	6 041
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>14</u>	81	2 977
Payables	<u>15</u>	43	-
Aid assistance unutilised	<u>3</u>	3 055	8 691
TOTAL LIABILITIES		7 725	17 709
NET ASSETS		303 932	303 981
Represented by:			
Capitalisation reserve		303 853	303 853
Recoverable revenue		79	128
TOTAL		303 932	303 981

STATEMENT OF CHANGES IN NET ASSETS as at 31 March 2019

	<i>Note</i>	2018/19	2017/18
		R'000	R'000
Capitalisation Reserves			
Opening balance		303 853	303 790
Transfers:			
Movement in Equity		-	63
Closing balance		303 853	303 853
Recoverable revenue			
Opening balance		128	33
Transfers:		(49)	95
Debts revised		-	(1)
Debts recovered (included in Departmental receipts)		(94)	(217)
Debts raised		45	313
Closing balance		79	128
TOTAL		303 932	303 981

CASH FLOW STATEMENT for the year ended 31 March 2019

	<i>Note</i>	2018/19	2017/18
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		434 638	415 476
Annual appropriated funds received	<u>1.1</u>	428 942	405 344
Departmental revenue received	<u>2</u>	1 098	4 363
Interest received	<u>2.2</u>	27	39
Aid assistance received	<u>3</u>	4 571	5 730
Net (increase) in working capital		(147)	(114)
Surrendered to Revenue Fund		(10 081)	(15 350)
Surrendered in terms of Adjusted Estimate		(3 602)	-
Current payments		(236 135)	(226 468)
Payments for financial assets		(73)	(112)
Transfers and subsidies paid		(189 405)	(180 877)
Net cash flow available from operating activities	<u>16</u>	(4 805)	(7 445)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(5 388)	(5 996)
Proceeds from sale of capital assets	<u>2.3</u>	19	22
(Increase) in investments		-	(63)
Net cash flows from investing activities		(5 369)	(6 037)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease)/increase in net assets		(49)	158
Net cash flows from financing activities		(49)	158
Net (decrease)/increase in cash and cash equivalents		(10 223)	(13 324)
Cash and cash equivalents at beginning of period		17 416	30 740
Cash and cash equivalents at end of period	<u>17</u>	7 193	17 416

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2019

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment/receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprises of Departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

7.3	<p>Accrued Departmental revenue</p> <p>Accruals in respect of Departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the Department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the Department's debt write-off policy.</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>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>
8.2	<p>Other expenditure</p> <p>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>
8.2.1	<p>Payments for financial assets</p> <p>Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending of appropriated funds. The write-off occurs at year end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the notes to the financial statements. All other losses are recognised when authorisation has been granted for the recognition thereof.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
8.4	Leases
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest. <p>Finance lease liabilities are not recognised in the statement of financial position and as such finance lease payments do not reduce liabilities in the statement of financial position. Payments to the lessors are recognised as payments for capital assets in the statement of financial performance and as a result are reflected as cash for investing activities in the cash flow statement.</p>
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2019

9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the Department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments and advances are recognised in the Statement of Financial Performance if the amount is material and budgeted for as an expense in the year in which the actual prepayment or advance was made.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the Department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	<p>Financial assets</p>
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a Department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	<p>Capital Assets</p>
16.1	<p>Movable capital assets</p> <p>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.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.2	<p>Intangible assets</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.</p> <p>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 reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

17	Provisions and Contingents
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department.</p>
17.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</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"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>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>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2019

22	<p>Events after the reporting date</p> <p>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>
23	<p>Principal-Agent arrangements</p> <p>A principal-Agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal). All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
25	<p>Recoverable revenue</p> <p>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>
26	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>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>
27	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the Department are recorded in the notes to the financial statements.</p>
28	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2019

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:

	2018/19			2017/18	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	58 446	58 446	-	58 541	58 541
Integrated Economic Development Services	46 208	46 208	-	38 292	38 292
Trade and Sector Development	47 659	47 659	-	51 430	51 430
Business Regulation and Governance	9 731	9 731	-	11 069	11 069
Economic Planning	136 184	136 184	-	129 573	129 573
Tourism, Arts and Entertainment	59 670	59 670	-	54 030	54 030
Skills Development and Innovation	71 044	71 044	-	62 409	62 409
Total	428 942	428 942	-	405 344	405 344

Integrated Economic Development Services received an increased budget allocation to implement interventions aligned to the programmatic theme of enhancing the "Ease of Doing Business" by providing access to direct financial assistance to qualifying beneficiaries in the form of low-cost loan funding.

Trade and Sector Development had a decreased budget allocation due to a redesign of financial support to the special purpose vehicle model. **Economic Planning** received an additional earmarked allocation of R14 million for supporting the Saldanha Industrial Development Zone Licensing Company (SBIDZ LiCo) in leasing additional land for the Industrial Development Zone.

Tourism, Arts and Entertainment was allocated additional funding for the Air Access Project.

Skills Development and Innovation increased allocation can be primarily attributed to the rollout of the Apprenticeship Game Changer, Compensation for Employment and the introduction of new projects such as the A21 Apprenticeship Model.

2. Departmental revenue

	Note	2018/19	2017/18
		R'000	R'000
Sales of goods and services other than capital assets	2.1	483	438
Interest, dividends and rent on land	2.2	27	39
Sales of capital assets	2.3	19	22
Transactions in financial assets and liabilities	2.4	615	3 925
Total revenue collected		1 144	4 424
Less: Own revenue included in appropriation	14	(315)	(298)
Departmental revenue collected		829	4 126

2.1 Sales of goods and services other than capital assets

	Note	2018/19	2017/18
		R'000	R'000
Sales of goods and services produced by the Department	2	483	438
Administrative fees		464	419
Other sales		19	19
Total		483	438

The increase in administrative fees relates to the increase in tour guide registrations during the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

2.2 Interest, dividends and rent on land

	Note	2018/19	2017/18
		R'000	R'000
Interest	2	27	39
Total		27	39

Increase relates to interest on debt recovered during the year.

2.3 Sale of capital assets

	Note	2018/19	2017/18
		R'000	R'000
Tangible assets	2	19	22
Machinery and equipment	2	19	22
Total		19	22

The proceeds received from the sale of capital assets relate to the disposal management policy which allows staff to purchase IT equipment.

2.4 Transactions in financial assets and liabilities

	Note	2018/19	2017/18
		R'000	R'000
Other Receipts including Recoverable Revenue	2	615	3 925
Total		615	3 925

The comparatives includes monies received from Casidra and Cape IT Initiative in respect of previous year funding due to the conclusion of the projects.

3. Aid assistance

	Note	2018/19	2017/18
		R'000	R'000
Opening Balance		8 691	17 111
Transferred from statement of financial performance		(2 034)	(8 420)
Transferred and expended via PRF		(3 602)	-
Closing Balance		3 055	8 691

Aid assistance relates to the funds received from the Government Technical Advisory Centre (GTAC) for the Work and Skills Programme as well as funds received from the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MerSeta) for the implementation of the Apprenticeship Game Changer.

An amount of R3.6 million that was received from the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MerSeta) was paid to Provincial Treasury to be voted into the Adjusted Estimate Process.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

3.1 Analysis of balance by source

	Note	2018/19	2017/18
		R'000	R'000
Aid assistance from other sources	3	3 055	8 691
Closing balance		3 055	8 691

Analysis of balance by source - 2018/19

	GTAC R'000	MerSeta R'000	Total R'000
Opening balance	5 263	3 428	8 691
Revenue	3 925	646	4 571
Expenditure	(6 604)	-	(6 604)
Transferred and expended via PRF	-	(3 603)	(3 603)
Closing balance	2 584	471	3 055

3.2 Analysis of balance

	Note	2018/19	2017/18
		R'000	R'000
Aid assistance unutilised	3	3 055	8 691
Closing balance		3 055	8 691

3.3 Aid assistance expenditure per economic classification

	Note	2018/19	2017/18
		R'000	R'000
Current expenditure		3 773	4 851
Transfers and subsidies		2 832	9 299
Total aid assistance expenditure		6 605	14 150

4. Compensation of employees

4.1 Salaries and Wages

	Note	2018/19	2017/18
		R'000	R'000
Basic salary		90 008	83 007
Performance award		2 010	1 269
Service Based		71	91
Compensative/circumstantial		859	1 087
Other non-pensionable allowances		18 675	16 803
Total		111 623	102 257

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

4.2 Social contributions

	Note	2018/19	2017/18
		R'000	R'000
Employer contributions			
Pension		10 695	9 871
Medical		3 590	3 219
Bargaining council		18	18
Total		14 303	13 108
Total compensation of employees		125 926	115 365
Average number of employees		218	227

Increase in salaries and wages relates to the inflationary increase in terms of the wage agreement and the filling of key vacancies in the Department.

5. Goods and services

	Note	2018/19	2017/18
		R'000	R'000
Administrative fees		374	325
Advertising		12 892	13 019
Minor assets	5.1	157	460
Bursaries (employees)		721	352
Catering		1 628	1 083
Communication		1 099	890
Computer services	5.2	2 947	6 575
Consultants: Business and advisory services		35 152	35 616
Contractors		1 415	3 238
Agency and support/outsourced services		-	831
Entertainment		55	37
Audit cost - external	5.3	3 025	2 324
Fleet services		647	513
Consumables	5.4	1 617	1 689
Housing			
Operating leases		302	517
Property payments	5.5	1	59
Rental and hiring		679	721
Transport provided as part of the Departmental activities		115	25
Travel and subsistence	5.6	3 410	2 570
Venues and facilities		1 788	991
Training and development		36 602	32 826
Other operating expenditure	5.7	1 810	1 591
Total		106 436	106 252

Advertising, Contractors, Agency and support/outsourced services, Rental and Hiring - Decrease in expenditure due to the implementation of the National Treasury cost containment circular which prescribes the efficient and effective management of the available budget. Projects are done internally with Departmental resources.

Bursaries (employees) - Increase in expenditure due to more staff applying for bursaries in line with the professional development of staff.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

Fleet Services - Increased expenditure relates to an increased service delivery footprint by the Department across the Province.

Operating leases - Decrease in expenditure due to the implementation of the National Treasury cost containment circular which prescribes the efficient and effective management of the available budget.

Transport provided as part of the Departmental activities - Increased expenditure due to transport provided to learners as part of the Career Awareness Programme.

Catering and Venues and facilities - Increase in expenditure relates to increased Departmental promotional activities such as Fraud Awareness Day, Western Cape Funding Fair, Western Cape Entrepreneurship Awards, Premier Council of Skills and Procurement Awareness sessions.

Training and development - Increase in expenditure due to the roll-out of the Skills Development Programme, Apprenticeship Game Changer and Artisanal Development Programme. Non-employee expenditure relates to training for service excellence, customer service, tourist guides, competency based modular and ICT technical skills. Employee expenditure costs were incurred for the professional development of staff within the Department.

5.1 Minor assets

	Note	2018/19	2017/18
		R'000	R'000
	5		
Tangible assets		157	454
Machinery and equipment		157	454
Intangible assets		-	6
Software		-	6
Total		157	460

Decrease in expenditure due to the implementation of the National Treasury cost containment circular which prescribes the efficient and effective management of the available budget.

5.2 Computer services

	Note	2018/19	2017/18
		R'000	R'000
	5		
SITA computer services		361	400
External computer service providers		2 586	6 175
Total		2 947	6 575

Decrease in expenditure due to the implementation of the National Treasury cost containment circular which prescribes the efficient and effective management of the available budget and the reduction in data subscriptions due to budget prioritisation.

5.3 Audit cost - External

	Note	2018/19	2017/18
		R'000	R'000
	5		
Regularity audits		3 025	2 324
Total		3 025	2 324

Increase in the expenditure relates to audit costs incurred for the additional work performed on transfer payments.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

5.4 Consumables

	Note	2018/19	2017/18
		R'000	R'000
	5		
Consumable supplies		522	677
Uniform and clothing		-	-
Household supplies		78	107
Building material and supplies		142	84
Communication accessories		-	-
IT consumables		240	396
Other consumables		62	90
Stationery, printing and office supplies		1 095	1 012
Total		1 617	1 689

Decrease in expenditure due to the implementation of the National Treasury cost containment circular which prescribes the efficient and effective management of the available budget.

5.5 Property payments

	Note	2018/19	2017/18
		R'000	R'000
	5		
Municipal services		1	2
Security services		-	57
Total		1	59

During the prior year, security costs were incurred for the safeguarding of property.

5.6 Travel and subsistence

	Note	2018/19	2017/18
		R'000	R'000
	5		
Local		2 693	2 377
Foreign		717	194
Total		3 410	2 571

Increase in local expenditure due to the renewed focus on partnerships with National stakeholders. Increase in foreign expenditure due to more international flights undertaken by Senior Officials.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

5.7 Other operating expenditure

	Note	2018/19	2017/18
		R'000	R'000
	5		
Resettlement costs		30	84
Other *		1 780	1 507
Total		1 810	1 591

*Other includes printing costs incurred for the organisation's strategic publications such as the Annual Performance Plan, Annual Report and the Quarterly Economic Bulletin. Increased other expenditure relates to inflationary increases.

6. Payments for financial assets

	Note	2018/19	2017/18
		R'000	R'000
Material losses through criminal conduct		-	60
Theft	6.3	-	60
Other material losses written off	6.1	11	-
Debts written off	6.2	62	52
Total		73	112

6.1 Other material losses written off

	Note	2018/19	2017/18
		R'000	R'000
	6		
Nature of losses			
Damage to car rental (1 case)		7	-
Damage to government vehicle (1 case)		1	-
Damage to computer equipment (1 case)		3	-
Total		11	-

6.2 Debts written off

	Note	2018/19	2017/18
		R'000	R'000
	6		
Other debt written off			
Debt accounts written off (5 cases)		62	52
Total debt written off		62	52

Debts written off in accordance with the Departmental debt policy and relates to bursary (1 case), GG vehicle damage (1 case), tax (1 case), leave and salary overpayments (1 case). These debts have been analysed and have been found to be irrecoverable.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

6.3 Details of theft

	Note	2018/19	2017/18
		R'000	R'000
	6		
Nature of theft			
Theft of equipment		-	60
Total		-	60

The prior year relates to assets (6 cases) that were written off on the recommendation of the State Attorneys.

7. Transfers and subsidies

	Note	2018/19	2017/18
		R'000	R'000
Provinces and municipalities	Annex 1A	-	1 500
Departmental agencies and accounts	Annex 1B	148 035	124 833
Higher education institutions	Annex 1C	2 000	-
Public corporations and private enterprises	Annex 1D	7 877	3 530
Non-profit institutions	Annex 1E	17 374	30 611
Households	Annex 1F	11 287	11 104
Total		186 573	171 578

8. Expenditure for capital assets

	Note	2018/19	2017/18
		R'000	R'000
Tangible assets		4 973	5 347
Machinery and equipment	27	4 973	5 347
Intangible assets		415	649
Software	28	415	649
Total		5 388	5 996

Decrease in expenditure due to the implementation of the National Treasury cost containment circular which prescribes the efficient and effective management of the available budget.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

8.1 Analysis of funds utilised to acquire capital assets - 2018/19

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	4 973	-	4 973
Machinery and equipment	4 973	-	4 973
Intangible assets	415	-	415
Software	415	-	415
Total	5 388	-	5 388

8.2 Analysis of funds utilised to acquire capital assets - 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	5 347	-	5 347
Machinery and equipment	5 347	-	5 347
Intangible assets	649	-	649
Software	649	-	649
Total	5 996	-	5 996

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2018/19 R'000	2017/18 R'000
Tangible assets		2 201	2 043
Machinery and equipment		2 201	2 043
Total		2 201	2 043

The increase expenditure relates to increases in the GMT tariff rates for the year.

9. Cash and cash equivalents

	Note	2018/19 R'000	2017/18 R'000
Consolidated Paymaster General Account		14 369	32 411
Disbursements		(7 236)	(15 035)
Cash on hand		60	40
Total		7 193	17 416

The **Consolidated Paymaster General account** comprises of the bank account which includes the unspent voted funds and aid assistance paid into the Department's bank account on 31 March 2019.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

10. Prepayments and advances

	Note	2018/19	2017/18
		R'000	R'000
Travel and subsistence		29	9
Total		29	9

Travel and subsistence comprise of advances for overseas travel undertaken in March 2019.

10.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add or less: Other	Add: Current Year prepayments	Balance as at 31 March 2018
		R'000	R'000	R'000	R'000	R'000
Goods and services	10	15	(15)	-	-	-
Total		15	(15)	-	-	-

10.2 Prepayments (Expensed)

	Note	Balance as at 1 April 2018	Less: Amount expensed in current year	Add or less: Other	Add: Current Year prepayments	Balance as at 31 March 2019
		R'000	R'000	R'000	R'000	R'000
Goods and services		2 506	(2 506)	-	2 363	2 363
Transfers and subsidies		1 275	(1 275)	-	-	-
Total		3 781	(3 781)	-	2 363	2 363

Prepayments (expensed) relate annual subscriptions to various publications, training and costs incurred for the Smart Procurement Expo, Ramadan Expo, Western Cape Funding Fair and registration fees paid for the Africa Strategy Conference.

	Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add or less: Other	Add: Current Year prepayments	Balance as at 31 March 2018
		R'000	R'000	R'000	R'000	R'000
Goods and services		276	(276)	-	2 506	2 506
Transfers and subsidies		-	-	-	1 275	1 275
Total		276	(276)	-	3 781	3 781

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

10.3 Advances paid (Expensed)

	Note	Balance as at 1 April 2018	Less: Amount expensed in current year	Add or less: Other	Add: Current Year prepay-ments	Balance as at 31 March 2019
		R'000	R'000	R'000	R'000	R'000
Public entities	Annex 7	2 980	(2 980)	-	5 350	5 350
Total		2 980	(2 980)	-	5 350	5 350

Advances paid (expensed) relate to transfer payments to Wesgro for the Air Access project and WTM Tourism Investors Summit and the purchase of a motor vehicle from Government Motor Transport.

	Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add or less: Other	Add: Current Year prepay-ments	Balance as at 31 March 2018
		R'000	R'000	R'000	R'000	R'000
Public entities		-	-	-	2 980	2 980
Total		-	-	-	2 980	2 980

11. Receivables

	Note	2018/19			2017/18		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	36	-	36	-	-	-
Recoverable expenditure	11.2	253	-	253	174	-	174
Staff debt	11.3	195	98	293	50	188	238
Total		484	98	582	224	188	412

Receivables are split in terms of the probability of recoverability over the next 12 months.

11.1 Claims recoverable

	Note	2018/19	2017/18
		R'000	R'000
Provincial Departments		36	-
Total		36	-

11 and Annex 4

Claims recoverable relates to performance bonus (1 case), salary (1 case) and entertainment (1 case) claims.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

11.2 Recoverable expenditure (disallowance accounts)

	Note	2018/19	2017/18
		R'000	R'000
Disallowance damages and losses	11	253	174
Total		253	174

Included in the amount are three (3) cases relating to government vehicles and twenty-four (24) cases relating to equipment that is still under investigation.

11.3 Staff debt

	Note	2018/19	2017/18
		R'000	R'000
Debt accounts	11	293	238
Total		293	238

Staff debt comprises of the following:

	Number of cases	Value R'000
Assets	3	16
Bursary	2	66
GG Accident	2	36
Salary overpayments	15	158
Tax debt	6	8

11.4 Impairment of receivables

	Note	2018/19	2017/18
		R'000	R'000
Estimate of impairment of receivables		100	188
Total		100	188

All debts are individually reviewed for the possibility of impairment. The impairment includes debtors that were handed over to the State Attorney for recovery.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

12. Investments

	Note	2018/19	2017/18
		R'000	R'000
Non-Current	Annex 2		
Shares and other equity			
Cape Town International Convention Company SOC Limited RF		303 790	303 790
Saldanha Bay IDZ Licencing Company (Pty) Ltd		63	63
Total non-current		303 853	303 853
Analysis of non-current investments			
Opening balance		303 853	303 790
Additions in cash		-	63
Closing balance		303 853	303 853
Number of shares			
Cape Town International Convention Company SOC Limited RF		60 425	60 425
Saldanha Bay IDZ Licencing Company (Pty) Ltd (no par value shares)		120	120
Total non-current		60 545	60 545

On 28 March 2014, the Cape Town International Convention Company SOC Limited RF ("CTICC") issued a notice of fresh subscription offer letter to all shareholders. The Department acquired additional shares in the Cape Town International Convention Centre during prior years. The funds that were raised were used to expand the existing capacity of the CTICC facilities. At reporting date, the Provincial Government of the Western Cape has a shareholding of 23.24% (2018: 23.2%) in the Cape Town International Convention Centre Company (Pty) Ltd. The shareholding will be finalised at a percentage of 23.93% upon the conclusion of the transaction.

On 1 April 2017, the Department became a 100% shareholder in Saldanha Bay IDZ Licencing Company (Pty) Ltd (LiCo). The shareholding comprises of 120 no par value shares. The purpose of Saldanha Bay IDZ Licencing Company (Pty) Ltd (LiCo) is to establish and fulfil the purpose of a Special Economic Zone within the greater Saldanha Bay area.

12.1 Impairment of investments

	Note	2018/19	2017/18
		R'000	R'000
Estimate of impairment of investment		107 508	-
Total		107 508	-

The Department assesses at each reporting date whether there is any indication that the impairment loss may no longer exist or has reversed. The indicators for the impairment is a recoverable value lower than carrying value. The impairment above is calculated based on the revised assessment by the CTICC taking the following information into account:

- The main purpose of establishing the centre was to generate spin-off returns for the region. An overall increase will be experienced upon completion of CTICC 2 in the contribution to GDP through the spend of tourists/visitors attending conferences. In contrast to commercial enterprises where the full economic benefit of an asset accrues directly to the entity, a substantial portion of the benefit of CTICC 2 accrues to the hotels, restaurants, transport providers, etc., which positively impacts employment and the GDP of the City and Province.
- Due to the restrictions imposed on the use of the facility and site, no active market exists within which the value of the centre can be determined through an arm's length transaction between a willing buyer and a willing seller, and as such the value in use of the centre has been used to determine whether the building's carrying value may not be recoverable.
- Since inception, all initial targets for the region (spin-offs) and the operation of the convention centre have consistently been exceeded and are forecast to maintain this level of performance for the foreseeable future. Despite this, the value in use of the centre can only be attributed to the present value of the future cash flows generated within the centre itself and excludes any value which it generates for other entities or business sectors.

Based on the revised assessment, the investment in the CTICC reflects an impairment loss and the Department's portion of the impairment is calculated at 23.24%.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

13. Voted funds to be surrendered to the Revenue Fund

	Note	2018/19	2017/18
		R'000	R'000
Opening balance		6 041	13 880
Transfer from statement of financial performance		4 546	6 041
Paid during the year		(6 041)	(13 880)
Closing balance		4 546	6 041

The closing balance relates to the unspent funds as at 31 March 2019.

14. Departmental revenue to be surrendered to the Revenue Fund

	Note	2018/19	2017/18
		R'000	R'000
Opening balance		2 977	23
Transfer from Statement of Financial Performance		829	4 126
Own revenue included in appropriation		315	298
Paid during the year		(4 040)	(1 470)
Closing balance		81	2 977

15. Payables – current

	Note	2018/19	2017/18
		R'000	R'000
Clearing accounts	15.1	43	-
Total		43	-

15.1 Clearing accounts

	Note	2018/19	2017/18
		R'000	R'000
Salary: Income Tax	15	3	-
Exchequer Grant Account		40	-
Total		43	-

Exchequer Grant Account relates to the erroneous overfunding of the Department by Provincial Treasury as at 31 March 2019.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

16. Net cash flow available from operating activities

	Note	2018/19	2017/18
		R'000	R'000
Net surplus as per Statement of Financial Performance		3 341	1 747
Add back non-cash/cash movements not deemed operating activities		(8 146)	(9 192)
(Increase) in receivables		(170)	(126)
(Increase)/decrease in prepayments and advances		(20)	26
Increase/(decrease) in payables - current		43	(14)
Proceeds from sale of capital assets		(19)	(22)
Expenditure on capital assets		5 388	5 996
Surrenders to Revenue Fund		(10 081)	(15 350)
Surrenders to Revenue Fund (Adjusted Estimate)		(3 602)	-
Own revenue included in appropriation		315	298
Net cash flow generated by operating activities		(4 805)	(7 445)

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

	Note	2018/19	2017/18
		R'000	R'000
Consolidated Paymaster General account		14 369	32 411
Disbursements		(7 236)	(15 035)
Cash on hand		60	40
Total		7 193	17 416

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

	Note	2018/19	2017/18
		R'000	R'000
Liable to			
Nature			
Claims against the Department	Annex 3	115	-
Total		115	-

The Department of the Premier (Corporate Services Centre) has confirmed that all Procedure on Incapacity Leave and Ill-Health Retirement (PILIR) cases have been finalised and approved by the Head of the Department.

At this stage, the Department has determined that fourteen (14) officials are eligible for early retirement without penalisation of pension benefits in terms of section 16(6) of the Public Service Act, 1994.

18.2 Contingent assets

At this stage, the Department is not able to reliably measure the contingent asset in terms of the Government Housing Scheme of the Individually Linked Savings Facility (ILSF) relating to resignations and termination of service.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

19. Commitments

	Note	2018/19	2017/18
		R'000	R'000
Current expenditure		9 270	4 046
Approved and contracted		9 270	4 046
Total Commitments		9 270	4 046

Material commitments relates to Apprenticeship Game Changer Projects for Funded Learnership Training and Competency Based Modular Training (CBMT).

20. Accruals and payables not recognised

20.1 Accruals

	Note	2018/19	2017/18
		R'000	R'000
Listed by economic classification			
		30 Days	30+ Days
		Total	Total
Goods and services		888	8
Total		888	8

	Note	2018/19	2017/18
		R'000	R'000
Listed by programme level			
Programme 1		386	255
Programme 2		4	12
Programme 3		3	13
Programme 4		11	13
Programme 5		85	8
Programme 6		52	8
Programme 7		355	207
Total		896	516

Material accruals comprise of audit fees, parking bay rentals and stipends for the Maths Intervention Project.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

20.2 Payables not recognised

	Note	2018/19	2017/18
		R'000	R'000

Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	52	7	59	416
Total	52	7	59	416

	Note	2018/19	2017/18
		R'000	R'000

Listed by programme level

Programme 1		23	255
Programme 2		-	16
Programme 3		-	3
Programme 4		4	25
Programme 5		10	11
Programme 6		-	2
Programme 7		22	104
Total		59	416

Reduction in payables not recognised due to improved project management and cash flow management practices.

	Note	2018/19	2017/18
		R'000	R'000

Included in the above totals are the following:

Confirmed balances with other departments	Annex 4	45	303
Total		45	303

21. Employee benefits

	Note	2018/19	2017/18
		R'000	R'000

Leave entitlement*		4 474	3 126
Service bonus		2 837	2 656
Performance awards**		748	1 668
Capped leave commitments		1 087	1 019
Other***		129	188
Total		9 275	8 657

* Included in the 2018/19 disclosure for leave entitlement is the credit amount of R200 434 for leave owed to the Department for those employees who went over their leave credits.

** Performance awards are calculated at 0.75% of the 2019/20 budget for Compensation of Employees for the Department.

*** Other refers to employees related accruals and long service awards at the reporting date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

22. Lease commitments

22.1 Operating leases

2018/19	Machinery and equipment R'000	Total R'000
Not later than 1 year	170	170
Later than 1 year and not later than 5 years	86	86
Total lease commitments	256	256

2017/18	Machinery and equipment R'000	Total R'000
Not later than 1 year	282	282
Later than 1 year and not later than 5 years	84	84
Total lease commitments	366	366

The operating leases relate to the photocopy machines in the Department as at 31 March 2019.

22.2 Finance leases

2018/19	Machinery and equipment R'000	Total R'000
Not later than 1 year	37	37
Later than 1 year and not later than 5 years	14	14
Total lease commitments	51	51

2017/18	Machinery and equipment R'000	Total R'000
Not later than 1 year	20	20
Total lease commitments	20	20

The finance leases relate to 3G data cards and Ipads in the Department as at 31 March 2019.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

22.3 Finance lease commitments

As determined by the National Accountant General, the arrangement between the Department of Economic Development and Tourism and GMT constitutes finance leases. The obligation in respect of the finance leases are presented below:

	Within 1 year	2 - 5 years	More than 5 years	Total
	R'000	R'000	R'000	R'000
2018/19	1 824	1 014	-	2 838
Total lease commitments	1 824	1 014	-	2 838

	Within 1 year	2 - 5 years	More than 5 years	Total
	R'000	R'000	R'000	R'000
2017/18	2 062	2 855	-	4 917
Total lease commitments	2 062	2 855	-	4 917

The Department of Economic Development and Tourism leased 27 vehicles from GMT as at 31 March 2019 (March 2018: 27). Daily tariffs are payable on a monthly bases, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

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

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	Note	2018/19	2017/18
		R'000	R'000
Opening balance		7 477	800
Add: Irregular expenditure - relating to prior year		-	3 463
Add: Irregular expenditure - relating to current year		500	4 014
Less: Prior year amounts condoned		-	(800)
Closing balance		7 977	7 477
Analysis of awaiting condonation per age classification			
Current year		500	7 477
Prior years		7 477	-
Total		7 977	7 477

The comparative figure relates to irregular expenditure that was identified after additional guidance on transfer payments was received from National Treasury. The reason for the classification as irregular expenditure was due to National Treasury guidance indicating specific instances where transfer payments did not apply and therefore a Supply Chain Management process should have been followed. As the Supply Chain Management process was not followed, the transaction resulted in irregular expenditure.

23.2 Details of irregular expenditure - added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2018/19
		R'000
Non-compliance to Supply Chain Management regulations	Under investigation - Still to be determined	500
Total		500

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

24. Related party transactions

List related party relationships

The Department of Economic Development and Tourism occupies a building free of charge managed by the Department of Transport and Public Works.

All Provincial Departments within the Western Cape are related parties.

The Department and the Department of Agriculture fall into the same Minister's portfolio. The Department of Agriculture has a total shareholding in Casidra SOC Ltd under the oversight of the Provincial Minister of Agriculture and Rural Development.

Parking space is also provided for government officials at an approved fee that is not market related.

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

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

The Department of Economic Development and Tourism make use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Department of Provincial Treasury.

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

The Department of Economic Development and Tourism has two (2) public entities under its control:

- Wesgro
- Saldanha Bay Industrial Development Zone Licencing Company (SBIDZ LiCo)

Mr S Fourie (Head of Department) is an ex-officio member of the Wesgro Board and is currently a non-executive director of the Cape Town International Convention Company SOC Limited RF (Convenco).

25. Key management personnel

	No. of Individuals	2018/19 R'000	2017/18 R'000
Officials:			
Management*	11	14 830	13 057
Total		14 830	13 057

Increase in expenditure due to the appointment of 2 officials appointed as Deputy-Director Generals during the year.

* Management includes all officials level 14 and above who have significant influence over the financial and operation policy decisions of the Department.

26. Non-adjusting events after reporting date

The Western Cape Government (WCG) is in the process of establishing a provincially owned company (the Special Economic Development Infrastructure Company or SEDIC) to manage a range of infrastructure projects in which the Province has an interest. The Western Cape Special Economic Development Infrastructure Company Act 2019 was promulgated on 3 April 2019 by the Provincial Legislature.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

27. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
	Opening balance	Value adjust- ments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	20 203	-	2 650	(1 557)	21 296
Transport assets	5 696	-	329	(162)	5 863
Computer equipment	8 543	-	1 422	(1 183)	8 782
Furniture and office equipment	3 894	-	479	(127)	4 246
Other machinery and equipment	2 070	-	420	(85)	2 405
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	20 203	-	2 650	(1 557)	21 296

Movable Tangible Capital Assets under investigation		
	Number	Value
		R'000
Machinery and equipment	1	31

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

Machinery and equipment 1 31

Assets under investigation relate to an asset discrepancy identified during the stock take (physical verification).

27.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
	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
MACHINERY AND EQUIPMENT	4 973	528	(2 851)	-	2 650
Transport assets	2 835	329	(2 835)	-	329
Computer equipment	1 223	199	-	-	1 422
Furniture and office equipment	479	-	-	-	479
Other machinery and equipment	436	-	(16)	-	420
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	4 973	528	(2 851)	-	2 650

Additions are mainly attributed to the purchase of a vehicle for operational requirements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019				
	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	524	1 033	1 557	-
Transport assets	-	162	162	-
Computer equipment	524	659	1 183	18
Furniture and office equipment	-	127	127	-
Other machinery and equipment	-	85	85	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	524	1 033	1 557	18

Included in the above are disposals to Non-Governmental Organisations (NGO) and staff in line with the Disposal Management Policy. The affected assets have reached the end of its useful lives. Actual cash received relates to proceeds from staff as per the Disposal Management policy.

27.3 Movement for 2017/18

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	19 783	-	4 210	(3 790)	20 203
Transport assets	6 274	-	171	(749)	5 696
Computer equipment	7 713	-	2 647	(1 817)	8 543
Furniture and office equipment	3 725	-	891	(722)	3 894
Other machinery and equipment	2 071	-	501	(502)	2 070
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	19 783	-	4 210	(3 790)	20 203

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

27.4 Minor assets

MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	35	5 749	5 784
Value adjustments	-	-	-
Additions	-	159	159
Disposals	-	(167)	(167)
TOTAL MINOR ASSETS	35	5 741	5 776
Number of R1 minor assets	-	120	120
Number of minor assets at cost	10	2 600	2 610
TOTAL NUMBER OF MINOR ASSETS	10	2 720	2 730

The number of R1 minor assets relates to assets transferred from the Department of Transport and Public Works for no consideration.

MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	29	4 841	4 870
Value adjustments	-	-	-
Additions	6	1 805	1 811
Disposals	-	(897)	(897)
TOTAL MINOR ASSETS	35	5 749	5 784
Number of R1 minor assets	-	161	161
Number of minor assets at cost	10	2 598	2 608
TOTAL NUMBER OF MINOR ASSETS	10	2 759	2 769

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

27.5 S42 Movable capital assets

MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2019			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000

No. of Assets	-	1	1
Value of the assets (R'000)	-	16	16

MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2019			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000

No. of Assets	-	3	3
Value of the assets (R'000)	-	7	7

MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2018			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000

No. of Assets	-	37	37
Value of the assets (R'000)	-	1 239	1 239

MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2018			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000

No. of Assets	-	181	181
Value of the assets (R'000)	-	291	291

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 188	-	1 064	(10)	2 242
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	1 188	-	1 064	(10)	2 242

Additions relate to the capitalisation of the of E-skills Platform.

28.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
	Cash	Non-cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	415	649	-	-	1 064
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	415	649	-	-	1 064

28.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019				
	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
SOFTWARE	-	10	10	-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	-	10	10	-

28.3 Movement for 2017/18

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 188	-	-	-	1 188
TOTAL INTANGIBLE CAPITAL ASSETS	1 188	-	-	-	1 188

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued) for the year ended 31 March 2019

28.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2019					
	<i>Note</i>	Opening balance 1 April 2018	Current Year WIP	Ready for use (Assets to the AR)/Contracts terminated	Closing balance 31 March 2019
		R'000	R'000	R'000	R'000
	<i>Annex 6</i>				
Intangible assets		649	205	(854)	-
TOTAL		649	205	(854)	-

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018						
	<i>Note</i>	Opening balance 1 April 2017	Prior period error	Current Year WIP	Ready for use (Assets to the AR)/Contracts terminated	Closing balance 31 March 2018
		R'000	R'000	R'000	R'000	
	<i>Annex 6</i>					
Intangible assets		-	-	649	-	649
TOTAL		-	-	649	-	649

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

ANNEXURE 1A STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT				2017/18		
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality	Division of Revenue Act R'000	Actual transfer R'000
Oudtshoorn Municipality	-	-	-	-	-	-	-	-	-	-	-	-	1 500
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	1 500

ANNEXURE 1B STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2017/18 Final appropriation R'000
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
South African Broadcasting Corporation (SABC)	5	-	-	5	4	80,0%	3
Saldanha IDZ Licencing Company	55 632	-	-	55 632	55 632	100,0%	48 155
Wesgro	87 699	-	4 700	92 399	92 399	100,0%	76 675
TOTAL	143 336	-	4 700	148 036	148 035		124 833

Unspent portion relating to the above:

Saldanha IDZ Licencing Company	903
Wesgro	2 025
	<u>2 928</u>

ANNEXURE 1C STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER			2017/18 Final Appropriation R'000
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Boland College	2 000	-	-	2 000	2 000	-	0.00%	-
TOTAL	2 000	-	-	2 000	2 000	-	-	-

ANNEXURE 1D STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2017/18 Final Appropriation R'000
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Capital R'000	Current R'000	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Public Corporations									
Casidra	3 375	-	(3 375)	-	-	-	-	-	-
Private Enterprises									
Agri-processing and oil gas - Supplier Development Programme (Beneficiaries)	5 875	-	(50)	5 825	5 821	99.9%	-	-	3 530
Township Revitalisation Project	1 500	-	-	1 500	1 500	100%	-	-	-
Waste Economy	600	-	(44)	556	556	100%	-	-	-
TOTAL	11 350	-	(3 469)	7 881	7 877	99.9%	-	-	3 530

ANNEXURE 1E STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2017/18 Final Appropria- tion R'000
	Adjusted Appropria- tion	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
BPESA	-	-	-	-	-	-	450
Cape Craft and Design Institute	-	-	-	-	-	-	375
Cape Clothing and Textile Cluster	-	-	-	-	-	-	300
Cape Digital Foundation	-	-	550	550	550	100%	-
Cape Information and Technology	500	-	-	500	500	100%	2 100
Cape Town Fashion Council	-	-	-	-	-	-	450
Clotex	-	-	-	-	-	-	300
Genesis Community Community IT Initiative	400	-	-	400	400	100%	400
Green Cape	-	-	-	-	-	-	10 800
National Empowerment Fund	5 000	-	-	5 000	5 000	100%	2 000
South African Oil and Gas Alliance	-	-	-	-	-	-	2 100
Western Cape Economic Development Partner	10 924	-	-	10 924	10 924	100%	10 136
Western Cape Fine Food Initiative	-	-	-	-	-	-	900
Western Cape Tooling Initiative	-	-	-	-	-	-	300
TOTAL	16 824	-	550	17 374	17 374		30 611

ANNEXURE 1F STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2017/18 Final Appropriation R'000
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
Bursaries (non-employees)	9 546	-	1 460	11 006	10 944	99%	10 240
Donations and gifts (Monetary gifts given to winners of the Western Cape Entrepreneurship)	125	-	94	219	219	100%	755
Leave gratuity (23 employees have left the public service)	43	-	83	126	123	98%	109
Injury on duty	-	-	1	1	1	100%	-
TOTAL	9 714	-	1 638	11 352	11 287		11 104

ANNEXURE 1G STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
Cape Town International Convention			
Company SOC Limited RF	Cape Town International Jazz Festival tickets	-	2
G & D Guesthouse	Small gift	-	1
SEDA	Small gift	-	3
Provincial Treasury	Book gift voucher	1	-
TOTAL		1	6

ANNEXURE 1H STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	Opening balance	Revenue	Expendi-ture	Paid back on/ by 31 March	Closing balance
		R'000	R'000	R'000	R'000	R'000
Received in cash						
Government Technical Advisory Centre (GTAC)	Work and Skills Programme	5 263	3 925	(6 604)	-	2 584
The Manufacturing Engineering and Related Services Education and Training Authority (MerSeta)	Apprenticeship Game Changer	3 428	646	-	(3 603)	471
TOTAL		8 691	4 571	(6 604)	(3 603)	3 055

ANNEXURE 2 STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO PROVINCIAL PUBLIC ENTITIES

NAME OF PUBLIC ENTITY	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 18/19	% Held 17/18	Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guarantee Yes/No
				2018/19	2017/18	R'000	R'000	R'000	R'000	R'000	R'000	
National/ Provincial Public Entity												
Saldanha Bay IDZ Licencing Company		100	100	120	120	63	63	457 254	337 099	120 155	65 355	
SOC Limited												
Subtotal		100	100	120	120	63	63	457 254	337 099	120 155	65 355	
Other												
Cape Town International Convention Centre		23.2	23.2	60 425	60 425	303 790	303 790	195 947	267 474	(71 987)	10 087	
Subtotal		23.2	23.2	60 425	60 425	303 790	303 790	195 947	267 474	(71 987)	10 087	
TOTAL				60 545	60 545	303 853	303 853	653 201	604 573	48 168	75 442	

ANNEXURE 3 STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2019

NATURE OF LIABILITY	Opening Balance 1 April 2018	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2019
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Bazz Collections	-	115	-	-	115
TOTAL	-	115	-	-	115

ANNEXURE 4 CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19 *	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Ministry of Economic Opportunities	-	-	-	-	-	-	03/04/2019	5
Western Cape Department of Health	-	-	9	-	9	-	-	-
Western Cape Department of Social Development	22	-	-	-	22	-	-	-
TOTAL	22	-	9	-	31	-		5

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19 *	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Current								
Western Cape Department of the Premier	45	303	-	-	45	303	29/03/2019	97
Western Cape Department of Health	58	-	-	-	58	-		-
TOTAL	103	303	-	-	103	303		97

ANNEXURE 6 MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2019	Opening balance	Current Year Capital WIP	Ready for use (Asset register)/ Contract terminated	Closing Balance 31 March 2019
	R'000	R'000	R'000	R'000
SOFTWARE	649	205	(854)	-
Software	649	205	(854)	-
TOTAL	649	205	(854)	-

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register)/ Contract terminated	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	-	649	-	649
Software	-	-	649	-	649
TOTAL	-	-	649	-	649

ANNEXURE 7 INTER-ENTITY ADVANCES PAID (note 10)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
Government Motor Transport	650	-	-	-	650	-
Wesgro	4 700	2 980	-	-	4 700	2 980
TOTAL	5 350	2 980	-	-	5 350	2 980

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