



**Western Cape
Government**

Local Government



Annual Report 2016 – 2017
Department of Local Government



Department of Local Government
Annual Report
2016 / 2017

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PART A: GENERAL INFORMATION

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LIST OF ABBREVIATIONS

AGSA:	Auditor-General of South Africa
AO:	Accounting Officer
APP:	Annual Performance Plan
BAS:	Basic wAccounting System
BEPP:	Build Environment Performance Plan
CBW:	Capacity Building Workshops
CDW:	Community Development Worker
COGTA:	Department of Co-operative Governance and Traditional Affairs
CSC:	Corporate Service Centre
CWP:	Community Worker Programme
D:ERM:	Directorate: Enterprise Risk Management
DCF:	District Coordinating Forum
DCFTECH:	District Coordinating Forum Technical Committee
DEADP:	Department of Environmental Affairs and Development Planning
DM:	District Municipality
DORA:	Division of Revenue Act
DPSA:	Department of Public Service and Administration
EAP:	Employee Assistance Programme
EE:	Employment Equity
EH:	Employee Health
EHP:	Emergency Housing Programme
EHWP:	Employee Health and Wellness Programme
EPWP:	Expanded Public Works Programme
ERM:	Enterprise Risk Management
ERMCO:	Enterprise Risk Management Committee
FFA:	Fire Fighting Aviation
FLSE:	Fire and Life Safety Education
GPSSBC:	General Public Service Sector Bargaining Council
HCT:	HIV & AIDS Counselling and Testing
HDI:	Historically Disadvantaged Individuals
HIV/AIDS:	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome

LIST OF ABBREVIATIONS

HR:	Human Resources	OPMS:	Organisational Performance Management System
HRDC:	Human Resource Development Committee	OSD:	Occupation-Specific Dispensation
HRDVS:	Human Resource Development Verification System	PAIA:	Promotion of Access to Information Act, 2000 (Act 2 of 2000)
ICASA:	Independent Communications Authority of South Africa	PAJA:	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
ICT:	Information Communication Technology	PCF:	Premier's Coordinating Forum
ID:	Identity Document	PDMC:	Provincial Disaster Management Centre
IDP:	Integrated Development Plan	PFMA:	Public Financial Management Act, 2003 (Act 56 of 2003)
ISDF:	Integrated Strategic Development Framework	PILIR:	Policy on Incapacity Leave and Ill-Health Retirement
IFM:	Integrated Fire Management	PMS:	Performance Management System
IGR:	Intergovernmental Relations	PSCBC:	Public Service Coordinating Bargaining Council
LBRCT	Lower Breede River Conservancy Trust	RDP:	Reconstruction & Development Programme
LGMTEC	Local Government Medium-Term Expenditure Committee	RMT:	Regional Monitoring Team
LGTAS:	Local Government Turnaround Strategy	SAPS:	South African Police Service
LRA:	Labour Relations Act, 1995 (Act 66 of 1995)	SASSA:	South African Social Security Agency
M&E:	Monitoring & Evaluation	SCM:	Supply Chain Management
MEC:	Member of Executive Council	SDBIPs:	Service Delivery & Budget Implementation Plans
MIG	Municipal Infrastructure Grant	SDIP:	Service Delivery Improvement Plan
MINMAY:	Forum of Provincial Minister of Local Government and Executive Mayors	SIU:	Special Investigations Unit
MINMAYTECH:	Forum of Head of Department: Local Government and Municipal Managers	SLA:	Service Level Agreement
MSA:	Municipal System Act, 2000 (Act, 32 of 2000)	SMMEs:	Small Medium and Micro Enterprises
MPAT:	Management Performance Assessment Tool	SMS:	Senior Management Service
MPRA:	Municipal Property Rates Act, 2004 (Act 6 of 2004)	SoE:	State owned Enterprises
MTEF:	Medium Term Expenditure Framework	SPLUMA:	Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)
NDMC:	National Disaster Management Centre	Stats SA:	Statistics South Africa
NEMA:	National Environmental Management Act, 1998 (Act No.107 of 1998)	UIF:	Unemployment Insurance Fund
NTPSRMF:	National Treasury Public Sector Risk Management Framework	UNAIDS:	United Nations Programme on HIV & AIDS
OD:	Organisational Design	WCG:	Western Cape Government
		WP:	Wellness Programme
		WSP:	Workplace Skills Plan

1. MINISTER'S FOREWORD



As I table my Department's 2016/17 annual report, I think of the recent fires which negatively affected the lives of Knysna and Bitou citizens. The Knysna wildfire incident, which occurred from 6 to 11 June 2017, destroyed large tracts of veld and forest, and also resulted in the destruction of property, the loss of income and most concerning is the loss of human lives. Although the incident occurred outside the period under review, I find it appropriate to acknowledge the significant damage experienced by the residents of Knysna and Bitou and extend my condolences to the families of those who have lost their loved ones and property during this incident.

In My Department's 2016/17 Annual Performance Plan, I made a number of commitments and satisfied to reflect on the performance of the Department over the period under review. Post the 2016 local government elections, municipalities were required establish new councils to build on the governance excellence established in

the respective municipalities and where necessary strengthen governance. Building on the lessons learnt during the 2011 local government elections, the Department provided guidance and support to municipalities in convening and conducting their first council meetings. Through the Nelson Mandela University, the Department provided a Councillors training programme, with the aim of equipping the newly elected Councillors with the necessary tools to deliver on their roles and responsibilities.

Embracing the spirit of the Western Cape Government's commitment to the "whole of society approach" and as part of orientation to the new Councillors the Department provided an opportunity to the newly appointed Councillors to engage the Provincial Cabinet on strategic issues influencing governance and service delivery in both spheres of government. Through these engagements, key strategic initiatives and actions were collectively agreed upon, which I am glad to report were adequately dealt with to the satisfaction of both spheres.

The 2016 local government elections marked the beginning of a five-year planning cycle for municipalities, which has commonly been referred to as the Fourth Generation Integrated Development Planning Process. An Integrated Development Plan which is a single and inclusive strategic plan for the development of a municipality, which integrates plans and resources in a sustainable manner, is considered a critical tool for development in communities. As a precursor to the development of the Fourth Generation IDPs, the Department hosted a series of strategic engagements between provincial departments and municipalities of which the aim was to strengthen integrated planning and budgeting.

Climate change continues to threaten to the Province to the extent that experts predict that the extreme weather conditions contributed to the fires and the drought that the Province is experiencing. The Province continued to receive lower than expected rainfall with longer dry days in between. This has led to critical water shortages, which has seen dams reaching very low levels, including levels of potable water as low as 10%. Municipalities had to apply strict water restrictions and other measures to avoid further water shortages.

In support, my Department assisted the affected municipalities with disaster declarations and also putting in place measures to deal with water shortages.

Whilst municipalities had to deal with the above mentioned challenges, service delivery had to continue and citizens remained a focal point. To this effect, engagement of citizens in the decision making process of a municipality is not only critical to improving the public's perception of a municipality, but to improve service delivery. In the previous financial year, I launched standardised websites for municipalities to enable communication between municipalities and citizens. It is against this commitment that, during the year under review, my Department launched a Municipal Citizen Engagement Application. This application was developed as part of the e-Citizen, e-Governance Strategy of the Western Cape Government. It allows Government to live up to the commitment to move towards a culture of active citizenry by utilising technology for citizens to have access to government systems.

During the period under review, the Department conducted diagnostics assessments in certain municipalities and dedicated support plans were developed for these municipalities focusing on Back to Basics pillars of putting people first, basic services, good governance, capacity building and sound financial management. We had used success with the Back to Basics programme to the extent that certain municipalities moved between categories or exited the Programme.

My Department is part of the bigger programme of government aimed at addressing poverty, unemployment and inequality facing the Province. We are driven by the commitment that "everything we do, impacts on the lives of ordinary residents" whether directly or indirectly, and this drives the work of every official in the Department.



AW Bredell

Minister of Local Government,
Environmental Affairs and Development Planning

2. ACCOUNTING OFFICER'S OVERVIEW



The period under review has been both exciting and challenging for the Department. The Department had to deliver on its Annual Performance Plan (APP) commitments under continued budget pressures which are linked to the weak economy. Despite of the budget pressures, the Department applied cost efficiency measures and was able to achieve all of its planned targets. The Department also achieved an unqualified audit opinion and express my sincere appreciation to all staff members.

The Province has experienced some of the most expensive and largest wildfires it has ever experienced in its history. Given the state of equipment of many fire services within the Province, particularly outside the metropolitan areas, the Department has to date procured 10 fully equipped, purpose built firefighting vehicles. These have been deployed to rural municipalities across the Province.

Supporting municipalities with assessments and declarations became one of the priority areas for the

Department. This resulted in drought declarations facilitated for the City of Cape Town, Kannaland and Witzenberg Municipalities. Drought declared areas such as West Coast and Central Karoo (agricultural drought) and Witzenberg, Oudtshoorn, Prince Albert (hydrological drought) were supported with key interventions. To this effect, R10 million was allocated to augment water supply and bulk infrastructure capacity in drought stricken municipalities. Further to this, the Department supported municipalities with water awareness campaigns.

Recognising the need to strengthen relations and partnership between the provincial departments and municipalities, following the 2016 local government elections, the Department held a strategic engagement between Provincial Heads of Departments and Municipal Managers with a theme of "Building Partnership and Relations towards Improved Service Delivery". The aim of this engagement was to strengthen relations and partnerships between sector departments for improved participation in the municipal planning processes (IDP) and public participation.

Of significance, after the 2016 local government elections was the capacitation of new Councillors. To this effect, the Department in partnership with various stakeholders such as SALGA Western Cape, Nelson Mandela University (NMU), and sector departments, as well as the Hanns Seidel Foundation (HSF) rolled out targeted training for councillors across the Western Cape. This training included modules that were focused on enhancing the knowledge and skills of Councillors which will assist them to perform their daily tasks, as well as, outline their oversight role. Additional to this, the Department also provided a series of workshops on the Code of Conduct and Roles of Responsibilities of Councillors.

It is without any doubt that the next 5-year cycle will continue to bring new challenges into the local government space, therefore introducing new approaches and strategies that will establish and enhance municipal functioning, became important. In this regard, the development and implementation of the Integrated Performance and Support System (IPSS) provides provincial departments with an overview of the levels of municipal performance both as an organisation

as well as the individual segments which make up a municipality. This is all done in a single space, thereby reducing duplicate requests for information as well as ensuring that there is a single Provincial interpretation of the data at hand. The system was launched in February 2017 with first baseline assessment for the period ended 31 March 2017 being produced. Going forward, the IPSS will produce a clear understanding of municipal functioning and an indication of where support is required.

Departmental Receipts

Departmental Receipts	2016/2017			2015/2016		
	Estimate	Actual Amount Collected	Over/Under Collection	Estimate	Actual Amount Collected	Over/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	37	110	(73)	37	80	(43)
Interest, dividends and rent on land	13	2	11	13	3	10
Sales of capital assets	-	61	(61)	-	115	(115)
Financial transactions in assets and liabilities	-	54	(54)	-	238	(238)
Total	50	227	(177)	50	436	(386)

Spending trends:

The Department utilised 98.4% of its total budget allocation. This was mainly due to staff turnover rate and filling of vacant funded posts amounting to R3,766 million on Compensation of Employees for the 2016/17 financial year.

Virements/roll overs

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

- Goods and Services due to reprioritisation of funds projected within the programme 1 for 2016/17 financial year.
- Provincial and Local Government Municipal Support Grants in five municipalities namely Eden, West coast, Overberg, Cape Winelands District and City of Cape town were all affected by drought.
- Payment of capital assets due to the increase of transport equipment during the 2016/17 financial year as well as the procurement of computer equipment according to the Departmental ICT Refresh Plan. The virement was undertaken within the guidelines of Provincial Treasury.



Accounting Officer
Department of Local Government
Date: 31 August 2017

3. 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 2017.



Accounting Officer
Department of Local Government
Date: 31 August 2017

4. STRATEGIC OVERVIEW

4.1 Vision

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

4.2 Mission

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

4.3 Values

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

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

4.4 Legislative and other Mandates

4.4.1 Constitutional Mandates

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

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

4.4.2 Legislative Mandates

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

a) Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998)

This Act aims to:

- Provide criteria and procedures for the determination of municipal boundaries by an independent authority.

b) Local Government: Municipal Structures Act, 1998 & Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

Together these Acts:

- Describe the political decision-making systems which apply to different categories of municipalities;
- Define the powers and duties of various role-players;
- Regulate the delegation of powers;
- Provide a code of conduct to govern both councillors and officials; and
- Provide the benchmark against which Provincial Government needs to regulate, monitor, support and co-ordinate municipalities under its jurisdiction

c) Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)

This Act aims to:

- Secure sound and sustainable management of the financial affairs of municipalities and
- Establish norms and standards against which the financial affairs can be monitored and measured.

d) Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) as amended by the Local Government: Municipal Property Rates Amendment Act, 2014 (Act No 29 of 2014)

This Act aims to:

- Regulate the power of a municipality to impose rates on a property;

- Exclude certain properties from rating;
- Make provision for municipalities to implement a transparent and fair system of exemptions;
- Introduce a rebate through rating policies;
- Make provision for fair and equitable valuation methods of properties; and
- Make provision for an 'objection and appeal' process.

e) The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015.

The Act aims to:

- Provide for various amendments, insertions and deletions in order to enhance proper reporting, compliance and implementation of the processes and procedures pertaining to the implementation of the Act.

f) Disaster Management Act, 2002 (Act 57 of 2002)

This Act provides:

- An integrated and co-ordinated disaster management focused on rapid and effective response;
- Recovery from disasters as well as the reduction of disaster risk;
- The establishment of provincial and municipal disaster management centres;
- A framework under which the provincial disaster management centre operates and liaises with municipalities and relevant stakeholders on disaster-related matters.

g) Disaster Management Amendment Act, 2015 (Act 16 of 2015)

The Disaster Management Amendment Act seeks to, amongst others,

- Clarify the policy focus on rehabilitation and functioning of Disaster Management Centres; and
- Align the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction;
- Provide for the South African National Defence Force, South African Police Service and any other

organ of state to assist the disaster management structures; and

- Strengthen the disaster risk reporting system in order to improve the country's ability to manage potential disasters.

h) Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)

This Act aims to:

- Establish a framework for national and provincial governments as well as municipalities to promote and facilitate inter-governmental relationships; and
- Provide mechanisms and procedures to facilitate the settlement of inter-governmental disputes.

i) Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)

This Act aims to:

- Provides a framework for spatial planning and land use management in the Republic;
- Specifies the relationship between the spatial planning and the land use management systems and other kinds of planning;
- Provides for the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government;
- Provides a framework for the monitoring, co-ordination and review of the spatial planning and land use management system;
- Provides a framework for policies, principles, norms and standards for spatial development planning and land use management;
- Addresses past spatial and regulatory imbalances;
- Promotes greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications;
- Provides for the establishment, functions and operations of Municipal Planning Tribunals;
- Provides for the facilitation and enforcement of land use and development measures; and
- Provides for matters connected to all of the above.

4.4.3 Other Local Government Legislation

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

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

4.4.4 Transversal Legislation

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

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

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

4.4.5 Local Government Policy Mandates

The following provide the policy framework for local government:

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

4.4.6 Other Policy Mandates

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

- Western Cape Disaster Management Framework, 2010;
- Batho Pele principles;
- Policy Framework for Government-Wide Monitoring and Evaluation (M&E) System, 2007;
- Framework for Managing Programme Performance Information, 2007 (FMPPPI);
- South African Statistical Quality Assurance Framework, 2007;
- National Spatial Development Perspective, 2002 (NSDP);
- Provincial Spatial Development Framework, 2014 (PSDF);
- National Disaster Management Framework, 2005;
- National Development Plan (Vision 2030); and
- Provincial CDW Master Plan

4.4.7 Planned Policy Initiatives

- N/A

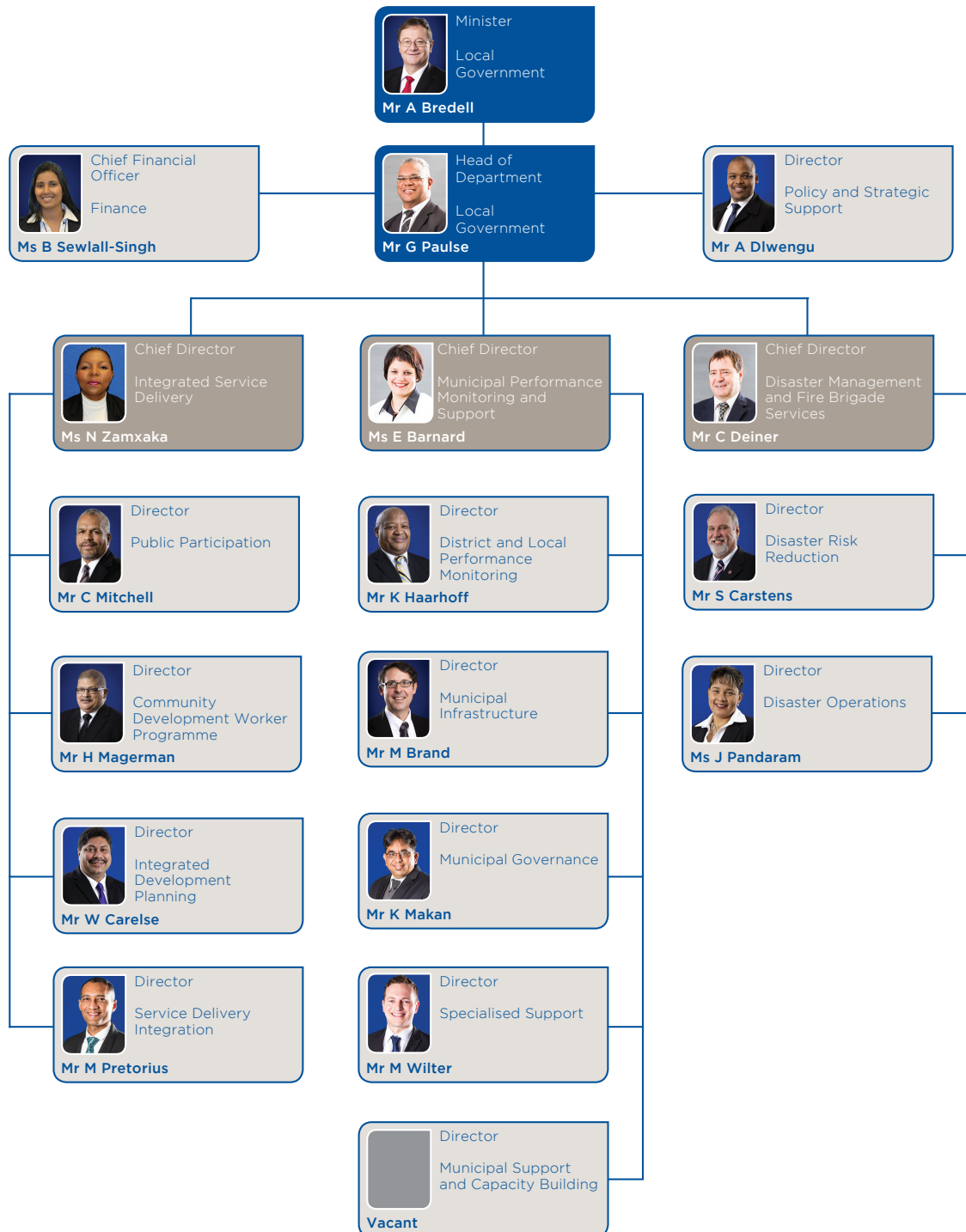
5. ORGANISATIONAL STRUCTURE



Western Cape
Government

BETTER TOGETHER.

Department of Local Government





PART B: DEPARTMENTAL PROGRAMME PERFORMANCE

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES:

The Auditor General reported no material findings on the Annual Performance Report concerning the usefulness and reliability of the information (see Part E: page 118-120).

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Supporting municipalities post local government elections

The 2016 local government elections marked an important milestone in local government. The pre and post-election period became an important period for the Department to provide a range of support initiatives to ensure a smooth transition. To this effect, the Department provided support such as the establishment of a municipal election help desk to guide municipalities prior and post the elections. Guidance on convening the first council meeting was provided to all municipalities. Additional to this, the management team of the Department was deployed to monitor the first council meetings and provide guidance where necessary.

It is the responsibility of the Department to help build capacity of municipalities. Support was provided to new Councillors in the form of training and workshops in areas such as, Roles and Responsibilities, Code of Conduct for Councillors, Anti-corruption and the Roles of Municipal Public Accounts Committees. In addition, support was further provided in a form of the development of by-laws, Rules of Order and providing platforms for municipalities to discuss new legislation or any other legislative reforms that affect municipalities. Middle Management Development Training was also rolled out to officials representing different municipalities.

The intervention in terms of section 139 (5) which was implemented by the Western Cape Government (WCG) in partnership with the National Department of Co-operative Governance and Traditional Affairs in Oudtshoorn Municipality was terminated after the new council was sworn in. The WCG conducted a diagnostic assessment into the affairs of Kannaland Municipality

resulting in an agreement for an intervention in terms of the constitution and also provide targeted support.

The Local Government: Municipal Systems Act No 32 of 2000 prescribes that the employment contract for a municipal manager must be for a fixed term of employment up to a maximum of five years, not exceeding a period ending one year after the election of the next council of the municipality. During the period under review, a number of vacancies of senior manager positions existed in some municipalities, which meant that municipalities had limited capacity to fulfil their legislative obligations. In dealing with the vacancies, the Department provided support in terms of monitoring the filling of such vacancies, guidance relating to the legislative prescripts pertaining to the recruitment and selection process and the facilitation of secondment(s) where vacancies existed.

Investment in municipal infrastructure

The development of bulk infrastructure is critical for economic development. The Department has a responsibility to strengthen the capacity of municipalities to deliver services. It is to this effect that the Department made transfers to different municipalities for 2016/17 financial year to support with projects such as replacement of water and electricity meters, and the drilling and equipping of boreholes in support of the drought. In addition, the Department provided support to municipalities in the development of electricity master plans and research on on-site waste water treatment solutions. Technical advice was also provided to municipalities and a Municipal Infrastructure Grant (MIG) monitoring programme to monitor and report on infrastructure projects.

Enhancing the Integrated Development Plans as instruments of service delivery

After the 2016 local government elections, municipalities started a process of developing their five year Integrated Development Plans (IDPs). This is an important period which seeks to ensure that the community needs identified are prioritized and translated into action via the IDP. The Fourth Generation Integrated IDPs provide an opportunity to strengthen integrated planning, budgeting and implementation between the Western Cape Government and the respective municipalities and to influence planning to contribute to sustainable local government. During the year under review, the

Department coordinated District Integrated Municipal Engagements which were aimed at concluding agreements on key issues to be incorporated into the new IDPs. Further to this, all 30 municipalities were supported with planning, drafting and review of the IDPs, challenges which were identified during the assessments of the Third Generation of IDPs were used to strengthen the development of the Fourth Generation of IDPs.

Section 73 of the Local Government Municipal Structures Act 117 of 1998, requires metro and local councils to establish ward committees for each ward in the municipality. The objective of the ward committees is to enhance participatory democracy in local government. Following the 2016 local government elections, considerable progress has been made in supporting municipalities to fulfill this requirement. All municipalities were supported with the establishment of ward committees; support provided includes facilitation of workshops on the Ward Committee Establishment Toolkit, know your ward committee campaign and the development of ward committee operational plans for local municipalities across the 5 Districts as well as the Metro. An accredited NQF Level 5 Ward Committee Induction Train the Trainer Course for municipal officials was also conducted. The course was aimed at equipping municipal officials with facilitation skills along with the content of the Ward Committee Induction Manual.

Lack of access to services and resources are some of the contributors to people being poor and vulnerable. Empowering people with information and knowledge in order to access government services is a vital step in improving the standard of the poor and vulnerable communities. During the year under review, the Community Development Worker and the Thusong Programme continued to play a critical role in ensuring that services reach the intended recipients. Over 1 million people were assisted to access services through the Thusong Centres, Satellite Centres and Mobiles. The Community Development Workers supported 76 initiatives aimed at improving access to small economic opportunities.

Improving the capacity to deal with fire and related hazards

During 2016/17 financial year, the Province experienced a heavy fire season, this is amongst other factors, owed

to severe drought experienced. Wildfires became a major problem, not only as a hazard to the environment and properties, but human life is at danger during these fires. At the end of the financial year more than 17 000 fires were attended to by Fire Services in the Province. Nearly 2 000 of these were reported in informal settlements involving close to 5 900 individual units resulting in 142 fatalities. Approximately 9 000 veld/vegetation fires have been reported, damage to the formal sector was estimated to exceed R500 million.

The state of many Fire Services within the Province, especially outside the metropolitan areas, is a matter of increasing concern. The financial situation of most district municipalities has resulted in old and obsolete equipment not being replaced. In response, During the year under review, the Department procured and handed over 10 fully equipped, purpose built firefighting vehicles, to rural municipalities across the Province.

In addition, years of research into the fires in informal settlements has come up with a potential solution that could help reduce fire related deaths in these settlements. The study has found that the majority of the deaths are linked to smoke inhalation and not the fires themselves. Based on this research the Western Cape Disaster Management Centre has developed a strategy that entails installing smoke alarms in our vulnerable communities. This device will assist to wake people up before it is too late. An active pilot program in the Breede Valley area has already delivered outstanding results in the communities where the pilot has been running. This project will assist to reduce fire related deaths.

The Department handed over the annual grants to Lifesaving Western Cape and to the National Sea Rescue Institute (NSRI) to an amount of R422 000 each to strengthen water safety throughout the Province. An additional amount of R585 000 was provided to the NSRI for the procurement of three vessels which will increase their responsive rescue services at high risk beaches. The NSRI is not only a reactive service where they respond to those who are at risk of drowning but also proactively whereby they educate children in order to prevent drowning. The NSRI consists of 32 coastal and three inland rescue bases. In previous years the NSRI was a valuable resource for the evacuation of vulnerable people during flooding incidents. Lifesaving WC, consisting of 24 clubs, provides a voluntary

lifesaving service at beaches and also at pools and dams throughout the Western Cape.

The Province continues to receive lower than projected rainfall, to this effect, supporting municipalities with assessments and declarations became a priority area for the Department. Drought declarations were facilitated for the City of Cape Town, Kannaland and Witzenberg Municipalities. Drought declared areas were supported with key interventions and to this effect, R17,2 million was allocated to augment water supply and bulk infrastructure capacity in drought

stricken municipalities. On-going assessments are done and support will be provided as required.

2.2 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Thusong Outreaches and Thusong Service Centres	• Communities	0 citizens accessing government services Note: No standard previously measured hence 0	100 000 citizens accessing government services	1 099 703 citizens were provided with a platform to access government services through the Thusong Outreaches and Thusong Service Centres
Support initiatives to improve access to government services	• Communities	27 initiatives to improve access to government services	20 initiatives to improve access to government services	22 initiatives to improve government services were held throughout municipalities in the Province

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Mobiles and Service Centres		
<p>Consultation:</p> <ul style="list-style-type: none"> a. Consultation/planning meetings with departments and communities b. Written Correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by the communities 	<p>Consultation:</p> <ul style="list-style-type: none"> a. Consultation/planning meetings with departments and communities b. Written Correspondence c. Communication d. Thusong Mobiles e. Evaluation forms completed by the communities 	<p>Consultation:</p> <ul style="list-style-type: none"> a. Consultation/planning meetings with departments and communities b. Written Correspondence as required c. Communication as required d. 24 Thusong Mobiles held e. Evaluation forms completed by the communities are analysed
<p>Access:</p> <ul style="list-style-type: none"> a. 80 St. George's Mall, Waldorf Building b. Thusong centres c. Government facilities in the communities d. Thusong Mobiles venues 	<p>Access:</p> <ul style="list-style-type: none"> a. 80 St. George's Mall, Waldorf Building b. Thusong centres c. Government facilities in the communities d. Thusong Mobiles venues 	<p>Access:</p> <ul style="list-style-type: none"> a. 80 St. George's Mall, Waldorf Building b. Thusong Centres within the Province c. Government facilities in the communities d. Thusong Mobiles venues as scheduled
<p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information/ complaints desks at Thusong Centres and Thusong Mobiles 	<p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information/ complaints desks at Thusong Centres and Thusong Mobiles 	<p>Courtesy:</p> <ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Senior managers of departments e. Information/ complaints desks at Thusong Centres and Thusong Mobiles
<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagement platforms safety forums with departments and communities b. Written correspondence Communication c. Thusong Mobiles d. Evaluation forms completed by community e. Annual Report 	<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagement platforms safety forums with departments and communities b. Written correspondence Communication c. Thusong Mobiles d. Evaluation forms completed by community e. Annual Report 	<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. Consultation/planning engagement platforms safety forums with departments and communities in place b. Written correspondence as required c. 24 Thusong Mobiles held d. Evaluation forms completed by community e. Annual Report
<p>Value for Money:</p> <ul style="list-style-type: none"> a. Yes, communities were able to access services at the Thusong Mobile venue 	<p>Value for Money:</p> <ul style="list-style-type: none"> a. Yes, communities were able to access services at the Thusong Mobile venue 	<p>Value for Money:</p> <ul style="list-style-type: none"> a. Yes, communities were able to access services at the Thusong Mobile venue close to their homes. The total project budget amounted to R1 410 000

Current/actual arrangements	Desired arrangements	Actual achievements
Support initiatives to improve Access to government services		
<p>Consultation:</p> <ul style="list-style-type: none"> a. In communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings b. IDP meetings, CDW Community meeting, etc. c. Community meeting, etc. These meetings provide space for communities to make their inputs 	<p>Consultation:</p> <ul style="list-style-type: none"> a. communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings b. IDP meetings, CDW c. Community meeting, etc. These meetings provide space for communities to make their inputs 	<p>Consultation:</p> <ul style="list-style-type: none"> a. In communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings b. 47 IDP meetings in Cape Winelands, 2 IDP meetings in Central Karoo, 12 IDP meetings in Overberg and 32 IDP meetings in Eden were held c. Community meetings, etc. These meetings are a mechanism provider for communities
<p>Access:</p> <ul style="list-style-type: none"> a. In communities 	<p>Access:</p> <ul style="list-style-type: none"> a. In communities 	<p>Access:</p> <ul style="list-style-type: none"> a. Initiatives are conducted in communities
<p>Courtesy:</p> <ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors c. Regional Coordinators d. Municipal offices e. Behaviour can also be reported to the Department of Local Government (CDW section) 	<p>Courtesy:</p> <ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors c. Regional Coordinators d. Municipal offices e. Behaviour can also be reported to the Department of Local Government (CDW section) 	<p>Courtesy:</p> <ul style="list-style-type: none"> a. CDWs available to communities b. CDW supervisors available c. Regional Coordinators available d. Municipal offices in place e. No behaviours were reported to the Department of Local Government (CDW section)
<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. CDWs participate in different community meetings 	<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. CDWs participate in different community meetings 	<p>Openness and Transparency:</p> <ul style="list-style-type: none"> a. CDWs participate in different community meetings
<p>Value for Money:</p> <ul style="list-style-type: none"> a. The total compensation budget for the unit amounts to 49 189 Million 	<p>Value for Money:</p> <ul style="list-style-type: none"> a. The total compensation budget for the unit amounts to 53 609 Million 	<p>Value for Money:</p> <ul style="list-style-type: none"> a. The total compensation budget for the unit amounts to R52 932 Million

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Thusong Mobiles and Service Centres		
<ul style="list-style-type: none"> a. Posters b. Pamphlets c. Loud hailing d. Newspaper articles e. Radio broadcasting, announcements regarding services f. Emails – telephone g. Annual Report 	<ul style="list-style-type: none"> a. Posters b. Pamphlets c. Loud hailing d. Newspaper articles e. Radio broadcasting, announcements regarding services f. Emails – telephone g. Annual Report 	<ul style="list-style-type: none"> a. Posters available b. Pamphlets available c. Loud hailing done within community d. No newspaper articles were published e. No Radio broadcasting, announcements regarding services were done f. Emails/telephone utilised as required g. Annual Report available
Support initiatives to improve access to government services		
<ul style="list-style-type: none"> a. Posters b. Pamphlets c. Loud hailing d. Community meetings e. Ward Committees f. IDP & CDW information 	<ul style="list-style-type: none"> a. Posters b. Pamphlets c. Loud hailing d. Community meetings e. Ward Committees f. IDP & CDW information 	<ul style="list-style-type: none"> a. Posters b. Pamphlets c. Loud hailing done within community prior to initiatives d. Community meetings e. 132 Ward Committee meetings in Eden and 57 Ward Committee meetings in Cape Winelands were held f. 47 IDP meetings in Cape Winelands, 2 IDP meetings in Central Karoo, 12 IDP meetings in Overberg and 32 IDP meetings in Eden were held

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Thusong Mobiles and Service Centres		
<ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Information desk/complaints Centre at Thusong Mobiles 	<ul style="list-style-type: none"> a. Evaluation forms completed by community b. Report to project manager c. Identified persons at Thusong Mobiles where community can lodge complaints d. Information desk/complaints Centre at Thusong Mobiles 	<ul style="list-style-type: none"> a. Evaluation forms completed by community are analysed and actioned b. No complaints reported to Project Manager c. No complaints were lodged with Identified persons at Thusong Mobiles d. Information desk/complaints centre at Thusong Mobiles received
Support initiatives to improve access to government services		
<ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors, regional coordinators & municipal offices and The Department of Local Government 	<ul style="list-style-type: none"> a. Communities can make use of CDWs b. CDW supervisors, regional coordinators & municipal offices and The Department of Local Government 	<ul style="list-style-type: none"> a. Communities lodged 3 complaints and resolved in Metro 1, West Coast and Metro 2 b. CDW supervisors, regional coordinators & municipal offices and The Department of Local Government attended to 3 complaints

2.3 Organisational Environment

Over the past year, given the weak economic outlook and constrained resources, the Department had to put in place measures to maintain efficiency and ensure that targets were met within the baseline.

At the end of the 2016/17 financial year, the Department had an overall vacancy rate of 2%, this is an improvement on the 4.4 % vacancy rate during the previous financial year. The Department had to apply the 1% and 2% cuts on policy priorities and earmarked funding allocated to the Department over the 2017 MTEF. This meant that the Department had to do more with little, as funds had to be reprioritised to ensure that service delivery obligations are met.

During the financial year, the Department deployed some of its internal officials to assist municipalities that experienced governance related challenges.

The Department also filled critical internal senior management post, that of the Head of Department and the Chief Director: Municipal Performance Monitoring and Support.

2.4 Key Policy Developments and Legislative Changes

There were no key policy developments or legislative changes in 2016/17.

3. STRATEGIC OUTCOME ORIENTED GOALS

The Department's work is guided by the National Development Plan, which is incorporated in outcome 9: responsive, accountable, effective and efficient developmental local government (MTSF Chapter on Local Government) and the back to basics approach. The achievements in this regard have been reported on in the performance tables below.

At Provincial Level the Department contributes to Provincial Strategic Goal 5: embed good governance and integrated service delivery through partnerships, some of the deliverables for the Department in 2016/17 were:

- The development of a Governance Capability Maturity Model;
- The automation of a Governance Capability Assessment System;

- A baseline report on the status of Governance in Municipalities; and
- A list of governance support initiatives to be included in Municipal Support Plans (MSP).

These deliverables necessitated the development of the Integrated Performance and Support System (IPSS) which was activated on 8 February 2017. This is a single electronic reporting tool which enables gathering of data to be used in developing municipal support plans.

The automation of this system will enable the Provincial Government to:

- Better understand the status of municipalities in respect of governance;
- Develop tailor made support plans per municipality that will address the short coming identified during the assessment; and
- Monitor the impact (return on investment) of support initiatives to municipalities

3.1 Strategic Objectives, Performance Indicators Planned Targets and Actual Achievement

Performance Information by Programme

Programme 1: Administration

Programme Purpose	Provide overall management in the Department in accordance with all applicable acts and policies
Sub-Programme: Office of the MEC	
Strategic Objective	To provide for the functioning of the Office of the MEC (Provided for in Vote 9: Environmental Affairs and Development Planning)
Sub-Programme: Corporate Services	
Strategic Objective	To partner with programmes so they can meet their service delivery requirements
Strategic Goal	Efficient and effective department that delivers quality services
Progress	All units within the Department were supported to achieve their planned targets this included the development and submission of strategic and financial reports in compliance with the relevant prescripts

A) Strategic Objective Indicators

Programme 1: Administration						
Sub-Programme 1.2: Corporate Services						
Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To partner with programmes so they can meet their service delivery requirements	1.1 Submission of Strategic reports	8	7	7	-	
	1.2 Number of financial reports submitted	19	17	17	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Submission of Annual Performance Plan	1	1	1	-	
1.2 Submission of Quarterly Performance Reports	4	4	4	-	
1.3 Submission of Annual Report	1	1	1	-	
1.4 Programme impact evaluation reports	2	1	1	-	The Department focused on the Development of a M&E framework (inline with DPME requirements) which will guide how evaluations should be conducted
2.1 In-year monitoring reports submitted to PT	13	12	12	-	
2.2 Properly costed budget aligned with APP/Strategic Plan	1	1	1	-	

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
2.3 Submission of Annual financial statements	1	1	1	-	
2.4 Submission of Interim Financial Statements	4	3	3	-	

Strategy to overcome areas of underperformance/ Changes to planned targets

There were no changes to planned targets and all targets set were met.

3.2 Programme 2: Local Governance

Programme Purpose	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes
Sub-programme 2.1: Municipal Administration: Municipal Governance and Specialised Support	
Strategic Objective	To promote good governance in municipalities
Sub-Programme Purpose	To provide management and support services to local government within a regulatory framework
Strategic Goal	Well governed and capacitated municipalities that deliver services to all
Progress	Legal support was provided to municipalities to ensure good governance post the 2016 local government elections
Sub-programme 2.2: Public Participation	
Strategic Objectives	To strengthen public participation through effective communication between municipalities and communities To provide support and capacity-building initiatives to municipalities
Sub-Programme Purpose	To enhance community participation and delivery at local level and to strengthen relations between local government and the community
Strategic Goal	Unlock opportunities through improved access to government services and active community participation
Progress	All municipalities were supported with public participation programmes and customised municipal communication support after the 2016 Local Government Elections
Sub-programme 2.3: Capacity Development	
Strategic Objective	To provide support and capacity-building initiatives to municipalities
Sub-Programme Purpose	To capacitate municipalities to deliver effective services
Strategic Goal	Well governed and capacitated municipalities that deliver services to all
Progress	Municipalities were supported with capacity building initiatives such as shared services, Back to Basics, ICT, Municipal training and MPRA related matters.

Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation	
Strategic Objective	To monitor and evaluate municipal performance
Sub-Programme Purpose	To monitor and evaluate municipal performance
Strategic Goal	Well-governed and capacitated municipalities that deliver services to all
Progress	The performance of municipalities was monitored throughout the financial year through various projects, one such project is the Integrated Performance Support System IPS ² . The main aim of this system is to decrease the burden of reporting on municipalities, by capturing all municipal reporting information into one system that will serve as a hub of all municipal data in the Province
Sub-programme 2.5: Service Delivery Integration	
Strategic Objectives	To co-ordinate improved access to government information, services and socio-economic opportunities To support co-operative governance between the three spheres of government
Sub-Programme Purpose	To manage the Thusong programme and support co-operative governance between the three spheres of government
Strategic Goal	Unlocked opportunities through improved access to government services and active community participation
Progress	During 2016/17 financial year over 1 million citizens received access to government services through the Thusong programme, and various intergovernmental platforms were facilitated to create synergy in delivering services
Sub-programme 2.6: Community Development Worker Programme	
Strategic Objective	To co-ordinate improved access to government information, services and socio-economic opportunities
Sub-Programme Purpose	To provide information to communities to access government services and to facilitate community access to socio-economic opportunities
Strategic Goal	Unlocked opportunities through improved access to government services and active community participation
Progress	The community development workers located in the City of Cape Town and all five Districts continue to improve access of citizens in need to government services, through strengthening partnerships with various stakeholders

A) Strategic Objective Indicators

Programme 2: Local Governance						
Sub-programme 2.1: Municipal Governance and Specialised Support						
Strategic Objective	Strategic Objective Performance Indicator	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To promote good governance in municipalities	1.1 Decision-making initiatives enhanced	11	12	15	3	Municipalities were assisted as the need arose hence the overachievement

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Legislation development initiatives in support of municipalities	-	2	2	-	Support on Legislation Development was focused on: <ul style="list-style-type: none"> • The WC Rationalisation Bill; and • Assisting Municipalities with the Development of By-laws
1.2 Legal support provided to municipalities to improve legislative compliance	23	2	2	-	Municipalities received legal advice on various issues. The Department also hosted the Legislative and Constitutional Task Team meetings discussing new legislation, guidance by way of interpretation of legislation affecting local government, presentation of case law, presentation by legal experts and creating a platform whereby legal officials from Municipalities can address their challenges with the purpose of receiving legal guidance
1.3 Research on conduct of disciplinary proceedings against councillors	-	1	1	-	The Department developed a Practise Note on Disciplinary Proceedings for Councillors to be utilised as a guide by all municipalities

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.4 Support initiatives to strengthen the oversight function in municipalities	-	5	5	-	To strengthen oversight in municipalities the Department implemented training on the following initiatives: <ul style="list-style-type: none"> • Roles & Responsibilities; • Draft Standard Rules of Order; • Code of Conduct for Councillors; • Anti-Corruption and • Municipal Public Accounts Committees
1.5 Assessment of Senior Manager appointments and code of conduct cases to promote legislative compliance	5	-	42	42	Assessments of the appointments of senior managers in various municipalities were conducted. The appointments in municipalities is based on vacancies arising which amongst others, may be as a result resignations or expiry of contracts. It is furthermore determined by the Municipality filling the vacancy during the period
1.6 Local government pre and post-election support	-	3	3	-	Pre and post local government elections, municipalities were supported with: <ul style="list-style-type: none"> • The election help desk • A circular guiding them on first council meetings • Deployment of senior officials during first council meeting
1.7 Informal interventions	3	-	7	7	Informal investigations were conducted in the following municipalities: <ul style="list-style-type: none"> • Kannaland Municipality • Knysna Municipality • Mossel Bay Municipality • Drakenstein Municipality • Cape Agulhas Municipality • Theewaterskloof Municipality • Swellendam Municipality Municipalities were supported as the need arose.

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.8 Formal interventions S139 of the Constitution	1	1	2	1	<p>Formal interventions were implemented in the following municipalities:</p> <p>Kannaland Municipality:</p> <ul style="list-style-type: none"> • Formal intervention into section 139(5) of the Constitution • The Financial Recovery Plan for the municipality • General Intervention support <p>Oudtshoorn Municipality:</p> <ul style="list-style-type: none"> • Extension of s139(1)(b) intervention in terms of the Constitution
1.9 Formal investigations in terms of the Municipal Systems Act (MSA106) and Western Cape Monitoring and Support of Municipalities Act (WC MSMA)	-	-	4	4	<p>Formal interventions in terms of s106 of the MSA were conducted in the following municipalities:</p> <ul style="list-style-type: none"> • Kannaland Municipality • Beaufort West Municipality • George Municipality • Lainsburg Municipality <p>Municipalities were supported as the need arose</p>

C) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of municipalities supported to comply with MSA regulations	5	2	30	28	The target was set based on individual support that was envisaged to be provided to municipalities, however this approach was reviewed and support was provided to all municipalities in terms of Circulars
2. Number of reports produced on the extent to which municipalities comply with the implementation of the Anti-corruption measures	1	1	1	-	
3. Number of reports on fraud, corruption and maladministration cases reported and investigated	-	1	1	-	

A) Strategic Objective Indicators

Programme 2: Local Governance						
Sub-programme 2.2: Public Participation						
Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To strengthen public participation through effective communication between municipalities and communities	1.1 Initiatives to improve Public Participation in municipalities	6	7	7	-	

Programme 2: Local Governance

Sub-programme 2.2: Public Participation

Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
2. To provide support and capacity-building initiatives to municipalities	2.1 Municipalities supported with capacity building initiatives on gender mainstreaming	3	3	3	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Support actions to improve ward committee functionality	4	4	4	-	To ensure functionality of the new ward committees the Department provided the following support to municipalities: <ul style="list-style-type: none"> • Ward Committee Induction Training (Tool Kit) • Ward Committee Establishment • Know Your Ward Committee campaign • Ward Committee Operational Plan
1.2 Reports on ward committee functionality	-	4	4	-	

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.3 Municipalities supported communication campaigns	-	20	23	3	<p>All Districts Municipalities and 18 Local Municipalities were supported with various campaigns such as Fire & Flood and Water Awareness, these campaigns were implemented throughout the year</p> <p>Due to the drought challenge that the Province is facing, the Department increased its water awareness campaigns in all Districts hence the over achievement</p>
1.4 Specialised communication support provided to municipalities	5	2	2	-	<p>The following specialised communication support was provided on:</p> <p>Photography</p> <ul style="list-style-type: none"> All Municipalities. <p>Corporate Identity Guide</p> <ul style="list-style-type: none"> Central Karoo District Municipality and George Municipality
2.1 Municipalities supported with capacity building initiatives on gender mainstreaming	3	3	3	-	<p>Municipalities supported with gender mainstreaming projects were:</p> <ul style="list-style-type: none"> Saldanha Bay Knysna, and George

C) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of work opportunities created through the Community Work Programme in Municipalities ¹	8 342	-	11 867	11 867	An average of 11 867 work opportunities were created through the CWP The CWP is managed by DCoG. The Department is responsible for oversight, hence there was no target set
2. Number of ward committees supported on implementation of Ward Operational Plans	10	-	5	5	This indicator is linked to the Provincial indicator (Support actions to improve ward committee functionality)
3. Number of municipalities supported on the development of a ward-level database with community concerns and remedial actions produced	20	-	-	-	
4. Report on the number of community report back meetings convened by councillors in each ward	1	1	1	-	This indicator is linked to the Provincial indicator (Reports on ward committee functionality)
5. Number of municipalities supported to roll-out gender policy framework	3	-	3	3	This indicator is linked to the Provincial indicator (Municipalities supported with capacity building initiatives on gender mainstreaming)

1. The National Department of Cooperative Governance is implementing the CWP programme in Western Cape municipalities and the Department is playing an oversight role.

A) Strategic Objective Indicators

Programme 2: Local Governance						
Sub-programme 2.3: Capacity Development						
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To provide support and capacity-building initiatives to Municipalities	1.1 Programmes implemented to support and capacitate municipalities	6	10	10	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Capacity building programmes implemented in municipalities (on going)	10	5	5	-	Five Programmes implemented to capacitate municipalities were: <ul style="list-style-type: none"> • Back to Basics • Mentoring and Coaching • Integrated Performance and Support System IPS² • Shared Services • Pool of Experts
1.2 Research to enhance the provincial perspective on municipal governance	-	1	1	-	The research project was aimed at reviewing the Local Government landscape, focusing on the powers and functions, municipal structure and legislation.

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.3 Initiatives to support municipalities with the enhancement of ICT	3	3	4	1	<p>The following ICT Initiatives to were provided to municipalities</p> <ul style="list-style-type: none"> • Study on the “ State of ICT” in Municipalities • Development of an ICT strategy for 29 municipalities within the Western Cape • Generalised ICT support to Municipalities • Municipal Citizen Engagement Application <p>The citizen’s engagement APP is an additional innovative ICT project undertaken to enhance communication between the citizen and the municipality. This was the Minister’s request</p>
1.4 Municipal training programmes implemented	2	2	2	-	<p>Training provided included;</p> <ul style="list-style-type: none"> • Middle Management Development training • Councillor Training
1.5 Number of Valuation Appeal Board appointed	-	7	10	3	<p>The additional 3 appeal boards were established earlier than anticipated as a result of resignations</p>

C) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of municipalities supported to institutionalise performance management system (PMS)	20	-	2	2	Oudtshoorn and Cape Winelands District Municipality was supported with the establishment of Performance Management System Other Municipalities were supported in previous financial years hence no target was set.
2. Number of capacity-building interventions conducted in municipalities	10	5	5	-	This indicator is linked to the Provincial indicator Capacity building programmes implemented in municipalities (on going)
3. Number of municipalities guided to comply with MPRA	25	-	25	25	MPRA focus group meetings were convened to support municipalities with MPRA related matters.
4. Report on implementation of back to Basics support plans by municipalities	-	-	1	1	This indicator is linked to the Provincial indicator: Capacity building programmes implemented in municipalities (on going) A consolidated report was developed

A) Strategic Objective Indicators

Programme 2: Local Governance						
Sub-programme 2.4: Municipal Performance Monitoring and Evaluation						
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To monitor and evaluate municipal performance	1.1 Municipal performance monitoring initiatives	4	4	4	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Quarterly Municipal Performance Reports	4	4	4	-	Quarterly Municipal Performance Reports were produced
1.2 Assessment of draft Municipal SDBIPs	30	30	30	-	SDBIPs were assessed in all Districts
1.3 Development of stakeholder governance framework	-	1	1	-	

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.4 Research on new financial model and basket of services	-	1	1	-	Research on municipal dispensation focused on the sustainability of Western Cape municipalities within the current context, includes relevant references to specific financial indicators such as liquidity and cost of service delivery

C) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of municipal performance reports compiled as per the requirements of Section 47 of the Municipal System Act (MSA)	1	1	1	-	
2. Number of municipalities supported to implement indigent policies	8	-	3	3	Beaufort West, Matzikama and Saldanha Bay Municipalities indicated a need to be supported with the implementation of indigent policies during the financial year

A) Strategic Objective Indicators

Programme 2: Local Governance						
Sub-programme 2.5: Service Delivery Integration						
Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To co-ordinate improved access to government information services, and socio-economic opportunities	1.1 Projects implemented to improve access to government services	6	3	3	-	
2. To support co-operative governance between the three spheres of government	1.2 Initiatives supporting co-operative governance between the three spheres of government	3	5	5	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Number of citizens accessing government services	-	100 000	1 099 703	999 703	This is a new indicator and the new Thusong M&E Framework has contributed to improved reporting by Thusong Service Centres hence overachievement
1.2 Report on the functionality of Thusong Service Centres	-	4	4	-	
1.3 Support actions to ensure effective functioning of the Thusong Programme	4	5	5	-	The support actions to ensure the functionality of the Thusong Programme include the following: <ul style="list-style-type: none"> • Operational & Maintenance Funding • Implementation of the M & E Framework • Thusong Programme Forum Meetings • Pilot sustainability plans in Matzikama, and • Thusong Plan

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
2.1 Support actions to improve functionality of IGR Fora	2	4	4	-	<p>Support actions improving IGR functionality consisted of the following:</p> <ul style="list-style-type: none"> • Facilitation on case referrals emanating from IGR Fora) • Support establishment of strategic agendas • Support to New Councillors/ IGR Framework • Revision and Alignment of the Terms of Reference
2.2 Provincial intergovernmental meetings convened	8	8	8	-	<p>MinMayTech:</p> <ul style="list-style-type: none"> • 6 June 2016 & 27 Jan 2017 <p>MinMay:</p> <ul style="list-style-type: none"> • 7 June 2016 & 27 Feb 2017 <p>PCF:</p> <ul style="list-style-type: none"> • 20 Sept 2016 & 28 Feb 2017 <p>Post Local Government Elections engagements:</p> <ul style="list-style-type: none"> • Provincial and Municipal Top Management Retreat (MMs & HODs): 15 -16 November 2016 • Provincial and Local Government Interface: Meet and Greet (Premier, Ministers, HODs, Mayors, & MMs: 28 November 2016

A) Strategic Objective Indicators

Programme 2: Local Governance						
Sub-programme 2.6: Community Development Worker Programme						
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To co-ordinated improved access to government information services and socio-economic opportunities	1.1 Projects improving access to and information about government services	5	3	3	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Support initiatives to improve access to government services	26	20	22	2	<p>A variety of support initiatives were conducted to improve access to government services.</p> <p>The Department intensified networks and engagements with stakeholders resulting the overachievement of the target</p>

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.2 Case referrals to government services facilitated	34 334	32 000	32 298	298	<p>Case referrals relate to Labour, Home affairs, Municipal, Justice, Socio Economic Claims, Education, Job opportunities, Rural development, Agriculture, Social matters, SARS, Economic Development, etc.</p> <p>The Department intensified networks and engagements with stakeholders resulting in overachievement of the target</p>
1.3 Support initiatives to improve access to small scale economic opportunities	60	70	76	6	<p>Initiatives ranged from Backyard Vegetable Garden, establishment of cooperatives with South African Enterprise Development, Nursery Project, Needle work and bakery cooperative establishment, farmers through skills development</p> <p>The Department intensified networks and engagements with stakeholders resulting in overachievement of the target</p>

Strategy to overcome areas of underperformance/ Changes to planned targets

There were no changes to planned targets and all targets set were met.

3.3 Programme 3: Development and Planning

Programme Purpose	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure, and promote integrated planning
Sub-programme 3.1: Municipal Infrastructure	
Strategic Objective	To support municipalities to provide and maintain economic and social infrastructure
Purpose	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure
Strategic Goal	Well governed and capacitated municipalities that deliver services to all
Progress	During 2016/17 financial year transfers were made to municipalities in support of various infrastructure projects such as water and electricity demand management, drilling of boreholes, replacement of faulty water meters as well as drought relief support. The Directorate also monitored the utilisation of MIG allocations
Sub-programme 3.2: Disaster Management	
Strategic Objectives	To co-ordinate effective disaster management preparedness, intergovernmental fora and recovery To co-ordinate reduction of potential risks posed by hazards To improve the Fire and Rescue Services capability
Purpose	To manage disaster management at the provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms
Strategic Goal	A disaster-resilient Province
Progress	Disaster Preparedness plans, declarations, awareness sessions, intergovernmental engagements, risks assessment and training programmes are some of the projects implemented towards ensuring a disaster resilient Province
Sub-programme 3.3: Integrated Development Planning Coordination	
Strategic Objective	To improve the quality of IDPs to give effect to service delivery To strengthen intergovernmental planning and budgeting through the establishment of IDP as the single co-ordinating plan of Government
Purpose	To strengthen intergovernmental planning and budgeting through establishment of IDP as the single co-ordinating plan of Government
Strategic Goal	Effective Integrated Development Planning by all spheres of government that accelerates delivery within municipal areas
Progress	All municipalities were supported with the development of credible IDPs, 74.4% of the Province JPIs are reflected in the planning instruments of stakeholders

A) Strategic Objective Indicators

Programme 3: Development and Planning						
Sub-programme 3.1: Municipal Infrastructure						
Strategic Objective	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To support municipalities to provide and maintain economic and social infrastructure	1.1 Support initiatives on infrastructure projects	5	4	4	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Municipalities supported with the development of Electricity Master Plans	4	3	4	1	Electricity master plans were developed for the following Municipalities: <ul style="list-style-type: none"> • Laingsburg • Swellendam • Cape Agulhas • George The support to George was continuation of the 15/16 FY support due to a funding shortfall on the 15/16 allocation
1.2 Municipalities supported to spend MIG	24	24	24	-	
1.3 Infrastructure support initiatives implemented at municipalities	-	1	1	-	Transfers were made to municipalities in support of projects such as infrastructure improvements on water and electricity demand management, installation of boreholes, replacement of faulty water meters as well as drought relief support

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.4 Research to enhance responsive infrastructure governance at municipalities	-	1	1	-	Research on alternative on-site waterborne sanitation systems was concluded and documented, results were shared with municipalities as well as other affected departments

C) Nationally Prescribed Indicator

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of municipalities supported with service delivery programmes	24	24	24	-	This indicator is linked to the Provincial indicator (Municipalities supported to spend MIG)

A) Strategic Objectives Indicators

Programme 3: Development and Planning						
Sub-programme 3.2: Disaster Management and Fire Brigade Service						
Strategic Objectives	Strategic Objectives Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To co-ordinate effective disaster management preparedness, Inter-governmental and recovery	1.1 Programmes to co-ordinate effective disaster preparedness, intergovernmental relations and recovery	7	4	7	3	Disaster damage assessments/ declaration and facilitation indicators are conducted on a needs basis hence the planned outputs were not included during the planning stage Disasters cannot be predicted hence the overachievement
2. To co-ordinate reduction of risk posed by hazards	2.1 Programmes to reduce potential risks	4	4	4	-	
3. To improve Fire and Rescue Services capability	3.1 Programmes to improve fire and rescue services capability	5	6	12	6	The Department was able to implement more fire programmes due to private sector funding that it received

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 Stakeholders assisted in developing disaster preparedness plans	5	2	2	-	Assistance with the development of disaster preparedness plans was provided to: Departments: • Social Development Municipalities: • Matzikama Municipality
1.2 Centre enhancements to ensure functional Western Cape Disaster Management Centre	1	1	1	-	
1.3 Provincial Disaster Management Annual Report	1	1	1	-	
1.4 Meetings intergovernmental disaster management fora	4	4	4	-	
1.5 Disaster Damage assessments/ verifications conducted	6	-	5	5	The following disaster assessments were conducted: • Drought Assessment- Cape Winelands District • Water Pipeline Assessment- Stettynskloof • Drought Assessment Central Karoo • Fire Assessment-Wuppertal (West Coast) • Landslide Assessment in Mossel Bay (Seemeeuvlug & Botha Street) A target was not set as disasters cannot be predicted

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.6 Disaster declaration/ classifications facilitated	7	-	3	3	Drought declarations were facilitated in the following municipalities: <ul style="list-style-type: none"> • City of Cape Town • Kannaland • Witzenberg A target was not set as disasters cannot be predicted
1.7 Disaster recovery projects monitored and supported	2	1	1	-	<ul style="list-style-type: none"> • Flood and Road Infrastructure Funded Recovery Projects were monitored and supported in Eden District Municipality
2.1 Municipalities supported to develop Disaster Risk Reduction Chapters in IDPs	6	6	6	-	All municipalities received risk reduction support through the IDP assessment engagements as well as collaborative support through SALGA engagements. The following municipalities were supported: <ul style="list-style-type: none"> • Mossel Bay, CWDM, Eden DM, Bergriver, Stellenbosch and Cederberg
2.2 Municipalities supported with risk and vulnerability assessments	4	3	3	-	The following municipalities were supported with risk and vulnerability assessments: <ul style="list-style-type: none"> • Matzikama, Hessequa and Laingsburg
2.3 Maintenance of Data Repository at Western Cape Disaster Management Centre maintained	1	1	1	-	A revised and updated Decision Support Tool including Flood Hazard Index has been rolled-out to all District Disaster Management Centres
2.4 Disaster Hazard Awareness Programme	2	1	1	-	The Fire & Flood Awareness Campaign Roadshow was successfully implemented in 53 schools, reaching over 20 000 pupils in the Eden District

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
3.1 Provincial Emergency Service Training Centre projects at Wolwekloof	10	1	15	14	<p>A total of 15 different courses were presented ranging from High Altitude Training, Rope Rescue, Basic Fire Training, Wilderness Search & Rescue, Light Vehicle, Health, Safety training</p> <p>Private sector funding and additional funding during the budget adjustment was received as a result more training sessions were conducted</p>
3.2 Aerial Fire-Fighting and Ground Support Programme	3	1	2	1	<p>The following special operations capacity building programmes were implemented:</p> <ul style="list-style-type: none"> • Working on Fire (PTY) LTD • District Municipality Ground support preparation training <p>The Department was able to do more due to private sector funding that it received</p>
3.3 Emergency Management Skills Capacity Development (Incident Command) Programmes	4	1	2	1	<p>The Department supported the supported the following incident command programmes</p> <ul style="list-style-type: none"> • Incident Command Systems Training • Incident Command Systems Training: Phakisa Initiative <p>The Department was able to do more due to private sector funding that it received</p>

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
3.4 Fire and Life Safety Programmes	9	2	6	4	<p>Fire and Safety Training supported</p> <ul style="list-style-type: none"> • Smoke Alarm Project • International Fire Fighters Day and be Safe Expo • Workgroup on fire related deaths in informal settlements • illegal paraffin stoves in identified informal settlements • Fire & Safety Education • Fire is everyone's fight intranet & outreach <p>Additional funding obtained during the adjustment phase afforded the Department to do more training sessions</p>
3.5 Special Operations Capacity-building Programme	2	1	1	-	Fire Trucks were handed over to rural municipalities

C) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of municipalities supported functional Municipal Disaster Management Centres	6	6	6	-	All Municipal Disaster Management Centres in the Province are functional. The centres are situated in all Districts and Metro
2. Provincial fire brigade services established by target date	1	1	1	-	The Provincial Fire Brigade Services is established under the Chief Directorate: Disaster Management and Fire Brigade

A) Strategic Objective Indicators

Programme 3: Development and Planning						
Sub-programme 3.3: Integrated Development Planning						
Strategic Objectives	Strategic Objective Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. To improve the quality of IDPs to give effect to service delivery	1.1 Programmes to improve the quality of IDPs	3	3	3	-	
2. To strengthen Intergovernmental planning and budgeting through establishment of IDP as the single co-ordinating plan of Government	2.1 Programme to improve intergovernmental planning in IDPs	4	1	1	-	

B) Provincial Performance Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.1 IDP Assessment Reports determining alignment of planning and expenditure vs. priorities compiled	29	30	30	-	30 IDP Assessment reports that determine alignment between the IDP and Budget were compiled. 30 visits were conducted (1 per municipality). The assessments were done in collaboration with Provincial Treasury
1.2 Process Plans/ Time -schedules monitored to assess regional alignment and coordination	30	30	30	-	

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1.3 Number of municipalities supported with development of legally compliant IDP	18	30	30	-	All 30 municipalities were supported with the planning, drafting, adoption and review of the IDPs during the 2016/2017 financial year as follows: <ul style="list-style-type: none"> • 29 municipalities were supported through the Western Cape Provincial IDP Managers Forum • Saldanha Bay municipality received Hands on Support
2.1 Percentage JPI agreements facilitated to reflect in the respective planning instruments of stakeholders	-	75%	74.4%	(0.6%)	116 JPIs out of the total 156 JPIs have been reflected in the planning instruments of stakeholders. Budget priorities of both municipalities and sector Departments determines funding of JPI projects hence the slight underachievement

C) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comments on deviations
1. Number of municipalities supported with development of legally compliant IDPs	18	30	30	-	This indicator is linked to the Provincial indicator (Number of municipalities supported with development of legally compliant IDP)

Strategy to overcome areas of underperformance/ Changes to planned targets

There were no changes to planned targets and all targets set were met.

3.4 Linking Performance with Budgets

Sub Programme Name	2016/2017			2015/2016		
	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
1.1 Office of the MEC	-	-	-	-	-	-
1.2 Corporate Services	35 319	33 940	1 379	38 534	37 240	1 294
Total	35 319	33 940	1 379	38 534	37 240	1 294
2.1 Municipal Administration	9 713	9 312	401	10 029	9 976	53
2.2 Public Participation	9 668	9 635	33	7 890	7 669	221
2.3 Capacity Development	12 955	12 848	107	14 417	13 983	434
2.4 Municipal Performance, Monitoring, Reporting and Evaluation	31 933	31 329	604	8 496	7 311	1 185
2.5 Service Delivery Integration	9 968	9 690	278	11 954	11 462	492
2.6 Community Development Programme	59 579	59 433	146	57 579	55 908	1 671
Total	133 816	132 247	1 569	110 365	106 309	4 056
3.1 Municipal Infrastructure	18 335	18 250	85	20 053	20 053	-
3.2 Disaster Management	45 238	45 087	151	42 202	42 202	-
3.3 Integrated Development Plan coordination	6 038	5 410	628	7 217	7 216	1
Total	69 611	68 747	864	69 472	69 471	1
4.1 Traditional Institutional Management	1	-	1	1	-	1
Total	1	-	1	1	-	1
Grand Total	238 747	234 934	3 813	218 372	213 020	5 352

3.5 Transfer Payments

3.5.1 Transfer payments to Public Entities N/A

3.5.2 Transfer Payments (transfer payments made for the period 1 April 2016 to 31 March 2017)

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity (R'000)	Reasons for the funds unspent by the entity
CDW Operational Cost Grant					
Beaufort West	CDW Operational grant	Yes	206	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Bergrivier	CDW Operational grant	Yes	37	16	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP
Bitou	CDW Operational grant	Yes	19	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Breede Valley	CDW Operational grant	Yes	94	81	
Cape Agulhas	CDW Operational grant	Yes	56	33	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP
Cape Winelands District Municipality	CDW Operational grant	Yes	75	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Cederberg	CDW Operational grant	Yes	170	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
City of Cape Town	CDW Operational grant	Yes	1 089	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Drakenstein	CDW Operational grant	Yes	113	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
George	CDW Operational grant	Yes	75	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Kannaland	CDW Operational grant	Yes	113	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Knysna	CDW Operational grant	Yes	57	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Laingsburg	CDW Operational grant	Yes	75	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Matzikama	CDW Operational grant	Yes	113	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Mossel Bay	CDW Operational grant	Yes	56	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Oudtshoorn	CDW Operational grant	Yes	56	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Overberg District Municipality	CDW Operational grant	Yes	75	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Overstrand	CDW Operational grant	Yes	75	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Prince Albert	CDW Operational grant	Yes	75	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Saldanha Bay	CDW Operational grant	Yes	75	12	The expenditure is only a preliminary amount. The municipality must still submit their Final Annual Expenditure Report to the CDWP
Stellenbosch	CDW Operational grant	Yes	56	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Swartland	CDW Operational grant	Yes	37	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP
Theewaterskloof	CDW Operational grant	Yes	113	112	
Witzenberg	CDW Operational grant	Yes	150	-	The municipality must still submit their Final Annual Expenditure Report to the CDWP

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Thusong Operational Support Grant					
Bitou	Thusong Operational Support Grant	Yes	100	100	
Cape Agulhas	Thusong Operational Support Grant	Yes	211	211	
Kannaland	Thusong Operational Support Grant	Yes	212	212	
Matzikama	Thusong Operational Support Grant	Yes	100	100	
Mossel Bay	Thusong Operational Support Grant	Yes	211	-	The municipality must still submit their Final Annual Expenditure Report
Theewaterskloof	Thusong Operational Support Grant	Yes	212	212	
Municipal Infrastructure Support Grant					
Bergrivier	Municipal Infrastructure Support Grant	Yes	1 500	-	The funds will be rolled over to the next financial year (2017/18)
Cape Agulhas	Municipal Infrastructure Support Grant	Yes	500	-	Process of updating the master plan with Municipal Infrastructure Grant.
George	Municipal Infrastructure Support Grant	Yes	230	-	The project will commence on the 2 May 2017
Laingsburg	Municipal Infrastructure Support Grant	Yes	250	-	The consultant will commence on the 1 July 2017
Oudtshoorn	Municipal Infrastructure Support Grant	Yes	1 900	-	It will be rolled over to the next financial year.

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Swellendam	Municipal Infrastructure Support Grant	Yes	350	-	Application for roll over has been submitted.
Witzenberg	Municipal Infrastructure Support Grant	Yes	2 100	2 100	The project is complete
Municipal Performance Management Grant					
Beaufort West	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Bergrivier	Municipal Performance Management Grant	Yes	3 410	-	The money was only transferred in February 2017, the project will commence in 2017/18
Bitou	Municipal Performance Management Grant	Yes	760	200	The project has commence and will be finalised during 2017/18
Breede Valley	Municipal Performance Management Grant	Yes	160	100	The project has commence and will be finalised during 2017/18
Cape Agulhas	Municipal Performance Management Grant	Yes	810	200	The project has commence and will be finalised during 2017/18
Cape Winelands District Municipality	Municipal Performance Management Grant	Yes	60	15	The money was only transferred in February 2017, the project will commence in 2017/18
Cederberg	Municipal Performance Management Grant	Yes	3 660	-	The project is in the procurement phase
Central Karoo District Municipality	Municipal Performance Management Grant	Yes	360	-	The project is in the procurement phase
Drakenstein	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Eden District Municipality	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
George	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Hessequa	Municipal Performance Management Grant	Yes	1 260	192	The project has commence and will be finalised during 2017/18
Kannaland	Municipal Performance Management Grant	Yes	1 455	745	The project has commence and will be finalised during 2017/18
Knysna	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Laingsburg	Municipal Performance Management Grant	Yes	860	-	This project is in the procurement phase
Langeberg	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Matzikama	Municipal Performance Management Grant	Yes	1 601	120	The project has commence and will be finalised during 2017/18
Mossel Bay	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Oudtshoorn	Municipal Performance Management Grant	Yes	1 460	436	The project has commence and will be finalised during 2017/18
Overberg District Municipality	Municipal Performance Management Grant	Yes	460	8	The money was only transferred in February 2017, the project will commence in 2017/18
Overstrand	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Prince Albert	Municipal Performance Management Grant	Yes	560	-	The money was only transferred in February 2017, the project will commence in 2017/18
Saldanha Bay	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Stellenbosch	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Swartland	Municipal Performance Management Grant	Yes	60	-	The money was only transferred in February 2017, the project will commence in 2017/18
Swellendam	Municipal Performance Management Grant	Yes	510	450	The balance of the funds will be rolled over to 2017/18
Theewaterskloof	Municipal Performance Management Grant	Yes	260		The money was only transferred in February 2017, the project will commence in 2017/18
West Coast District Municipality	Municipal Performance Management Grant	Yes	60		The money was only transferred in February 2017, the project will commence in 2017/18
Witzenberg	Municipal Performance Management Grant	Yes	2 160	5	The money was only transferred in February 2017, the project is in work in progress
Fire Service Capacity Building Grant					
Breede Valley	Fire Service Capacity Building Grant	Yes	1 500	-	Requested roll over to 2017/18
Central Karoo District Municipality	Fire Service Capacity Building Grant	Yes	1 300	-	Requested roll over to 2017/18
Hessequa	Fire Service Capacity Building Grant	Yes	1 200	-	Requested roll over to 2017/18
Knysna	Fire Service Capacity Building Grant	Yes	1 200	-	Requested roll over to 2017/18
Oudtshoorn	Fire Service Capacity Building Grant	Yes	1 200	-	Requested roll over to 2017/18
Overberg District Municipality	Fire Service Capacity Building Grant	Yes	2 200	-	Requested roll over to 2017/18
Overstrand	Fire Service Capacity Building Grant	Yes	1 200	-	requested roll over to 2017/18
Departmental agencies and accounts	Operational Support	Yes	1 007	1 007	

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount Spent by the entity	Reasons for the funds unspent by the entity
Departmental agencies and accounts	TV license	Yes	2	2	
Departmental agencies and accounts	Operational Support	Yes	30	30	
Non-Profit Institutions	Thusong Operational Support Grant	Yes	242	242	
Non-Profit Institutions	Operational Support	Yes	422	422	
Non-Profit Institutions	Operational Support	Yes	80	80	
Non-Profit Institutions	Operational Support	Yes	242	242	
Households	Leave gratuities	Yes	141	141	
Households	Injury on duty	Yes	7	7	
Arbitration award	Arbitration award	Yes	512	512	

3.6 Conditional Grants and Earmarked Funds Paid

The department does not pay conditional grants and earmarked funds.

3.7 Conditional grants and earmarked funds received

The department did not receive conditional grants and earmarked funds.

3.8 Donor Funds

The department did not receive donor funds.

3.9 Capital Investment, maintenance and asset management plan

The department does not have infrastructure projects.



PART C: GOVERNANCE

1. RISK MANAGEMENT

The Accounting Officer (AO) for the Department of Local Government takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D: ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM Policy Statement which sets out the WCG's overall intention with regard to ERM. The Department adopted an ERM Policy for the period 2016/17 – 2017/18, approved by the Accounting Officer on 20 April 2016; and an ERM Strategy and Implementation Plan for 2016/17, approved by the Accounting Officer on 20 April 2016. The ERM Implementation Plan gave effect to the departmental ERM Policy and Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the department.

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

The Department established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Officer in executing his responsibilities relating to risk management. The Committee operated under a Terms of Reference approved by the Accounting Officer on 24 March 2016. ERMCO in the main evaluated the effectiveness of the mitigating strategies implemented to address the risks of the department and recommended further action where relevant.

The Governance and Administration Cluster Audit Committee furthermore monitors the risk management process independently as part of its quarterly review of the Department.

Impact on institutional performance

Enterprise Risk Management continues to be an integral part of day to day engagements within the department. Each Chief Director was required to review both their operational and strategic risks with his/her directors and amend their risk register(s) accordingly, and the results were then reported to and discussed at the quarterly Enterprise Risk Management meetings. In addition, emerging risks are identified at strategic planning meetings. Risk management has thereby become a standard activity in the management calendar of the Department. As a result, mitigating actions become part of the Department's programmes and emerging risks are immediately identified and addressed.

2. 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-Corruption Strategy which confirms the Province's zero tolerance stance towards fraud and corruption. In line with this strategy the Department is committed to zero-tolerance with regard to corrupt or fraudulent 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 Prevention Plan and a Fraud Prevention Implementation Plan which gives effect to the Fraud Prevention Plan.

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the 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 generating statistics for the Province and Department.

Employees 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). In this regard a transversal Whistle-blowing Policy was approved on 24 February

2016 to provide guidelines to employees 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 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, the PFS issued a Case Movement Certificate for the Department noting the following:

Open cases as at 1 April 2016	0
New cases (2016/17)	1
Closed cases (2016/17)	0
Referred cases (2016/17)	0
Open cases as at 31 March 2017	1

Note: *The above cases relate to Municipalities*

3. INTERNAL AUDIT AND AUDIT COMMITTEES

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

- Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;

- 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.

Internal Audit work completed during the year under review for the Department included five assurance engagements, one consulting engagement and four follow-ups. The details of these engagements are included in the Audit Committee report.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in

the Department, which include oversight and review of the following:

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- AGSA management and audit report;
- Departmental in year Monitoring;
- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics and Forensic Investigations.

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Mervyn Burton	B Compt; B Compt (Hons); CA(SA)	External	N/A	01 January 2015 (2nd term)	N/a	7
Mr Louw van der Merwe	CA(SA); ACMA; CIA; CISA; CRMA	External	N/A	01 January 2014 (2nd term)	2nd term expired 31 December 2016	7
Mr Zaid Manjra	BCom; Dip Acc; CA(SA); MBL	External	N/A	01 January 2016 (2nd term)	Resigned with effect from 30 April 2016	1
Ms Merle Kinnes	BA; LLB; Higher Certificate in Forensics Examination; Attorney of the High Court	External	N/A	01 January 2016 (1st term)	N/a	8
Mr Yaseen Ismail	CA (SA), RA, Tax (Hons), CFE	External	N/A	1 May 2016 (1st term)	N/a	7
Mr Jeremy James Fairbairn	Certificate in General Management and Consultancy; HONS B COM (BUS. Management), B. COM (Hons.), Higher Diploma in Education; B COM (LAW)	External	N/A	1 January 2017 (1st term)	N/a	1

4. AUDIT COMMITTEE REPORT

Please refer to Page 111 to 112 for the full report of the Audit Committee

5. HEALTH SAFETY AND ENVIRONMENTAL

The health and safety goal of the Department is to reduce work-related injuries, communicable diseases and accidents resulting in injury and damage to property. During the year under review the department achieved the following:

- Contingency plans for the Department of Local Government were developed for all offices of the department, including regional office. The HOD approved all contingency plans and they were implemented.
- Occupational Health and Safety assessment were conducted at 32 sites of the Department, including departmental Public events.
- Two (2) prescribed evacuation exercises were conducted (2 unannounced and 2 PA tests)
- OHASA training (10 X Fire Marshals / 9 X First Aiders / 5 Floor Marshals) was provided to all volunteers to ensure compliance.
- Occupational Health and Safety policy was approved by the Head of Department and implemented. Draft copy available.
- 10 Occupational Health and Safety Awareness sessions were conducted at 6 different sites of the department.

6. PROMOTION OF ACCESS TO INFORMATION

- During the 2016/17 financial year, the Department of Local Government received no formal requests for access to information in terms of the Promotion of Access to Information Act, 2000.

- The Department submitted its section 32 report for the financial year to the Human Rights Commission and
- Also submitted its section 15 automatically available information to the Minister of Justice and Constitutional Development for publication in the Government Gazette via the Department of the Premier.
- The Department's section 14 manual was also submitted to the Human Rights Commission and is available on the official website in all 3 official



PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Our unique contribution to the work of the Western Cape Government is largely ascribed to the persistent, and often selfless, efforts of the people within the Department of Local Government. Building a new service delivery trajectory and successfully directing the collective efforts of our team 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 interdependent and interrelated, 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 this, the consistent hard work of our people, amidst the ever-challenging circumstances, has resulted in remarkable achievements and service delivery improvement during the year under review.

1.1 Vacancy rate

In order to effect ongoing service delivery efforts in the Public Service, the Department of Public Service and Administration (DPSA) launched a strategy in 2011 to reduce the vacancy rate in Departments to a national standard below 10%. Compliance with the strategy is monitored by the Forum for South African Directors General (FOSAD) as well as the Department of Planning Monitoring and Evaluation (DPME) through the Monitoring Performance Assessment Tool (MPAT).

At the end of the 2016/17 financial year, the Department had an overall vacancy rate of 2% for the year under review. This is an improvement on the 4,4% vacancy rate during the 2015/16 period. In the critical occupations category, the vacancy rate was also below the 10% norm, at 3%. Despite the ongoing challenge of

attracting and retaining specialised skills in the critical occupations category, the Department has managed to retain its engineering skills amidst an array of push-pull factors. Strategies to mitigate the risk of exiting staff are unpacked in the Department’s approved Workforce Plan.

1.2 Age Profile of the Department

The average age of the employees within the Department of Local Government is 40 years; 47,7% of all staff are younger than 40 and 7,7% of staff are nearing retirement. Planning in this regard is important in order to mitigate the risk of losing critical institutional memory and knowledge.

1.3 Internship Programmes

The Department created learning opportunities for 35 unemployed matriculants through the Premier’s Advancement of Youth Programme (PAY Internship Programme) and provided workplace experience for nine graduate interns. A further two student interns gained experiential learning from the Department as part of their course work. The 46 interns comprised 11.1% of the total workforce remunerated over the period.

1.4 Sick Leave

The utilisation of sick leave is monitored closely to ensure that -

1. Service delivery continues unabated;
2. Wellness initiatives have the desired workforce impact;
3. Employees receive the required employer support; and
4. There is full compliance with legislation and policy determinations governing sick leave usage.

The illnesses with the highest utilisation rate are lung-related diseases, colds and influenza. Stress-related illnesses accounted for 1,76% of the total illness types registered during the year under review.

2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT

2.1 Departmental Workforce Planning Priorities

WF Planning Priorities	Outcomes	Approach to mitigate risk and achieve outcome
Values and Ethical Behaviour	Shared values and culture alignment contributing to staff retention	Conduct root cause analysis with regard to the limiting values identified to determine how they affect efficiency and productivity.
		<p>Department to ensure the development and implementation of an Implementation Plan to address entropy as revealed in Barrett Values Survey results. This should include the following, as example:</p> <ul style="list-style-type: none"> • Leadership training • Improved communication
Recruitment and Selection	Department adequately staffed	Establish Provincial OSD task team that will investigate all the challenges experienced with the OSD (Engineers) and take the matter up with DPSA
	Reduced time frames to fill advertised posts.	Develop and implement the Youth Empowerment Policy to recruit Graduate Interns on completion of Internships (permanent appointment)
	Reduced turn-around time for filling of posts. Reduced contract appointments	Implementation of new Recruitment and selection Toolkit to enable the department to improve recruitment and selection planning, inclusive of identifying the appropriate media sources for advertising, e.g. Media24, Financial Mail, BIZCommunity, etc.
Employment Equity / Diversity Management	<p>A diverse workforce with equal opportunity for all.</p> <p>Greater representation of Africans and women in SMS in Department</p> <p>Greater representation of people with disabilities in Department</p>	<p>Develop and implement the EE Implementation Framework in line with the new EE Plan and include initiatives to address the under-representation of designated groups:</p> <p>Increasing the employment of Africans and women in SMS</p> <p>Development and recruitment of people with disabilities, with a view to ensure equitable distribution across all levels throughout the department.</p>

WF Planning Priorities	Outcomes	Approach to mitigate risk and achieve outcome
Organisational Structure	A performance conducive workplace	OD investigation in terms of Re-design of current Departmental structure to ensure that it is structured appropriately and adequately to strategy – to include establishment of new Directorate: Municipal ICT Support and Capacity Building
		<p>Job descriptions to be reviewed as part of OD investigation into re-design to include quality job and competency profiling.</p> <p>Provincial model to be developed that provides specific set of criteria on qualifications and experience per salary level to be used during job evaluation and recruitment processes to ensure consistency.</p>
Training and Development	<p>Competent workforce</p> <p>Availability of a pool of competent employees ready to fill vacant posts</p> <p>A competent workforce</p> <p>Availability of a pool of competent employees ready to fill vacant positions in scarce and critical occupations</p>	<p>Determine criteria for the allocation of bursaries as guidance for the Bursary Committee</p> <p>Identify employees to attend the following Transversal, technical, professional training interventions at PTI or outsourced service providers, namely:</p> <ul style="list-style-type: none"> • ICT and GIS spatial training • Project Management • Accredited Mentoring and coaching for Senior Management • Emotional intelligence • Interpersonal Relations
Retention	Competent people in the right numbers at the right place at the right time with the right attitude	Develop and implement Attraction and Retention Strategic Framework will address issues relating to retention of Employment Equity in critical occupations (e.g. SCM, Management Accounting, etc.)

2.2 Employee Performance Management

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

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

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

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSG 5, namely to *Embed good governance and integrated service delivery through partnerships and spatial alignment*.

2.3 Employee Wellness

Developing a wellness culture in the Department is of strategic importance to ensure that employees achieve optimum levels of performance while feeling cared for and supported in the work context. The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee wellbeing and is largely preventative in nature, offering both primary and secondary services. The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy).

A quarterly report is prepared by the Directorate: Organisational Behaviour within the Corporate Service Centre that provides a trend analysis of utilisation,

risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely, HIV/ AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment and Quality).

3. 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	Local Governance
Programme 3	Development & Planning

Table 3.1.1: Personnel expenditure by programme, 2016/17

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	33 940	20 911	489	9 280	62	342.80	61
Programme 2	132 247	88 034	1 578	18 475	67	342.54	257
Programme 3	68 747	28 528	817	21 020	41	500.49	57
Total	234 934	137 473	2 884	48 775	59	366.59	375

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

Table 3.1.2: Personnel expenditure by salary band, 2016/17

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Lower skilled (Levels 1-2)	1 440	1.0	31	46
Skilled (Levels 3-5)	5 506	4.0	167	33
Highly skilled production (Levels 6-8)	59 714	43.0	279	214
Highly skilled supervision (Levels 9-12)	56 067	40.3	534	105
Senior management (Levels 13-16)	16 227	11.7	902	18
Total	138 954	100.0	334	416

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number of employees 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, 2016/17

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	14 890	10.7	206	0.1	542	0.4	1 007	0.7
Programme 2	62 390	44.9	555	0.4	2 723	2.0	4 965	3.6
Programme 3	19 965	14.4	30	0.02	424	0.3	870	0.6
Total	97 245	70.0	792	0.6	3 689	2.7	6 842	4.9

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2016/17

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower skilled (Levels 1-2)	1 424	1.0	9	0.01	0	0.0	0	0.0
Skilled (Levels 3-5)	3 647	2.6	45	0.03	291	0.2	536	0.4
Highly skilled production (Levels 6-8)	42 103	30.3	403	0.3	2 562	1.8	4 690	3.4
Highly skilled supervision (Levels 9-12)	40 006	28.8	335	0.2	609	0.4	1 405	1.0
Senior management (Levels 13-16)	10 065	7.2	0	0.0	226	0.2	210	0.2
Total	97 245	70.0	792	0.6	3 689	2.7	6 842	4.9

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 2017

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	56	52	7.1
Programme 2	241	239	0.8
Programme 3	54	53	1.9
Total	351	344	2.0

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2017

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	0	0	0.0
Skilled (Levels 3-5)	28	26	7.1
Highly skilled production (Levels 6-8)	202	200	1.0
Highly skilled supervision (Levels 9-12)	104	102	1.9
Senior management (Levels 13-16)	17	16	5.9
Total	351	344	2.0

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2017

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Disaster Manager	18	18	0.0
Engineer	5	5	0.0
GIS Technologist	1	0	100.0
Management Accountant	2	2	0.0
Supply Chain Management Practitioner	7	7	0.0
Total	33	32	3.0

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

3.3 JOB EVALUATION

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

in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

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

Table 3.3.1: Job evaluation, 1 April 2016 to 31 March 2017

Salary Band	Total number of posts as at 31 March 2017	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)	0	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	28	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	202	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	104	0	0.0	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	13	0	0.0	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	3	0	0.0	0	0.0	0	0.0
Senior Management Service Band C (Level 15)	0	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	351	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 2016 to 31 March 2017

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

Note: Table 3.3.2 is a breakdown of posts upgraded in table 3.3.1.

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 2016 to 31 March 2017

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

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2016 to 31 March 2017

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

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 intern information.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2016 to 31 March 2017

Salary Band	Number of employees as at 31 March 2016	Turnover rate % 2015/16	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2016/17
Lower skilled (Levels 1-2)	0	0.0	1	0	1	0	100.0
Skilled (Levels 3-5)	30	32.4	8	1	4	5	30.0
Highly skilled production (Levels 6-8)	207	6.4	2	3	11	0	5.3
Highly skilled supervision (Levels 9-12)	94	17.8	5	4	4	0	4.3
Senior Management Service Band A (Level 13)	10	18.2	0	0	0	0	0.0
Senior Management Service Band B (Level 14)	3	0.0	0	0	1	0	33.3
Senior Management Service Band C (Level 15)	1	0.0	1	0	0	0	0.0
Senior Management Service Band D (Level 15)	0	0.0	0	0	0	0	0.0
Total	345	12.2	17	8	21	5	7.5
			25		26		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2016).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2016 to 31 March 2017

Critical Occupation	Number of employees as at 31 March 2016	Turnover rate % 2015/16	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2016/17
Disaster Manager	19	-	0	1	2	0	10.5
Engineer	5	0.0%	0	0	0	0	0.0
GIS Technologist	0	-	0	0	0	0	0.0
Management Accountant	2	-	0	0	0	0	0.0
Supply Chain Management Practitioner	5	-	2	1	0	0	0.0
Total	31	0.0	2	2	2	0	6.5
			4		2		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2016).

The Department revised its Critical Occupations for the period under review, and therefore turnover rates are not available in all instances.

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2016 to 31 March 2017

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2016
Death	0	0.0	0.0
Resignation *	12	46.2	3.5
Expiry of contract	7	26.9	2.0
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	0	0.0	0.0
Retirement	2	7.7	0.6
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	0	0.0	0.0
Transfers to other Public Service departments	5	19.2	1.4
Total	26	100.0	7.5

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 2016 to 31 March 2017

Resignation Reasons	Number	% of total resignations
Better job offer	1	8.3
Family/personal circumstances	1	8.3
Need for career change	2	16.7
No reason provided	3	25.0
Own business	1	8.3
Personal health	2	16.7
Pursuing fulltime studies	1	8.3
Starting own business	1	8.3
Total	12	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2016 to 31 March 2017

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	0	0.0
Ages 25 to 29	1	8.3
Ages 30 to 34	1	8.3
Ages 35 to 39	2	16.7
Ages 40 to 44	3	25.0
Ages 45 to 49	1	8.3
Ages 50 to 54	2	16.7
Ages 55 to 59	2	16.7
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
Total	12	100.0

Table 3.4.6 Employee initiated severance packages.

Total number of employee initiated severance packages offered in 2016/ 2017	None
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Table 3.4.7: Promotions by salary band, 1 April 2016 to 31 March 2017

Salary Band	Number of Employees as at 31 March 2016	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)	0	0	0.0	0	0.0
Skilled (Levels 3-5)	30	0	0.0	14	46.7
Highly skilled production (Levels 6-8)	207	3	1.4	184	88.9
Highly skilled supervision (Levels 9-12)	94	6	6.4	46	48.9
Senior management (Levels 13-16)	14	2	14.3	8	57.1
Total	345	11	3.2	252	73.0

Note: Promotions reflect the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees. Furthermore, employees within the Occupation Specific Dispensation (OSD) do not receive notch progressions annually.

Table 3.4.8: Promotions by critical occupation, 1 April 2016 to 31 March 2017

Critical Occupation	Number of Employees as at 31 March 2016	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a salary level	Notch progressions as a % of total employees in critical occupations
Disaster Manager	19	2	10.5	10	52.6
Engineer	5	0	0.0	1	20.0
GIS Technologist	0	0	0.0	0	0.0
Management Accountant	2	0	0.0	2	100.0
Supply Chain Management Practitioner	5	0	0.0	4	80.0
Total	31	2	6.5	17	54.8

Note: Promotions reflect the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees. Furthermore, employees within the Occupation Specific Dispensation (OSD) do not receive notch progressions annually.

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 2017

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	1	0	0	0	0	0	0	0	0	1
Senior management (Levels 13-14)	1	5	1	4	1	1	1	1	0	0	15
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	14	24	1	8	19	28	0	8	0	0	102
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	24	49	1	0	56	65	1	4	0	0	200
Semi-skilled and discretionary decision making (Levels 3-5)	0	6	0	0	5	13	0	2	0	0	26
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	39	85	3	12	81	107	2	15	0	0	344
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	39	85	3	12	81	107	2	15	0	0	344

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 2017

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	0	0	0	0	1	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	6	0	0	4	0	0	0	0	0	11
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	6	0	0	4	1	0	0	0	0	12
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	6	0	0	4	1	0	0	0	0	12

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 2016 to 31 March 2017

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	1	0	0	0	0	0	0	0	0	1
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	0	1	2	1	0	1	0	0	9
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	0	1	4	0	0	0	0	5
Semi-skilled and discretionary decision making (Levels 3-5)	1	2	0	0	2	4	0	0	0	0	9
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	0	0	1
Total	2	7	0	1	5	9	0	1	0	0	25
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	2	7	0	1	5	9	0	1	0	0	25

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 2016 to 31 March 2017

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	1	0	0	0	0	1	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	0	0	2	1	2	0	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	2	0	0	0	1	0	0	0	0	3
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	2	1	2	1	3	0	1	0	0	11
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	1	2	1	2	1	3	0	1	0	0	11

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 2016 to 31 March 2017

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

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 2016 to 31 March 2017

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Suspension without pay coupled with a Final Written Warning	0	3	0	0	0	0	0	0	0	0	3
Not Guilty	1	0	0	0	0	0	0	0	0	0	1
TOTAL	1	3	0	0	0	0	0	0	0	0	4

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 2016 to 31 March 2017

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	1	1	0	0	0	1	0	0	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	6	13	0	1	9	13	0	4	46
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	9	12	1	0	24	28	1	3	78
Semi-skilled and discretionary decision making (Levels 3-5)	0	3	0	0	5	9	0	0	17
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0
Total	16	29	1	1	38	51	1	7	144
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	16	29	1	1	38	51	1	7	144

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 2016

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	0	0	0.0
Salary Level 14	3	3	3	100.0
Salary Level 13	13	10	10	100.0
Total	17	13	13	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 2016

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

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2016

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 2016

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	0.0
Salary Level 14	2	2	100.0	0	0.0
Salary Level 13	13	12	92.3	1	7.7
Total	16	15	93.8	1	6.3

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

Table 3.7.2: SMS posts information, as at 31 March 2017

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	0.0
Salary Level 14	3	3	100.0	0	0.0
Salary Level 13	13	12	92.3	1	7.7
Total	17	16	94.1	1	5.9

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 2017

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	1	1	0
Salary Level 15	0	0	0
Salary Level 14	0	1	0
Salary Level 13	0	2	0
Total	1	4	0

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	Director: Municipal Governance The post was advertised with a closing date of 13 February 2015. However, the longlist did not provide a viable candidate for the post. Approval was therefore obtained from the EA on 3 February 2016 to embark on a headhunting process. At the time however the practice was not to see the processes as 2 separate processes, and therefore it appears as if the process took longer than 12 months.

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 Required

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 2016 to 31 March 2017

Salary Band	Employees as at 31 March 2016	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	0	0	0.0
Skilled (Levels 3-5)	30	14	46.7
Highly skilled production (Levels 6-8)	207	184	88.9
Highly skilled supervision (Levels 9-12)	94	46	48.9
Senior management (Levels 13-16)	14	8	57.1
Total	345	252	73.0

Table 3.8.2: Notch progressions by critical occupation, 1 April 2016 to 31 March 2017

Critical Occupations	Employees as at 31 March 2016	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Disaster Manager	19	10	52.6
Engineer	5	1	20.0
GIS Technologist	0	0	0.0
Management Accountant	2	2	100.0
Supply Chain Management Practitioner	5	4	80.0
Total	31	17	54.8

To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2015/16, but paid in the financial year 2016/17. 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 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	36	117	30.8	463	12 853
Male	11	40	27.5	161	14 607
Female	25	77	32.5	302	12 081
Coloured	68	182	37.4	1 001	14 720
Male	23	80	28.8	448	19 499
Female	45	102	44.1	553	12 278
Indian	2	4	50.0	37	18 708
Male	2	3	66.7	37	18 708
Female	0	1	0.0	0	0
White	15	30	50.0	332	22 111
Male	6	14	42.9	169	28 103
Female	9	16	56.3	163	18 116
Employees with a disability	4	12	33.3	44	11 052
Total	125	345	36.2	1877	15 016

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2016 to 31 March 2017

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	0	0	0.0	0	0	0.0
Skilled (Levels 3-5)	6	30	20.0	41	6 892	0.03
Highly skilled production (Levels 6-8)	68	207	32.9	670	9 857	0.5
Highly skilled supervision (Levels 9-12)	43	94	45.7	877	20 386	0.7
Total	117	331	35.3	1 588	13 575	1.3

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, 01 April 2016 to 31 March 2017

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	6	10	60.0	209	34 889	1.3
Senior Management Service Band B (Level 14)	1	3	33.3	40	39 695	0.2
Senior Management Service Band C (Level 15)	1	1	100.0	40	39 695	0.2
Senior Management Service Band D (Level 16)	0	0	0.0	0	0	0.0
Total	8	14	57.1	289	36 090	1.8

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 2016 to 31 March 2017

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2016	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
Disaster Manager	14	19	73.7	310	22 117	0.3
Engineer	1	5	20.0	35	34 904	0.03
GIS Technologist	0	0	0.0	0	0	0.0
Management Accountant	2	2	100.0	40	19 918	0.03
Supply Chain Management Practitioner	1	5	20.0	7	6 923	0.01
Total	18	31	58.1	392	21 739	0.3

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 2016 to 31 March 2017

Salary Band	1 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	0	0.0	0	0.0	0	0.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0.0
Total	0	0.0	0	0.0	0	0.0

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

Table 3.9.2: Foreign Workers by major occupation, 1 April 2016 to 31 March 2017

Major Occupation	1 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% change
None						

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

3.10 LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2016 TO 31 DECEMBER 2016

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 2016 to 31 December 2016

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	1	0.0	0	0
Skilled Levels 3-5)	224	79.0	30	33	90.9	7	126
Highly skilled production (Levels 6-8)	1532	84.6	163	213	76.5	9	1255
Highly skilled supervision (Levels 9-12)	856	78.3	91	105	86.7	9	1305
Senior management (Levels 13-16)	195	90.8	15	18	83.3	13	489
Total	2807	82.7	299	370	80.8	9	3 175

Note: The three-year sick leave cycle started in January 2016 and ends 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 2016 to 31 December 2016

Salary Band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	1	0.0	0	0
Skilled Levels 3-5)	0	0.0	0	33	0.0	0	0
Highly skilled production (Levels 6-8)	28	100.0	2	213	0.9	14	25
Highly skilled supervision (Levels 9-12)	101	100.0	3	105	2.9	34	158
Senior management (Levels 13-16)	8	100.0	2	18	11.1	4	20
Total	137	100.0	7	370	1.9	20	203

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 2016 to 31 December 2016

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Lower skilled (Levels 1-2)	9	1	9
Skilled (Levels 3-5)	545	32	17
Highly skilled production (Levels 6-8)	4557	209	22
Highly skilled supervision (Levels 9-12)	2169	101	21
Senior management (Levels 13-16)	361	19	19
Total	7641	362	21

Table 3.10.4: Capped leave, 1 January 2016 to 31 December 2016

Salary Band	Total capped leave available as at 31 Dec 2015	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 2015	Total capped leave available as at 31 Dec 2016
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)	108	0	0	0	5	108
Highly skilled supervision (Levels 9-12)	365	5	2	3	15	360
Senior management (Levels 13-16)	349	0	0	0	6	349
Total	823	5	2	3	26	818

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

Table 3.10.5 summarises capped- and annual leave payments made to employees as a result of non-utilisation.

Table 3.10.5: Leave pay-outs, 1 April 2016 to 31 March 2017

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave pay-outs during 2016/17 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service for 2016/17	0	0	0
Current leave pay-outs on termination of service 2016/17	141	15	9413
Total	141	15	9413

3.11 HEALTH PROMOTION PROGRAMMES, INCLUDING HIV AND AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2016 to 31 March 2017

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	<p>HIV & AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. The outsourced Health and Wellness contract for the Employee Health and Wellness Programme (EHWP) provides employees and their immediate family members (it means the spouse or partner of an employee or children living with an employee) with a range of services. These services include the following:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (4 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online E-Care services and • Training, coaching and targeted Interventions where these were required.

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2016 to 31 March 2017

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier).
2. Does the department have a dedicated unit or 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>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to the eleven (11) departments, including the Department of Local Government.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and wellbeing of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners.</p> <p>Budget: R2.65 m</p>

Question	Yes	No	Details, if yes
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>The Department 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 Department conducted interventions namely, Awareness session (EHW Services and Healthy Eating and E-Care Information desk), Conflict Management, Substance Abuse, Financial Management, Show Me the Money, Self-Development, Juicy Parenting, Relationship Enrichment, Financial Literacy and Alternative Dispute Resolutions and Coaching for employees.</p> <p>These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme (EHWP) reports provided by the service provider, ICAS, for the period 2016/17. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, managers and supervisors as well as executive coaching for SMS members.</p> <p>The department also provided information sessions, as requested by various departments in the Western Cape Government (WCG) to inform employees of the EHW service, how to access the Employee Health and Wellness Programme (EHWP). Promotional material such as pamphlets, posters and brochures were distributed.</p>
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Local Government is represented by F. Matthee and K. Adams.</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>	ffl		<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.</p> <p>During the period under review, the Department of the Premier has developed four (4) Provincial Employee Health and Wellness Policies which were ratified and approved on 8th March 2016. One of the policies, HIV & AIDS and TB Management, responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>

Question	Yes	No	Details, if yes
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.	ff		<p>The Department implemented the Provincial Strategic Plan on HIV & AIDS, STIs and TB 2012-2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> • Zero new HIV, STI and TB infections • Zero deaths associated with HIV and TB • Zero discrimination <p>Also, the department has conducted HCT and Wellness screenings to ensure that every employee in the department is tested for HIV and screened for TB, at least annually.</p> <p>The aim was to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. <p>Other key elements that addressed anti HIV & AIDS discrimination issues were:</p> <ul style="list-style-type: none"> • conducting Wellness and TB Screenings with specific requests from departments; • distributing posters and pamphlets; • providing HCT and TB Screenings, condom distribution and spot talks; and • commemoration of World AIDS Day and Wellness events.
7. Does the department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	ff		<p>HCT SESSIONS:</p> <p>The following screening sessions were conducted:</p> <p>Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <p>The Department of Local Government participated in 1 HCT and Wellness screening sessions.</p> <p>98 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</p> <p>There were 0 clinical referrals for TB, HIV or any other STIs.</p>

Question	Yes	No	Details, if yes
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	ffl		<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by (ICAS). The most recent annual health review period was 1 April 2016 – 31 March 2017.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, number of cases, etc.</p> <p>The review further provides, amongst others, details pertaining to service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the workplace.</p>

3.12 LABOUR RELATIONS

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

Table 3.12.1: Collective agreements, 1 April 2016 to 31 March 2017

Total collective agreements	None

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 2016 to 31 March 2017

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Dismissal	0	0.0
Not Guilty	1	25.0
Suspension without pay coupled with a Final Written Warning	3	75.0
Total	4	100.0
Percentage of total employment		1.2

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2016 to 31 March 2017

Type of misconduct	Number	% of total
Dishonesty	1	25.0
Assault	1	25.0
Insubordination	1	25.0
Sexual Harassment	1	25.0
Total	4	100.0

Table 3.12.4: Grievances lodged, 1 April 2016 to 31 March 2017

Grievances lodged	Number	% of total
Number of grievances resolved	1	50.0
Number of grievances not resolved	1	50.0
Total number of grievances lodged	2	100.0

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

Table 3.12.5: Disputes lodged with Councils, 1 April 2016 to 31 March 2017

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	1	33.3
Number of disputes dismissed	2	66.7
Total number of disputes lodged	3	100.0

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 2016 to 31 March 2017

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 2016 to 31 March 2017

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 2016 to 31 March 2017

Occupational Categories	Gender	Number of employees as at 1 April 2016	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	5	0	7	0	7
	Male	9	0	3	0	3
Professionals	Female	108	0	372	0	372
	Male	81	0	245	0	245
Technicians and associate professionals	Female	53	0	134	0	134
	Male	37	0	45	0	45
Clerks	Female	39	0	116	0	116
	Male	17	0	35	0	35
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	2	0	1	0	1
Sub Total	Female	205	0	629	0	629
	Male	146	0	329	0	329
Total		351	0	958	0	958
Employees with disabilities	Female	5	0	0	0	0
	Male	7	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 2016 to 31 March 2017

Occupational Categories	Gender	Number of employees as at 31 March 2017	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4	0	1	0	1
	Male	12	0	2	0	2
Professionals	Female	103	0	40	0	40
	Male	79	0	34	0	34
Technicians and associate professionals	Female	61	0	50	0	50
	Male	35	0	25	0	25
Clerks	Female	37	0	73	0	73
	Male	11	0	9	0	9
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	2	0	1	0	1
Sub Total	Female	205	0	164	0	164
	Male	139	0	71	0	71
Total		344	0	235	0	235
Employees with disabilities	Female	5	0	0	0	0
	Male	7	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

Table 4.14.1 provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2016 to 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0.0
Temporary disablement	1	100.0
Permanent disablement	0	0.0
Fatal	0	0.0
Total	1	100.0
Percentage of total employment		0.3

3.15 UTILISATION OF CONSULTANTS

Table 3.15.1 Consultant appointments using appropriated funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: work days/ Hours	Contract value in rand	Total number of projects	Bbbee level
1	Department of Cultural Affairs	Translation	Translation claim	1	6 Days	R 8 493.05	2	0
2	Four-zero-six	Transcription	Transcription services	1	10 Days	R 8 500.00	2	4
2	Ignite advisory services	Development of manuals & training	Development of manuals for the integrated performance and support system as well as the provision of training	2	40 Days	R 343 140.00	1	0
2	Rural metro emergency management services	Fire services shared services model	Development of a fire services shared services model - Central Karoo District	6	79 Days	R 476 748.00	1	2
2	Four-zero-six	Transcription	Transcription services	1	5 Days	R 4 250.00	1	4
2	On time transcribers	Transcription	Transcription services	1	7 Days	R 3 400.00	1	4
2	Agito minds	Data sustainability assessments	Design and implement data sustainability assessments at four (4) municipalities: Matzikama, Cederberg, Cape Agulhas and Beaufort West	2	94 Days	R 484 785.00	1	4
2	School of public leadership	Differentiated minimum composition of basket of government services	Research study for the development of a differentiated minimum composition basket of government services for the Western Cape	2	60 Days	R 489 586.68	1	6

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: work days/ Hours	Contract value in rand	Total number of projects	Bbbee level
2	Ignite advisory services	Legal shared services	Development of legal shared service and the business operations strategy	3	67 Days	R 107 345.82	1	0
2	Bradley conradie halton chedale	Legal fees	Legal fees	1	12 Days	R 44 385.14	1	2
2	Department of cultural affairs	Translation	Translation claim	1	2 Days	R 2 238.50	1	0
2	Department of cultural affairs	Translation	Translation claim	1	9 Days	R 1 132.50	1	0
2	Bradley conradie halton chedale	Legal fees	Legal fees	1	13 Days	R 8 804.85	1	2
2	Ignite advisory services	Diff model based on egap	Development of ipss software: diff model based on egap	2	5 Days	R 84 018.00	1	0
2	Elp media cc	Co-funding for civic education project	Hanns Seidel Foundation: co-funding for civic education project	N/a	N/a	R 100 000.00	1	N/a
2	On time transcribers	Transcription	Transcription services	1	5 Days	R 2 594.23	1	4
2	On time transcribers	Transcription	Transcription services	1	5 Days	R 5 009.33	1	4
2	On time transcribers	Transcription	Transcription services	1	5 Days	R 5 126.97	1	4
2	Palmer development group	Impact assessment	Conduct an impact assessment of the functioning and effectiveness of the current ward participatory system (ward committees) as well as public participation process	6	65 Days	R 99 089.39	1	1

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: work days/ Hours	Contract value in rand	Total number of projects	Bbbee level
2	Four-zero-six	Transcription	Transcription services	1	5 Days	R 9 500.00	1	4
2	Srk consulting (south africa)	Independent environmental assessment on the historic abaittoir waste disposal site on 185 Beaufort West	Independent environmental assessment on the historic abaittoir waste disposal site on 185 Beaufort West	2	22 Days	R 153 122.50	1	0
3	Jm strauss consulting	Disaster risk profile	Compilation of a western cape provincial disaster risk profile	5	167 Days	R 490 420.00	1	4
3	Luticento	Disaster risk assessment	Hessequa Local Municipality disaster risk assessment	4	90 Days	R 185 273.00	1	0
3	Jm strauss consulting	Disaster risk assessment	Matzikama Local Municipality disaster risk assessment	3	102 Days	R 133 152.00	1	4
3	Chris swartz engineers	Operation and maintenance plans at wastewater treatment plants	Develop new or improve existing operation and maintenance plans at wastewater treatment plants	1	104 Days	R 245 000.00	1	0
3	Development bank of south africa	Infrastructure and growth plans	Support with the infrastructure and growth plans	N/a	N/a	R 814 000.00	1	N/a
3	Aurecon	Mig tender	Mig tender	2	279 Days	R 778 599.92	1	1
						R 5 087 714.88		



PART E: FINANCIAL INFORMATION

AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2017.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and the King III 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 the internal audit during the year under review:

Assurance Engagements:

- Inter-governmental Relations (IGR) (carried over from 2015/16 IA Plan);
- Community Development Worker Programme (CDWP);
- DPSA Delegations Framework;
- ICT Governance – Application Portfolio Management (ICT Audit Plan);
- Specialised Support (Process for S139 Interventions); and
- Transfer Payments.

Consulting Engagements:

- Municipal ICT Support and Capacity Building.
- The above assignments were completed during the year.

The areas for improvement, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee monitors the implementation of the agreed actions on a quarterly 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, with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's responses thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements; and
- reviewed material adjustments resulting from the audit of the Department (where appropriate).

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.

Auditor General's Report

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 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 Mervyn Burton**

Chairperson of the Governance & Administration
Cluster Audit Committee

Western Cape Department of the Premier
15 August 2017

REPORT OF THE ACCOUNTING OFFICER

1 GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The Department utilised 98.4% of its total budget allocation mainly due to under-spending on Compensation of Employees due to the slower than anticipated filling of vacant posts and retraining of staff within the Department. A further underspending on goods and services is due to delays in finalising the Integrated Development Planning Assessment Report by the end of 2016/17 financial year.

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

- Goods and Services required for the firefighting season during the 2016/17 financial year as well as for awareness specifically for water, fire and drought.
- Payment of capital assets due to the increase of transport equipment during the 2016/17 financial year. The virement was undertaken within the guidelines of Provincial Treasury.

2 CAPACITY CONSTRAINTS

The under-spending on Compensation of Employees amounting to R3,813 million mainly due to the slower than anticipated filling of vacant posts and retraining of staff for the 2016/17 financial year.

3 UTILISATION OF DONOR FUNDS

None.

4 TRADING ENTITIES AND PUBLIC ENTITIES

None.

5 ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

All transfer payments and the purposes for the payments made are reported in note 28 and Annexures 1A - 1E of the Notes to the Annual Financial Statements.

Accountability arrangements are in place for each transfer payment are stipulated in the individual agreements to the entities receiving the transfer payments.

6 PUBLIC PRIVATE PARTNERSHIPS (PPP)

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

7 CORPORATE GOVERNANCE ARRANGEMENTS

Covered in Section C

8 DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

No activities were discontinued during the 2016/17 financial year.

9 NEW/PROPOSED ACTIVITIES

None.

10 EVENTS AFTER THE REPORTING DATE

A vehicle written-off after year end was disclosed as a non-adjusting event after reporting date.

11 INFORMATION ON PREDETERMINED OBJECTIVES

Supporting municipalities post local government elections

The 2016 local government elections marked an important milestone in local government. The pre and post-election period became an important period for the Department to provide a range of support initiatives to ensure a smooth transition. To this effect, the Department provided support such as the establishment of a municipal election help desk to guide municipalities prior and post the elections. Guidance on convening the first council meeting was provided to all municipalities. Additional to this, the management team of the Department was deployed to monitor the first council meetings and provide guidance where necessary.

It is the responsibility of the Department to help build capacity of municipalities. Support was provided to new Councillors in the form of training and workshops in areas such as, Roles and Responsibilities, Code of Conduct for Councillors, Anti-corruption and the Roles of Municipal Public Accounts Committees. In addition, support was further provided in a form of the development of by-laws, Rules of Order and providing platforms for municipalities to discuss new legislation or any other legislative reforms that affect municipalities. Middle Management Development Training was also rolled out to officials representing different municipalities.

The intervention in terms of section 139 (5) which was implemented by the Western Cape Government (WCG) in partnership with the National Department of Co-operative Governance and Traditional Affairs in Oudtshoorn Municipality was terminated after the new council was sworn in. The WCG conducted a diagnostic assessment into the affairs of Kannaland Municipality resulting in an agreement for an intervention in terms of the constitution and also provide targeted support.

The Local Government: Municipal Systems Act No 32 of 2000 prescribes that the employment contract for a municipal manager must be for a fixed term of employment up to a maximum of five years, not exceeding a period ending one year after the election of the next council of the municipality. During the period under review, a number of vacancies of senior manager positions existed in some municipalities, which meant that municipalities had limited capacity to fulfil their legislative obligations. In dealing with the vacancies, the Department provided support in terms of monitoring the filling of such vacancies, guidance relating to the legislative prescripts pertaining to the recruitment and selection process and the facilitation of secondment(s) where vacancies existed.

Investment in municipal infrastructure

The development of bulk infrastructure is critical for economic development. The Department has a responsibility to strengthen the capacity of municipalities to deliver services. It is to this effect

that the Department made transfers to different municipalities for 2016/17 financial year to support with projects such as replacement of water and electricity meters, and the drilling and equipping of boreholes in support of the drought. In addition, the Department provided support to municipalities in the development of electricity master plans and research on on-site waste water treatment solutions. Technical advice was also provided to municipalities and a Municipal Infrastructure Grant (MIG) monitoring programme to monitor and report on infrastructure projects.

Enhancing the Integrated Development Plans as instruments of service delivery

After the 2016 local government elections, municipalities started a process of developing their five year Integrated Development Plans (IDPs). This is an important period which seeks to ensure that the community needs identified are prioritized and translated into action via the IDP. The Fourth Generation Integrated IDPs provide an opportunity to strengthen integrated planning, budgeting and implementation between the Western Cape Government and the respective municipalities and to influence planning to contribute to sustainable local government. During the year under review, the Department coordinated District Integrated Municipal Engagements which were aimed at concluding agreements on key issues to be incorporated into the new IDPs. Further to this, all 30 municipalities were supported with planning, drafting and review of the IDPs, challenges which were identified during the assessments of the Third Generation of IDPs were used to strengthen the development of the Fourth Generation of IDPs.

Section 73 of the Local Government Municipal Structures Act 117 of 1998, requires metro and local councils to establish ward committees for each ward in the municipality. The objective of the ward committees is to enhance participatory democracy in local government. Following the 2016 local government elections, considerable progress has been made in supporting municipalities to fulfill this requirement. All municipalities were supported with the establishment of ward committees; support provided includes facilitation of workshops on the Ward Committee Establishment Toolkit, know your

ward committee campaign and the development of ward committee operational plans for local municipalities across the 5 Districts as well as the Metro. An accredited NQF Level 5 Ward Committee Induction Train the Trainer Course for municipal officials was also conducted. The course was aimed at equipping municipal officials with facilitation skills along with the content of the Ward Committee Induction Manual.

Lack of access to services and resources are some of the contributors to people being poor and vulnerable. Empowering people with information and knowledge in order to access government services is a vital step in improving the standard of the poor and vulnerable communities. During the year under review, the Community Development Worker and the Thusong Programme continued to play a critical role in ensuring that services reach the intended recipients. Over 1 million people were assisted to access services through the Thusong Centres, Satellite Centres and Mobiles. The Community Development Workers supported 76 initiatives aimed at improving access to small economic opportunities.

Improving the capacity to deal with fire and related hazards

During 2016/17 financial year, the Province experienced a heavy fire season, this is amongst other factors, owed to severe drought experienced. Wildfires became a major problem, not only as a hazard to the environment and properties, but human life is at danger during these fires. At the end of the financial year more than 17 000 fires were attended to by Fire Services in the Province. Nearly 2 000 of these were reported in informal settlements involving close to 5 900 individual units resulting in 142 fatalities. Approximately 9 000 veld/vegetation fires have been reported, damage to the formal sector was estimated to exceed R500 million.

The state of many Fire Services within the Province, especially outside the metropolitan areas, is a matter of increasing concern. The financial situation of most district municipalities has resulted in old and obsolete equipment not being replaced. In response, during the year under review, the

Department procured and handed over 10 fully equipped, purpose built firefighting vehicles, to rural municipalities across the Province.

In addition, years of research into the fires in informal settlements has come up with a potential solution that could help reduce fire related deaths in these settlements. The study has found that the majority of the deaths are linked to smoke inhalation and not the fires themselves. Based on this research the Western Cape Disaster Management Centre has developed a strategy that entails installing smoke alarms in our vulnerable communities. This device will assist to wake people up before it is too late. An active pilot program in the Breede Valley area has already delivered outstanding results in the communities where the pilot has been running. This project will assist to reduce fire related deaths.

The Department handed over the annual grants to Lifesaving Western Cape and to the National Sea Rescue Institute (NSRI) to an amount of R422 000 each to strengthen water safety throughout the Province. An additional amount of R585 000 was provided to the NSRI for the procurement of three vessels which will increase their responsive rescue services at high risk beaches. The NSRI is not only a reactive service where they respond to those who are at risk of drowning but also proactively whereby they educate children in order to prevent drowning. The NSRI consists of 32 coastal and three inland rescue bases. In previous years the NSRI was a valuable resource for the evacuation of vulnerable people during flooding incidents. Lifesaving WC, consisting of 24 clubs, provides a voluntary lifesaving service at beaches and also at pools and dams throughout the Western Cape.

The Province continues to receive lower than projected rainfall, to this effect, supporting municipalities with assessments and declarations became a priority area for the Department. Drought declarations were facilitated for the City of Cape Town, Kannaland and Witzenberg Municipalities. Drought declared areas were supported with key interventions and to this effect, R17,2 million was allocated to augment water supply and bulk infrastructure capacity in drought stricken municipalities. On-going assessments are done and support will be provided as required.

12 SCOPA RESOLUTIONS

List of information required

The Committee requested that the Department of Local Government provides it with the following:

- A comprehensive report detailing the Case Movement Certificate reflecting
 - 328 movement of cases as issued by the Provincial Forensic Services, as indicated on page 62 of the Annual Report.
 - A report on the Municipal Training Programme opportunities provided by the Department to municipal officials, including all associated costs related to the training, as indicated on page 124 of the Annual Report.
 - A report that highlights the support and development of Ward Committees across all municipalities in the Western Cape, as emanating from page 125 of the Annual Report.
 - A detailed report that highlights the under-spending which occurred due to the delay in finalising the establishment of some offices for the Community Development Worker Programme, and the reprioritisation of funds for the Standard Operating System project in lieu of the anticipated request for assistance with drought from municipalities, as indicated on page 147 of the Annual Report.
 - A list of all "Other material losses" that were written off as per Note 6.1, as indicated on page 165 of the Annual Report.
 - A breakdown of all "Other operating expenditure" that's reflected in Note 6.1, as indicated on page 165 of the Annual Report.
 - A list of all "Debts written off" as per Note 6.2, as indicated on page 166 of the Annual Report.
 - A detailed report that highlights the operational and financial support that was rendered to Thusong Centres, as emanating from page 184 of the Annual Report.
- A breakdown of the leave gratuities, as reflected in Annexure 1D on page 188 of the Annual Report.
 - A detailed report on the "Statement of gifts, donations and sponsorships received", as reflected on Annexure 1E on page 189 of the Annual Report.
 - A report that highlights the financial status of Outshoorn Municipality, for the 2015/16 financial year, as reflected on pages 185-186 of the Annual Report.

13 PRIOR MODIFICATIONS TO AUDIT REPORTS

None

14 EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

None

15 INTERIM FINANCIAL STATEMENTS

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

16 APPROVAL

The Annual Financial Statements set out on pages 126 to 196 have been approved by the Accounting Officer.



Accounting Officer

Date: 31 August 2017

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

- 1 I have audited the financial statements of the Western Cape Department of Local Government set out on pages 121 to 193, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, and 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 Local Government as at 31 March 2017, and its financial performance and cash flows for the year 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, 2016 (Act No. 3 of 2016) (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 my report.

- 4 I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and 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.

Responsibilities of the accounting officer for the financial statements

- 6 The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS 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.
- 7 In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer 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

- 8 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 9 A further description of my responsibilities for the audit of the financial statements is included in the annexure to this report.

Other matters

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

Unaudited supplementary schedules

- 11 The supplementary information set out on pages 194 to 205 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

- 12 In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report 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.
- 13 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.

- 14 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 2017:

Programmes	Pages in the Annual Performance Report
Programme 2 - Local Governance	26-42
Programme 3 - Development and Planning	44-52

- 15 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.
- 16 I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2 - local governance
 - Programme 3 - development and planning

Other matters

- 17 I draw attention to the matter below.

Achievement of planned targets

- 18 Refer to the annual performance report on pages 26 to 42 and 44 to 52 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

- 19 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.
- 20 I did not identify any instances of material non-compliance with specific matters in key legislation in respect of the compliance criteria for the applicable subject matters.

Other Information

- 21 The department's accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the accounting officer's report and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes in the annual performance report that have been specifically reported on in the auditor's report.
- 22 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.
- 23 In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Internal Control Deficiencies

- 24 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 thereon.
- 25 I did not identify any significant deficiencies in internal control.

Cape Town
31 July 2017

Auditor-General



APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

E

APPROPRIATION STATEMENT

Appropriation per programme										
Voted funds and Direct charges		2016/17						2015/16		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme										
1.	Administration	35 871	-	(552)	35 319	33 940	1 379	96,1	38 534	37 240
2.	Local Governance	136 519	-	(2 703)	133 816	132 247	1 569	98,8	110 365	106 309
3.	Development And Planning	66 356	-	3 255	69 611	68 747	864	98,8	69 472	69 471
4.	Traditional Institutional Management	1	-	-	1	-	1	-	1	-
Total		238 747	-	-	238 747	234 934	3 813	98,4	218 372	213 020
Reconciliation with Statement of Financial Performance										
Add: Departmental receipts					177				386	
Actual amounts per Statement of Financial Performance (Total Revenue)					238 924				218 758	
Actual amounts per Statement of Financial Performance Expenditure						234 934				213 020

APPROPRIATION STATEMENT

for the year ended 31 March 2017

Appropriation per Programme									
Economic classification	2016/17							2015/16	
	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	191 415	(1 354)	-	190 061	186 248	3 813	98,0	182 328	176 976
Compensation of employees	141 816	(577)	-	141 239	137 473	3 766	97,3	135 349	131 500
Salaries and wages	122 701	(624)	-	122 077	118 738	3 339	97,3	116 954	113 538
Social contributions	19 115	47	-	19 162	18 735	427	97,8	18 395	17 962
Goods and services	49 599	(777)	-	48 822	48 775	47	99,9	46 979	45 476
Administrative fees	447	(31)	(7)	409	409	-	100,0	698	698
Advertising	2 203	1 450	139	3 792	3 792	-	100,0	2 159	2 159
Minor assets	1 127	(613)	-	514	514	-	100,0	591	591
Audit costs: External	1 928	90	-	2 018	2 018	-	100,0	2 660	2 660
Bursaries: Employees	293	85	-	378	378	-	100,0	238	238
Catering:									
Departmental activities	2 115	(152)	-	1 963	1 963	-	100,0	1 461	1 461
Communication (G&S)	1 321	(453)	-	868	868	-	100,0	977	977
Computer services	2 219	413	-	2 632	2 632	-	100,0	1 223	1 223
Consultants: Business and advisory services	9 999	(1 926)	(2 985)	5 088	5 088	-	100,0	7 118	6 329
Legal services	2 347	(374)	(263)	1 710	1 710	-	100,0	555	555
Contractors	8 628	(24)	3 116	11 720	11 720	-	100,0	10 115	10 014
Agency and support / outsourced services	188	(17)	-	171	171	-	100,0	636	636
Entertainment	34	(8)	-	26	26	-	100,0	23	23
Fleet services (including government motor transport)	2 348	62	-	2 410	2 410	-	100,0	2 428	2 428
Consumable supplies	816	(228)	-	588	588	-	100,0	266	253
Consumable: Stationery, printing and office supplies	831	(102)	-	729	729	-	100,0	998	910
Operating leases	516	7	-	523	523	-	100,0	489	489
Property payments	450	442	-	892	892	-	100,0	1 116	783
Transport provided: Departmental activity	198	(33)	-	165	165	-	100,0	209	209
Travel and subsistence	6 153	(449)	-	5 704	5 704	-	100,0	6 478	6 432
Training and development	1 903	981	-	2 884	2 884	-	100,0	2 162	2 162
Operating payments	2 103	277	-	2 380	2 333	47	98,0	2 157	2 084
Venues and facilities	1 224	(257)	-	967	967	-	100,0	1 897	1 837
Rental and hiring	208	83	-	291	291	-	100,0	325	325
Transfers and subsidies	43 129	818	-	43 947	43 947	-	100,0	20 770	20 770
Provinces and municipalities	41 262	-	-	41 262	41 262	-	100,0	18 365	18 365
Municipalities	41 262	-	-	41 262	41 262	-	100,0	18 365	18 365

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

E

Appropriation per Programme									
Economic classification	2016/17							2015/16	
	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
Municipal bank accounts	41 262	-	-	41 262	41 262	-	100,0	18 365	18 365
Departmental agencies and accounts	1 039	-	-	1 039	1 039	-	100,0	751	751
Departmental agencies (non-business entities)	1 039	-	-	1 039	1 039	-	100,0	751	751
Higher education institutions	-	-	-	-	-	-	-	250	250
Non-profit institutions	744	242	-	986	986	-	100,0	710	710
Households	84	576	-	660	660	-	100,0	694	694
Social benefits	84	64	-	148	148	-	100,0	694	694
Other transfers to households	0	512	-	512	512	-	100,0	-	-
Payments for capital assets	4 103	548	-	4 651	4 651	-	100,0	15 180	15 180
Machinery and equipment	4 065	549	20	4 634	4 634	-	100,0	15 155	15 155
Transport equipment	2 101	4	20	2 125	2 125	-	100,0	12 942	12 942
Other machinery and equipment	1 964	545	-	2 509	2 509	-	100,0	2 213	2 213
Software and other intangible assets	38	(1)	(20)	17	17	-	100,0	25	25
Payment for financial assets	100	(12)	-	88	88	-	100,0	94	94
Total	238 747	-	-	238 747	234 934	3 813	98,4	218 372	213 020

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 1: ADMINISTRATION										
Sub programme		2016/17						2015/16		
		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
1.	Office of the Mec	-	-	-	-	-	-	-	-	-
2.	Corporate Services	35 871	-	(552)	35 319	33 940	1 379	96,1	38 534	37 240
Total		35 871	-	(552)	35 319	33 940	1 379	96,1	38 534	37 240

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

E

Economic classification	2016/17							2015/16	
	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	32 452	(265)	(617)	31 570	30 191	1 379	95,6	34 255	32 961
Compensation of employees	22 301	(11)	-	22 290	20 911	1 379	93,8	22 690	21 469
Salaries and wages	19 368	(11)	-	19 357	18 130	1 227	93,7	19 836	18 798
Social contributions	2 933	-	-	2 933	2 781	152	94,8	2 854	2 671
Goods and services	10 151	(254)	(617)	9 280	9 280	-	100,0	11 565	11 492
Administrative fees	213	(94)	-	119	119	-	100,0	247	247
Advertising	137	744	-	881	881	-	100,0	1 441	1 441
Minor assets	571	(265)	-	306	306	-	100,0	169	169
Audit costs: External	1 928	90	-	2 018	2 018	-	100,0	2 660	2 660
Bursaries: Employees	293	85	-	378	378	-	100,0	238	238
Catering: Departmental activities	86	(4)	-	82	82	-	100,0	120	120
Communication (G&S)	694	(369)	-	325	325	-	100,0	513	513
Computer services	304	13	-	317	317	-	100,0	282	282
Consultants: Business and advisory services	808	(183)	(617)	8	8	-	100,0	387	387
Contractors	4	18	-	22	22	-	100,0	25	25
Agency and support / outsourced services	-	-	-	-	-	-	-	60	60
Entertainment	6	-	-	6	6	-	100,0	5	5
Fleet services (including government motor transport)	2 047	10	-	2 057	2 057	-	100,0	2 281	2 281
Consumable supplies	84	83	-	167	167	-	100,0	28	28
Consumable: Stationery, printing and office supplies	649	(88)	-	561	561	-	100,0	762	762
Operating leases	300	62	-	362	362	-	100,0	361	361
Property payments	33	(2)	-	31	31	-	100,0	3	3
Transport provided: Departmental activity	-	-	-	-	-	-	-	3	3
Travel and subsistence	331	(56)	-	275	275	-	100,0	297	297

APPROPRIATION STATEMENT for the year ended 31 March 2017

Economic classification	2016/17							2015/16	
	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
Training and development	748	(259)	-	489	489	-	100,0	901	901
Operating payments	679	71	-	750	750	-	100,0	526	453
Venues and facilities	236	(110)	-	126	126	-	100,0	256	256
Transfers and subsidies	12	11	-	23	23	-	100,0	38	38
Departmental agencies and accounts	2	-	-	2	2	-	100,0	1	1
Departmental agencies (non-business entities)	2	-	-	2	2	-	100,0	1	1
Households	10	11	-	21	21	-	100,0	37	37
Social benefits	10	11	-	21	21	-	100,0	37	37
Payments for capital assets	3 307	266	65	3 638	3 638	-	100,0	4 147	4 147
Machinery and equipment	3 307	266	65	3 638	3 638	-	100,0	4 122	4 122
Transport equipment	1 910	2	65	1 977	1 977	-	100,0	2 776	2 776
Other machinery and equipment	1 397	264	-	1 661	1 661	-	100,0	1 346	1 346
Software and other intangible assets	-	-	-	-	-	-	-	25	25
Payment for financial assets	100	(12)	-	88	88	-	100,0	94	94
Total	35 871	-	(552)	35 319	33 940	1 379	96,1	38 534	37 240

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

E

Subprogramme: 1.2: CORPORATE SERVICES									
Economic classification	2016/17							2015/16	
	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	32 452	(265)	(617)	31 570	30 191	1 379	95,6	34 255	32 961
Compensation of employees	22 301	(11)	-	22 290	20 911	1 379	93,8	22 690	21 469
Salaries and wages	19 368	(11)	-	19 357	18 130	1 227	93,7	19 836	18 798
Social contributions	2 933	-	-	2 933	2 781	152	94,8	2 854	2 671
Goods and services	10 151	(254)	(617)	9 280	9 280	-	100,0	11 565	11 492
Administrative fees	213	(94)	-	119	119	-	100,0	247	247
Advertising	137	744	-	881	881	-	100,0	1 441	1 441
Minor assets	571	(265)	-	306	306	-	100,0	169	169
Audit costs: External	1 928	90	-	2 018	2 018	-	100,0	2 660	2 660
Bursaries: Employees	293	85	-	378	378	-	100,0	238	238
Catering: Departmental activities	86	(4)	-	82	82	-	100,0	120	120
Communication (G&S)	694	(369)	-	325	325	-	100,0	513	513
Computer services	304	13	-	317	317	-	100,0	282	282
Consultants: Business and advisory services	808	(183)	(617)	8	8	-	100,0	387	387
Contractors	4	18	-	22	22	-	100,0	25	25
Agency and support / outsourced services	-	-	-	-	-	-	-	60	60
Entertainment	6	-	-	6	6	-	100,0	5	5
Fleet services (including government motor transport)	2 047	10	-	2 057	2 057	-	100,0	2 281	2 281
Consumable supplies	84	83	-	167	167	-	100,0	28	28
Consumable: Stationery, printing and office supplies	649	(88)	-	561	561	-	100,0	762	762
Operating leases	300	62	-	362	362	-	100,0	361	361
Property payments	33	(2)	-	31	31	-	100,0	3	3
Transport provided: Departmental activity	-	-	-	-	-	-	-	3	3

APPROPRIATION STATEMENT for the year ended 31 March 2017

Economic classification	2016/17							2015/16	
	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
Travel and subsistence	331	(56)	-	275	275	-	100,0	297	297
Training and development	748	(259)	-	489	489	-	100,0	901	901
Operating payments	679	71	-	750	750	-	100,0	526	453
Venues and facilities	236	(110)	-	126	126	-	100,0	256	256
Transfers and subsidies	12	11	-	23	23	-	100,0	38	38
Departmental agencies and accounts	2	-	-	2	2	-	100,0	1	1
Departmental agencies (non-business entities)	2	-	-	2	2	-	100,0	1	1
Households	10	11	-	21	21	-	100,0	37	37
Social benefits	10	11	-	21	21	-	100,0	37	37
Payments for capital assets	3 307	266	65	3 638	3 638	-	100,0	4 147	4 147
Machinery and equipment	3 307	266	65	3 638	3 638	-	100,0	4 122	4 122
Transport equipment	1 910	2	65	1 977	1 977	-	100,0	2 776	2 776
Other machinery and equipment	1 397	264	-	1 661	1 661	-	100,0	1 346	1 346
Software and other intangible assets	-	-	-	-	-	-	-	25	25
Payment for financial assets	100	(12)	-	88	88	-	100,0	94	94
Total	35 871	-	(552)	35 319	33 940	1 379	96,1	38 534	37 240

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for the year ended 31 March 2017

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Programme 2: LOCAL GOVERNANCE										
Sub programme		2016/17						2015/16		
		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
1.	Municipal Administration	9 815	(102)	-	9 713	9 312	401	95,9	10 029	9 976
2.	Public Participation	9 454	214	-	9 668	9 635	33	99,7	7 890	7 669
3.	Capacity Development	12 607	348	-	12 955	12 848	107	99,2	14 417	13 983
4.	Municipal Performance, Monitoring, Reporting and Evaluation	34 766	(195)	(2 638)	31 933	31 329	604	98,1	8 496	7 311
5.	Service Delivery Integration	10 088	(92)	(28)	9 968	9 690	278	97,2	11 954	11 462
6.	Community Development Worker Programme	59 789	(173)	(37)	59 579	59 433	146	99,8	57 579	55 908
Total		136 519	-	(2 703)	133 816	132 247	1 569	98,8	110 365	106 309

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Economic classification	2016/17							2015/16	
	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	111 283	(567)	(2 638)	108 078	106 509	1 569	98,5	99 938	95 882
Compensation of employees	90 169	(566)	-	89 603	88 034	1 569	98,2	85 473	82 847
Salaries and wages	77 226	(604)	-	76 622	75 271	1 351	98,2	72 826	70 450
Social contributions	12 943	38	-	12 981	12 763	218	98,3	12 647	12 397
Goods and services	21 114	(1)	(2 638)	18 475	18 475	-	100,0	14 465	13 035
Administrative fees	114	68	(7)	175	175	-	100,0	288	288
Advertising	1 406	85	-	1 491	1 491	-	100,0	266	266
Minor assets	115	(99)	-	16	16	-	100,0	-	-
Catering: Departmental activities	1 089	(99)	-	990	990	-	100,0	678	678
Communication (G&S)	267	(29)	-	238	238	-	100,0	193	193
Computer services	1 617	427	-	2 044	2 044	-	100,0	648	648
Consultants: Business and advisory services	7 037	(1 177)	(2 368)	3 492	3 492	-	100,0	3 848	3 059
Legal services	2 347	(374)	(263)	1 710	1 710	-	100,0	555	555
Contractors	1 111	(41)	-	1 070	1 070	-	100,0	171	70
Agency and support / outsourced services	188	(17)	-	171	171	-	100,0	562	562
Entertainment	18	(5)	-	13	13	-	100,0	12	12
Fleet services (including government motor transport)	301	42	-	343	343	-	100,0	139	139
Consumable supplies	26	(4)	-	22	22	-	100,0	44	31
Consumable: Stationery, printing and office supplies	70	5	-	75	75	-	100,0	219	131
Property payments	138	(35)	-	103	103	-	100,0	357	24
Transport provided: Departmental activity	198	(33)	-	165	165	-	100,0	206	206
Travel and subsistence	3 450	(158)	-	3 292	3 292	-	100,0	3 607	3 561

APPROPRIATION STATEMENT
for the year ended 31 March 2017

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Economic classification	2016/17							2015/16	
	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
Training and development	534	1 044	-	1 578	1 578	-	100,0	774	774
Operating payments	518	298	-	816	816	-	100,0	877	877
Venues and facilities	366	14	-	380	380	-	100,0	696	636
Rental and hiring	204	87	-	291	291	-	100,0	325	325
Transfers and subsidies	24 974	566	-	25 540	25 540	-	100,0	10 268	10 268
Provinces and municipalities	24 632	-	-	24 632	24 632	-	100,0	9 145	9 145
Municipalities	24 632	-	-	24 632	24 632	-	100,0	9 145	9 145
Municipal bank accounts	24 632	-	-	24 632	24 632	-	100,0	9 145	9 145
Departmental agencies and accounts	30	-	-	30	30	-	100,0	-	-
Departmental agencies (non-business entities)	30	-	-	30	30	-	100,0	-	-
Higher education institutions	-	-	-	-	-	-	-	250	250
Non-profit institutions	242	-	-	242	242	-	100,0	230	230
Households	70	566	-	636	636	-	100,0	643	643
Social benefits	70	54	-	124	124	-	100,0	643	643
Other transfers to households	-	512	-	512	512	-	100,0	-	-
Payments for capital assets	262	1	(65)	198	198	-	100,0	159	159
Machinery and equipment	224	2	(45)	181	181	-	100,0	159	159
Transport equipment	191	2	(45)	148	148	-	100,0	150	150
Other machinery and equipment	33	-	-	33	33	-	100,0	9	9
Software and other intangible assets	38	(1)	(20)	17	17	-	100,0	-	-
Total	136 519	-	(2 703)	133 816	132 247	1 569	98,8	110 365	106 309

APPROPRIATION STATEMENT for the year ended 31 March 2017

Subprogramme: 2.1: MUNICIPAL ADMINISTRATION

Economic classification	2016/17							2015/16	
	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	9 815	(102)	-	9 713	9 312	401	95,9	9 566	9 513
Compensation of employees	6 939	-	-	6 939	6 538	401	94,2	6 772	6 719
Salaries and wages	6 115	-	-	6 115	5 797	318	94,8	5 869	5 869
Social contributions	824	-	-	824	741	83	89,9	903	850
Goods and services	2 876	(102)	-	2 774	2 774	-	100,0	2 794	2 794
Administrative fees	14	20	-	34	34	-	100,0	24	24
Advertising	70	82	-	152	152	-	100,0	137	137
Minor assets	6	(4)	-	2	2	-	100,0	-	-
Catering: Departmental activities	27	1	-	28	28	-	100,0	6	6
Communication (G&S)	11	5	-	16	16	-	100,0	15	15
Computer services	-	30	-	30	30	-	100,0	-	-
Consultants: Business and advisory services	20	47	-	67	67	-	100,0	19	19
Legal services	1 989	(279)	-	1 710	1 710	-	100,0	555	555
Agency and support / outsourced services	-	-	-	-	-	-	-	397	397
Entertainment	4	(2)	-	2	2	-	100,0	1	1
Consumable supplies	3	(2)	-	1	1	-	100,0	3	3
Consumable: Stationery, printing and office supplies	41	(4)	-	37	37	-	100,0	66	66
Travel and subsistence	566	62	-	628	628	-	100,0	398	398
Training and development	12	(12)	-	-	-	-	-	522	522
Operating payments	87	(25)	-	62	62	-	100,0	562	562
Venues and facilities	26	(21)	-	5	5	-	100,0	89	89
Transfers and subsidies	-	-	-	-	-	-	-	463	463
Households	-	-	-	-	-	-	-	463	463
Social benefits	-	-	-	-	-	-	-	463	463
Total	9 815	(102)	-	9 713	9 312	401	95,9	10 029	9 976

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Subprogramme: 2.2: PUBLIC PARTICIPATION									
Economic classification	2016/17							2015/16	
	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	9 446	212	-	9 658	9 625	33	99,7	7 883	7 662
Compensation of employees	6 899	-	-	6 899	6 866	33	99,5	5 580	5 359
Salaries and wages	6 052	(5)	-	6 047	6 014	33	99,5	4 934	4 728
Social contributions	847	5	-	852	852	-	100,0	646	631
Goods and services	2 547	212	-	2 759	2 759	-	100,0	2 303	2 303
Administrative fees	15	19	-	34	34	-	100,0	26	26
Advertising	-	-	-	-	-	-	-	129	129
Catering: Departmental activities	162	(23)	-	139	139	-	100,0	192	192
Communication (G&S)	11	19	-	30	30	-	100,0	28	28
Consultants: Business and advisory services	199	2	-	201	201	-	100,0	1 131	1 131
Contractors	1 024	1	-	1 025	1 025	-	100,0	7	7
Entertainment	2	-	-	2	2	-	100,0	1	1
Fleet services (including government motor transport)	3	2	-	5	5	-	100,0	3	3
Consumable supplies	1	-	-	1	1	-	100,0	4	4
Travel and subsistence	749	(68)	-	681	681	-	100,0	469	469
Operating payments	360	273	-	633	633	-	100,0	294	294
Venues and facilities	21	(13)	-	8	8	-	100,0	19	19
Transfers and subsidies	7	-	-	7	7	-	100,0	-	-
Households	7	-	-	7	7	-	100,0	-	-
Social benefits	7	-	-	7	7	-	100,0	-	-
Payments for capital assets	1	2	-	3	3	-	100,0	7	7
Machinery and equipment	1	2	-	3	3	-	100,0	7	7
Transport equipment	1	2	-	3	3	-	100,0	7	7
Total	9 454	214	-	9 668	9 635	33	99,7	7 890	7 669

APPROPRIATION STATEMENT for the year ended 31 March 2017

Subprogramme: 2.3: CAPACITY DEVELOPMENT

Economic classification	2016/17							2015/16	
	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	12 589	349	-	12 938	12 831	107	99,2	11 462	11 028
Compensation of employees	8 992	-	-	8 992	8 885	107	98,8	7 934	7 686
Salaries and wages	8 073	(29)	-	8 044	7 937	107	98,7	7 055	6 866
Social contributions	919	29	-	948	948	-	100,0	879	820
Goods and services	3 597	349	-	3 946	3 946	-	100,0	3 528	3 342
Administrative fees	8	7	-	15	15	-	100,0	25	25
Advertising	35	2	-	37	37	-	100,0	-	-
Minor assets	23	(23)	-	-	-	-	-	-	-
Catering: Departmental activities	296	26	-	322	322	-	100,0	80	80
Communication (G&S)	17	(2)	-	15	15	-	100,0	20	20
Computer services	432	382	-	814	814	-	100,0	648	648
Consultants: Business and advisory services	2 400	(1 242)	-	1 158	1 158	-	100,0	1 806	1 620
Contractors	-	-	-	-	-	-	-	20	20
Entertainment	2	-	-	2	2	-	100,0	1	1
Consumable supplies	3	-	-	3	3	-	100,0	3	3
Consumable: Stationery, printing and office supplies	2	(2)	-	-	-	-	-	1	1
Travel and subsistence	352	194	-	546	546	-	100,0	617	617
Training and development	-	1 011	-	1 011	1 011	-	100,0	237	237
Operating payments	-	-	-	-	-	-	-	11	11
Venues and facilities	27	(4)	-	23	23	-	100,0	59	59
Transfers and subsidies	-	-	-	-	-	-	-	2 946	2 946
Provinces and municipalities	-	-	-	-	-	-	-	2 647	2 647
Municipalities	-	-	-	-	-	-	-	2 647	2 647

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Subprogramme: 2.3: CAPACITY DEVELOPMENT									
Economic classification	2016/17							2015/16	
	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
Municipal bank accounts	-	-	-	-	-	-	-	2 647	2 647
Higher education institutions	-	-	-	-	-	-	-	250	250
Households	-	-	-	-	-	-	-	49	49
Social benefits	-	-	-	-	-	-	-	49	49
Payments for capital assets	18	(1)	-	17	17	-	100,0	9	9
Machinery and equipment	-	-	-	-	-	-	-	9	9
Other machinery and equipment	-	-	-	-	-	-	-	9	9
Software and other intangible assets	18	(1)	-	17	17	-	100,0	-	-
Total	12 607	348	-	12 955	12 848	107	99,2	14 417	13 983

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for the year ended 31 March 2017

Subprogramme: 2.4: MUNICIPAL PERFORMANCE, MONITORING, REPORTING AND EVALUATION

Economic classification	2016/17							2015/16	
	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	14 210	(195)	(2 638)	11 377	10 773	604	94,7	7 958	6 773
Compensation of employees	5 887	-	-	5 887	5 283	604	89,7	6 506	5 924
Salaries and wages	5 192	-	-	5 192	4 685	507	90,2	5 743	5 222
Social contributions	695	-	-	695	598	97	86,0	763	702
Goods and services	8 323	(195)	(2 638)	5 490	5 490	-	100,0	1 452	849
Administrative fees	19	(4)	(7)	8	8	-	100,0	101	101
Advertising	1 301	1	-	1 302	1 302	-	100,0	-	-
Catering: Departmental activities	44	(23)	-	21	21	-	100,0	6	6
Communication (G&S)	41	(8)	-	33	33	-	100,0	31	31
Computer services	1 185	-	-	1 185	1 185	-	100,0	-	-
Consultants: Business and advisory services	4 409	(1)	(2 368)	2 040	2 040	-	100,0	867	264
Legal services	358	(95)	(263)	-	-	-	-	-	-
Contractors	56	(30)	-	26	26	-	100,0	-	-
Agency and support / outsourced services	-	38	-	38	38	-	100,0	13	13
Entertainment	4	(1)	-	3	3	-	100,0	3	3
Consumable supplies	8	(2)	-	6	6	-	100,0	7	7
Consumable: Stationery, printing and office supplies	7	15	-	22	22	-	100,0	15	15
Travel and subsistence	318	(85)	-	233	233	-	100,0	348	348
Training and development	522	8	-	530	530	-	100,0	-	-
Operating payments	14	29	-	43	43	-	100,0	1	1
Venues and facilities	37	(37)	-	-	-	-	-	60	60

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Subprogramme: 2.4: MUNICIPAL PERFORMANCE, MONITORING, REPORTING AND EVALUATION									
Economic classification	2016/17							2015/16	
	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	20 556	-	-	20 556	20 556	-	100,0	537	537
Provinces and municipalities	20 526	-	-	20 526	20 526	-	100,0	520	520
Municipalities	20 526	-	-	20 526	20 526	-	100,0	520	520
Municipal bank accounts	20 526	-	-	20 526	20 526	-	100,0	520	520
Departmental agencies and accounts	30	-	-	30	30	-	100,0	-	-
Departmental agencies (non-business entities)	30	-	-	30	30	-	100,0	-	-
Households	-	-	-	-	-	-	-	17	17
Social benefits	-	-	-	-	-	-	-	17	17
Payments for capital assets	-	-	-	-	-	-	-	1	1
Machinery and equipment	-	-	-	-	-	-	-	1	1
Other machinery and equipment	-	-	-	-	-	-	-	1	1
Total	34 766	(195)	(2 638)	31 933	31 329	604	98,1	8 496	7 311

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Subprogramme: 2.5: SERVICE DELIVERY INTEGRATION

Economic classification	2016/17							2015/16	
	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	8 740	(92)	-	8 648	8 370	278	96,8	8 774	8 282
Compensation of employees	6 417	-	-	6 417	6 139	278	95,7	6 446	5 954
Salaries and wages	5 706	(4)	-	5 702	5 424	278	95,1	5 721	5 291
Social contributions	711	4	-	715	715	-	100,0	725	663
Goods and services	2 323	(92)	-	2 231	2 231	-	100,0	2 328	2 328
Administrative fees	34	19	-	53	53	-	100,0	48	48
Minor assets	9	-	-	9	9	-	100,0	-	-
Catering: Departmental activities	508	(93)	-	415	415	-	100,0	361	361
Communication (G&S)	64	(40)	-	24	24	-	100,0	33	33
Consultants: Business and advisory services	9	17	-	26	26	-	100,0	25	25
Contractors	30	(13)	-	17	17	-	100,0	32	32
Agency and support / outsourced services	188	(55)	-	133	133	-	100,0	152	152
Entertainment	2	(1)	-	1	1	-	100,0	2	2
Fleet services (including government motor transport)	12	33	-	45	45	-	100,0	7	7
Consumable supplies	3	-	-	3	3	-	100,0	7	7
Consumable: Stationery, printing and office supplies	20	(8)	-	12	12	-	100,0	-	-

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Subprogramme: 2.5: SERVICE DELIVERY INTEGRATION

Economic classification	2016/17							2015/16	
	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
Transport provided: Departmental activity	198	(33)	-	165	165	-	100,0	206	206
Travel and subsistence	885	(158)	-	727	727	-	100,0	928	928
Training and development	-	37	-	37	37	-	100,0	15	15
Operating payments	10	6	-	16	16	-	100,0	-	-
Venues and facilities	147	110	-	257	257	-	100,0	187	187
Rental and hiring	204	87	-	291	291	-	100,0	325	325
Transfers and subsidies	1 288	-	-	1 288	1 288	-	100,0	3 176	3 176
Provinces and municipalities	1 046	-	-	1 046	1 046	-	100,0	2 918	2 918
Municipalities	1 046	-	-	1 046	1 046	-	100,0	2 918	2 918
Municipal bank accounts	1 046	-	-	1 046	1 046	-	100,0	2 918	2 918
Non-profit institutions	242	-	-	242	242	-	100,0	230	230
Households	-	-	-	-	-	-	-	28	28
Social benefits	-	-	-	-	-	-	-	28	28
Payments for capital assets	60	-	(28)	32	32	-	100,0	4	4
Machinery and equipment	60	-	(28)	32	32	-	100,0	4	4
Transport equipment	60	-	(28)	32	32	-	100,0	4	4
Total	10 088	(92)	(28)	9 968	9 690	278	97,2	11 954	11 462

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Subprogramme: 2.6: COMMUNITY DEVELOPMENT WORKER PROGRAMME									
Economic classification	2016/17							2015/16	
	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	56 483	(739)	-	55 744	55 598	146	99,7	54 295	52 624
Compensation of employees	55 035	(566)	-	54 469	54 323	146	99,7	52 235	51 205
Salaries and wages	46 088	(566)	-	45 522	45 414	108	99,8	43 504	42 474
Social contributions	8 947	-	-	8 947	8 909	38	99,6	8 731	8 731
Goods and services	1 448	(173)	-	1 275	1 275	-	100,0	2 060	1 419
Administrative fees	24	7	-	31	31	-	100,0	64	64
Minor assets	77	(72)	-	5	5	-	100,0	-	-
Catering: Departmental activities	52	13	-	65	65	-	100,0	33	33
Communication (G&S)	123	(3)	-	120	120	-	100,0	66	66
Computer services	-	15	-	15	15	-	100,0	-	-
Contractors	1	1	-	2	2	-	100,0	112	11
Entertainment	4	(1)	-	3	3	-	100,0	4	4
Fleet services (including government motor transport)	286	7	-	293	293	-	100,0	129	129
Consumable supplies	8	-	-	8	8	-	100,0	20	7
Consumable: Stationery, printing and office supplies	-	4	-	4	4	-	100,0	137	49
Property payments	138	(35)	-	103	103	-	100,0	357	24
Travel and subsistence	580	(103)	-	477	477	-	100,0	847	801
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	47	15	-	62	62	-	100,0	9	9
Venues and facilities	108	(21)	-	87	87	-	100,0	282	222
Transfers and subsidies	3 123	566	-	3 689	3 689	-	100,0	3 146	3 146
Provinces and municipalities	3 060	-	-	3 060	3 060	-	100,0	3 060	3 060
Municipalities	3 060	-	-	3 060	3 060	-	100,0	3 060	3 060
Municipal bank accounts	3 060	-	-	3 060	3 060	-	100,0	3 060	3 060
Households	63	566	-	629	629	-	100,0	86	86

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

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Subprogramme: 2.6: COMMUNITY DEVELOPMENT WORKER PROGRAMME									
Economic classification	2016/17							2015/16	
	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
Social benefits	63	54	-	117	117	-	100,0	86	86
Other transfers to households	-	512	-	512	512	-	100,0	-	-
Payments for capital assets	183	-	(37)	146	146	-	100,0	138	138
Machinery and equipment	163	-	(17)	146	146	-	100,0	138	138
Transport equipment	130	-	(17)	113	113	-	100,0	138	138
Other machinery and equipment	33	-	-	33	33	-	100,0	-	-
Software and other intangible assets	20	-	(20)	-	-	-	-	-	-
Total	59 789	(173)	(37)	59 579	59 433	146	99,8	57 579	55 908

APPROPRIATION STATEMENT

for the year ended 31 March 2017

Programme 3: DEVELOPMENT AND PLANNING

Sub programme		2016/17						2015/16		
		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
1.	Municipal Infrastructure	18 358	(23)	-	18 335	18 250	85	99,5	20 053	20 053
2.	Disaster Management	41 490	493	3 255	45 238	45 087	151	99,7	42 202	42 202
3.	Integrated Development Planning Coordination	6 508	(470)	-	6 038	5 410	628	89,6	7 217	7 216
Total		66 356	-	3 255	69 611	68 747	864	98,8	69 472	69 471

Economic classification	2016/17						2015/16		
	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	47 679	(522)	3 255	50 412	49 548	864	98,3	48 134	48 133
Compensation of employees	29 345	-	-	29 345	28 528	817	97,2	27 185	27 184
Salaries and wages	26 106	(9)	-	26 097	25 337	760	97,1	24 291	24 290
Social contributions	3 239	9	-	3 248	3 191	57	98,2	2 894	2 894
Goods and services	18 334	(522)	3 255	21 067	21 020	47	99,8	20 949	20 949
Administrative fees	120	(5)	-	115	115	-	100,0	163	163
Advertising	660	621	139	1 420	1 420	-	100,0	452	452
Minor assets	441	(249)	-	192	192	-	100,0	422	422
Catering: Departmental activities	940	(49)	-	891	891	-	100,0	663	663
Communication (G&S)	360	(55)	-	305	305	-	100,0	271	271
Computer services	298	(27)	-	271	271	-	100,0	293	293
Consultants: Business and advisory services	2 154	(566)	-	1 588	1 588	-	100,0	2 883	2 883

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

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Economic classification	2016/17							2015/16	
	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
Contractors	7 513	(1)	3 116	10 628	10 628	-	100,0	9 919	9 919
Agency and support / outsourced services	-	-	-	-	-	-	-	14	14
Entertainment	10	(3)	-	7	7	-	100,0	6	6
Fleet services (including government motor transport)	-	10	-	10	10	-	100,0	8	8
Consumable supplies	706	(307)	-	399	399	-	100,0	194	194
Consumable: Stationery, printing and office supplies	112	(19)	-	93	93	-	100,0	17	17
Operating leases	216	(55)	-	161	161	-	100,0	128	128
Property payments	279	479	-	758	758	-	100,0	756	756
Travel and subsistence	2 372	(235)	-	2 137	2 137	-	100,0	2 574	2 574
Training and development	621	196	-	817	817	-	100,0	487	487
Operating payments	906	(92)	-	814	767	47	94,2	754	754
Venues and facilities	622	(161)	-	461	461	-	100,0	945	945
Rental and hiring	4	(4)	-	-	-	-	-	-	-
Transfers and subsidies	18 143	241	-	18 384	18 384	-	100,0	10 464	10 464
Provinces and municipalities	16 630	-	-	16 630	16 630	-	100,0	9 220	9 220
Municipalities	16 630	-	-	16 630	16 630	-	100,0	9 220	9 220
Municipal bank accounts	16 630	-	-	16 630	16 630	-	100,0	9 220	9 220
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 007	-	-	1 007	1 007	-	100,0	750	750
Departmental agencies (non-business entities)	1 007	-	-	1 007	1 007	-	100,0	750	750
Non-profit institutions	502	242	-	744	744	-	100,0	480	480

APPROPRIATION STATEMENT
for the year ended 31 March 2017

Economic classification	2016/17							2015/16	
	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
Households	4	(1)	-	3	3	-	100,0	14	14
Social benefits	4	(1)	-	3	3	-	100,0	14	14
Payments for capital assets	534	281	-	815	815	-	100,0	10 874	10 874
Machinery and equipment	534	281	-	815	815	-	100,0	10 874	10 874
Transport equipment	-	-	-	-	-	-	-	10 016	10 016
Other machinery and equipment	534	281	-	815	815	-	100,0	858	858
Total	66 356	-	3 255	69 611	68 747	864	98,8	69 472	69 471

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

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Subprogramme: 3.1: MUNICIPAL INFRASTRUCTURE									
Economic classification	2016/17							2015/16	
	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	11 528	(23)	-	11 505	11 420	85	99,3	12 132	12 132
Compensation of employees	9 522	-	-	9 522	9 437	85	99,1	8 916	8 916
Salaries and wages	8 842	-	-	8 842	8 761	81	99,1	8 329	8 329
Social contributions	680	-	-	680	676	4	99,4	587	587
Goods and services	2 006	(23)	-	1 983	1 983	-	100,0	3 216	3 216
Administrative fees	22	(2)	-	20	20	-	100,0	23	23
Minor assets	-	2	-	2	2	-	100,0	-	-
Catering: Departmental activities	110	(19)	-	91	91	-	100,0	56	56
Communication (G&S)	52	(11)	-	41	41	-	100,0	33	33
Consultants: Business and advisory services	779	-	-	779	779	-	100,0	1 708	1 708
Entertainment	2	-	-	2	2	-	100,0	2	2
Consumable supplies	3	-	-	3	3	-	100,0	3	3
Travel and subsistence	1 008	6	-	1 014	1 014	-	100,0	1 268	1 268
Training and development	-	-	-	-	-	-	-	65	65
Operating payments	-	1	-	1	1	-	100,0	41	41
Venues and facilities	30	-	-	30	30	-	100,0	17	17
Transfers and subsidies	6 830	-	-	6 830	6 830	-	100,0	7 921	7 921
Provinces and municipalities	6 830	-	-	6 830	6 830	-	100,0	7 920	7 920
Municipalities	6 830	-	-	6 830	6 830	-	100,0	7 920	7 920
Municipal bank accounts	6 830	-	-	6 830	6 830	-	100,0	7 920	7 920
Households	-	-	-	-	-	-	-	1	1
Social benefits	-	-	-	-	-	-	-	1	1
Total	18 358	(23)	-	18 335	18 250	85	99,5	20 053	20 053

APPROPRIATION STATEMENT for the year ended 31 March 2017

Subprogramme: 3.2: DISASTER MANAGEMENT									
Economic classification	2016/17							2015/16	
	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	29 649	(29)	3 255	32 875	32 724	151	99,5	29 598	29 598
Compensation of employees	14 889	-	-	14 889	14 738	151	99,0	13 480	13 480
Salaries and wages	12 899	(9)	-	12 890	12 739	151	98,8	11 732	11 732
Social contributions	1 990	9	-	1 999	1 999	-	100,0	1 748	1 748
Goods and services	14 760	(29)	3 255	17 986	17 986	-	100,0	16 118	16 118
Administrative fees	46	(12)	-	34	34	-	100,0	38	38
Advertising	660	621	139	1 420	1 420	-	100,0	452	452
Minor assets	427	(251)	-	176	176	-	100,0	422	422
Catering: Departmental activities	697	(122)	-	575	575	-	100,0	453	453
Communication (G&S)	268	(25)	-	243	243	-	100,0	224	224
Computer services	298	(27)	-	271	271	-	100,0	293	293
Consultants: Business and advisory services	1 375	(566)	-	809	809	-	100,0	1 175	1 175
Contractors	7 502	-	3 116	10 618	10 618	-	100,0	9 905	9 905
Entertainment	6	(1)	-	5	5	-	100,0	3	3
Fleet services (including government motor transport)	-	10	-	10	10	-	100,0	8	8
Consumable supplies	700	(305)	-	395	395	-	100,0	189	189
Consumable: Stationery, printing and office supplies	110	(18)	-	92	92	-	100,0	16	16
Operating leases	216	(55)	-	161	161	-	100,0	128	128
Property payments	279	479	-	758	758	-	100,0	756	756
Travel and subsistence	792	3	-	795	795	-	100,0	916	916
Training and development	551	266	-	817	817	-	100,0	392	392
Operating payments	757	(10)	-	747	747	-	100,0	713	713
Venues and facilities	72	(12)	-	60	60	-	100,0	35	35

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

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Subprogramme: 3.2: DISASTER MANAGEMENT

Economic classification	2016/17							2015/16	
	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
Rental and hiring	4	(4)	-	-	-	-	-	-	-
Transfers and subsidies	11 313	241	-	11 554	11 554	-	100,0	1 730	1 730
Provinces and municipalities	9 800	-	-	9 800	9 800	-	100,0	500	500
Municipalities	9 800	-	-	9 800	9 800	-	100,0	500	500
Municipal bank accounts	9 800	-	-	9 800	9 800	-	100,0	500	500
Departmental agencies and accounts	1 007	-	-	1 007	1 007	-	100,0	750	750
Departmental agencies (non-business entities)	1 007	-	-	1 007	1 007	-	100,0	750	750
Non-profit institutions	502	242	-	744	744	-	100,0	480	480
Households	4	(1)	-	3	3	-	100,0	-	-
Social benefits	4	(1)	-	3	3	-	100,0	-	-
Payments for capital assets	528	281	-	809	809	-	100,0	10 874	10 874
Machinery and equipment	528	281	-	809	809	-	100,0	10 874	10 874
Transport equipment	-	-	-	-	-	-	-	10 016	10 016
Other machinery and equipment	528	281	-	809	809	-	100,0	858	858
Total	41 490	493	3 255	45 238	45 087	151	99,7	42 202	42 202

APPROPRIATION STATEMENT for the year ended 31 March 2017

Subprogramme: 3.3: INTEGRATED DEVELOPMENT PLANNING COORDINATION									
Economic classification	2016/17							2015/16	
	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	6 502	(470)	-	6 032	5 404	628	89,6	6 404	6 403
Compensation of employees	4 934	-	-	4 934	4 353	581	88,2	4 789	4 788
Salaries and wages	4 365	-	-	4 365	3 837	528	87,9	4 230	4 229
Social contributions	569	-	-	569	516	53	90,7	559	559
Goods and services	1 568	(470)	-	1 098	1 051	47	95,7	1 615	1 615
Administrative fees	52	9	-	61	61	-	100,0	102	102
Minor assets	14	-	-	14	14	-	100,0	-	-
Catering: Departmental activities	133	92	-	225	225	-	100,0	154	154
Communication (G&S)	40	(19)	-	21	21	-	100,0	14	14
Contractors	11	(1)	-	10	10	-	100,0	14	14
Agency and support /outsourced services	-	-	-	-	-	-	-	14	14
Entertainment	2	(2)	-	-	-	-	-	1	1
Consumable supplies	3	(2)	-	1	1	-	100,0	2	2
Consumable: Stationery, printing and office supplies	2	(1)	-	1	1	-	100,0	1	1
Travel and subsistence	572	(244)	-	328	328	-	100,0	390	390
Training and development	70	(70)	-	-	-	-	-	30	30
Operating payments	149	(83)	-	66	19	47	28,8	-	-
Venues and facilities	520	(149)	-	371	371	-	100,0	893	893
Transfers and subsidies	-	-	-	-	-	-	-	813	813
Provinces and municipalities	-	-	-	-	-	-	-	800	800
Municipalities	-	-	-	-	-	-	-	800	800

APPROPRIATION STATEMENT
for the year ended 31 March 2017

PART E

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Subprogramme: 3.3: INTEGRATED DEVELOPMENT PLANNING COORDINATION									
Economic classification	2016/17							2015/16	
	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
Municipal bank accounts	-	-	-	-	-	-	-	800	800
Households	-	-	-	-	-	-	-	13	13
Social benefits	-	-	-	-	-	-	-	13	13
Payments for capital assets	6	-	-	6	6	-	100,0	-	-
Machinery and equipment	6	-	-	6	6	-	100,0	-	-
Other machinery and equipment	6	-	-	6	6	-	100,0	-	-
Total	6 508	(470)	-	6 038	5 410	628	89,6	7 217	7 216

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

Sub programme		2016/17						2015/16		
		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
1.	Traditional Institutional Administration	1	-	-	1	-	1	-	1	-
Total		1	-	-	1	-	1	-	1	-

Economic classification		2016/17						2015/16		
		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	-	1	-
Compensation of employees		1	-	-	1	-	1	-	1	-
Salaries and wages		1	-	-	1	-	1	-	1	-
Total		1	-	-	1	-	1	-	1	-

Subprogramme: 4.1: TRADITIONAL INSTITUTIONAL ADMINISTRATION

Economic classification		2016/17						2015/16		
		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	-	1	-
Compensation of employees		1	-	-	1	-	1	-	1	-
Salaries and wages		1	-	-	1	-	1	-	1	-
Total		1	-	-	1	-	1	-	1	-

NOTES TO THE APPROPRIATION STATEMENT

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in the note on Transfers and subsidies, and Annexure 1 (A-E) 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

Per Programme:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Administration	35 319	33 940	1 379	3,90

The under-spending is on Compensation of Employees specifically and exclusively earmarked during the 2016/17 financial year.

Local Governance	133 816	132 247	1 569	1,17
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The under-spending is on Compensation of Employees specifically and exclusively earmarked during the 2016/17 financial year.

Development and Planning	69 611	68 747	864	1,24
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The under-spending is on Compensation of Employees specifically and exclusively earmarked during the 2016/17 financial year.

4.2 PER ECONOMIC CLASSIFICATION

Per economic classification:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	141 239	137 473	3 766	2,7
Goods and services	48 822	48 775	47	0,1
Transfers and subsidies				
Provinces and municipalities	41 262	41 262	-	0,0
Departmental agencies and accounts	1 039	1 039	-	0,0
Non-profit institutions	986	986	-	0,0
Households	660	660	-	0,0
Payments for capital assets				
Machinery and equipment	4 634	4 634	-	0,0
Software and other intangible assets	17	17	-	0,0
Payments for financial assets	88	88	-	0,0

The under-spending on Compensation of employees is due to delays in the filling of critical positions to recruit or retain an employee with required skills and capabilities within the department.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2016/17 R'000	2015/16 R'000
REVENUE			
Annual appropriation	1	238 747	218 372
Departmental revenue	2	177	386
TOTAL REVENUE		238 924	218 758
EXPENDITURE			
Current expenditure			
Compensation of employees	3	137 473	131 501
Goods and services	4	48 775	45 476
Total current expenditure		186 248	176 977
Transfers and subsidies			
Transfers and subsidies	6	43 947	20 769
Total transfers and subsidies		43 947	20 769
Expenditure for capital assets			
Tangible assets	7	4 634	15 155
Intangible assets	7	17	25
Total expenditure for capital assets		4 651	15 180
Payments for financial assets	5	88	94
TOTAL EXPENDITURE		234 934	213 020
SURPLUS/(DEFICIT) FOR THE YEAR		3 990	5 738
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		3 813	5 352
Annual appropriation		414	5 352
Departmental revenue and NRF Receipts	12	177	386
SURPLUS/(DEFICIT) FOR THE YEAR		3 990	5 738

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Note	2016/17 R'000	2015/16 R'000
ASSETS			
Current Assets			
		3 972	5 393
Cash and cash equivalents	8	3 158	4 990
Prepayments and advances	9	22	3
Receivables	10	792	400
Non-Current Assets			
		-	4
Receivables	10	-	4
TOTAL ASSETS		3 972	5 397
LIABILITIES			
Current Liabilities			
		3 829	5 368
Voted funds to be surrendered to the Revenue Fund	11	3 813	5 352
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	16	16
TOTAL LIABILITIES		3 829	5 368
NET ASSETS			
		143	29
Represented by:			
Recoverable revenue		143	29
TOTAL		143	29

STATEMENT OF CHANGES IN NET ASSETS

AS AT 31 MARCH 2017

	Note	2016/17 R'000	2015/16 R'000
NET ASSETS			
Recoverable revenue			
Opening balance		29	55
Transfers		114	(26)
Debts recovered (included in departmental receipts)		(39)	(86)
Debts raised		153	60
Closing balance		143	29
TOTAL		143	29

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Annual appropriated funds received	1.1	238 747	218 372
Departmental revenue received	2	164	318
Interest received	2.2	2	3
Net (increase)/ decrease in working capital		(407)	635
Surrendered to Revenue Fund		(5 579)	(2 077)
Current payments		(186 248)	(176 977)
Payments for financial assets		(88)	(94)
Transfers and subsidies paid		(43 947)	(20 769)
Net cash flow available from operating activities	13	2 644	19 411
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(4 651)	(15 180)
Proceeds from sale of capital assets	2.3	61	115
Net cash flows from investing activities		(4 590)	(15 065)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		114	(26)
Net cash flows from financing activities		114	(26)
Net increase/ (decrease) in cash and cash equivalents		(1 832)	4 320
Cash and cash equivalents at beginning of period		4 990	670
Cash and cash equivalents at end of period	14	3 158	4 990

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 Flow Statement, Expenditure, Revenue]

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

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

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

7.2 Departmental revenue

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

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

7.3 Accrued departmental revenue

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

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

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

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

8 Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

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

consideration paid is more than the capitalisation threshold.

8.3 Accrued expenditure payable

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

Accrued expenditure payable is measured at cost.

8.4 Leases

8.4.1 Operating leases

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

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

8.4.2 Finance leases

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

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

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

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

9 Aid Assistance

9.1 Aid assistance received

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

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

9.2 Aid assistance paid

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

10 Cash and cash equivalents

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

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

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

11 Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

Prepayments are recognised as expenditure if the prepayment is material and was budgeted for as an expense in the year in which the actual prepayment was made.

12 Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts

already settled or written-off. Write-offs are made according to the department's write-off policy.

13 Investments

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

14 Financial assets

14.1 Financial assets (not covered elsewhere)

[General Departmental Assets and Liabilities]

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

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

14.2 Impairment of financial assets

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

15 Payables

Loans and payables are recognised in the statement of financial position at cost.

16 Capital Assets

16.1 Immovable capital assets

[Capital Assets]

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

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

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

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

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

16.2 Movable capital assets

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

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

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

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

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

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets

acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

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

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

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

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

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

17 Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not

recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

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

17.4 Commitments

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

18 Unauthorised expenditure

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

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

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

19 Fruitless and wasteful expenditure

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.

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

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

20 Irregular expenditure

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 therefore are provided in the note.

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

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

21 Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are 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.

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

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening

balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22 Events after the reporting date

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

23 Principal-Agent arrangements

The department does not have any Principal-agent arrangements.

24 Departures from the MCS requirements

The Department had no departures from the MCS requirements.

25 Capitalisation reserve

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

26 Recoverable revenue

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

27 Related party disclosures

27.1 Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.

27.2 Key management personnel

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.

28 Public-Private Partnerships

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

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

29 Employee benefits

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

1 APPROPRIATION

1.1 Annual Appropriation

Programmes	2016/17			2015/16	
	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	35 871	35 871	-	38 534	38 627
Local Governance	136 519	136 519	-	110 365	111 962
Development and Planning	66 356	66 356	-	69 472	67 782
Traditional Institutional Management	1	1	-	1	1
Total	238 747	238 747	-	218 372	218 372

2 DEPARTMENTAL REVENUE

	Note	2016/17 R'000	2015/16 R'000
Sales of goods and services other than capital assets	2.1	110	80
Interest, dividends and rent on land	2.2	2	3
Sales of capital assets	2.3	61	115
Transactions in financial assets and liabilities	2.4	54	238
Total revenue collected		227	436
Less: Own revenue included in appropriation	12	50	50
Departmental revenue collected		177	386

Note	2016/17	2015/16
	R'000	R'000

2.1 Sales of goods and services other than capital assets

	2		
Sales of goods and services produced by the department		88	79
Other sales		88	79
Sales of scrap, waste and other used current goods		22	1
Total		110	80
Other sales consists of commission on insurance and garnishees.			

2.2 Interest, dividends and rent on land

	2		
Interest		2	3
Total		2	3

2.3 Sales of capital assets

	2		
Tangible assets		61	115
Machinery and equipment	25.2	61	115
Total		61	115
Sales of capital assets relates to disposals of redundant/obsolete equipment sold to staff			

2.4 Transactions in financial assets and liabilities

	2		
Other Receipts including Recoverable Revenue		54	238
Total		54	238
Included in the comparative amount is a salary claim (R66 813), debts raised with respect of prior financial year (R81 403).			

Note	2016/17	2015/16
	R'000	R'000

3 COMPENSATION OF EMPLOYEES

3.1 Salaries and wages

Basic salary		95 371	90 105
Performance award		1 877	1 767
Service Based		64	18
Compensative/circumstantial		3 067	4 214
Periodic payments		-	132
Other non-pensionable allowances		18 358	17 303
Total		118 737	113 539

The number of vacant post filled increased

3.2 Social contributions

Employer contributions			
Pension		11 895	11 184
Medical		6 813	6 751
Bargaining council		28	27
Total		18 736	17 962
Total compensation of employees		137 473	131 501
Average number of employees		363	396

Average number of employees decreased mainly due to a decrease of the intake of paye interns.

Note	2016/17	2015/16
	R'000	R'000

4 GOODS AND SERVICES

Administrative fees		409	697
Advertising		3 792	2 159
Minor assets	4.1	514	591
Bursaries (employees)		378	238
Catering		1 963	1 461
Communication		868	977
Computer services	4.2	2 632	1 223
Consultants: Business and advisory services		5 088	6 330
Legal services		1 710	555
Contractors		11 720	10 014
Agency and support / outsourced services		171	637
Entertainment		26	24
Audit cost – external	4.3	2 018	2 660
Fleet services		2 410	2 428
Consumables	4.4	1 317	1 163
Operating leases		523	489
Property payments	4.5	892	783
Rental and hiring		291	325
Transport provided as part of the departmental activities		165	209
Travel and subsistence	4.6	5 704	6 432
Venues and facilities		967	1 836
Training and development		2 884	2 162
Other operating expenditure	4.7	2 333	2 083
Total		48 775	45 476

Included in Training and development is a prepayment to University of Stellenbosch for R250 000 for MMC training

Included in Advertising is the smoke alarm campaign (R1 362 140.56) and drought relief campaign (R675 819.68)

Contractors include fire fighting services (R10 389 670.92)

The increase in legal fees was due to provincial interventions in the Oudtshoorn Municipality

Note	2016/17	2015/16
	R'000	R'000

4.1 Minor assets

	4		
Tangible assets		514	591
Machinery and equipment		514	591
Total		514	591

4.2 Computer services

	4		
SITA computer services		560	423
External computer service providers		2 072	800
Total		2 632	1 223

Computer services: Development of generic ICT strategic and associated implementation plans (R467 000), and development of a citizen engagement mobile application (R1 184 600.73).

4.3 Audit cost – external

	4		
Regularity audits		2 018	2 660
Total		2 018	2 660

The decrease in audit fees is due to invoices being paid in different financial years and not due to a decrease in audit fees.

4.4 Consumables

	4		
Consumable supplies		588	253
Uniform and clothing		23	15
Household supplies		95	75
Building material and supplies		462	125
IT consumables		6	21
Other consumables		2	17
Stationery, printing and office supplies		729	910
Total		1 317	1 163

Included in building material and supplies are 2 000 smoke alarms (R329 000) that were installed in the Breede Valley region as part of the fire and life safety campaign.

Note	2016/17	2015/16
	R'000	R'000

4.5 Property payments

	4		
Municipal services		2	2
Other		890	781
Total		892	783

Other includes security services (R412 138.25) and fire fighting ground crew (R473 222.55).

4.6 Travel and subsistence

	4		
Local		5 592	6 202
Foreign		112	230
Total		5 704	6 432

4.7 Other operating expenditure

	4		
Professional bodies, membership and subscription fees		5	7
Resettlement costs		136	47
Other		2 192	2 029
Total		2 333	2 083

Included in "other" operating expenditure:

Printing and publications: Annual report (R184 200)

Annual performance plans (R134 064)

Ward committee books (R662 899.67)

Law library box sets (R44 933.28)

Corporate identity development and guide (111 375.88)

Photocopies (R318 426)

Resettlement costs relates to the transfer of six employees into the department.

5 PAYMENTS FOR FINANCIAL ASSETS

Other material losses written off	5.1	82	38
Debts written off	5.2	6	56
Total		88	94

Note	2016/17	2015/16
	R'000	R'000

5.1 Other material losses written off

	5		
Nature of losses			
GG vehicle damage		81	27
Equipment		-	6
Overpayment to supplier		-	5
Damage to hired equipment		1	-
Total		82	38

A vehicle amounting to R70 792.00 was written off relating to 2010 based on State Attorney opinion.

5.2 Debts written off

	5		
Nature of debts written off			
Other debt written off			
GG Vehicles		-	3
Equipment		-	44
Salary overpayments		6	9
Total debt written off		6	56

Note	2016/17	2015/16
	R'000	R'000

6 TRANSFERS AND SUBSIDIES

Provinces and municipalities	28	41 262	18 365
Departmental agencies and accounts	ANNEXURE 1B	1 039	751
Higher education institutions	ANNEXURE 1C	-	250
Non-profit institutions	ANNEXURE 1D	986	710
Households	ANNEXURE 1E	660	694
Total		43 947	20 770
Unspent funds transferred to the above beneficiaries			
Provinces and municipalities		35 602	-
Departmental agencies and accounts		-	-
Total		35 602	-

The following increase in transfers relates to municipalities:

Fire awareness R9.8 million

Municipal Performance Management Grant increased by R20 million

7 EXPENDITURE FOR CAPITAL ASSETS

Tangible assets		4 634	15 155
Machinery and equipment	25	4 634	15 155
Intangible assets	26	17	25
Software		17	25
Total		4 651	15 180

Included in the comparative amount is R10 million for the purchasing of 10 fire trucks which was donated to municipalities in the 2016/17 financial year.

7.1 Analysis of funds utilised to acquire capital assets - 2016/17

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	4 634	-	4 634
Machinery and equipment	4 634	-	4 634
Intangible assets	17	-	17
Software	17	-	17
Total	4 651	-	4 651

7.2 Analysis of funds utilised to acquire capital assets - 2015/16

Tangible assets	15 155	-	15 155
Machinery and equipment	15 155	-	15 155
Intangible assets	25	-	25
Software	25	-	25
Total	15 180	-	15 180

Note	2016/17	2015/16
	R'000	R'000

7.3 Finance lease expenditure included in Expenditure for capital assets

Tangible assets		
Machinery and equipment	2 396	2 560
Total	2 396	2 560

Finance leases for vehicles decreased due to the reduction in the fleet from 38 to 36 vehicles.

Note	2016/17	2015/16
	R'000	R'000

8 CASH AND CASH EQUIVALENTS

Consolidated Paymaster General Account	3 138	4 970
Cash on hand	20	20
Total	3 158	4 990

Included in the amount are unspent funds.

Note	2016/17	2015/16
	R'000	R'000

9 PREPAYMENTS AND ADVANCES

Travel and subsistence		22	3
Total		22	3

9.1 Prepayments (Expensed)

Goods and services		250	-
Capital assets		-	10 000
Total		250	10 000

The department expensed the payment for Municipal Middle Managers Mentoring and Coaching Programme that is taking place in the 2017/18 financial year.

The prior year prepayment was for the purchasing of fire trucks.

10 RECEIVABLES

	Note	2016/17			2015/16		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	400	-	400	151	-	151
Recoverable expenditure	10.2	44	-	44	84	-	84
Staff debt	10.3	205	-	205	153	4	157
Fruitless and wasteful expenditure	10.4	2	-	2	-	-	-
Other debtors	10.5	141	-	141	12	-	12
Total		792	-	792	400	4	404

Note	2016/17	2015/16
	R'000	R'000

10.1 Claims recoverable

	10		
Provincial departments		400	151
Total		400	151

Note	2016/17	2015/16
	R'000	R'000

10.2 Recoverable expenditure (disallowance accounts)

	10		
Damages: GG vehicles		21	71
Theft and damages: Assets		23	13
Total		44	84

10.3 Staff debt

	10		
Bursaries		5	9
Leave without pay		136	38
Income Tax		1	2
Salary		63	108
Total		205	157

Leave without pay is in respect of one PILIR case declined.

10.4 Other debtors

	10		
Pension Recoverable		-	12
SARS		141	-
Total		141	12

10.5 Fruitless and wasteful expenditure

	10		
Opening balance		-	-
Transfers from note 21 Fruitless and Wasteful expenditure		2	-
Total		2	-

The original amount transferred was R4 008 and is currently being paid. The closing balance of the debt was R1 653.

Note	2016/17	2015/16
	R'000	R'000

10.6 Impairment of receivables

Estimate of impairment of receivables		228	156
Total		228	156

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

11 VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

Opening balance		5 352	1 651
As restated		5 352	1 651
Transfer from statement of financial performance (as restated)		3 813	5 352
Paid during the year		(5 352)	(1 651)
Closing balance		3 813	5 352

12 DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

Opening balance		16	6
As restated		16	6
Transfer from Statement of Financial Performance (as restated)		177	386
Own revenue included in appropriation		50	50
Paid during the year		(227)	(426)
Closing balance		16	16

Note	2016/17	2015/16
	R'000	R'000

13 NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

Net surplus/(deficit) as per Statement of Financial Performance		3 990	5 738
Add back non cash/cash movements not deemed operating activities		(1 346)	13 673
(Increase)/decrease in receivables		(388)	(44)
(Increase)/decrease in prepayments and advances		(19)	810
Increase/(decrease) in payables – current		-	(131)
Proceeds from sale of capital assets		(61)	(115)
Expenditure on capital assets		4 651	15 180
Surrenders to Revenue Fund		(5 579)	(2 077)
Own revenue included in appropriation		50	50
Net cash flow generated by operating activities		2 644	19 411

14 RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

Consolidated Paymaster General account		3 138	4 970
Cash on hand		20	20
Total		3 158	4 990

15 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

15.1 Contingent liabilities

Liable to Nature			
Intergovernmental payables (unconfirmed balances)	Annex 3	246	-
Total		246	-

15.2 Contingent assets

Two PILIR cases are under investigation and not yet finalised by the Department of the Premier as at 31 March 2017.

At this stage the Department is not able to reliably measure the contingent asset in terms of the Government Employees Housing Scheme of the Individually Linked Savings Facility (ILSF), relating to resignations and terminations of service.

Note	2016/17	2015/16
	R'000	R'000

16 COMMITMENTS

Current Expenditure			
Approved and contracted		1 200	1 349
		1 200	1 349
Capital Expenditure			
Approved and contracted		-	12
		-	12
Total Commitments		1 200	1 361

17 ACCRUALS AND PAYABLES NOT RECOGNISED

17.1 Accruals

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	856	-	856	633
Capital assets	-	-	-	10
Total	856	-	856	643

	Note	2016/17	2015/16
		R'000	R'000
Listed by programme level			
Programme 1: Administration		435	155
Programme 2: Local Governance		220	341
Programme 3: Development and Planning		201	147
Total		856	643

2016/17	2015/16
R'000	R'000

17.2 Payables not recognised

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	41	-	41	50
Other	-	-	-	-
Total	41	-	41	50

Listed by programme level				
Programme 1: Administration			-	1
Programme 2: Local Governance			31	11
Programme 3: Development and Planning			10	38
Total			41	50

Included in the above totals are the following:				
Confirmed balances with departments	Annex 3		36	-
Confirmed balances with other government entities	Annex 3		9	-
Total			45	-

18 EMPLOYEE BENEFITS

Leave entitlement		4 893	3 284
Service bonus (Thirteenth cheque)		3 536	3 488
Performance awards		1 565	2 126
Capped leave commitments		1 272	1 162
Other		269	307
Total		11 535	10 367

Leave with negative balances amounting to R289 984.56 were added back to the leave entitlement amount.

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

Included in Other: Due to a revised reporting requirement, Accruals for Compensation of Employees, the comparative amount has been reclassified from accruals to employee benefits.

19 LEASE COMMITMENTS**19.1 Operating leases expenditure**

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	299	299
Later than 1 year and not later than 5 years	-	-	-	103	103
Total lease commitments	-	-	-	402	402

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2015/16	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	414	414
Later than 1 year and not later than 5 years	-	-	-	221	221
Total lease commitments	-	-	-	635	635

Operating leases are for photocopy machines

19.2 Finance leases expenditure

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	1 988	1 988
Later than 1 year and not later than 5 years	-	-	-	4 145	4 145
Total lease commitments	-	-	-	6 133	6 133

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
2015/16	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	2 202	2 202
Later than 1 year and not later than 5 years	-	-	-	6 507	6 507
Total lease commitments	-	-	-	8 709	8 709

The Department of Local Government leased 36 vehicles from GMT as at 31 March 2017 (March 2016: 38).

Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

The implicit interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for the 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 they are sold on auction for the benefit of the lessor.

Other finance leases are cellphones and datacards.

Note	2016/17	2015/16
	R'000	R'000

20 IRREGULAR EXPENDITURE

20.1 Reconciliation of irregular expenditure

Opening balance		63	63
As restated		63	63
Irregular expenditure awaiting condonation		63	63

Analysis of awaiting condonation per age classification			
Prior years		63	63
Total		63	63

The opening balance comprises of two cases
- Non compliance to cost containment measures
- Incorrect service provider captured as the winning supplier

21 FRUITLESS AND WASTEFUL EXPENDITURE

21.1 Reconciliation of fruitless and wasteful expenditure

Opening balance		1	2
As restated		1	2
Fruitless and wasteful expenditure - relating to prior year		4	-
Less: Amounts resolved		(1)	(1)
Less: Amounts transferred to receivables for recovery		(4)	-
Closing balance		-	1

21.2 Analysis of awaiting resolution per economic classification

Current		-	1
Total		-	1

22 RELATED PARTY TRANSACTIONS

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

The Department of Local Government 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; Forensic investigations; Legal Services; Provincial Forensic Services and Corporate Communication

In addition to the above, the Department received services from the Department of the Premier for the audit committee. A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Departments. This relationship is based on an arm's length transaction in terms of tariffs approved by the Department of Local Government. Department of Local Government received Security Advisory Services and Security Operations from the Department of Community Safety in the Western Cape.

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

23 KEY MANAGEMENT PERSONNEL

	No. of Individuals	2016/17	2015/16
		R'000	R'000
Officials:			
Level 15 to 16	1	1 482	2 402
Level 14 (incl CFO if at a lower level)	5	4 337	4 439
Total		5, 819	6, 841

During the previous financial year, the Head of Department was seconded to Department of the Premier. As a result, staff within the Department were appointed in various acting positions.

- Mr G Paulse was appointed as Head of Department
- Ms E Barnard were appointed as acting as Chief Director until August 2016 and appointed in the post with effect from 1 March 2017
- Mr K Haarhoff was appointed as acting Chief Director from September 2016-February 2017

24 NON-ADJUSTING EVENTS AFTER REPORTING DATE

	2016/17
	R'000
Included in transport assets is a vehicle that was involved in an accident after year end (13 April 2017)	112
Total	112

25 MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Machinery and Equipment	21 462	-	12 167	12 324	21 305
Transport assets	5 982	-	9 929	10 081	5 830
Computer equipment	8 767	-	946	2 132	7 581
Furniture and office equipment	3 546	-	100	-	3 646
Other machinery and equipment	3 167	-	1 192	111	4 248
Total Movable Tangible Capital Assets	21 462	-	12 167	12 324	21 305

Included in the disposal amount is R9,771 million for fire trucks donated to municipalities

Included in transport assets is a vehicle that was involved in an accident after year end (13 April 2017) with a cost of R111 502.13

Movable Tangible Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	9	101

Assets not presented for verification during the annual asset verification.
Included in the amount are all loss control cases under investigation.

Additions**25.1 Additions to movable tangible capital assets per asset register for the Year Ended 31 March 2017**

	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	4 634	9 929	(2 396)	-	12 167
Transport assets	2 124	9 929	(2 124)	-	9 929
Computer equipment	946	-	-	-	946
Furniture and office equipment	100	-	-	-	100
Other machinery and equipment	1 464	-	(272)	-	1 192
Total Additions to Movable Tangible Capital Assets	4 634	9 929	(2 396)	-	12 167

An amount of R9,771 million for the purchasing of fire trucks has been included in transport assets, and have been donated to municipalities.

Disposals**25.2 Disposals of Movable Tangible Capital Assets per Asset Register for the Year Ended 31 March 2017**

	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
Machinery and Equipment	1 039	11 285	12 324	61
Transport assets	-	10 081	10 081	-
Computer equipment	971	1 161	2 132	57
Other machinery and equipment	68	43	111	4
Total Disposal of Movable Tangible Capital Assets	1 039	11 285	12 324	61

Included in Non-cash disposal are the fire trucks donated to municipalities.

25.3 Movement for 2015/16

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Machinery and Equipment	19 790	(55)	4 420	2 693	21 462
Transport assets	4 744	-	2 459	1 221	5 982
Computer equipment	9 104	(55)	966	1 248	8 767
Furniture and office equipment	3 657	-	113	224	3 546
Other machinery and equipment	2 285	-	882	-	3 167
Total Movable Tangible Capital Assets	19 790	(55)	4 420	2 693	21 462

25.3.1 Prior period error

	Notes	2016/17 R'000
Nature of prior period error		(55)
Prior year assets written off not removed from Asset register		(55)
Total		(55)

25.4 Minor assets

MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	5 659	-	5 659
Additions	-	-	-	697	-	697
Disposals	-	-	-	413	-	413
Total Minor Assets	-	-	-	5 943	-	5 943

Notes to the Annual Financial Statements
for the year ended 31 March 2017

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	3 369	-	3 369
Total Number of Minor Assets	-	-	-	3 369	-	3 369

Minor Capital Assets under investigation

	Number	Value
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		R'000
Machinery and equipment	7	15
Assets not presented for verification during the annual asset verification. Included in the amount are all loss control cases under investigation.		

Minor assets

MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	4 056	-	4 056
Prior period error	-	-	-	5	-	5
Additions	-	-	-	2 559	-	2 559
Disposals	-	-	-	961	-	961
Total Minor Assets	-	-	-	5 659	-	5 659

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	3 250	-	3 250
Total Number of Minor Assets	-	-	-	3 250	-	3 250

25.4.1 Prior period error

Nature of prior period error	Note	2015/16
		R'000
		5
Assets incorrectly derecognised in prior year		9
Incorrect classification of S42 addition		(4)
Total		5

25.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2017

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	1 137	-	1 137
Total Movable Assets Written off	-	-	-	1 137	-	1 137

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	79	-	79
Total Movable Assets Written off	-	-	-	79	-	79

26 INTANGIBLE CAPITAL ASSETS**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	481	-	17	-	498
Total Intangible Capital Assets	481	-	17	-	498

26.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash	Non-cash	(Development work-in-progress current costs)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Software	17	-	-	-	17
Total Additions to Intangible Capital Assets	17	-	-	-	17

Movement for 2015/16**26.2 Movement in Intangible Capital Assets per Asset Register for the Year ended 31 March 2016**

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	466	-	15	-	481
Total Intangible Capital Assets	466	-	15	-	481

27 PRIOR PERIOD ERRORS

27.1 Correction of prior period errors

	Note	2015/16
		R'000
Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)		
refer to note 25.3.1 - Assets written off and not removed in prior year		(55)
refer to note 25.4.1 - Incorrect classification of assets		5
Net effect		(50)

28 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
CDW Operational cost grant	-	-	-	-	-	-	-	-	
Beaufort West	-	206	-	-	206	206	-	-	618
Bergrivier	-	37	-	-	37	37	-	-	111
Bitou	-	19	-	-	19	19	-	-	57
Breede Valley	-	94	-	-	94	94	-	-	282
Cape Agulhas	-	56	-	-	56	56	-	-	168
Cape Winelands District Municipality	-	75	-	-	75	75	-	-	225
Cederberg	-	170	-	-	170	170	-	-	510
City of Cape Town	-	1 089	-	-	1 089	1 089	-	-	3 267
Drakenstein	-	113	-	-	113	113	-	-	339
George	-	75	-	-	75	75	-	-	225
Kannaland	-	113	-	-	113	113	-	-	339
Knysna	-	57	-	-	57	57	-	-	171
Laingsburg	-	75	-	-	75	75	-	-	225
Matzikama	-	113	-	-	113	113	-	-	339
Mossel Bay	-	56	-	-	56	56	-	-	168
Oudtshoorn	-	56	-	-	56	56	-	-	168
Overberg District Municipality	-	75	-	-	75	75	-	-	225
Overstrand	-	75	-	-	75	75	-	-	225
Prince Albert	-	75	-	-	75	75	-	-	225
Saldanha Bay	-	75	-	-	75	75	-	-	225
Stellenbosch	-	56	-	-	56	56	-	-	168
Swartland	-	37	-	-	37	37	-	-	111
Theewaterskloof	-	113	-	-	113	113	-	-	339
Witzenberg	-	150	-	-	150	150	-	-	450

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Thusong Operational Support Grant									
Beaufort West	-	-	-	-	-	-	-	-	100
Bitou	-	100	-	-	100	100	-	-	100
Breede Valley	-	-	-	-	-	-	-	-	100
Cape Agulhas	-	211	-	-	211	211	-	-	211
City of Cape Town	-	-	-	-	-	-	-	-	-
George	-	-	-	-	-	-	-	-	100
Hessequa	-	-	-	-	-	-	-	-	100
Kannaland	-	212	-	-	212	212	-	-	362
Langeberg	-	-	-	-	-	-	-	-	200
Matzikama	-	100	-	-	100	100	-	-	200
Mossel Bay	-	211	-	-	211	211	-	-	211
Overstrand	-	-	-	-	-	-	-	-	200
Prince Albert	-	-	-	-	-	-	-	-	211
Saldanha Bay	-	-	-	-	-	-	-	-	100
Swartland	-	-	-	-	-	-	-	-	100
Swellendam	-	-	-	-	-	-	-	-	100
Theewaterskloof	-	212	-	-	212	212	-	-	312
Witzenberg	-	-	-	-	-	-	-	-	211
IDP Hands-on support									
Central Karoo District Municipality	-	-	-	-	-	-	-	-	200
Laingsburg	-	-	-	-	-	-	-	-	200

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Matzikama	-	-	-	-	-	-	-	-	200
Prince Albert	-	-	-	-	-	-	-	-	200
Municipal Infrastructure Support Grant	-	-	-	-	-	-	-	-	-
Beaufort West	-	-	-	-	-	-	-	-	550
Bergrivier	-	1 500	-	-	1 500	1 500	-	-	-
Cape Agulhas	-	500	-	-	500	500	-	-	300
Cederberg	-	-	-	-	-	-	-	-	-
George	-	230	-	-	230	230	-	-	500
Hessequa	-	-	-	-	-	-	-	-	300
Kannaland	-	-	-	-	-	-	-	-	890
Laingsburg	-	250	-	-	250	250	-	-	470
Matzikama	-	-	-	-	-	-	-	-	300
Oudtshoorn	-	-	1 900	-	1 900	1 900	-	-	2 470
Prince Albert	-	-	-	-	-	-	-	-	987
Swellendam	-	350	-	-	350	350	-	-	-
Witzenberg	-	-	1 948	152	2 100	2 100	-	-	1 153

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Municipal Performance Management Grant									
Beaufort West	-	60	-	-	60	60	-	-	-
Bergrivier	-	3 410	-	-	3 410	3 410	-	-	200
Bitou	-	760	-	-	760	760	-	-	-
Breede Valley	-	160	-	-	160	160	-	-	-
Cape Agulhas	-	810	-	-	810	810	-	-	-
Cape Winelands Distr Mun	-	60	-	-	60	60	-	-	200
Cederberg	-	3 660	-	-	3 660	3 660	-	-	-
Central Karoo Distr Mun	-	360	-	-	360	360	-	-	-
Drakenstein	-	60	-	-	60	60	-	-	-
Eden Distr Mun	-	60	-	-	60	60	-	-	-
George	-	60	-	-	60	60	-	-	-
Hessequa	-	1 260	-	-	1 260	1 260	-	-	-
Kannaland	-	1 455	-	-	1 455	1 455	-	-	-
Knysna	-	60	-	-	60	60	-	-	-
Laingsburg	-	860	-	-	860	860	-	-	-
Langeberg	-	60	-	-	60	60	-	-	-
Matzikama	-	1 601	-	-	1 601	1 601	-	-	-
Mossel Bay	-	60	-	-	60	60	-	-	-
Oudtshoorn	-	1 460	-	-	1 460	1 460	-	-	-
Overberg Distr Mun	-	460	-	-	460	460	-	-	-
Overstrand	-	60	-	-	60	60	-	-	-
Prince Albert	-	560	-	-	560	560	-	-	-
Saldanha Bay	-	60	-	-	60	60	-	-	-
Stellenbosch	-	60	-	-	60	60	-	-	-

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Swartland	-	60	-	-	60	60	-	-	-
Swellendam	-	510	-	-	510	510	-	-	120
Theewaterskloof	-	260	-	-	260	260	-	-	-
West Coast District Municipality	-	60	-	-	60	60	-	-	-
Witzenberg	-	2 160	-	-	2 160	2 160	-	-	-
Municipal Capacity Building Grant	-	-	-	-	-	-	-	-	-
Beaufort West	-	-	-	-	-	-	-	-	250
Cederberg	-	-	-	-	-	-	-	-	500
Hessequa	-	-	-	-	-	-	-	-	267
Kannaland	-	-	-	-	-	-	-	-	250
Overberg District Municipality	-	-	-	-	-	-	-	-	200
Oudtshoorn	-	-	-	-	-	-	-	-	500
Theewaterskloof	-	-	-	-	-	-	-	-	500
West Coast District Municipality	-	-	-	-	-	-	-	-	180

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Fire Service Capacity Building Grant									
Breede Valley	-	1 500	-	-	1 500	1 500	-	-	-
Central Karoo District Municipality	-	1 300	-	-	1 300	1 300	-	-	500
Hessequa	-	1 200	-	-	1 200	1 200	-	-	-
Knysna	-	1 200	-	-	1 200	1 200	-	-	-
Oudtshoorn	-	1 200	-	-	1 200	1 200	-	-	-
Overberg District Municipality	-	2 200	-	-	2 200	2 200	-	-	-
Overstrand	-	1 200	-	-	1 200	1 200	-	-	-
	-	37 262	3 848	152	41 262	41 262	-	-	18 365

**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID
TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			SPENT			2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
CDW Operational cost grant												
Beaufort West	-	206	-	-	-	206	-	-	206	-	-	234
Bergrivier	-	37	-	-	-	37	-	-	37	16	43,2%	36
Bitou	-	19	-	-	-	19	-	-	19	-	-	18
Breede Valley	-	94	-	-	-	94	-	-	94	81	86,2%	90
Cape Agulhas	-	56	-	-	-	56	-	-	56	33	58,9%	54
Cape Winelands District Municipality	-	75	-	-	-	75	-	-	75	-	-	72
Cederberg	-	170	-	-	-	170	-	-	170	-	-	162
City of Cape Town	-	1 089	-	-	-	1 089	-	-	1 089	-	-	1 080
Drakenstein	-	113	-	-	-	113	-	-	113	-	-	108
George	-	75	-	-	-	75	-	-	75	-	-	90
Kannaland	-	113	-	-	-	113	-	-	113	-	-	108
Knysna	-	57	-	-	-	57	-	-	57	-	-	54
Laingsburg	-	75	-	-	-	75	-	-	75	-	-	72
Matzikama	-	113	-	-	-	113	-	-	113	-	-	144
Mossel Bay	-	56	-	-	-	56	-	-	56	-	-	72
Oudtshoorn	-	56	-	-	-	56	-	-	56	-	-	72
Overberg District Municipality	-	75	-	-	-	75	-	-	75	-	-	72
Overstrand	-	75	-	-	-	75	-	-	75	-	-	72
Prince Albert	-	75	-	-	-	75	-	-	75	-	-	72
Saldanha Bay	-	75	-	-	-	75	-	-	75	12	16,0%	36
Stellenbosch	-	56	-	-	-	56	-	-	56	-	-	54

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			SPENT			2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Swartland	-	37	-	-	-	37	-	-	37	-	-	36
Theewaterskloof	-	113	-	-	-	113	-	-	113	112	99,1%	108
Witzenberg	-	150	-	-	-	150	-	-	150	-	-	144
Thusong Operational Support Grant												
Beaufort West	-	-	-	-	-	-	-	-	-	-	-	100
Bitou	-	100	-	-	-	100	-	-	100	100	100,0%	100
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	100
Cape Agulhas	-	211	-	-	-	211	-	-	211	211	100,0%	211
City of Cape Town	-	-	-	-	-	-	-	-	-	-	-	-
George	-	-	-	-	-	-	-	-	-	-	-	100
Hessequa	-	-	-	-	-	-	-	-	-	-	-	100
Kannaland	-	212	-	-	-	212	-	-	212	212	100,0%	362
Langeberg	-	-	-	-	-	-	-	-	-	-	-	200
Matzikama	-	100	-	-	-	100	-	-	100	100	100,0%	200
Mossel Bay	-	211	-	-	-	211	-	-	211	-	-	211
Overstrand	-	-	-	-	-	-	-	-	-	-	-	200
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	211
Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	100
Swartland	-	-	-	-	-	-	-	-	-	-	-	100
Swellendam	-	-	-	-	-	-	-	-	-	-	-	100
Theewaterskloof	-	212	-	-	-	212	-	-	212	212	100,0%	312
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	211

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			SPENT			2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
IDP Hands-on support												
Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	-	200
Laingsburg	-	-	-	-	-	-	-	-	-	-	-	200
Matzikama	-	-	-	-	-	-	-	-	-	-	-	200
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	200
Municipal Infrastructure Support Grant												
Beaufort West	-	-	-	-	-	-	-	-	-	-	-	550
Bergrivier	-	1 500	-	-	-	1 500	-	-	1 500	-	-	-
Cape Agulhas	-	500	-	-	-	500	-	-	500	-	-	300
Cederberg	-	-	-	-	-	-	-	-	-	-	-	-
George	-	230	-	-	-	230	-	-	230	-	-	500
Hessequa	-	-	-	-	-	-	-	-	-	-	-	300
Kannaland	-	-	-	-	-	-	-	-	-	-	-	890
Laingsburg	-	250	-	-	-	250	-	-	250	-	-	470
Matzikama	-	-	-	-	-	-	-	-	-	-	-	300
Oudtshoorn	-	-	1 900	-	-	1 900	-	-	1 900	-	-	2 470
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	987
Swellendam	-	350	-	-	-	350	-	-	350	-	-	-
Witzenberg	-	-	1 948	152	-	2 100	-	-	2 100	2 100	100,0%	1 153
Municipal Performance Management Grant												
Beaufort West	-	60	-	-	-	60	-	-	60	-	-	-
Bergrivier	-	3 410	-	-	-	3 410	-	-	3 410	-	-	200
Bitou	-	760	-	-	-	760	-	-	760	200	26,3%	-

Annexures to the Annual Financial Statements
for the Year Ended 31 March 2017

PART E

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			SPENT			2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Breede Valley	-	160	-	-	-	160	-	-	160	100	62,5%	-
Cape Agulhas	-	810	-	-	-	810	-	-	810	200	24,7%	-
Cape Winelands District Municipality	-	60	-	-	-	60	-	-	60	15	25,0%	200
Cederberg	-	3 660	-	-	-	3 660	-	-	3 660	-	-	-
Central Karoo District Municipality	-	360	-	-	-	360	-	-	360	-	-	-
Drakenstein	-	60	-	-	-	60	-	-	60	-	-	-
Eden District Municipality	-	60	-	-	-	60	-	-	60	-	-	-
George	-	60	-	-	-	60	-	-	60	-	-	-
Hessequa	-	1 260	-	-	-	1 260	-	-	1 260	192	15,2%	-
Kannaland	-	1 455	-	-	-	1 455	-	-	1 455	745	51,2%	-
Knysna	-	60	-	-	-	60	-	-	60	-	-	-
Laingsburg	-	860	-	-	-	860	-	-	860	-	-	-
Langeberg	-	60	-	-	-	60	-	-	60	-	-	-
Matzikama	-	1 601	-	-	-	1 601	-	-	1 601	120	7,5%	-
Mossel Bay	-	60	-	-	-	60	-	-	60	-	-	-
Oudtshoorn	-	1 460	-	-	-	1 460	-	-	1 460	436	29,9%	-
Overberg District Municipality	-	460	-	-	-	460	-	-	460	8	1,7%	-
Overstrand	-	60	-	-	-	60	-	-	60	-	-	-
Prince Albert	-	560	-	-	-	560	-	-	560	-	-	-
Saldanha Bay	-	60	-	-	-	60	-	-	60	-	-	-
Stellenbosch	-	60	-	-	-	60	-	-	60	-	-	-
Swartland	-	60	-	-	-	60	-	-	60	-	-	-
Swellendam	-	510	-	-	-	510	-	-	510	450	88,2%	120
Theewaterskloof	-	260	-	-	-	260	-	-	260	-	-	-
West Coast District Municipality	-	60	-	-	-	60	-	-	60	-	-	-
Witzenberg	-	2 160	-	-	-	2 160	-	-	2 160	5	0,2%	-

Annexures to the Annual Financial Statements
for the Year Ended 31 March 2017

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			SPENT			2015/16
	DoRA and other transfers	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Municipal Capacity Building Grant												
Beaufort West	-	-	-	-	-	-	-	-	-	-	-	250
Cederberg	-	-	-	-	-	-	-	-	-	-	-	500
Hessequa	-	-	-	-	-	-	-	-	-	-	-	267
Kannaland	-	-	-	-	-	-	-	-	-	-	-	250
Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	200
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	500
Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	500
West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	-	180
Fire Service Capacity Building Grant												
Breede Valley	-	1 500	-	-	-	1 500	-	-	1 500	-	-	-
Central Karoo District Municipality	-	1 300	-	-	-	1 300	-	-	1 300	-	-	500
Hessequa	-	1 200	-	-	-	1 200	-	-	1 200	-	-	-
Knysna	-	1 200	-	-	-	1 200	-	-	1 200	-	-	-
Oudtshoorn	-	1 200	-	-	-	1 200	-	-	1 200	-	-	-
Overberg District Municipality	-	2 200	-	-	-	2 200	-	-	2 200	-	-	-
Overstrand	-	1 200	-	-	-	1 200	-	-	1 200	-	-	-
Total	-	37 262	3 848	152	-	41 262	-	-	41 262	5 660	13,7%	18 365

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/Agency/Account	TRANSFER ALLOCATION				TRANSFER		2015/16
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
NSRI (National Sea Rescue Institute)	1 007	-	-	1 007	1 007	100%	400
SABC	2	-	-	2	2	100%	1
CapeNature	-	-	-	-	-		350
South African Local Government Association (SALGA)	30	-	-	30	30	100%	-
Total	1 039	-	-	1 039	1 039	100%	751

ANNEXURE 1C**STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

Institution Name	TRANSFER ALLOCATION				TRANSFER			2015/16
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Stellenbosch University	-	-	-	-	-	-	-	250
Total	-	-	-	-	-	-	-	250

ANNEXURE 1D

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-Profit Institutions	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
NGO's: Thusong centre management	242	-	-	242	242	100%	230
Lifesaving SA	422	-	-	422	422	100%	400
Disaster Management Institution of South Africa (DMISA)	80	-	-	80	80	100%	80
Lifesaving WC	-	-	242	242	242	100%	-
Total	744	-	242	986	986	100%	710

ANNEXURE 1E**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

Households	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuities	77	-	64	141	141	100%	679
Injury on duty	7	-	-	7	7	100%	15
Arbitration award	-	-	512	512	512	100%	-
Total	84	-	576	660	660	100%	694

ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

Nature of Gift, Donation or Sponsorship	2016/17	2015/16
	R'000	R'000
Made in kind		
Donation of redundant furniture to educational institutions:	-	-
Happy Valley Primary	-	95
Macassar High	-	77
Vuselela Primary	-	84
Brooklands Primary	-	23
Injongo Primary	-	77
WCED Overberg District Office	-	31
Intshayelelo Primary	-	33
Donation of fire trucks	-	-
Matzikama Municipality	977	-
Cedarberg Municipality	977	-
Bergriver Municipality	977	-
Witzenberg Municipality	977	-
Prince Albert Municipality	977	-
Laingsburg Municipality	977	-
Beaufort West Municipality	977	-
Kannaland Municipality	977	-
Hessequa Municipality	977	-
Overberg Municipality	978	-
TOTAL	9 771	420

ANNEXURE 2

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17*	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	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
Departments								
WC: Health	-	13	-	-	-	13	-	-
WC: Transport and Public Works	-	92	-	-	-	92	-	-
WC: Agriculture	400	-	-	-	400	-	-	-
	400	105	-	-	400	105	-	-
Other Government Entities								
WC: Government Motor Transport	229	46	-	-	229	46	-	-
	229	46	-	-	229	46	-	-
Total	629	151	-	-	629	151	-	-

The amount owed by Government Motor Transport is relating to the balance of the payment made to them for the purchasing of fire trucks.

ANNEXURE 3

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17*	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		
Departments								
Current								
WC: Premier	34	-	-	-	34	-	-	-
National: Justice and Constitutional Development	2	-	246	-	248	-	-	-
Total Departments	36	-	246	-	282	-		
Other Government Entity								
Current								
WC: Government Motor Transport	9	-	-	-	9	-	-	-
Total Other Government Entities	9	-	-	-	9	-		
Total Intergovernmental	45	-	246	-	291	-		

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